

**T** Transportation Committee  
Metropolitan Council meeting of February 9, 2011

**Date** February 2, 2011  
**Prepared:**  
**Subject:** Transportation Management Organizations (TMOs) Sub grant Agreement Amendments

**Proposed Action:**

To authorize the Regional Administrator to execute amendments to four sub grant agreements with the regional Transportation Management Organizations (TMOs) for the pass through of federal Congestion Mitigation Air Quality (CMAQ) funds for the period of April 1, 2011 – December 31, 2011 in an amount not to exceed \$809,297.

**Summary of Committee Discussion / Questions:**

Bruce Howard, Director of Marketing at Metro Transit presented this item. Mr. Howard explained that the Metropolitan Council passes through CMAQ funds to four regional Transportation Management Organization (TMOs) for the purpose of transportation demand management education and outreach.

Mr. Howard explained that in the past few years, the annual CMAQ funds are being received later and later in the calendar year, creating some cash flow problems with passing through CMAQ funds to the TMOs. The amendments would extend the current sub grant agreements set to end in March until the end of 2011 at current service levels, so Council staff could analyze how best to structure the next two-year sub grant agreements with the TMOs.

Council member Steffen asked whether or not the Anoka TMO was eligible to receive more CMAQ funding because she recalled a recent report that seems to indicate the Council was not funding TMOs anymore. MTS Director Arlene McCarthy explained that was not the case and the report she was thinking of was an evaluation of TDM in the region. However, the Council is continuing to fund regional TMOs.

The item was approved unanimously with no further discussion.

**T** Transportation Committee  
**Meeting date: January 31, 2011**  
**Metropolitan Council Meeting: February 9, 2011**

<b>ADVISORY INFORMATION</b>	
<b>Date:</b>	January 11, 2011
<b>Subject:</b>	Transportation Management Organizations (TMOs) Sub grant Agreement Amendments
<b>District(s), Member(s):</b>	All
<b>Policy/Legal Reference:</b>	Transportation Policy Plan policies 3d and 3f
<b>Staff Prepared/Presented:</b>	Brian Lamb, General Manager, 612-349-7510 Bruce Howard, Director of Marketing, 612-349-7694
<b>Division/Department:</b>	Metro Transit/Marketing

**Proposed Action**

To authorize the Regional Administrator to execute amendments to four sub grant agreements with the regional Transportation Management Organizations (TMOs) for the pass through of federal Congestion Mitigation Air Quality (CMAQ) funds for the period of April 1, 2011 – December 31, 2011 in an amount not to exceed \$809,297.

**Background**

- The current two-year sub grant agreements with the TMOs expire March 31, 2011.
- The Metropolitan Council is the authorized recipient of federal CMAQ funds to be used for Transportation Demand Management (TDM) activities. Metropolitan Council policies and the Transportation Advisory Board (TAB) direct that a portion of these funds be allocated to support the operations of the four TMOs in the region.
- The TMOs receive reimbursement of up to 80% for most allowable operating expenses while supplying 20% local match. A few expenses are 100% reimbursable through CMAQ.

**Rationale**

The amendments will extend the term of the current TMO sub grant agreements nine months to the end of 2011. This will allow for the new sub grant agreements to be administered on a calendar year basis starting in 2012 and better align them with the receipt of federal CMAQ dollars going forward.

The federal CMAQ grant supports TDM programs and strategies aimed at reducing single occupant vehicle miles traveled in the region for the purpose of reducing congestion and air pollution. Activities include carpool and vanpool ridematching, employer education and outreach, transit marketing, incentive programs, biking and pedestrian activities and demonstrations of transportation alternatives. TDM will be even more critical in the years ahead as the region tries to accommodate growing travel demand with little planned highway expansion.

The TMOs represent a local level of involvement and coordination with the Metropolitan Council and Metro Transit’s marketing and outreach efforts. TMOs have been promoting regional programs such as ridematching, VanGo, Metropass, Transitworks, U-Pass, Go-To College Pass and others for the past 17 years, as well as local initiatives tailored to their service area.

## **Funding**

The amendments will extend the term of the sub grant agreements nine months and will increase the total dollar value of each TMO sub grant agreement as follows:

Amendment Amount	
Downtown Minneapolis TMO	\$264,148
I-494 Corridor Commission	\$214,500
Anoka County TMO	\$126,000
St. Paul Smart Trips	<u>\$204,649</u>
Total	\$809,297

These amendments will allow the four TMOs to continue to provide the current levels of service through the end of calendar year 2011. The amendments will increase the total CMAQ dollars passed through to the TMOs from April 1, 2009 to December 31, 2011 to \$3,275,459.

## **Known Support / Opposition**

The Transportation Advisory Board (TAB) has approved up to \$7 million in 2011 and 2012 federal CMAQ funds be available for TDM activities in the region.