

# **In-Transit**

March 2025, Edition

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#### **2025 Legislative Session**

How will it impact transit?

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#### **President's Column**



# Welcome to the crazy legislative world of 2025!

The year began with a lot of confusion with more questions than answers in the wake of elections that produced very tight party majorities at both the federal and

state levels. As the political landscape becomes clearer, we can provide more information about what we can expect for impacts to transit in Minnesota.

MPTA will be focusing on a few top priorities: transit funding in a capital bonding bill, maintaining funding increases from 2023 with another two-year reduced local match requirement for Greater Minnesota transit systems and continued work at the federal level on volunteer driver mileage reimbursement rates.

Thank you to everyone who attended Transportation Day at the Capitol! We really appreciate having MPTA members join us in St. Paul and meet directly with legislators. We had an opportunity to meet with Transportation Committee Chair Scott Dibble and hear from other key legislators who will be involved with the two-year transportation budget.

I would like to thank our 2025 MPTA Board of Directors for their service:

VP Luther Wynder, MVTA Secretary Kayla Sullivan, The Otter Express Treasurer Maria Mancilla-Diaz, SouthWest Transit

Associate Mike Klauda, North Central Bus Rod Fournier, Duluth Transit Authority Alan Herrmann, TransitLink Randy Jahnke, Wadena County Transit Kirk Kuchera, SMART Transit Pat LaCourse, Brown Co. Heartland Express Nick Leske, United Community Action Jeremy Monahan, Prairie Lakes Transit Brandon Nurmi, Arrowhead Transit

We're monitoring action at the federal level impacting transit as well and will keep you informed of any major changes. The situation is fluid so we will be staying in touch with our congressional offices and following the hearings.

The Board has been busy developing our legislative agenda and planning for upcoming events.

We're excited to join with Arrowhead Transit in hosting the annual **Bus Roadeo**. **This year, the event will be held July 18-19 in Chisholm**. Mark your calendars and plan a great weekend get-away up north!

MPTA members will also be participating in the Washington, D.C. Fly-In September 16-18. This event gives us a great opportunity to talk with members of Congress about the importance of the volunteer driver program.

Our Annual Transit Conference will once again be a joint conference with Wisconsin. The big event will take place October 6-8 in Rochester. The conference will provide important updates, great training sessions and lots of networking and fun!

Thank you so much for membership in MPTA! You give us the resources we need to speak out for you.

Sincerely,

Ryan Daniel MPTA President

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MINNESOTA PUBLIC TRANSIT ASSOCIATION

#### Legislative Report

#### 2025 Legislative Session

The 2025 Minnesota Legislative Session had a rather rocky start. The session was scheduled to begin on January 14th and the Senate did come into session, swear-in the members and organize with a power-sharing agreement.

In the House, the first day saw Republican members come to St. Paul to organize but DFL members held out for an agreement on sharing power under a tied majority. The election results initially had 67 DFLers and 67 Republicans. Then a court ruling confirming that one DFL winner did not actually live in the district he would represent left a



vacancy. With 66 DFL members and 67 Republican members, the Republican caucus moved to elect a speaker and organize committees. Democrats maintained that the House could not be organized unless 68 members were present and stayed away from the Capitol. The Minnesota Supreme Court agreed and so both sides finally came together on a plan for sharing committee leadership assuming that the result of the special election for the vacated seat will once again result in 67 DFL members and 67 Republican members. So DFL members have been at the Capitol along with Republicans. The special election is scheduled for March 11th and after that time, all committees will have co-chairs and an equal number of DFL and Republican members.

In the Senate, there was also a vacancy caused by the loss of Senator Kari Diedzick to cancer. Both parties agreed to share power until a special election could be held to fill the seat. The special election on January 28th resulted in Doron Clark, a Democrat filling that seat. Democrats hold a one-seat majority in the Senate: 34-33 just as they had during the last biennium.

The main work of the legislature this session is to pass a two-year budget. The forecast for the general fund is rather gloomy. The February forecast predicts a \$456 million surplus for fiscal years 2026-2027, a \$160 million decrease from the November 2024 budget forecast.

MMB attributes the reduced surplus primarily to higher inflation, which has driven up both revenue and spending projections from last year. The long-term structural deficit for fiscal years 2028-2029 has grown to nearly \$6 billion — roughly \$800 million more than previous estimates in 2024.

