



Transit Advisory Committee

Meeting #8
November 17, 2021

1. Impact of COVID and Federal Relief on Greater Minnesota Transit
2. Impact of Infrastructure Investment and Jobs Act (IIJA) on Greater Minnesota Transit
3. Discussion of Investment Priorities and OTAT Initiatives Moving Forward
4. We want to hear from you.....

Our Approach

- Prioritize Continued Operations for Rural Systems
- Periodically Re-assess Financial Situation and Adjust Accordingly
- More hands off with Small Urban systems as they were direct recipient of Federal stimulus funds. Maintained state funding under current contract.

Financial Impact of COVID

Federal Stimulus for Rural Transit*

Rural Transit (5311)*

CARES Act: \$42M

CRRSAA: \$14M

American Rescue Plan: \$11M

Total: \$65M *After take downs for Intercity Bus, Administration & RTAP

Decreased Revenue and Increased Expenditures

Decreased State Revenue: \$4M (SFY 2021 actual vs. pre-COVID forecast)

Increased Expenditures:

\$17.28M to cover 5311 Local Share in 2020-2021.

\$9.5M to cover 5311 Local Share in 2022

Total: \$30.78M

Financial Impact of COVID

1. CARES, CRSAA, and ARPA Funds were applied to the rural (5311) operating grants for Calendar Years 2020, 2021, and 2022.
2. For the same time period regular 5311 formula funds were held in reserve.
3. Minnesota now has a reserve of more than **\$40M** in 5311 formula funds to apply to the 2023 program and beyond.

One Time Funding for Small Urban Transit

	CARES ACT	CRSSA	ARP
Duluth	\$ 6,366,509	\$ 3,933,033	\$ 7,825,069
Moorhead	\$ 2,503,844		\$ 992,279
East Grand Forks	\$ 527,329		\$ 110,594
La Crescent	\$ 322,515		\$ 130,137
Mankato	\$ 2,737,439		\$ 1,044,449
Rochester	\$ 7,241,881		\$ 5,495,479
St. Cloud	\$ 7,588,569	\$ 2,247,024	\$ 7,475,051

Impact of Infrastructure Investment and Jobs Act (IIJA)

There are four Federal formula programs that support investment in operating and capital for Greater Minnesota Transit:

- Urbanized Area Formula Grants - 5307
- Rural Transit & Intercity Bus - Section 5311
- Bus and Bus Facilities-Section 5339
- Enhanced Mobility of Seniors & Individuals with Disabilities - Section 5310

The IIJA will result in significant increases for each of these programs over the next 5 years.

2022- 30% increase (2021 as baseline)

2023- 2% increase

2024- 3% increase

2025- 2% increase

2026- 3% increase

State and Federal Funding: 2020-2023

Projected State and Federal Funds Available: **\$ 482.5M** (excluding 5307)

State Fiscal Year	Available Grantable State Funds		Available Grantable Federal Funds				
	Transit General Fund	GMTA Fund (Transit MVST)	Section 5311 - Rural Transit Assistance	Section 5339 - Capital Bus and Bus Facilities	Flexible FHWA STP (Surface Transportation Program)	Direct Approp. to Small Urbans - Section 5307	Total Federal Transit Funds
20	\$16,749,000	\$73,000,000	\$13,706,760	\$3,500,000	\$8,000,000	\$8,839,000	\$34,045,760
21	\$16,749,000	\$77,000,000	\$13,980,895	\$3,500,000	\$8,000,000	\$8,839,000	\$34,319,895
22	\$16,749,000	\$80,000,000	\$14,260,513	\$3,500,000	\$8,000,000	\$8,839,000	\$34,599,513
23	\$16,749,000	\$83,000,000	\$14,545,723	\$3,500,000	\$8,000,000	\$8,839,000	\$34,884,723

State and Federal Funding 2023-2026

Projected State and Federal Funds Available: \$ **520.0M** (excluding 5307)

State Fiscal Year	Available Grantable State Funds		Available Grantable Federal Funds				Total Federal Transit Funds
	Transit General Fund	GMTA Fund (Transit MVST)	Section 5311 - Rural Transit Assistance	Section 5339 - Capital Bus and Bus Facilities	Flexible FHWA STP (Surface Transportation Program)	Direct Approp. to Small Urbans - Section 5307	
22	\$17,749,000	\$75,000,000	\$14,155,904	\$4,282,000	\$8,000,000	\$11,871,000	\$38,308,904
23	\$17,749,000	\$76,000,000	\$18,402,675	\$5,566,600	\$8,000,000	\$15,432,300	\$47,401,575
24	\$17,749,000	\$78,000,000	\$18,770,729	\$5,677,932	\$8,000,000	\$15,740,946	\$48,189,607
25	\$17,749,000	\$82,000,000	\$19,333,851	\$5,848,270	\$8,000,000	\$16,213,174	\$49,395,295
26	\$17,749,000	TBD	\$19,720,528	\$5,965,235	\$8,000,000	\$16,537,438	\$50,223,201

