



Minnesota Regional Transit  
Board: Records.

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REGIONAL TRANSIT BOARD

270 Metro Square Building  
St. Paul, Minnesota 55101  
612/292-8789

MEETING OF THE REGIONAL TRANSIT BOARD  
Monday, September 30, 1985  
Council Chambers  
4:00 p.m.

AGENDA

1. Call to Order and Roll Call
2. Approval of Agenda
3. Approval of Minutes of August 26, 1985 Public Hearing and Regional Transit Board Meeting of September 3, 1985
4. REPORT OF THE POLICY COMMITTEE Todd Lefko  
Chair
  - a. 1986 Exurban Program Guidelines
  - b. Minnesota Department of Transportation Project Development Report, Environmental Assessment for Washington Avenue South
5. REPORT OF ADMINISTRATION AND FINANCE COMMITTEE Ruth Franklin  
Chair
  - a. RTB 1985 (Payable 1986) Property Tax Levy Request for Approval of Resolution No. 85-18
  - b. Personnel Consultant, Resolution No. 85-\_\_
  - c. Accounting System Consultant
6. REPORT OF THE SELECTION COMMITTEE Doris Caranicas  
Chair
  - a. Taxicab Advisory Committee
7. OTHER BUSINESS
  - a. Chairman's Report
  - b. Members' Reports
  - c. Staff Reports
8. PUBLIC COMMENT

Elliott Perovich  
Chairman

*An Equal Opportunity Employer*

REGIONAL TRANSIT BOARD  
ROLL CALL AND ATTENDANCE SHEET

DATE: 9/30/85

BOARD OR COMMITTEE R.T.B.

5. a.      5. b.

MEMBER NAME	PRESENT	VOTE	VOTE	VOTE	VOTE
Chairman E.P. 0-0-t					
Kenneth Bedeau	✓	y			
Doris Caranicas	✓	y			
Ruth Franklin came late		y			
Alison Fuhr	✓	y			
Paul Joyce	✓	y			
Edward Kranz came late		y			
Todd Lefko	✓	y			
Bernard Skrebes	✓	y			

*Larry Wertheim*  
*Judy Hollander*

*Les*  
*Mike*  
*Eddie*  
*Bof*

*Judith*  
*Jerry*

REGIONAL TRANSIT BOARD

270 Metro Square Building, St. Paul, Minnesota 55101

Minutes of the Meeting of the  
REGIONAL TRANSIT BOARD  
Metropolitan Council Rooms A & B  
September 16, 1985

BOARD MEMBERS PRESENT: Doris Caranicas, Vice-Chair; Kenneth Bedeau, Ruth Franklin; Alison Fuhr; Edward Kranz; Todd Lefko and Bernard Skrebes

OTHERS PRESENT: Ghaleb Abdul-Rahman, Mary Fitzgerald, Judy Hollander, Judith McCourt, Leslie Johnson, Jerry Brechlin, Regional Transit Board Staff; Charles Weaver and Larry Wertheim, legal counsel; Arnie Entzel; Jeff Dzuik, Metropolitan Council, and Greg Failor, Metropolitan Transit Commission

Vice Chair Caranicas called the meeting to order at 4:00 p.m. and roll taken. The vice-chair moved that order of the agenda items be reversed to accommodate a guest who had a scheduling conflict. Franklin moved approval of the amended agenda; Fuhr seconded the motion. Motion carried unanimously (Kranz not present).

REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE

FINANCIAL STATEMENTS AS OF JUNE 30, 1985

Franklin reviewed the committee report dated September 10, 1985 and moved:

That the board approve and direct to be placed on file the "Financial Statements as of June 30, 1985."

Skrebes seconded the motion. Johnson explained that the reports are compiled on a quarterly basis. Vote was taken; Motion carried unanimously.

1984 REGIONAL TRANSIT BOARD AUDIT

Franklin reviewed the committee report dated September 10, 1985. The committee asked many questions and believe the accounting system will function better next year. Franklin moved and Fuhr seconded:

That the board receive and direct to be placed on file the "1984 Regional Transit Board Audit."

