

Business Item

Transportation Committee



Committee Meeting Date: November 14, 2022

For the Metropolitan Council: November 30, 2022

Business Item: 2022-313

2022 and 2023 Orange Line Operating Grant Agreements with the Funding Transitway Counties

District(s), Member(s): All
Policy/Legal Reference: Metropolitan Council FM 15-1
Staff Prepared/Presented: Wes Kooistra, General Manager, 612-349-7510
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Division/Department: Metro Transit

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to apply for operating grant agreements, and negotiate and execute final operating grant agreements for calendar years 2022 and 2023 from the Funding Transitway Counties of Hennepin and Dakota Counties for the METRO Orange Line.

Operating (Base and Non-Annual Share)

2022 Operating Grants

METRO Orange Line BRT \$2,355,144

- Hennepin County – not to exceed \$2,025,424
- Dakota County – not to exceed \$329,720

2023 Operating Grants

METRO Orange Line BRT \$2,468,907

- Hennepin County – not to exceed \$2,123,260
- Dakota County – not to exceed \$345,647

Background

CTIB was created in 2008 by enabling state legislation and the concurrence of five counties in the region (Anoka, Dakota, Hennepin, Ramsey, and Washington). Its purpose was to provide a dedicated source for capital and operating funds for transitway projects serving the five participating counties. CTIB first awarded grants in 2009.

Under CTIB Resolution #35-2017, the CTIB counties voluntarily dissolved CTIB and terminated the Joint Powers Agreement establishing CTIB so each participating county may impose a transportation sales tax and an excise tax of \$20.00 per motor vehicle for transportation purposes

pursuant to Minnesota Statutes section 297A.993.

Subsequent to the CTIB dissolution, the counties of Anoka, Dakota, Hennepin, Ramsey and Washington adopted resolutions to impose up to a one-half percent sales and use tax and a \$20.00 per motor vehicle excise tax for transportation purposes pursuant to Minnesota Statutes section 297A.993.

Council Policy FM 15-1 requires Council approval on income agreements exceeding \$500,000.

All county operating grants are subject to standard conditions including narrative and financial reports.

Rationale

County grant funds will contribute to the 2022 and 2023 operating budgets for METRO Orange Line operations. County operating grant funds will provide up to 50% of the net cost of transitway operations for the calendar years 2022 and 2023.

Thrive Lens Analysis

Prosperity

- This business item adds operating funding and reflects strategic investment in regional infrastructure that will promote economic competitiveness and create prosperity for the region.

Stewardship

- Operating projects fall within the parameters of the Counties Master Funding Agreement and demonstrate efficient and effective management of public financial resources of both the Council and Counties.

Funding

The County Funding is included as part of the 2022 Council Adopted Metro Transit Bus Operations operating budget and is included in the 2023 proposed operating budget to be adopted by the Council on December 14, 2022.

Small Business Inclusion

These are income subsidy agreements for METRO Orange Line Operations.