The governor's budget recommendations call for a status quo, base level funding for Greater Minnesota transit, and a reduction in the general fund rail operations for the metropolitan area of \$64.9 million for the coming biennium and the following biennium. The Council will instead rely on the use of reserves and other revenue sources for light rail and commuter rail, such as the regional transportation sales tax enacted during the 2023 legislative session.

For the capital budget, the governor's recommendation does not include any funding for Greater Minnesota transit capital. He recommends \$15 million for transit capital in the metropolitan area. The funding will help advance the H Line between Minneapolis and St. Paul.

With no capital bonding bill passed last year, there is a great deal of hope that the legislature will pass one this year. While a bonding always requires a certain amount of bipartisanship given the supermajority requirement, the ability to reach a deal on a bonding bill may be even more challenging this year with the tight margins in both bodies and the need to focus on a budget so the state government doesn't face a shutdown.

The 2025 regular session is scheduled to adjourn on May 19th. There is some expectation that it may take until the end of June to actually get a new budget passed. The new fiscal year starts on July 1st.

### **Transportation Day at the Capitol**



# Thank You to everyone who participated from MPTA!

L to R: Kayla Sullivan, Jeremy Monahan, Senator Scott Dibble, Todd Brackey, Kirk Kuchera, Bill Spitzer, Ryan Daniel, Sherry Munyon.





We appreciated hearing from Governor Walz and for his support for the 2023 transportation funding bill which increased funding for transit statewide.

The governor posed for a photo with folks from St. Cloud Metro Bus: David Greene, Ryan Daniel and Nene Israel.

#### **Legislative Report**

#### **Federal Update**

Former Congressman Sean Duffy has been nominated to serve as US DOT Secretary, replacing Pete Buttigieg. New leadership at FTA and other agencies will also follow in the new year.

A member of the Republican Party, Duffy – a former prosecutor who served as Wisconsin's Ashland County District Attorney from 2002 until 2010 – is the former U.S. representative for Wisconsin's 7th congressional district from 2011 to 2019.

Control of Congress will be in the hands of Republicans in both the Senate and the House with relatively small margins. The GOP will hold 53 seats in the Senate, leaving 47 seats for Democrats. Republicans will probably hold 220 seats in the House with Democrats holding 215 but one race remains outstanding while some Republican House members have been nominated to serve in the Trump cabinet which will lead to special elections to fill those seats.

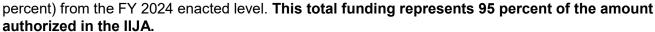
Current House Transportation and Infrastructure Committee Chair Sam Graves will retain the chairmanship.

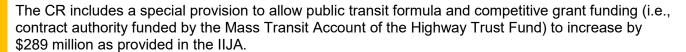
In the Senate, the Environment and Public Works Committee will be chaired by Shelley Moore Capito, the Banking Committee will be chaired by Tim Scott and the Appropriations Committee will be chaired by Susan Collins.

#### **Appropriations**

Congress is working on a full-year Continuing Resolution (CR) that funds government programs, including programs of the Transportation, Housing and Urban Development, and Related Agencies (THUD) Appropriations Act, through September 30 at the same levels as Fiscal Year (FY) 2024.

The bill, together with IIJA advance appropriations, provides \$20.9 billion for public transit in FY 2025, an increase of \$82 million (+0.4





On March 11, 2025, the U.S. Department of Transportation (DOT) issued a directive to all modal agencies, including the Federal Transit Administration and Federal Railroad Administration, to conduct a review of all competitive grant programs and awards, including a project-by-project review in certain circumstances. The focus of this review is to identify project scope and activities that are allocating funding to advance climate, equity, and other priorities counter to the Trump Administration's Executive Orders.

The guidance applies to competitive award selections made after January 20, 2021 (FY 2022 – FY 2025) without grant agreements or partially obligated grant agreements. It does not apply to projects with executed grant agreements that are fully obligated.

Under the directive, DOT instructs modal agencies to identify programs that may include any of the following elements: "equity activities, Diversity, Equity, and Inclusion (DEI) activities, climate change activities, environmental justice (EJ) activities, gender-specific activities, when the primary purpose is bicycle infrastructure (i.e., recreational trails and shared-use paths, etc.), electric vehicles (EV), and EV charging infrastructure." If these programs meet certain criteria, they are subject to a project-by-project review.



