

Business Item

Transportation Committee



Committee Meeting Date: May 13, 2024

For the Metropolitan Council: May 22, 2024

Business Item: 2024-123

Authorization to Apply for Section 5311 Formula Grants for Rural Areas Funding - Resolution 2024-6

District(s), Member(s): All

Policy/Legal Reference: Policy FM15-1 INCOME/GRANTS

Staff Prepared/Presented: Charles Carlson, Executive Director MTS (651) 602-1761
Gerri Sutton, Director Contracted Transit Services (651) 602-1672
John Harper, Manager Contracted Transit Services (651) 602-1744
Sheila Williams, Senior Project Administrator (651) 602-1709

Division/Department: Metropolitan Transportation Services (MTS)

Proposed Action

That the Metropolitan Council approve resolution 2024-6 authorizing the Regional Administrator to apply for Section 5311 Formula Grants for Rural Areas funding for the 2024 funding cycle from the Minnesota Department of Transportation to support Transit Link dial-a-ride services for the 2025 calendar year.

Background

The Federal Transit Administration (FTA) apportions funds annually to the chief executive officer of each state for public transportation projects in rural areas. MnDOT is the designated recipient for Minnesota and administers funds apportioned to the state. The apportionment is based on both population and land area within the rural portions of the state including areas within the Council's jurisdiction; 80 percent of the apportionment is based on population and 20 percent on land area. The 2020 census has been applied to the FTA apportionments so current allocations reflect 2020 census values. Based on that census data, the seven county metro area accounts for approximately 12.5% of the state's rural area population and 2.3% of the state's rural geographic area.

Transit agencies throughout the state apply to MnDOT for grants that may be used to reimburse both capital projects and transit operations in rural parts of the state. A portion of Transit Link service operates in the rural area of the region making those trips eligible for this program. Up to fifty percent of expenses for trips provided in the rural parts of the region may be reimbursed by 5311 grant funds.

MnDOT currently awards funds on a one-year cycle and the application for 2025 funding is due to MnDOT midyear, with the award finalized in the third quarter. The Council anticipates receiving approximately \$1.3M in 2025.

Rationale

The Metropolitan Council may enter into agreements with other governments and organizations that provide income/grants to the Council which are consistent with the Council's mission and priorities. Policy FM15-1 requires Council approval for grants exceeding \$500,000.

Thrive Lens Analysis

This item supports Livability by increasing mobility opportunities for residents of the non-urban portion of our region who do not have access to regular route service. Also, Stewardship of financial resources is furthered by coordination of activities with MnDOT. Finally, this action helps balance investments across the region, which furthers Prosperity.

Funding

MTS will include up to \$1M in Section 5311 Formula Grants for Rural Areas funds in its proposed 2025 operating budget. The budget will be adjusted to reflect the actual Section 5311 funding award when that value is determined.

Small Business Inclusion

The purpose of the proposed action is to receive FTA grant funds that will be applied to Transit Link service delivered through existing operating agreements. There is no contracting or subcontracting associated with the proposed action. Therefore, there are no Small Business Inclusion implications.



METROPOLITAN COUNCIL

390 Robert Street North, Saint Paul, Minnesota 55101-1634
Phone (651) 602-100 • TDD (651) 291-0904 • FAX (651) 602-1550 • Metro Info (651) 602-1888

RESOLUTION NO. 2024-6

RESOLUTION AUTHORIZING THE METROPOLITAN COUNCIL TO APPLY FOR SECTION 5311 FORMULA GRANT FOR RURAL AREAS FUNDING FROM THE MINNESOTA DEPARTMENT OF TRANSPORTATION (MnDOT)

NOW, THEREFORE, BE IT RESOLVED:

1. That the Council enter into an Agreement with the State of Minnesota to receive a Section 5311 Formula Grants for Rural Areas to provide public transportation service in the Twin Cities Metropolitan Area.
2. That the Council agrees to provide a local share of 20% of net capital costs and 50% of net operating costs.
3. That the Council authorizes the Regional Administrator to execute the aforementioned Agreement and any amendments thereto.

Adopted this 22nd day of May 2024.

Charles A. Zelle, Chair

Recording Secretary