Franklin noted that in all instances the staff agreed with the auditors' suggestions and are implementing them. Motion carried.

GRANT AGREEMENT WITH MINNESOTA DEPARTMENT OF TRANSPORTATION FOR TRANSFER OF REVENUES, RESOLUTION NO. 85-17

Franklin reviewed the committee report dated September 10, 1985. The committee was advised by staff that staff will negotiate with the state for transmittal of funds in a lump sum, which is not current state procedure. Abdul-Rahman said that since the committee last met, the state has agreed to transmit the \$1,750,000 in planning funds. Johnson said a lump sum transmittal may be possible in 1987, but it is unlikely in 1986. Franklin moved and Lefko seconded:

That the board approve Resolution No. 85-17 entering into Grant Agreement No. 62922 with the Minnesota Department of Transportation regarding transmittal of Fiscal Year 1986 administrative (\$1,080,000) and planning (\$1,750,000) funds to the Regional Transit Board.

Johnson said the State Department of Finance maximizes return on investment of funds by scheduling the release of funds. Abdul-Rahman said RTB is being dealt with like any other department of the state. All the departments get their funds on a quarterly basis. We are declaring that we are really not a state agency and are asking for a lump sum payment on that basis. Franklin said this should be handled carefully so the state does not disburse to RTB the way it does to municipalities, which get their funding from July through December in six equal payments. Abdul-Rahman said the current arrangement was arrived at during the transition period and it was favorable to the agency. In response to Lefko's question, Weaver said this could be changed legislatively, but it may not be a good idea to open up the subject. Roll call vote was taken on the motion and accompanying resolution; motion carried.

REPORT OF THE POLICY COMMITTEE

BLOOMINGTON ENVIRONMENTAL ASSESSMENT WORKSHEET/SCOPING DOCUMENT

Lefko reviewed the committee report dated September 10, 1985. At its meeting, the Policy Committee felt the potential effect of this project on the rest of the region was important and the impacts should be clarified. Lefko moved:

That the Regional Transit Board notify the City of Bloomington that the preliminary review of the Environmental Assessment Worksheet Scoping Document for the Mall of America and Fantasyworld has been completed. The RTB acknowledges that transit has been identified as an issue for further analysis and strongly encourages the City of Bloomington to complete a detailed analysis of the transit impacts of the proposed project.

Fuhr seconded the motion. Lefko said this is on a fast track and questions should be raised as early as possible. Vote was taken; motion carried unanimously.

## JOBSEEKERS PROGRAM

Lefko reviewed the September 10 report of the committee. It was the assumption of the Legislature that the RTB would create a program to continue the WIN and Jet Pass program. This action requests that the Metropolitan Transit Commission continue to administer the WIN program through December 31, 1985. There will be additional committee discussion on how to create good program. He moved and Fuhr seconded:

That the Regional Transit Board request the Metropolitan Transit Commission to continue its WIN pass program through December 31, 1985.

Lefko said the committee hopes to combine the Jet Pass and WIN programs. There are a number of questions about getting into social service rather than transit issues. Vote was taken; motion carried unanimously.

## HENNEPIN COUNTY ENVIRONMENTAL ASSESSMENT WORKSHEET FOR THE RECONSTRUCTION OF CSAH 9 FROM I-494 TO NATHAN LANE IN PLYMOUTH

Lefko noted that this could be a Consent List item and moved:

That the Regional Transit Board find the proposed reconstruction of CSAH 9 from I-494 to Nathan Lane in Plymouth to have no significant impact on transit services.

Fuhr seconded the motion: motion carried unanimously.

## REPORT OF THE SELECTION COMMITTEE

### TAXICAB ADVISORY COMMITTEE

Caranicas reported that the committee met on September 12 and reviewed 18 applications from cab drivers for which there are four openings. The committee has not finished its work. Chairman Perovich has asked Marcia Bennett to serve as chair of the committee and she has accepted the position. A full report and recommendation is expected to be available for the September 30 board meeting. Lefko noted the major issue has been trying to develop balanced representation. The charge to the committee was adopted at an earlier meeting.