#### 2025 Bus Roadeo - July 18-19

Minnesota Discovery Center ~ Chisholm, MN





#### Get Ready for the 38th Annual Minnesota Bus Roadeo!

We're heading way up north! The Minnesota Public Transit Association (MPTA) is excited to host the 38th Annual Minnesota Statewide Bus Roadeo at the Minnesota Discovery Center in Chisholm, MN, on July 18-19, 2025.

This year's event offers a unique opportunity for bus operators from across the state to enhance their driving skills, participate in valuable training sessions, and reconnect with fellow transit professionals. Plus, enjoy a fun-filled weekend featuring live music, family-friendly activities, and networking opportunities—all set against the backdrop of the beautiful Iron Range.

#### ☐ RTAP Scholarship Opportunity

Transit agencies receiving FTA Section 5310 or 5311 funding or Tribal Transit providers are eligible to apply for an RTAP scholarship to attend the Roadeo. Agencies receiving FTA Section 5307 funding are not eligible for scholarships. 5311-funded systems are encouraged to use operating dollars first before requesting a scholarship. Apply through the RTAP website.



## Office of Transit and Active Transportation Update



#### 2025 Solicitation Schedule

The most current information regarding solicitations can be found on our MnDOT Transit website: Funding and Grants - Transit - MnDOT

Current Schedule for Grant Releases:

Greater MN Rural and Urban Transit Operating grant, May 1, 2025
Vehicle replacement grant - May 1, 2025
Technology grant, Aug. 1, 2025
Facilities grant, Aug. 1, 2025
Large capital grant, Aug. 1, 2025
Greater Minnesota Tribal Transit vehicle grant, May 1, 2025
InterCity Bus grant – May 1, 2025
Regional Transportation Coordination Councils (RTCCs), Feb 3, 2025

#### **Photos Request**

National Transit Employee Appreciation Day is March 18, and MnDOT is looking for pictures of your staff in action (preferably behind the wheel or standing near/in front of your agency's vehicle) for a LinkedIn post focusing on the amazing work you all do.

#### Do you have photos you could share with us for this?

If so, please send to me (melinda.estey@state.mn.us) and cc joseph.palmersheim@state.mn.us on your reply.

#### Welcome New Staff!

#### Mobility Management Program Manager - Kathy Schultz

The Office of Transit and Active Transportation is pleased to introduce Kathy Schultz as the latest addition to our office. This position was previously filled by Michelle Lichtig prior to her retirement last fall.

Kathy is from Kalamazoo, Michigan and has over 30 years working in transportation. She formally worked as a Transit Planner and Planning and Development Manager for Metro, the public transportation system in Kalamazoo County for 10 years and for Bloomington Transit in Bloomington, Indiana. Before that, she worked 21 years with the Metropolitan Planning Organization in Kalamazoo. She has her bachelor's degree from Central Michigan University in Organization Administration with a focus on Non-Profit Management.

# Office of Transit and Active Transportation Update



## New Greater Minnesota Urban Transit Project Manager – Ben Tomhave

Ben Tomhave has been promoted to Greater Minnesota Urban Transit (5307) Project Manager. He will be transitioning into his new role on 3/12/25, filling the vacancy that Klara Grochulska left in 2023. In this role, Ben will coordinate a cooperative and comprehensive urbanized area transit program with Minnesota's seven urban transit providers. Ben will provide a critical link to urban systems in building transit staff relationships, coordinating planning efforts across transit systems, providing best practices for growing and maintaining transit systems and providing professional planning technical expertise and analysis related to small urban transit systems. Ben joined OTAT in October 2024 as a Transit Planner and Data Analyst.

Prior to coming to OTAT Ben worked in the private sector on transit service planning, developing transit master plans, zero-emissions bus transition plans, and light rail/bus rapid transit corridor plans. Ben has worked with numerous urban transit systems across the nation – including Austin (TX), Columbus (OH), Dallas (TX), Denver (CO), Grand Rapids (MI), Louisville (KY), and St. Louis (MO) – this has provided him with a wealth of experience to assist our small/large urban transit providers across Minnesota.

