

Business Item

Transportation Committee



Committee meeting date: October 12, 2026

For the Metropolitan Council: October 28, 2026

Business Item: 2026-181

Authorize Two Grant Agreements with Minnesota Valley Transit Authority for CMAQ Operating Assistance

District(s), member(s):	4 - Deb Barber 12 – Mark Jenkins 15 - Victor Obisakin 16 - Wendy Wulff
Policy/legal reference:	FM 15-2 Grant/Loan Approval Policy, FM 14-2 Expenditures for the Procurement of Goods and Services Policy, Minn. Stat. 473.388
Staff prepared/presented:	Heather Giesel, Director Finance & Administration (651-602-1715)
Division/department:	Transportation / Contracted Transit

Proposed action

That the Metropolitan Council authorizes its Regional Administrator to execute two subrecipient grant agreements with Minnesota Valley Transit Authority (MVTA) for:

- Federal CMAQ operating assistance, in the amount of \$2,809,912, to implement the new Shakopee-Brooklyn Center Express Route.
- Federal CMAQ operating assistance, in the amount of \$1,820,780, to implement the new Rice Street Express Route.

Background

The Transportation Advisory Board (TAB) awarded two Congestion Mitigation and Air Quality (CMAQ) grants to Minnesota Valley Transit Authority (MVTA) on February 2, 2023, through the Council's 2022 Regional Solicitation process.

- \$4,297,912 was awarded to MVTA for the purchase of three (3) 40' buses and 36 months of operating assistance for the new Shakopee to the new Brooklyn Center Express Route. The route will provide connections to large employers in Scott County.
- \$2,812,780 was awarded to MVTA for the purchase of two (2) 30' buses and 36 months of operating assistance for the new Rice Street Express Route. The new route will provide improved connections to downtown Saint Paul, including the State Capital, museums, memorials, universities and businesses.

Of the above awarded amounts, \$1,488,000 and \$992,000, respectively, was used for the bus acquisition, which was managed by Contracted Transit Fleet Services. The remaining funds will be used for the operating assistance of the two new routes. MVTA will provide the required 20% local share (match) from their local funding.

MVTA is in the process of becoming a Federal Transit Administration (FTA) direct recipient and may receive future CMAQ Regional Solicitation funds (if awarded by TAB) directly, instead of through a subrecipient grant agreement. The federal funding in this business item requires subrecipient grant agreements because the funding was already included in an executed Federal Transit Administration grant awarded to the Council.

Rationale

Council action is required for the Regional Administrator to execute agreements over \$2,000,000. The requested action will allow the Regional Administrator to execute the grant agreement with Minnesota Valley Transit Authority.

Thrive lens analysis

On Feb. 12, 2025, the Council adopted Imagine 2050, which builds on policy direction in Thrive MSP 2040. Under the Imagine lens, these projects promote stewardship, equity, sustainability and livability by furthering access to transit.

Funding

The two new express service routes are funded as part of the Congestion Mitigation and Air Quality Program (49 U.S. Code 5307). Funding will be provided at an 80-percent federal share and 20-percent local share. The local share will be provided by MVTA's local funding.

Small business inclusion

There are no direct impacts to small business contracting.