Robert Dietrick, the new administrative aide to Les Johnson, was introduced.

There being no further business, Franklin moved that the meeting be adjourned; Fuhr seconded the motion; motion carried unanimously. The meeting adjourned at 4:45 p.m.

Respectfully submitted,

Mary Fitzgerald  
Secretary

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: September 24, 1985  
TO: Regional Transit Board  
FROM: Policy Committee  
SUBJECT: 1986 Exurban Program Guidelines

At its September 23, 1985, meeting, the Policy Committee approved the following recommendation:

RECOMMENDATION:

That the Regional Transit Board approve the guidelines contained in the September 17, 1985, memorandum, for the purpose of soliciting exurban funding proposals for calendar year 1986.

Todd Lefko  
Chair

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: September 17, 1985  
TO: Policy Committee  
FROM: Judith McCourt, Programs Manager  
SUBJECT: 1986 Exurban Program Guidelines

Action Requested:

That the Regional Transit Board (RTB) approve the guidelines, as contained in this memorandum, for the purpose of soliciting exurban funding proposals for calendar year 1986.

Background:

The 1981 Transit Omnibus Bill incorporated changes that affected the distribution of property taxes collected from outlying portions of the Transit Area. This area, shown in attachment one, is commonly referred to as the exurban area. Legislation now requires that proceeds of taxes collected from this area be returned to the area in the form of paratransit or ridesharing services. Previously, property taxes collected from all portions of the Transit Area were unrestricted. The legislation does not require that the proceeds of the taxes be returned to the originating community, only that they be used to support projects serving the exurban area.

The legislation specifies in Section 473.446, subdivision 1(a)

For purposes of Section 473.401 to 473.451 and the metropolitan transit system, the Regional Transit Board shall levy upon all taxable property within the metropolitan transit area but outside of the Metropolitan Transit Taxing District defined in subdivision 2, a transit tax, which shall be equal to ten percent of the sum of the levies provided in subdivision 1 clause (a) to (c). The proceeds of this tax shall be used only for paratransit services or ridesharing programs designed to serve persons located within the transit area but outside of the transit taxing district.

In response to the 1981 legislation, the Metropolitan Transit Commission (MTC) established a program to provide financial assistance to paratransit and ridesharing programs serving the exurban area. Since 1982, the MTC has administered the exurban program. With the creation of the Regional Transit Board, the exurban program became the responsibility of the RTB. In April 1985, the RTB assumed the administrative responsibility for the program and plans were made to transfer financial responsibility to the RTB with the negotiations of the 1986 contracts.

In 1984 the MTC used the following guidelines to distribute the funds to paratransit projects:

1. Projects shall predominantly serve persons residing within the exurban area.
2. Projects shall be predominantly subregional in nature and should provide access to MTC service wherever possible.
3. Funding preference will be granted to programs that provide accessible service.
4. Funding participation from the MTC shall not exceed 20% of the operating deficit when federal and/or state funding sources are also being employed to defray program costs. Funding participation from the MTC shall not exceed 50% of the program costs when federal and/or state funding sources are not available to the program. If the program provides transportation in areas other than the exurban area, the funding provided by the MTC shall not exceed the actual deficit incurred by providing transportation service to the exurban area. A local match shall be provided by the applicant which is not less than the amount contributed by the MTC.
5. Funding preference will be given to programs that are cost-effective.
6. Programs wishing to receive financial assistance in 1984 must submit final proposals no later than November 30, 1984.

In 1985 using these guidelines the MTC funded ten paratransit projects. In addition to funding the paratransit projects, the MTC retained 25% of the available funds to support exurban ridesharing activities.

Discussion:

It is estimated that in 1986, \$462,200 will be available for distribution.

