



**Request for City Council Committee Action
From the Department of Public Works**

Date: January 16, 2007
To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee
Referral to: Honorable Paul Ostrow, Chair Ways & Means / Budget Committee

**Subject: 2007 Amendment #1 to Grant Agreements
Downtown Minneapolis Transportation Management Organization (TMO)**

Recommendation:

- a) Authorize the City Officers to execute Amendment #1 to the Metropolitan Council Pass Through Grant Agreement No. 05I004 between Metropolitan Council and the City of Minneapolis (C-22040) to provide up to \$665,707 in federal grant funding (FTA-CMAQ) for Transportation Demand Management (TDM) projects in effect for the period of January 1, 2005 through March 31, 2007.
- b) Authorize the City Officers to execute Amendment #1 to the City Agreement (C-22039) with Downtown Minneapolis Transportation Management Organization (TMO) to perform specific work efforts as outlined in and in accordance with Met Council Contract #05I004 that provides up to \$665,707 in federal grant funding in effect for the period of January 1, 2005 through March 31, 2007.
- c) Passage of the accompany resolution increasing the Public Works – Transportation Agency appropriation in the Permanent Improvement Projects Fund (4100-943-9462) from \$585,000 to \$665,707 and increase the revenue source (4100-943-9462 – Source 3215) from \$585,000 to \$665,707.

Previous Directives:

- April 15, 2005 – Resolution 2005R-197 for \$585,000, 1/1/2005 thru 12/31/2006
- April 16, 2004 -- Resolution 2004R-171 for \$575,987, 1/1/2003 thru 12/31/2004
- July 21, 2001 – Resolution 2001R-344 for \$517,000, 7/1/2001 thru 6/30/2003
- June 11, 1999 – Resolution 99R-202 for \$460,800, 7/1/1999 thru 6/30/2001

Prepared by: Jon Wertjes, Director of Traffic and Parking Services, 673-2614

Approved by:

Steven A. Kotke, P.E., City Engineer, Director of Public Works

Presenters in Committee: Jon Wertjes

Permanent Review Committee (PRC)	Approval _____	Not applicable	_____ X _____
Policy review Group (PRG)	Approval _____	Not applicable	_____ X _____

Financial Impact (Check those that apply)

- No financial impact - or - Action is within current department budget (If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Business Plan: Action is within the plan. Action requires a change to plan.
- Other financial impact (Explain):

- Request provided to department's Finance Dept. contact when provided to the Committee Coordinator

Background/Supporting Information

The City of Minneapolis applied for FTA Congestion Mitigation and Air Quality (CMAQ) funds through the Met Council's regional solicitation process and was awarded such funds for Travel Demand Management (TDM) projects. As such the Downtown Transportation Management Organization (TMO) was created in 1991 to assist in performing various TDM projects.

Existing Agreements

The City is the public fiscal agent to receive the federal funds. Public Works approves the appropriate federal fund reimbursements for the TDM projects including the TMO. This Met Council Pass Through Grant Agreement No. 05I004 covers the project activity period of January 1, 2005 through December 31, 2006. The total two-year estimated project cost is \$731,250 following an 80/20 grant-match cost split. The two-year maximum grant amount is \$585,000 with a grant match of \$146,250.

Based on the Met Council Pass Through Grant Agreements, an agreement is needed between the City and the TMO. This allows the City to reimburse the TMO for TDM project costs. Based on the grant application process, the City and the TMO have developed a proposed work plan and efforts that are in accordance with the federal grant.

Proposed Amendments

The City and TMO have applied for and received grant funds for the 2007/2008 calendar years. Based on the fact that federal funds are not contractible until the year they are available (2007) this results in a gap where the City and TMO would not have a contract. Met Council, City and TMO staffs have tentatively agreed to shift the contract start from January 1 start to an April 1, 2007 thus allowing for contracts to be executed between January and April. Therefore, this results in a need to amend that existing agreements (C-22039, C-22040) from 12/31/2006 to 3/31/2007 and increase funding amounts. Thus, these agreements will cover the project activity period from January 1, 2005 through March 31, 2007. The project costs will change as follows:

- Increase grant funds by \$80,707.00 from \$585,000.00 to \$665,707.00
- Increase match amount by \$20,176.75 from \$146,250.00 to \$166,426.75
- Increase total project amount by \$100,883.75 from \$731,250.00 to \$832,133.75

Cc Dick Allendorf, TMO Executive Committee Chair
Teresa Wernecke, TMO Executive Director

Amending The 2005 Capital Improvement Appropriation Resolution (2005R-197)

Resolved by The City Council of The City of Minneapolis:

That the above-entitled resolution, as amended, be further amended by increasing the PW – Transportation Capitol Agency in the Permanent Improvement Projects Fund (4100-943-9462) from \$585,000 to \$665,707 and increase the revenue source (4100-943-9462 - Source 3215) from \$585,000 to \$665,707.