

Minutes of the REGULAR MEETING OF THE TAC FUNDING & PROGRAMMING COMMITTEE

Thursday, September 16, 2021

Committee Members Present: Michael Thompson (Chair, Plymouth), Jerry Auge (Anoka County), Angie Stenson (Carver County), Jenna Fabish (Dakota County), Jason Pieper (Hennepin County), John Mazzitello (Ramsey County), Craig Jenson (Scott County), Sara Allen (Washington County), Elaine Koutsoukos (TAB), Steve Peterson (Metropolitan Council), Anna Flintoft (Metro Transit), Molly McCartney (MnDOT Metro District), Colleen Brown (MnDOT Metro District State Aid), Innocent Eyoh (MPCA), Mackenzie Turner Barger (MnDOT Bike & Ped), Nancy Spooner-Mueller (DNR), Aaron Bartling (MVTA), Karl Keel (Bloomington), Paul Oehme (Lakeville), Robert Ellis (Eden Prairie), Ken Ashfeld (Maple Grove), Nathan Koster (Minneapolis), Ann Weber (St. Paul)

Committee Members Absent: Jim Kosluchar (Fridley)

I. CALL TO ORDER

A quorum being present, Chair Thompson called the regular meeting of the Funding & Programming Committee to order at 1:33 p.m. on Thursday, September 16, 2021. Due to the COVID-19 pandemic, the meeting was held via teleconference.

II. APPROVAL OF AGENDA

The agenda was approved without a vote. A vote is only needed if changes are made to the agenda.

III. APPROVAL OF MINUTES

MOTION: It was moved by Koutsoukos and seconded by Auge to approve the minutes of the August 19, 2021, regular meeting of the Funding & Programming Committee. The motion was approved unanimously (with abstentions) via roll call.

IV. TAB REPORT

Koutsoukos reported on the September 15, 2021, TAB meeting.

V. BUSINESS

1. 2021-07: Federal Funds Redistribution Amount for Metro Transit's I-94/Manning Park-and-Ride Lot

Peterson said that Metro Transit requests retention of \$2,775,641 in federal funds from a 2013 CMAQ award in the 2009 Regional Solicitation for the purchase of four buses used for express service in the I-94 East corridor and park-and-ride development expenses. This would result in the return of the remaining \$4,504,359 in federal funds for redistribution. The award was for express service, purchase of buses, and construction of a 550-space park & ride facility near Manning Avenue and I-94 in Woodbury. MnDOT purchased a different number and size of buses for use in the I-94 corridor. Roughly \$500,000 was spent on park-and-ride development. FTA has requested that TAB certify the expenditures to date.

Peterson said that possible outcomes include:

1. Allow Metro Transit to retain the \$2,775,641 already spent on the project, leaving \$4,504,359 to be returned to the region for redistribution. This could also include retention of a lesser amount:
 - a) Retain \$2,235,600 spent on buses, which would result in a return of \$5,044,400.

- b) Retain \$540,041 spent on park-and-ride development expenses, which would result in a return of \$6,739,959.
2. Require that the entire \$7,280,000 be returned to the region for redistribution.

Flintoft said that the park-and-ride lot became less needed, particularly after the Covid-19 pandemic started. In 2009, park-and-ride lot usage was increasing, but demand has since flattened and the current supply of lots is adequate. Harrington and Allen added that Washington County is supportive of the request.

Mazzitello said that the money that comes back should be used for transit.

Keel said that he supports Option 1a, allowing keeping the funding spent on buses but not funding spent on park-and-ride development for a lot that was never built. Oehme expressed agreement. Flintoft said that FTA has told them that retention of the funding spent on development is allowable. She added that FTA is most interested in TAB approval about the buses, but Metro Transit shared all expenses in an effort to be comprehensive. Brown said that for highway projects, funds are returned when projects are not completed.

Ashfeld expressed agreement with Keel, stating that his agency has lost money preparing for projects that did not come to fruition. Ashfeld asked where the funding is now, to which Julie Matthews, Metro Transit, said that the funding is on Metro Transit's books. She added that she confirmed with FTA that it is permissible to not return the funds. Keel said that federal rules allow soft cost, but the Regional Solicitation does not.

Mazzitello asked whether it is appropriate for Metro Transit to lose the funding when the change in terminus was not in its control. Thompson replied that regardless of why a project is not delivered, project funds are returned.

Bartling asked why the number and size of the buses changed, to which Peterson said that prior to the change being reflected in the TIP, there probably should have been a scope change but there is not good information on this process and staff is not certain what occurred.

MOTION: It was moved by Keel and seconded by Ashfeld to recommend that Metro Transit retain \$2,235,600 that it spent on buses and return \$5,044,400. The motion was approved unanimously (with one abstention) via roll call.

VI. INFORMATION

1. Allocation of 20M of CRRSAA Federal Funds

McCartney provided an overview of the distribution of funds from the Coronavirus Response and Relief Supplemental Appropriation Act (CRRSAA). The MPO is allocated \$20M of Minnesota's \$162M share of the funding. The funding is available through September 2024.

Peterson said that the committee should provide additional pros and cons for each of three options. The options are: 1) distributing funds to cities and counties based on State Aid funding losses due to the pandemic, 2) provide funding to unfunded applications from the 2020 Regional Solicitation, possibly using the established modal midpoints, and 3) providing funds to projects able to absorb more funding due to having a local match greater than 20%.

Ashfeld asked why the region only received \$20M out of the state's \$162M. Peterson said that \$20M was called out in federal guidance. McCartney said that the \$162M was allocated

to the state and that MPOs that are transportation management areas are to receive an amount that is commensurate with what they would usually receive.

Keel asked whether for Option 1 the money would go into municipal accounts or be held by State Aid, to which Dan Erickson, MnDOT Metro District State Aid, said that while he is not certain, in Greater Minnesota, State Aid works with agencies to determine whether a proposed expenditure is eligible. Keel asked whether smaller cities would have a difficult time spending the money. Erickson said that this would not be a problem.

Keel suggested that a pro for Option 1 is that regional distribution is build in. Pieper added that MnDOT is also projecting a reduced state aid amount for 2022. Keel asked whether funds could be used as local match, to which Erickson said that it is federal money, so it can supplement the project, but cannot replace the minimal local match.

Peterson said that Option 1 will lead to questions about not serving non-roadway modes but that local agencies tend to spend this money on bicycle and pedestrian efforts. Additionally, other similar bills have supported transit.

Ellis said that Options 2 and 3 do not meet the intent of CRRSAA, as they do not offer immediate relief. Thompson suggested that this could be listed as a con for those options.

Stenson said that Option 1 is the best option for equitable distribution across the region and that she does not like the staff-provided con that it does not necessarily address regional goals. Peterson said that this could be removed, as the second bullet, "Council/TAB would not know what funds will be spent on" addresses that. Thompson suggested that that bullet could be re-worded to state that the Council does not control how funds are spent.

Erickson suggested that a pro for Option 1 could be that it respects MnDOT's desire for projects to be closed quickly.

VII. OTHER BUSINESS

Barbeau said that a poll of members to see whether rescheduling the October 21 meeting was needed due to MEA weekend resulted in very few members being impacted, and that rescheduling the meeting is therefore not warranted.

VIII. ADJOURNMENT

Chair Thompson adjourned the meeting.

Joe Barbeau
Recording Secretary