



Transit Advisory Committee

Meeting #7
March 23, 2021

1. Update and Projections for State and Federal Revenue
2. Non-Recurring Funding Opportunities
3. Defining Investment Categories and Determining Investment Levels
4. COVID 19 Check-In
5. Indirect Cost Update

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 2022-2025

Projected State and Federal Funds Available: \$ **489.8M** (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
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	\$14,665,517	\$4,282,000	\$8,000,000	\$11,871,000	\$38,818,517
24	\$17,749,000	\$78,000,000	\$15,193,475	\$4,282,000	\$8,000,000	\$11,871,000	\$39,346,475
25	\$17,749,000	\$81,000,000	\$15,740,440	\$4,282,000	\$8,000,000	\$11,871,000	\$39,893,440

One Time Funding for Rural Transit

Federal Stimulus for Rural Transit

- CARES Act: \$54M (\$42M to Rural Transit)
- CRRSAA: \$14M
- American Rescue Plan: \$10M (?) for rural transit.

Other

- 5339 Competitive Grant Award for Rural Transit: \$4.3M
- Bonding for Greater Minnesota Transit Facilities: \$2M (small urban or rural)


One Time Funding for Small Urban Transit

	CARES ACT	CRSSA	ARP (?)
Duluth	\$ 6,366,509	\$ 3,933,033	\$ 10,000,000
Moorhead	\$ 2,503,844		\$ 1,000,000
East Grand Forks	\$ 527,329		\$ 800,000
La Crescent	\$ 322,515		\$ 2,400,000
Mankato	\$ 2,737,439		\$ 1,000,000
Rochester	\$ 7,241,881		\$ 5,500,000
St. Cloud	\$ 7,588,569	\$ 2,247,024	\$ 7,500,000

Our Approach

- Prioritize Continued Operations
- Periodically Re-assess Financial Situation and Adjust Accordingly

Added \$42M to Rural Transit (5311) 2020-2021 Operating Budgets through Amendment (March 2020)

- 
- Reduced Local Share from \$18.7M to \$1.5M
 - Reduced Federal 5311 Share from \$30.1M to \$2.8M

Investment Categories

Operations

Vehicle Replacement

Facilities and Large Capital

New Service

Marketing/Technology

Establishing And Defining Investment Categories

	Operations	Vehicle Replacement	Facilities/ Large Cap	New Services*	RTCC	Marketing and Technology
2020	\$ 92.07M	\$ 8.00M	\$ 5.00M	\$ 3.50M	\$.50M	\$ 3.00M
2021	\$ 95.14M	\$ 9.00M	\$ 5.00M	\$ 3.50M	\$.50M	\$ 2.00M
2022	\$ 99.03M	\$ 9.00M	\$ 6.00M	\$ 3.50M	\$.50M	\$ 2.00M
2023	\$ 102.32M	\$ 9.00M	\$ 6.00M	\$ 3.50M	\$.50M	\$ 2.00M

**One time capital plus change to operational base*

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	\$ (?)	\$ 9.00M	\$ 6.00M	\$ (?)	\$ 0.50M	\$ 2.00M
2023	\$ (?)	\$ 9.00M	\$ 6.00M	\$ (?)	\$ 0.50M	\$ 2.00M
2024	\$ (?)	\$ 9.00M	\$ 6.00M	\$ (?)	\$ 0.50M	\$ 2.00M
2025	\$ (?)	\$ 9.00M	\$ 6.00M	\$ (?)	\$ 0.50M	\$ 2.00M