#### MCOTA Driver Shortage Survey

MCOTA Work Team in collaboration with OTAT staff is currently reviewing the survey data. We had 119 responses from a pool of 979 passenger transportation providers across Minnesota. This pool included all of OTAT sub recipients of Section 5307, 5310, 5311, and Inter City Bus and STS/NEMT (DHS) providers and School Bus operators and other providers as provided from RTCC and TCAP provider inventories.

We will have a full update of the findings at the March 26th MCOTA meeting with a robust discussion of potential solutions and the next steps. All are welcome to MCOTA meeting on March 26th at 1pm, please see the MCOTA webpage link: <a href="https://coordinatemntransit.org/basic page with colu/minnesota-council-on-transportation-access-meetings/">https://coordinatemntransit.org/basic page with colu/minnesota-council-on-transportation-access-meetings/</a>

Questions, please contact Tom Gottfried MCOTA Executive Director at tom.gottfried@state.mn.us

#### Greater Minnesota Transit Plan Engagement

We need your continued help to spread the word about engagement opportunities for our Greater Minnesota Transit Plan! This campaign is all about driving people to the project's <u>Let's Talk Transportation site</u>, where they can.

The campaign is live on MnDOT's social media channels and we appreciate your help in sharing posts and spreading the word to help with this public engagement effort. <a href="https://talk.dot.state.mn.us/greater-minnesota-transit-plan">https://talk.dot.state.mn.us/greater-minnesota-transit-plan</a>

Visit the transit plan website here: Greater Minnesota Transit Plan

# Office of Transit and Active Transportation Update



#### Senator Smith Listening Sessions

Minnesota transportation providers and MnDOT staff have been participating in listening sessions around the state with staff members from Minnesota State Senator Tina Smith's office. Senator Smith, who serves as the Ranking Member of the Senate Housing, Transportation, and Community Development Subcommittee that oversees all federal public transit policy, is working on a bill to address policy changes for rural transit providers and customers. This bill is looking at addressing challenges with local match, tribal transit, regulatory right-sizing, low-no emission grants, and

Back: Karen Onan, EC RTCC; Orion DiFranco and Jack Smythe, Senator Tina Smith's office;

Brandon Nurmi,

vehicle shortages.

Arrowhead; Helen Pieper, Timber Trails; me; Jessica Peterson, Lighthouse Child & Family Services Front: Michelle Thomas, EC RTCC

#### **OTAT Retirement**

#### Farewell and Happy Retirement Charles "Chuck" Morris



The days of calling Chuck when you run amok will sadly be coming to an end when Chuck officially retires from public service with MnDOT on April 1st of this year.

Please join us in thanking Chuck for his many years of help and service and in wishing Chuck an exceptionally happy retirement! His helpful responses and infectious laugh will most certainly be missed.

Voni Vegar will be the interim point of contact related to technology and BlackCat in our office. Voni can be reached via email at Voni.Vegar@state.mn.us

#### Midwest Transportation Demand Management Summit

Join MnDOT and public and private sector transportation professionals for the first-ever Midwest <u>Transportation Demand Management (TDM) Summit</u> on Wednesday, April 16th at the University of Minnesota Twin Cities Campus!

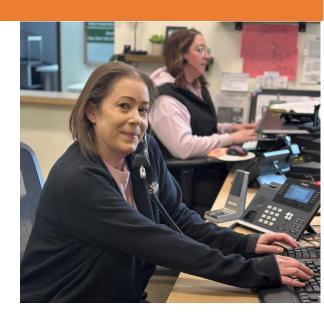
### **New Happenings at The Otter Express**

## We started servicing more of Otter Tail county in 2025.

- We began rural public transportation in Battle Lake and Pelican Rapids the week of Jan. 13<sup>th</sup>
- Battle Lake is every Thursday
- Pelican Rapids is every Tuesday and Friday

#### We reintroduced service in Clay county

- We began rural public transportation in Barnesville the week of Jan. 13th
- Every Monday and Wednesday





#### **Mechanics**

- We have two full time mechanics
- We now do most of our repairs in house

This has saved us on outsourcing repairs of our fleet







### **Fosston Transit System Update**



The City of Fosston Transit system is still going strong as we enter 2025. The extremely cold weather we've had so far this year definitely has affected our ridership, with an increase in riders during these last few weeks of sub-zero temperatures.

