

T Transportation Committee

Business Item

Item: 2008-278

Meeting date: October 13, 2008

Council meeting October 22, 2008

ADVISORY INFORMATION

Date:	October 3, 2008
Subject:	Transit Provider Assistance Agreements for Calendar Year 2009
District(s), Member(s)	All
Policy/Legal Reference:	Minnesota Statute 473.384, Financial Assistance to Transit Service
Staff Prepared/Presented:	Arlene McCarthy, Director MTS (651) 602-1754 Gerri Sutton, Ass't Dir. Contracted Transit Services (651) 602-1672 John Harper, Sup'v Contracted Transit Services (651) 602-1744
Division/Department:	Metropolitan Transportation Services

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to negotiate and execute transit assistance agreements with transit service providers, not to exceed the amounts listed in Attachment A. The agreements shall be effective for the period January 1, 2009 through December 31, 2009.

Background

The Council is authorized by legislation to enter into and administer financial assistance agreements with transit providers in the metropolitan region. These providers include community-based dial-a-ride systems that are funded under the categories of Small Urban, Rural and Contracted Services. This request for authorization covers those general public programs operating on a year-to-year cycle and are directly subsidized by the Council in part or in whole. Each program submits a management and service plan for the upcoming year, as required by law, and actively certifies their compliance with all Council policies and State and Federal laws and regulations that may apply.

Attached to this memorandum is the funding request for each of the six Small Urban and six Rural programs that are being recommended for funding. Each of the established programs represents a dial-a-ride transit system that began on a local initiative, is locally managed, and has a significant local financial contribution to its operation. Two additional programs, the Anoka County Traveler Regular Route and Osseo Circulator, are funded on an annual basis and are included in this authorization request.

Two programs, Edina Dial-a-Ride and Senior Transportation Program, currently receive funding through the Rural/Small Urban fund, but are not included in the 2009 request although service continues in these service areas. Due to a restructured arrangement, the Council now holds a multi-year contract directly with the service provider and receives partial subsidy reimbursement from the two programs. As a result, the revenues and expenditures for these programs is shown in the contracted services budget.

The annual transit provider contracts requested with this Council authorization total \$4,131,005 in calendar year 2009. Of this amount, operating subsidy agreements with community-based systems total \$3,071,316, representing a decrease of 4% from 2008, and Regular Route service contracts total \$1,059,689, an 11% decrease from 2008 for the same programs.

Rationale

Funding for community-based transit providers (Rural and Small Urban) is provided under the Performance Based Funding (PBF) program, which calls for a reasonable per-passenger subsidy level. This subsidy is

determined annually to provide equitable subsidies for comparable services among the various providers. Subsidy amounts illustrated on the following pages are in compliance with this mandate.

Funding

Funding for these proposed 2009 transit service contracts is included in the approved preliminary 2009 Metropolitan Council Unified Operating Budget.

Known Support/Opposition/Issue(s)

There is no known opposition to this request.

2009 Performance Based Funding (PBF) Subsidy Agreements
OPERATING ASSISTANCE

	2008	2009	\$ Change	% Change
<u>Small Urban</u>				
City of Edina	\$25,604	\$0	\$ (25,604)	-100.0%
City of Hastings	\$250,841	\$250,841	\$ -	0.0%
City of Hopkins	\$101,522	\$101,522	\$ -	0.0%
* Lake Area Bus	\$280,017	\$280,017	\$ -	0.0%
* Northeast Suburban Transit	\$177,000	\$177,000	\$ -	0.0%
** PRISM	\$187,040	\$187,040	\$ -	0.0%
St. Louis Park Emergency Program	\$18,404	\$15,071	\$ (3,333)	-18.1%
<u>Subtotal</u>	<u>\$1,040,428</u>	<u>\$1,011,492</u>	<u>\$ (28,936)</u>	<u>-2.8%</u>
<u>Rural</u>				
Anoka County Traveler	\$319,491	\$319,491	\$ -	0.0%
Anoka County Volunteer	\$41,556	\$41,556	\$ -	0.0%
Carver County	\$342,904	\$355,677	\$ 12,773	3.7%
DARTS	\$451,995	\$402,146	\$ (49,849)	-11.0%
Human Services, Inc. (H.S.I.)	\$391,024	\$371,873	\$ (19,151)	-4.9%
Scott County	\$512,854	\$569,081	\$ 56,227	11.0%
Senior Transportation	\$114,648	\$0	\$ (114,648)	-100.0%
<u>Subtotal</u>	<u>\$2,174,472</u>	<u>\$2,059,824</u>	<u>\$ (114,648)</u>	<u>-5.3%</u>
<u>Regular Route Service</u>				
Anoka County Traveler	\$929,780	\$1,035,437	\$ 105,657	11.4%
Osseo Circulator	\$23,705	\$24,252	\$ 547	2.3%
<u>Subtotal</u>	<u>\$953,485</u>	<u>\$1,059,689</u>	<u>\$ 106,204</u>	<u>11.1%</u>
GRAND TOTAL	<u>\$4,168,385</u>	<u>\$4,131,005</u>	<u>\$ (37,380)</u>	<u>-0.9%</u>

* Lake Area Bus and Northeast Suburban Transit contracts contingent upon satisfactory management plans.

** PRISM contract contingent upon successful resolution of Drug and Alcohol program audit findings.