	<u>Levy Amount</u>	<u>Amount Received By 12/86</u>
Carryover		\$ 51,100
July 1, 1985-June 30, 1986	\$407,000	199,400
July 1, 1986-June 30, 1987	\$424,100	211,700
Total Available		<u>\$462,200</u>

There has been concern, in previous years, regarding the large amount of carryover funds that have accumulated in the exurban fund. In 1983, the carryover reached a high of \$107,500. At that time discussion occurred as to whether the guidelines should be relaxed to allow for greater funding flexibility. It was decided not to implement any changes at that time because the number of projects seeking funding was increasing annually. The 1985 carryover is estimated to be \$51,100 and a continued reduction is expected over

the next few years. The further reduction is expected because at least one new program will be applying for funds for calendar year 1986. It may also be possible that as a result of the Service Needs Assessment additional program possibilities will surface.

It is, therefore, recommended that minor changes be made in the existing guidelines to reflect the RTB's program responsibility. A revision to guideline four is also recommended to rectify a current program inequity.

The fourth guideline currently sets forth two levels of funding participation from the funding body. The first level is 20 percent of the total program costs if state and federal funds are used, providing the community contributes an equal amount. The second level of funding is 50 percent of program costs if no state and federal funds are employed. This guideline was originally developed when all of the projects seeking funding were projects that were funded by Mn/DOT funds and federal section 18 funds. The guideline was instituted to insure that local communities participated in funding the projects. In these cases, state and federal funds equalled 80 percent of the total program costs. The community was required to contribute 10 percent of the program deficit to receive a 10 percent exurban contribution. Since the institution of this guideline, some programs have applied for funds that receive only a small percentage of federal funds as part of their total operating cost. This has resulted in certain inequities. For example, under the current guidelines, a program that receives 20 percent of its funds from federal sources would be eligible to receive only 20 percent of its funds from the exurban allocation requiring a 60 percent local match. If the project turned down federal funds it would be eligible for exurban funds on a 50-50 basis. It is, therefore, recommended that the current guideline be changed to encourage state and federal funding participation rather than penalize projects for obtaining these funds.

The revised guideline is suggested as follows:

Funding participation from the Regional Transit Board shall not exceed 50 percent of the project deficit. The project deficit shall be determined by taking the total operating cost and subtracting federal, state and operating revenues from it. A local match shall be provided by the applicant which is not less than the amount contributed by the Regional Transit Board. If the program provides service in other than the exurban area, the funding provided by the RTB shall not exceed the actual deficit incurred by providing services to the exurban areas.

The remaining housekeeping changes are shown below:

2. Projects shall be predominantly subregional in nature and should provide access to (MTC)\* existing transportation service wherever possible.
6. Programs wishing to receive financial assistance in (1984)\* 1986 must submit final proposals no later than (November 30, 1984)\* November 1, 1985.