Millions of Dollars

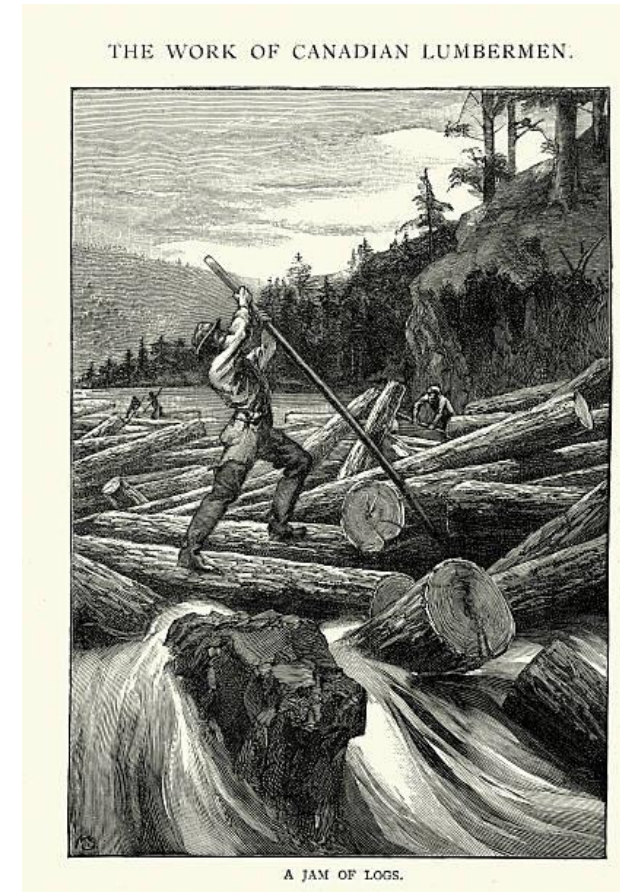
Vehicle Replacement

Vehicle Replacement

- \$9.0M annual target
 - \$4.5M to Small Urban Transit
 - \$4.5M to Rural Transit
- In 2019, local share was decreased from 20% to 10%
- All vehicles are scored and prioritized based on age and mileage
 - For rural systems, score also includes maintenance costs

Delay in Vehicle Delivery (the perfect storm)

- The Perfect Storm
 - Vendor contract expired 12/31/19
 - Could not do a contract extension due to the new Ford engines/had to do a full new proposal solicitation
 - New staff and completely new process and format to letting solicitations with the Mn State Procurement Office
 - Proposal due date was delayed due to an outbreak of COVID-19 at the bus manufacturers
- 2020 awarded vehicles to go to order in April 2021
- Followed shortly by 2021 Vehicle contracts and orders



2021- Bus Orders

- **2020 Program - 58 Rural, 10 Small Urban**



- **2021 Program - 58 Rural, 16 Small Urban**



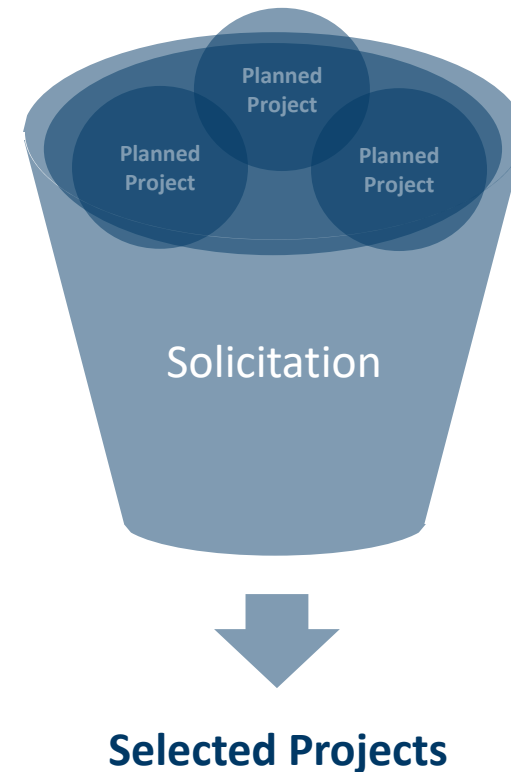
- **2021 "5339" Award, 47 Rural**



Facilities and Large Capital Projects

Facilities and Large Capital

- \$6.0M Annual Target
- Facilities and large capital projects including technology.
- Increase the threshold from \$5K to \$10K
- Ask that projects be identified in local plans.
 - 5-year plans (rural), facility plans, transit development plans (small urban), etc.



Facilities and Large Capital

- Facilities and Large Cap has been a very dynamic investment category, with projects moving up and back in the four-year program.
- Projects are great candidates for one time funding.
- ALL are encouraged to consider applying for projects in 2021.
- Don't forget service (non-revenue) vehicles!

