

LEGISLATIVE REPORT ON FEDERAL PANDEMIC RELIEF FUNDS

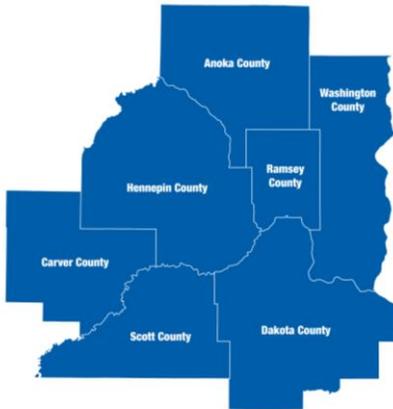


February 2024

The Council's mission is to foster efficient and economic growth for a prosperous metropolitan region.

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The Metropolitan Council is the regional planning organization for the seven-county Twin Cities area. The Council operates the regional bus and rail system, collects, and treats wastewater, coordinates regional water resources, plans, and helps fund regional parks, and administers federal funds that provide housing opportunities for low- and moderate-income individuals and families. The 17-member Council board is appointed by and serves at the pleasure of the governor.

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Purpose

This is a report to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation finance and policy, on the expenditures made under federal law, rule, grant, or loan relating to the infectious disease known as COVID-19, as required by the Laws of Minnesota 2020, Chapter 100, Article 1, Section 25(d).

Introduction

Our budgets continue to reflect the impact of COVID 19. The Metropolitan Council's 2020, 2021, 2022, 2023, and 2024 budgets have been balanced by extensive programming of federal pandemic relief funding.

Coronavirus Aid, Relief, and Economic Security (CARES) Act

The Coronavirus Aid, Relief, and Economic Security Act (CARES) was signed into federal law on March 27, 2020.

Under the CARES Act, the State of Minnesota was allocated over \$308 million in transit infrastructure grants with \$226,499,058 being allocated to the Metropolitan Council for regular route bus, light rail, commuter rail, Metro Mobility, contracted services, and suburban transit providers. The transit infrastructure grants are administered under the rules of the Federal Transit Administration (FTA). All federal grantees must follow FTA federal grant rules and guidelines for qualified expenses including subrecipient monitoring of the Replacement Service Program providers as defined in Minnesota Statute 473.388. The CARES Act funds are for expenses incurred beginning on or after January 20, 2020, with no local match requirement. The Metropolitan Council submitted its grant application on April 30, 2020, with a final FTA approved grant on May 29, 2020.

The CARES Act allocation methodology was based upon inputs from the National Transit Database (NTD) and FTA federal formulas. This allocation methodology resulted in a \$214,367,788 allocation to the Metropolitan Council and a \$12,131,270 allocation to Replacement Service Program Providers.

Expenses

Summary

100% of total regional federal CARES Act funds have been spent through 12/31/2023. CARES Act funds spent to date:

- Salaries and benefits of transit staff (80.6%)
- Transit provider expenditures for contracted transit services including Metro Mobility, Transit Link and contracted fixed routes (9.5%)
- Pass-thru grants to Replacement Service Program providers: Maple Grove, Minnesota Valley Transit Authority, Plymouth, and SouthWest Transit (5.4%)
- Fuel (3.8%)
- Materials and cleaning supplies (.7%)

Details (preliminary 12/31/2023 balance as of 2/5/24, not audited)

	Replacement Service Program Providers	Met Mo	Fixed route	Transit Link	MT Bus	MT LRT	Northstar	Total
Grant award	12,131,270	12,898,947	8,623,110	3,845,383	148,946,460	37,442,440	2,611,448	226,499,058
Uses:								
Salaries & Benefits		3,276,593	1,004,917	457,481	141,165,631	37,003,653	2,601,681	185,509,956
Fuel		2,253,173			6,562,297			8,815,470
Materials and Supplies					1,218,532	438,787	9,767	1,667,086
Transit provider exp		10,393,176	7,873,112	3,662,728				21,929,016
Pass through grants	12,131,270							12,131,270
Less: Fare Revenue		(3,023,995)	(254,919)	(274,826)				(3,553,740)
Total draws thru 12/31/2023	12,131,270	12,898,947	8,623,110	3,845,383	-	148,946,460	37,442,440	2,611,448
Balance available	-	-	-	-	-	-	-	-

Coronavirus Response and Relief Supplemental Appropriations (CRRSAA) Act

The Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) was signed into federal law on March 27, 2020.

Under the CRRSAA Act, \$13.262 billion was allocated nationally for transit infrastructure grants with \$185,891,087 being allocated to the Metropolitan Council for regular route bus, light rail, commuter rail, Metro Mobility, contracted services, and suburban transit providers. The transit infrastructure grants are administered under the rules of the Federal Transit Administration (FTA). All federal grantees must follow FTA federal grant rules and guidelines for qualified expenses including subrecipient monitoring of the opt out providers. The CRRSAA funds are for expenses incurred beginning on or after January 20, 2020, with no local match requirement. The Metropolitan Council submitted its grant application on March 15, 2021, with a final FTA approved grant on May 3, 2021.

The CRRSAA allocation methodology was based upon inputs from the National Transit Database (NTD) and FTA federal formulas. This allocation methodology resulted in a \$175,934,777 allocation to the Metropolitan Council and a \$9,956,310 allocation to Replacement Service Providers. Through December 31, 2023, the \$9.9 million had been provided to the Replacement Service Program providers in a grant award, and \$51.0 million has been spent on light rail capital expenses.

Details (preliminary 12/31/2023 balance as of 2/5/24, not audited)

	Replacement Service Program Providers	Met Mo	Fixed route	Transit Link	MT Bus	MT LRT	Northstar	Total
Grant award	9,956,310					100,000,000	75,934,777	185,891,087
Uses:								
Salaries & Benefits								-
Fuel								-
Materials and Supplies								-
Capital budget						51,082,766		51,082,766
Transit provider exp								-
Pass through grants	9,956,310							9,956,310
Total draws thru 12/31/2023	9,956,310	-	-	-	-	51,082,766	-	61,039,076
Balance available	-	-	-	-	-	48,917,234	75,934,777	124,852,011

Expense Activity Descriptions

Salaries & Benefits	salaries and benefits of transit staff
Fuel	bus fuel for transit services
Materials & Supplies	cleaning materials and supplies (e.g., PPE)
Transit Provider Expenditures	Transit services provided through contracts with private and governmental organizations for Metro Mobility, Contracted Fixed Route, and Transit Link service. Expenses include, but are not limited to, operator salaries and benefits and fuel.
Pass-Thru Grants	Transit services provided by Maple Grove, Minnesota Valley Transit Authority, Plymouth, and SouthWest Transit through contracts with private organizations. Expenses include, but are not limited to, operator salaries and benefits and fuel.



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