\*indicates delete

Policy Committee  
September 17, 1985  
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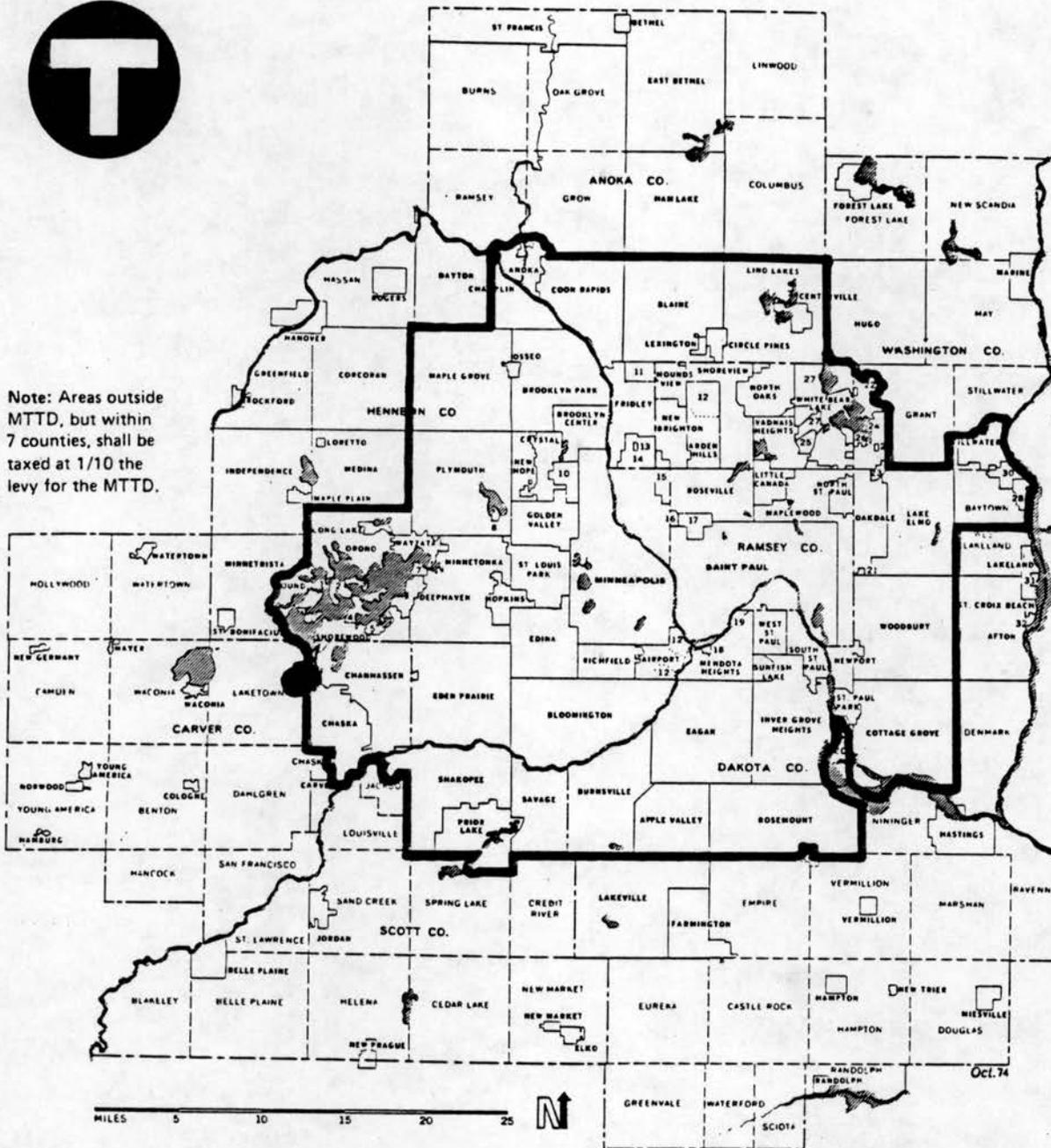
Based on the revised guidelines, staff wishes to solicit proposals from providers interested in providing paratransit or ridesharing services in the exurban areas. The following time frame for the process is anticipated:

- September 23, 1985 - Review of Guidelines by Policy Committee
- September 30, 1985 - Approval of Guidelines by the Regional Transit Board
- October 1, 1985 - Guidelines Issued
- November 1, 1985 - Exurban Proposals Due
- November 17, 1985 - Funding Recommendation to Policy Committee
- December 2, 1985 - Approval by Regional Transit Board

JM:jmo



Note: Areas outside MTTD, but within 7 counties, shall be taxed at 1/10 the levy for the MTTD.



# TWIN CITIES METROPOLITAN AREA Metropolitan Transit Taxing District

- |                    |                     |                   |                     |
|--------------------|---------------------|-------------------|---------------------|
| 1 SPRING PARK      | 10 ROBBINSDALE      | 17 FALCON HEIGHTS | 25 GEM LAKE         |
| 2 ORONO            | 11 SPRING LAKE PARK | 18 MENDOTA        | 26 BIRCHWOOD        |
| 3 MINNETONKA BEACH | 12 U. S. GOVT       | 19 LILYDALE       | 27 WHITE BEAR       |
| 4 TONKA BAY        | 13 HILLTOP          | 20 GREY CLOUD     | 28 BAYPORT          |
| 5 EXCELSIOR        | 14 COLUMBIA HEIGHTS | 21 LANDFALL       | 29 WILLERNIE        |
| 6 GREENWOOD        | 15 ST. ANTHONY      | 22 DELLWOOD       | 30 OAK PARK HEIGHTS |
| 7 WOODLAND         | 16 LAUDERDALE       | 23 PINE SPRINGS   | 31 LAKELAND SHORES  |
| 8 MEDICINE LAKE    |                     | 24 MAHTOMEDI      | 32 ST. MARY'S POINT |

