

T Transportation Committee

Meeting date: August 22, 2011

Metropolitan Council Meeting: September 14, 2011

ADVISORY INFORMATION

Date:	August 17, 2011
Subject:	Authorization to Amend Supplemental Funding Grant Agreement with Minnesota Valley Transit Authority
District(s), Member(s):	4 - Gary Van Eyll, 15 - Steven T. Chavez, 16 - Wendy Wulff
Policy/Legal Reference:	2011 Operating Budget
Staff Prepared/Presented:	Arlene McCarthy, MTS Director (651-602-1754) Amy Vennewitz, Deputy Director (651-602-1058) Sean Pfeiffer, Financial Analyst (651-602-1887)
Division/Department:	Transportation - Metropolitan Transportation Services

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to amend Supplemental Transit Operating Funding grant agreement (SG-2011-001) with Minnesota Valley Transit Authority (MVTA) to increase the grant amount by \$729,000 for a revised total of \$2,679,000.

Background

The 2011 Legislative Special Session resulted in a \$51.7M one-time State General Fund (GF) appropriation reduction for transit operations for the 2012-2013 biennium. Business Item 2011-205, 2011 Operating Budget Amendment, incorporates the GF reduction and applies a number of budget solutions to reduce the impact of this reduction for the period of July 1, 2011 to December 31, 2011. As part of incorporating these budget changes, Council staff applied the adopted Regional Transit Operating Revenue Allocation procedure and re-calculated the amount, if any, of Regionally Allocated MVST required by Suburban Transit Providers in CY2011 to preserve existing service levels. The results of this calculation indicate that MVTA will require \$2,679,000 in CY 2011 to preserve existing service levels and maintain a 25% fund balance. This requires a \$729,000 increase to the existing supplemental funding grant agreement with MVTA.

Rationale

The region's projected transit operating revenues currently allow only for preservation of existing transit service levels. This contract amendment authorizing increased regionally allocated MVST funding is necessary for MVTA to preserve their existing service in CY2011 and maintain a 25% minimum fund balance.

Funding

The funding for these grants will be Regionally Allocated MVST funding. The necessary amount is included in MTS's amended 2011 Operating Budget.

Known Support / Opposition

MVTA supports receiving these funds.