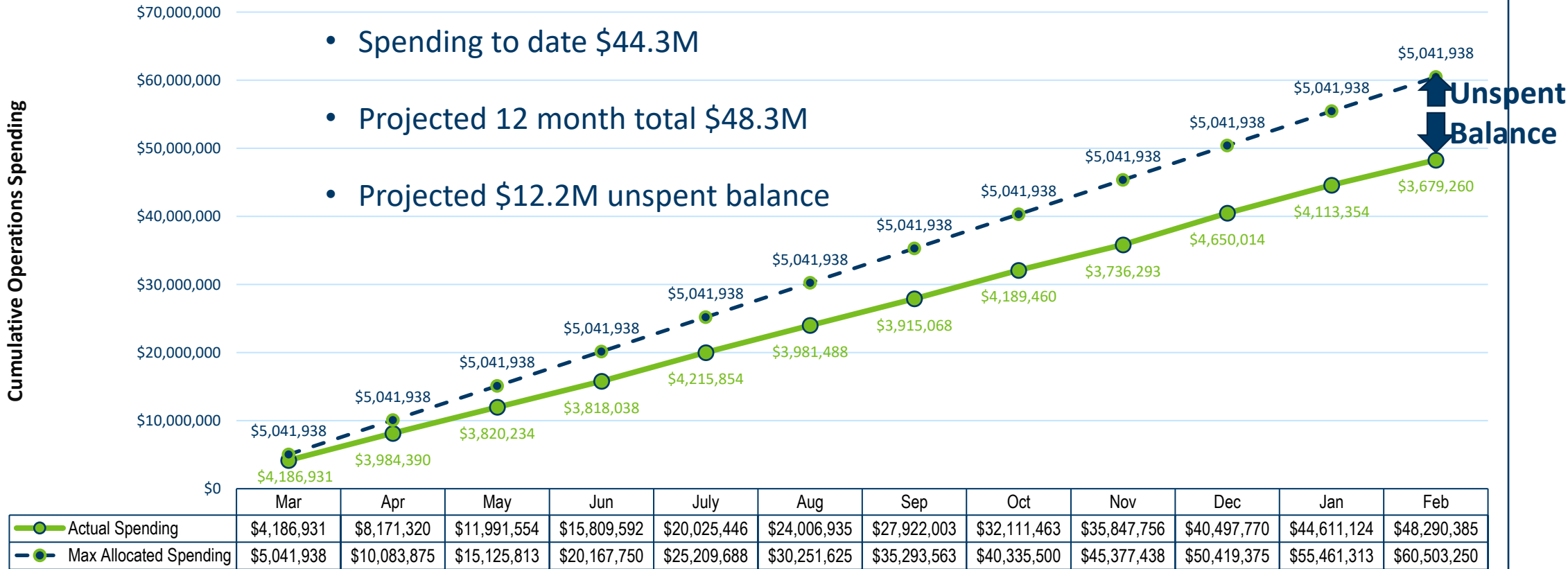
Operating Budget 2022 and Beyond

Operating Budget 2020-2021

- First two-year contract
- Competitive solicitation
- Statewide, baseline operating budgets increased on average at a 3.5% annual rate
- Through contract amendments, local share was eliminated beginning in March 2020.

Rural Transit Spending


Rural Transit Actual Spending vs Max Allocation



Months Mar 2020 to Feb 2021

Operating Budget 2022 (Proposed)

Given the ongoing uncertainty surrounding the COVID 19 Pandemic:

- Move forward with a one-year contract.
- Increase budget at a lower annual rate
- Apply CRRSAA funding to eliminate local share through 2022 

Questions and Discussion

New Service

New Service Program

2020-2021

- Competitive solicitation
- Scored and Ranked based on Evaluation Criteria – Scoring Variation was minimal. (40 of 44 Proposals scored 70%+)
- Final Selection through a Geographic Equity Lens. All applicants #1 awarded.