ANOKA ——— County  
 GRANT - - - - - Township  
 OSSEO ——— Municipality

EFFECTIVE FOR TAXES LEVIED IN 1975 AND SUBSEQUENT YEARS.  
 (The most recent boundaries defined by law.)  
 August 1, 1979

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: September 24, 1985  
TO: Regional Transit Board  
FROM: Policy Committee  
SUBJECT: Minnesota Department of Transportation Project Development  
Report, Environmental Assessment for Washington Avenue South

At its September 23, 1985, meeting, the Policy Committee approved the following recommendation:

RECOMMENDATION:

That the Regional Transit Board find the proposed improvement to be in compliance with the Regional Transit Board's Interim Implementation Plan

Todd Lefko  
Chair

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: September 16, 1985  
TO: Policy Committee  
FROM: Katherine F. Turnbull, Planning Manager  
SUBJECT: RTB Review--Mn/DOT Project Development Report/Environmental Assessment for Washington Avenue South Between Fifth Avenue South and Thirteenth Avenue South, and Chicago Avenue South, between Third Street South and Washington Avenue South.

ACTION REQUESTED:

That the Policy Committee find the proposed improvement to be in compliance with the Regional Transit Board's Interim Implementation Plan.

BACKGROUND:

The project, as proposed by the State of Minnesota Department of Transportation (Mn/DOT) and the City of Minneapolis Department of Public Works, is for the improvement of Washington Avenue South between Fifth Avenue South and Thirteenth Avenue South, and Chicago Avenue South, between Third Street South and Washington Avenue South (see attached map). The project includes the reconstruction and widening of the existing street, construction of center medians, raising the elevation at the Chicago/Washington intersection, installing signal lights at Chicago and Tenth Avenues South, installing signal interconnect/communications system between Fifth and Eleventh Avenues South, and a street lighting system between Fifth and Thirteenth Avenues South. The planning of this project is being coordinated with many agencies and organizations, such as the Minneapolis Community Development Agency, Minneapolis City Planning Commission, Hennepin County and Mn/DOT.

The Metropolitan Transit Commission (MTC), operates four bus routes through this area. MTC routes operating in this area carry an average weekday ridership of 7,000 passengers a day on a total of 410 weekday trips. These routes include:

<u>Route</u>	<u>Total Trips In</u>	<u>Total Trips Out</u>
7	76	75
19	53	55
20	73	71
52K	4	3
Total	<u>206</u>	<u>204</u>

Policy Committee  
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Conversation with MTC representatives indicate the MTC is in support of this project. The MTC will coordinate with the City of Minneapolis and Mn/DOT in determining the final detour alternative during construction. Improvements in this area will have a positive impact on transit operations along Washington Avenue and make travel through the area more efficient. The proposed roadway will also improve the visual quality of this area and is expected to complement proposed development north of Washington Avenue.

