

Business Item

Transportation Committee



Committee Meeting Date: April 8, 2024

For the Metropolitan Council: April 10, 2024

Business Item: 2024-99 SW

Authorize Grant Agreements with SouthWest Transit and Minnesota Valley Transit Authority

District(s), Member(s): 3 – Tyronne Carter, 4 – Deb Barber, 12 – Susan Vento, 15 – Tenzin Dolkar, 16 – Wendy Wulff

Policy/Legal Reference: FM 15-2 Grant/Loan Approval Policy, FM 14-2 Expenditures for the Procurement of Goods and Services Policy, Minn. Stat. 473.388

Staff Prepared/Presented: Heather Giesel, Director Finance & Administration, MTS (651-602-1715)

Division/Department: Transportation / Metropolitan Transportation Services (MTS)

Proposed Action

That the Metropolitan Council authorizes the Regional Administrator to execute grant agreements with Replacement Service Providers (Suburban Transit Providers) as follows:

- To SouthWest Transit for capital assistance for battery-electric vehicle purchases and deployment in the amount of \$2,001,604.
- To Minnesota Valley Transit Authority (MVTA) for assistance on Phases II and III of the Burnsville Bus Garage Modernization Project in the amounts of \$3,500,000 and \$4,960,000, respectively.
- To MVTA for the projects identified in Table 1.

Table 1

Project Description	Grant Amount	Funding Source	ACP Project #
Technology Hardware and Software	\$612,615	Motor Vehicle Sales Tax	36288
Burnsville Bus Garage Modernization Phase 2 (Overmatch)	\$2,000,000	Transportation Sales Tax	36274
Customer Facility Projects (Burnsville and Eagan Transit Stations)	\$988,600	Transportation Sales Tax	36296
Support Facility Projects (Eagan and Burnsville Bus Garages)	\$1,167,500	Transportation Sales Tax	36297

Background

The Council provides financial assistance to Replacement Service Providers (Suburban Transit Providers) for transit improvements and manages federal funding for providers through subrecipient grant agreements. Grant agreements proposed through this business item would

enable capital projects that advance fleet electrification, modernize garage facilities, and complete customer and support facility projects advanced by transit providers in the region.

SouthWest Transit was awarded a 2022 Low or No Emission Program (49 U.S.C. 5339(c)) grant to purchase and deploy battery-electric buses, install charging infrastructure, acquire maintenance tools and train drivers and mechanics on battery-electric vehicles.

The Transportation Advisory Board awarded a Congestion Mitigation and Air Quality Program (49 U.S.C. 5307) grant to MVTA through the 2020 regional solicitation on February 17, 2021 for the Burnsville Bus Garage Modernization (Phase II) project.

Additionally, MVTA was awarded a 2021 Competitive Bus and Bus Facilities Program (49 U.S.C. 5339(b)) grant for the Burnsville Bus Garage Modernization (Phase III) project.

For the projects identified in Table 1, MVTA has requested to use their available undesignated funding held in the Council's Authorized Capital Budget to complete these projects. These funds are available to MVTA to use at their discretion for eligible public transportation projects.

Rationale

Council action is required for the Regional Administrator to execute agreements over \$500,000. The requested action will allow the Regional Administrator to execute grant agreements with Replacement Service Providers. The Metropolitan Council may award grant funds to meet specific public purpose needs.

Thrive Lens Analysis

These projects promote stewardship, equity, sustainability, and livability by improving transit fleet and infrastructure in the region.

Funding

Funding for the SouthWest Transit grant is provided as part of the Low or No Emission Grant Program (49 U.S.C. 5339(c)). Funding is provided for capital costs and requires a local match, which the Council is providing in part with Metro Area Transportation Sales and Use Tax. The remaining match requirement will be provided by SouthWest Transit. The project is eligible for state general fund match to discretionary federal funding awards; these funds would replace sales tax funds in a future capital budget amendment. The project is included in the Council's Authorized Capital Program as project 36284.

Phase II of the MVTA Burnsville Bus Garage project is funded as part of the Congestion Mitigation Air Quality Program (49 U.S.C. 5307). Funding is provided for capital costs at an 80-percent federal share and 20-percent local share, which is being provided by the Council with Regional Transit Capital. The project is included in the Council's Authorized Capital Program as project 36236.

Phase III of the project is funded as part of the competitive Bus and Bus Facilities (49 U.S.C. 5339(b)) program. Funding is provided for capital costs at an 80-percent federal share and 20-percent local share, which MVTA is responsible for providing. The project is included in the Council's Authorized Capital Program as project 36286.

Funding for the MVTA project grants in Table 1 is Motor Vehicle Sales Tax (MVST) and Metro Area Transportation Sales and Use Tax in lieu of MVTA federal formula earnings. MVTA has available undesignated funds in the Council's Authorized Capital Program under the projects identified in Table 1.

Small Business Inclusion

MVTA and SouthWest Transit are independent transit agencies. Non-federal pass-through grant funding shall be spent by MVTA and Southwest Transit according to their adopted procurement policies. Federally funded projects will follow the Council's established procedures for small business inclusion, including review of all subcontracts exceeding \$50,000 and assignment of DBE goals where relevant and/or required.