Investment Categories

Operations

Vehicle Replacement

Facilities and Large Capital

New Service

Marketing/Technology

Determining Investment Levels

	Operations	Vehicle Replacement	Facilities/ Large Capital	New Services	RTCC	Marketing/ Technology
2020	\$ 92.07M	\$ 8.00M	\$ 5.00M	\$ 3.50M	\$ 0.50M	\$ 3.00M
2021	\$ 95.14M	\$ 9.00M	\$ 5.00M	\$ 3.50M	\$ 0.50M	\$ 2.00M
2022	\$ 112.4M	\$ 9.00M	\$ 6.00M 7.50M	\$ 1.60M	\$ 0.50M	\$ 2.00M
2023	\$ (?)	\$ 9.00M	\$ 6.00M 7.50M	\$ (?)	\$ 0.50M	\$ 2.00M
2024	\$ (?)	\$ 9.00M	\$ 6.00M 7.50M	\$ (?)	\$ 0.50M	\$ 2.00M
2025	\$ (?)	\$ 9.00M	\$ 6.00M 7.50M	\$ (?)	\$ 0.50M	\$ 2.00M

Millions of Dollars

OTAT Statewide Initiatives

Service Planning

- **Service Planning Committee** (representing 16 rural systems) now convening to provide recommendations for improving funding application process based on federal and state requirements.
- **Technical assistance for 5311 and 5307 planning and operations** will be available beginning mid 2022 through consultant contracts.
- **5 Year Plan Update Review for 2022** will include tools for transit systems to utilize in advance planning for new service and technology applications (January-March 2022 meetings with all 5311 systems).
- **Greater MN Transit Vision/Mobility Plan** will include update to 2017 Transit Investment Plan – begins early 2022 and is expected to be completed by 2025.

Operations and Facility Planning Support

Operations and Facility Planning Support

- OTAT will provide consultant-led technical assistance to eligible public transit providers for:
 - Transit System Service Design
 - Transit Facilities Planning and Design
- Intention is to have this service available in Calendar Year 2022.
- TPMs will arrange group meetings by year end (2021) with transit systems to receive feedback on the variety of services (tasks) that may be needed.
- Much work remains to be done on the details such as – How to access; How often; Who may access; etc.
- Darrell Washington will lead this effort.
- **The initial estimated budget for this effort is \$750K - \$1.5M per year.**

Marketing

Seven of our rural SW Minnesota transit systems recently completed a marketing pilot program that was designed to do the following:

- 1) Remove workload from our busy multi-functional Transit Managers
- 2) Commit physical and financial resources for transit systems to use toward marketing their systems
- 3) Provide an expert resource to guide and complete marketing work
- 4) Provide each system with a unique marketing plan for them to use going forward
- 5) Provide learning opportunities for OTAT to use moving forward with a statewide marketing project

Volunteers are currently being solicited to assist with reviewing lessons from the pilot and constructing the process for the statewide program. The first meeting will be held in early December with a target roll-out of mid-2022.

All 5311 transit systems will be eligible to participate in the full roll-out later next year.

- Expand to a statewide support contract in 2022 with \$1M to \$2M investment over next two years.

Battery Electric Bus Deployment

Battery Electric Bus Deployment

MnDOT's Office of Sustainability and Public Health awarded two two rural transit programs as part of the MnDOT's recently launched Clean Transportation Pilot Program

- Arrowhead \$325K award for two buses and supporting infrastructure.
- City of Morris \$347K award for one bus and supporting infrastructure.
- OTAT will contract with a consultant to;
 - Assist Morris and Arrowhead in the federal procurement process and deployment
 - Assist OTAT with developing applications for discretionary Federal funds (Lo-No program) and establishing criteria for selecting *next* systems for deployment.

Technology

Greater Minnesota Transit Technology Plan Completed June 2021

<http://www.dot.state.mn.us/transit/reports/transitechplan.html>

- **Transit technology committee established**
 - Currently establishing priorities and developing workplan
- **Developing System Growth Plans at the system level**
 - Using baseline technology guide and developing Transit Stacks
 - Review and update the technology portion of the individual 5 year plans
 - Streamlining process from growth plan development to solicitation requirements
- **Plan Large Technology Solicitation during first half of 2022**
 - Review of evaluation criteria
- **Anticipate Investing \$2M to \$3M in technology project scoping and procurement in 2022**

Now we want to hear from you!

Go to www.menti.com

Use the code: 7659 8732

Thank you again!

OTAT Program Unit