I recently spoke with an elderly widow who is moving into city limits. She was excited to have the service of our city bus available to her. She told me she is keeping her car only long enough to get moved in and then will rely on the transit system for her transportation needs.

Our system strives to be there for our community and its' residents, doing what we can to help them stay mobile and connected.

Nikki Juve Transit Manager, City of Fosston Transit



#### **Rochester Public Transit**

# A timeline of events from Rochester Public Transit 2024 annual report.

#### 2024 Milestones



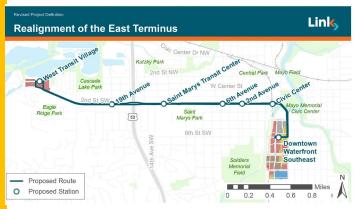
#### Link Bus Rapid Transit learning opportunities planned

Rochester Post Bulletin

The start of construction of <u>Rochester's Link Bus Rapid Transit</u> project is being accompanied by a pair of virtual sessions and open office hours to provide background, insight and upcoming schedules for the project.

Link is a \$175 million project being funded with state and county Destination Medical Center transit funds, as well as a nearly \$85 million in federal funds.

The system will include a 2.8-mile route through downtown with designated transit lanes along Second Street, between Avalon Cove Court Southwest and Third Avenue South-



east, as well as approximately four blocks south on Third Avenue. The service is expected to feature 12 dedicated stops along the route every five minutes during peak periods and every 10 minutes at other times, with no fare charged for a ride.

# National League of Cities conference highlights importance of public transportation



Key leaders and innovators in transportation hosted a media event March 5 at the <u>National League of Cities (NLC)</u> Mobility Matters Conference in Burnsville. This event put a spotlight on the essential role diverse mobility options play in enhancing the daily lives of millions of Americans, with a focus on accessibility, sustainability, and economic impact.

The event was hosted by the National League of Cities, <u>Minnesota Valley Transit Authority (MVTA)</u>, the <u>City of Burnsville</u>, and <u>Enterprise Mobility</u>.

Knowing that collaboration efforts on the federal, state, and local levels are integral to mitigating mobility gaps in communities, the primary goal of the gathering was to emphasize the fundamental role public transportation plays in ensuring access to employment, education, and essential services while contributing to local economies. Public transportation is not only a vital service that carries millions of riders across the nation every day, but it is also a key driver of economic vitality. With more than 430,000 people employed in the industry, public transit supports millions of jobs while directly contributing to the U.S. economy. According to a 2025 study, 77 percent of federal funding for public transit initiatives flows into the private sector, supporting companies across the United States.



# Twin Ports bus service is a tale of 2 cities — and different funding levels

Wisconsin Public Radio - By Robin Washington March 13, 2025

If a metropolitan area is spread across two states, with a city in one state much larger than its neighbor in the other, can a single transit agency serve both areas fairly and equitably?

That's the question in Duluth and Superior, where the Duluth Transit Authority provides bus service to both cities. Two years ago, the agency revamped its routes under a <a href="Bus">Better</a>
Bus plan, focusing on enhancing those with higher ridership needs. But the reconfiguration also eliminated others.

"They eliminated bus service in <u>Billings Park</u> in the west area of the city and also in south superior and a little bit out in the east end," said Superior City Councilor Mike Herrick, whose constituents have asked for the routes to be restored.

Herrick joined the <u>Superior Days delegation</u> at the Capitol last month to lobby for funding to restore the service — a challenge, because Wisconsin provides a far lesser portion of the DTA's budget than does Minnesota.

Herrick spoke about the effort with WPR's Robin Washington on "Morning Edition." Washington also discussed the issue with DTA Assistant General Manager Chris Belden.

Robin Washington: What's the bus service situation in Superior currently?

Mike Herrick: The DTA did a Better Bus Blueprint plan in 2023. That entailed creating more service in the mornings and in the afternoons, especially in Superior. People very much appreciated that. But they also eliminated routes.

RW: Chris Belden, tell us about the service in Superior.

Chris Belden: We often hear from folks in Superior who see the level of service we're offering in Duluth and ask, "Why don't we have as much bus service over here?" It comes down to state funding.