Award Summary

2020-2021

- Total Awarded = \$8 Million
- Funding Split = 52% urban – 48% rural
- Awarded Systems = 16
- Awarded Projects = 25
- Avg Urban Award = \$1.9 Million
- Avg Rural Award = \$183,000

Note: Because of COVID, very few projects were implemented.

2022 (Proposed)

Given the ongoing uncertainty surrounding the COVID 19 Pandemic:

Strategy 1

Maximize service delivery under current contract.

Strategy 2

Apply for New Service funding for services exceeding current contract

Strategy 3

Look at new service projects in terms of long-term viability

Questions and Discussion

Marketing

- Rural Transit Marketing Pilot (1/2020-0/2021) ongoing with seven rural systems in Southwestern Minnesota.
- Intention is to expand to a statewide support contract in late 2021 or early 2022. (\$1M to \$2M in state funds)
- Focus on raising awareness of transit services
- Establish an advisory group from transit agencies to guide direction of this effort.
- Melinda Estey will be leading this effort for MnDOT

Technology

Complete Greater Minnesota Transit Technology Plan in April 2021

- Concept of “Transit Stacks”
 - Establish baseline by system size

	FLEET SIZE OR TRIP COUNT					
	1 to 9 vehicles OR <100 trips per day		10 to 29 vehicles OR >100 trips per day		30+ vehicles OR > 250 trips per day	
	DR	FR	DR	FR	DR	FR
Scheduling Software/Dispatch and Related Management Systems						
Client Mgmt and Scheduling DR trips	▶	NA	●	NA	●	NA
Scheduling FR vehicle runs	NA	●	NA	●	NA	●
Algorithm to optimize schedule	●	NA	●	NA	●	NA
Driver and vehicle scheduling and management	●	●	●	●	●	●
Reporting	●	●	●	●	●	●
Interfaces and export/import ability	▶	▶	▶	▶	●	●
Driver Manifests on Tablets or MDTs	▶	NA	▶	NA	●	NA
Reminder calls (IVR)	▶	NA	●	NA	●	NA

- Establish transit technology committee
- Statewide procurement on behalf of systems to advance collaborative technology
- Solicitation for individual system application will continue
- Invest \$2M to \$3M in technology project scoping and procurement in 2022

Questions and Discussion

Solicitation for Operations (5311 & 5307)

- Application Release: May 10, 2021
- **Application Due to Office of Transit: July 30, 2021**
- Committee Evaluation Meeting: August 19-25, 2021
- Project Notification Letter: Mid-September 2021

Applications Timeline (2021)

Solicitation for Public Transit Replacement Vehicles (5311 & 5307)

- Solicitation planned for release July/Aug 2021
 - Vehicles identified in last years solicitation will be scored, ranked and confirmed for contract.
 - Add 2026 Replacement vehicles.

Facilities & Large Capital Solicitation

- Solicitation tentatively planned for July/Aug 2021.
- Intent is to maintain project list for 2021-2023.

Project Selection Webpage:

- <http://www.dot.state.mn.us/transit/selection.html>

Vaccinations

As
Minnesota
transitions
to
vaccinate
citizens.....

FTA funds (5311, CARES, & CARRSA) are eligible to support transportation services to and from COVID-19 testing and vaccination sites.

FEMA's Public Assistance Program may also be available to support vaccine distribution activities. Costs only may be charged to one entity.

Please encourage drivers and other public transit staff to sign up for vaccinations and communicate with your local Public Health agency.

