Business Item

Transportation Committee

Committee meeting date: June 22, 2026 **For the Metropolitan Council:** July 8, 2026

Business Item: 2026-93

Agency Transit Fare Amendment One Hennepin County, Contract No. 20I026

District(s), member(s): All

Policy/legal reference: Income/Grants Policy FM 15-1

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Division/department: Metro Transit

Proposed action

That the Metropolitan Council authorizes the Regional Administrator to:

Enter into and execute the amended Agency Transit Fare Contract No. 20I026 with Hennepin County Human Services and Public Health Department to provide transit fares to their clients.

Background

The Metropolitan Council, (via Metro Transit) partners with the Hennepin County Human Services and Public Health Department to provide transit fares that are distributed to county clients. Hennepin County utilizes three Metro Transit agency fare programs, each designed to meet a different client needs and utilize a different fare distribution or billing model. These programs provide flexibility in how transit benefits are administered based on the services being provided.

The three programs include:

- **Fares Program:** Allows organizations to purchase transit fares in bulk on credit and distribute them directly to eligible participants.
- **Jobseeker Program:** A mandated program that provides discounted transit fares to individuals who are actively seeking employment and lack private means of transportation.
- **Access Pass Program:** A post-billing program that allows agencies to provide transit fares to participants and pay only for fares that are used

The transit fares are provided to clients as a transportation option for travel to and from appointments and other essential destinations. The fares are valid on regional bus and light rail service, Metro Mobility, Micro, and Transit Link.

The current agreement authorizes a total cost not to exceed $9M for the term of September 1, 2020, through August 31, 2027. Due to continued program utilization, Hennepin County Human Services and Public Health Department has purchased $9M of transit fares and exhausted the total cost set in the current agreement.

This amendment will increase the contract authorization by $2 million, raising the total cost in the agreement to $11M for the remainder of the existing agreement term. No other terms or conditions of the agreement will change.

Rationale

Council Policy FM 15-1 requires Council approval on income agreements exceeding $2M.

The Agency Transit Fare agreement with Hennepin County Human Services and Public Health Department is anticipated to provide an additional estimated revenue of $2M, raising the total to $11M, until the term of the agreement of August 31, 2027.

Thrive lens analysis

On Feb. 12, 2025, the Council adopted Imagine 2050, which builds on policy direction in Thrive MSP 2040. Under the Thrive lens, the Agency Transit Fare agreements with agencies like Hennepin County Human Services and Public Health Department and others throughout the region provide transit options for their clients and contributes to the Thrive outcomes of Equity and Prosperity. This program provides transit fares as an option to their clients and is a transit benefit for those clients who might not otherwise be able to commute to and from their appointments.

Funding

This is a revenue contract; no funding is required. Revenue contract revenue will be included in the annual Metro Transit Operating Budget.

Small business inclusion

This is a revenue pass agreement for Bus, Light Rail and Operations.