The Minnesota Department of Transportation funds transit very well. With that, we're able to cover more of our Minnesota geography and provide more frequent bus service. In Wisconsin, Superior is a very large land area but the funding isn't there. So we have to be really delicate and deliberate on where we put service and where it's needed most.



A Duluth Transit Authority bus loads up at the Duluth Transit Center before departing to Superior. The route has seen a near 30 percent increase in ridership since service enhancements in 2023, but other routes serving Superior have been cut. *Robin Washington/WPR* 

# Metro Transit saw overall ridership growth in 2024, as transit patterns shift from rush hour to other times of day

By Tim Harlow The Minnesota Star Tribune

Despite continuing declines during weekday rush hours, Metro Transit saw an overall gain in ridership for the fourth straight year in 2024, providing more than 51.8 million rides. A jump in riders taking trips in the middle of the day and using rapid bus service wiped out losses experienced during traditional commuting periods and a late-year slump, fueling an overall 6% growth in ridership over 2023.



Nevertheless, ridership last year remained well below pre-pandemic levels. Metro Transit ridership

hit a peak of 85.8 million in 2015 before slipping to 77.9 million in 2019, the year before the onset of COVID-19. Transit agencies have been trying to catch up ever since.

"The peak of the peak in the morning used to be 7 a.m. and that is where we are seeing our biggest declines," said Joey Reid, a Metro Transit data analyst. He said there were also notable, if smaller, declines during the afternoon rush.

Reid suggested the rush-hour commuter market may be tapped out, as many workers continue to work at home or go into the office for only part of the week. Metro Transit is adapting to that trend by tailoring service to meet emerging and changing travel demands and patterns with new services and routes, he said.

"The investment we have made in high-use corridors, like the Green Line and D Line, have led to pretty big ridership returns," he said at a Metropolitan Council Transportation Committee meeting this week. "We have more investment coming in really great corridors. We can be really hopeful about ridership on those corridors."

Metro Transit's bus rapid transit lines (BRT), which feature less frequent stops than regular buses and offer faster trips, saw some of the largest growth last year. BRT ridership was up at all hours of the day except for the 6-9 a.m. period. Overall, more than 8.3 million rides were taken on Metro Transit's five BRT lines — A, C, D, Red and Orange — from January through December, marking a 13% increase over 2023.

The rapid lines are part of the agency's "Network Now" initiative to grow ridership, enhance mobility and meet travel needs over the next two years. The Gold Line, which will run between downtown St. Paul and Woodbury, opens March 22. Two other BRT lines will open by the end of the year, and two more could be operating by 2028.

Local buses continue to be the workhorse of the transit system, providing nearly half of all rides taken. Light rail accounts for 30% of trips, and rapid buses 16%.



# It's almost here and just in time for Spring Break... The 686 is Coming!



#### Route 686

SouthWest Transit is launching a new bus route that connects you from SouthWest Station in Eden Prairie to key destinations along the 494 corridor like the Mall of America and MSP airport!

Why did we call it the 686, you ask?

It's almost our 40th anniversary! We're paying a little homage to the year we were founded (1986) thanks to the cities of Eden Prairie, Chanhassen and Chaska!

Starting March 31, 2025 SouthWest Transit is launching the 686, a reliable and convenient transportation option connecting the Southwest suburbs to MSP Airport, with key stops along the 494 corridor. Whether you're commuting to work, traveling for leisure, or catching a flight, the 686 has you covered.

#### One Route, Two Service Patterns

The 686 route offers two distinct service patterns: Local and Express. Both ensure frequent service tailored to different travel needs.

#### Airport Parking for the New 686 Route

We're upgrading our airport parking system at SouthWest Station to enhance your travel experience! With the new 686 route, you'll find:

- A new reserved airport parking zone
- Day-of payment options for when you're on the go
- Coming in the near future: Online reservations

SW Prime Airport Service Sunset: The SW Prime Airport service will end on April 26. Starting March 31, the 686 will provide enhanced service to MSP Airport with more frequent trips and extended hours.





## **In-Transit**

March 2025 Edition

# Upcoming Events:

MN Roadeo July 18 & 19 Chisholm, MN

Minnesota/
Wisconsin Public
Transit Conference
October 6-8
Rochester, MN

#### **Contact Us:**

Have a story for us?

Reach out to us here:

Margaret@transportationalliance.

651-659-0804





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