Face Masks

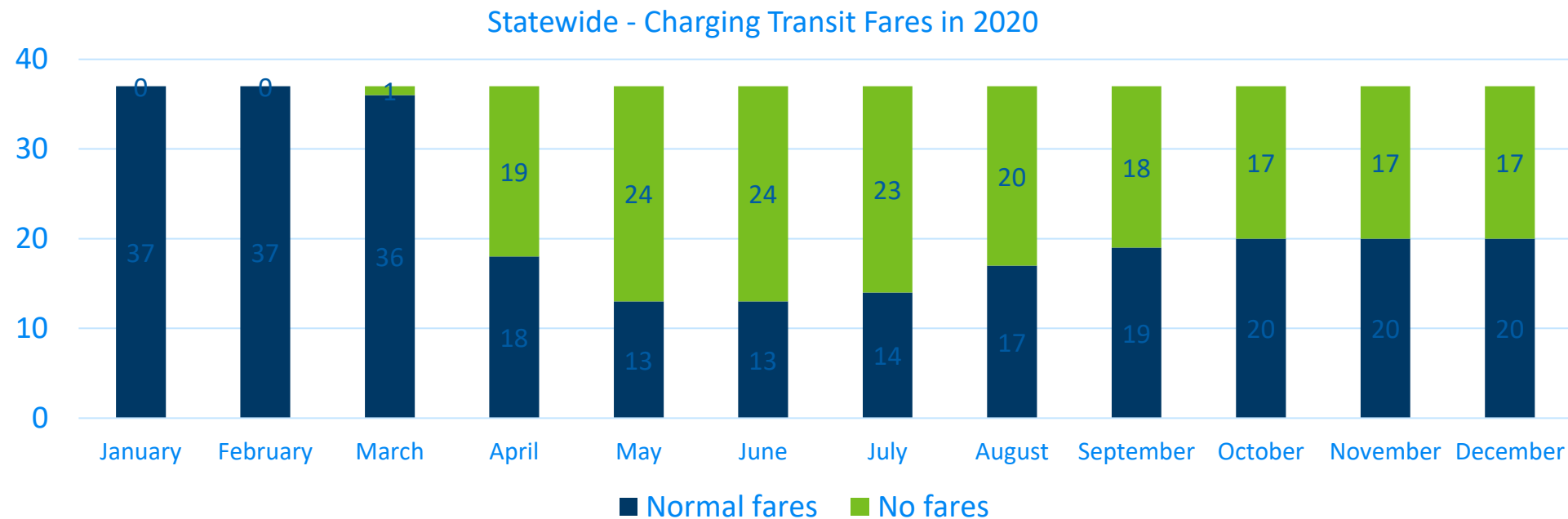
Facemasks

- On January 29, the Centers for Disease Control and Prevention (CDC) issued Order requiring the public to wear face masks (not shields) on transit buses and in hubs.
- The primary goal of the CDC Order is compliance, not enforcement. The CDC Order requires transit operators, including Section 5310 providers, to use best efforts to ensure that riders (age 2 and older) wear a mask while entering, riding, and leaving a transit vehicle, and within a transit facility.
- Please be sure this is ‘noticed’ on your buses and in your communication with riders during reservations.
- You guys are doing a fantastic job.

Fare Free Status

Fare Free Information

In May 2020, 24 out of 37 (65%) transit systems indicated they were not charging fares, In October 2020, that figure fell to 17 out of 37 (46%) transit systems. It is possible this figure will continue to decline throughout 2021.



Service Reductions

Service Reduction & FTA COVID-19 Information

- ❑ A majority of you (64%) told OTAT that service was reduced at some point during 2020 and a few of you suspended service
- ❑ FTA is requiring that 5311 and 5307 transit systems provide information on the impacts of COVID-19 (5307 provide direct reports to FTA; 5311 will provide info to OTAT)
 - There will be a one-time Baseline Form (Due April 16, 2021)
 - There will also be a monthly Recurring Form (Due on the 15th of the month)

Baseline Data – 2 questions

- Did your agency, at any time between March 13, 2020 and February 28, 2021, reduce service in response to the COVID-19 public health emergency?
 - Yes/No question – Includes any service reduction regardless of the length of time service was reduced
- Did your agency, at any time between March 13, 2020 and February 28, 2021, suspend service in response to the COVID-19 public health emergency?
 - Yes/No question – Includes any service suspension regardless of the length of time service was suspended (e.g., one week, one month, etc.)

Recurring Data – Multiple Questions

OTAT will provide additional information on these questions in the coming weeks

Ridership & Other Trends

- In 2019, you (5311s & 5307s) reported approximately 11.5 million trips. In 2020, that number dropped to approximately 6.4 million trips – a 45 percent reduction.
- For the past two months, what are you experiencing? Are phones ringing off the hook clamoring for future ride reservations or more of the same?
- What else are you experiencing and please ask questions you have for us.

Thank you again!

OTAT Program Unit