

Business Item

Transportation Committee



Committee Meeting Date: October 9, 2023

For the Metropolitan Council: October 25, 2023

Business Item: 2023-242

Signature Authority for Demand Response Transit Service Grants.

District(s), Member(s):	1 – Judy Johnson, 3 – Tyrone Carter, 4 – Deb Barber, 12 – Susan Vento, 15 – Tenzin Dolkar, 16 – Wendy Wulff
Policy/Legal Reference:	Minn. Laws 2023, Regular Session, Chapter 68, Article 4, Section 118, FM 15-2 Grant/Loan Approval Policy, FM 14-2 Expenditures for the Procurement of Goods and Services Policy,
Staff Prepared/Presented:	Heather Giesel, Director Finance & Administration, CD/MTS (651) 602-1715); Nicole Clapp, Acting Grants Manager, CD/MTS (651-602-1723)
Division/Department:	Transportation / Metropolitan Transportation Services (MTS)

Proposed Action

That the Metropolitan Council authorizes the Regional Administrator to execute grant agreements with Minnesota Valley Transit Authority (MVTA) and SouthWest Transit (SWT) for Demand Response Transit Service projects consisting of vehicle costs, infrastructure, and other capital costs.

Background

Minnesota Laws 2023, Regular Session, Chapter 68, Article 3, Section 29 and 34, required the Council to impose a metropolitan-area regional transportation sales and use tax and specified the purposes for which the “sales tax revenue” must be used. This appropriation law, section 29 will be codified at Minnesota Statutes, Section 297A.9915, and section 34 will be codified at Minnesota Statutes, Section 473.4465.

Minnesota Laws 2023, Regular Session, Chapter 68, Article 4, Section 118, requires the Council to provide from the “sales tax revenue” financial assistance in the form of grants in fiscal year 2024 to replacement service providers under Minnesota Statutes, Section 473.388, for improvements related to demand response transit service and establishes the grant amounts and purpose for which the grant funds must be used. Demand response transit service means a non-fixed route system serving the general public that requires advanced or on-demand scheduling by the customers. The grant agreements also require compliance with regional fare policy established by Council in accordance with state law and to help ensure an integrated regional transit system.

The amounts are \$2,300,000 to MVTA for vehicle costs, \$3,500,000 to MVTA for infrastructure and other capital costs, and \$3,000,000 to SWT for vehicle costs, infrastructure, and other capital costs. The law also requires a grant of \$200,000 to Maple Grove for vehicle costs; this grant does not require Council approval based on its value.

Rationale

The requested action will allow the Regional Administrator to execute the grant agreements and any necessary amendments to grant agreements with Minnesota Valley Transit Authority and

SouthWest Transit. The Metropolitan Council may award grant funds to meet specific public purpose needs. Council action is required for the Regional Administrator to execute agreements or amendments over \$500,000.

Thrive Lens Analysis

These projects promote stewardship, equity, sustainability, and livability by furthering access to transit.

Funding

Funding for these grants is metropolitan-area regional transportation sales and use tax. These funds have been recognized in the Council's Authorized Capital Program.

Small Business Inclusion

N/A