FINDINGS AND CONCLUSIONS:

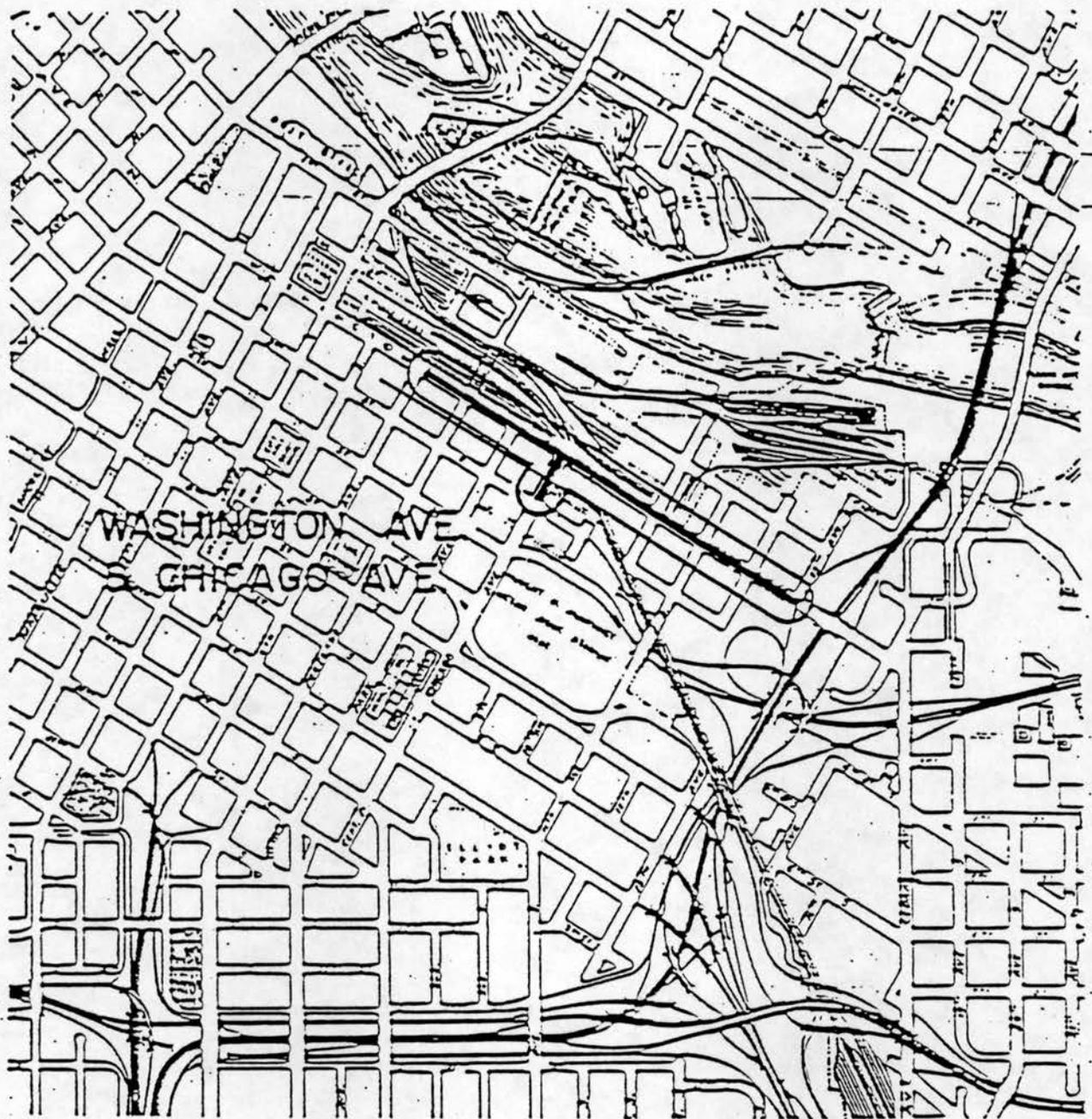
- o The State of Minnesota Department of Transportation (Mn/DOT) has completed an Environmental Assessment Worksheet (EAW) for the proposed improvement along Washington Avenue South between Fifth Avenue South and Thirteenth Avenue South, and Chicago Avenue South, between Third Street South and Washington Avenue South.
- o MTC operates four bus routes in this area, carrying 4,000 passengers per day on 410 weekday trips. The improvements will have a positive impact on transit. The MTC has indicated their support of this project.
- o The MTC has also indicated that they will coordinate with Mn/DOT and the City of Minneapolis in determining the final detour selection.

RECOMMENDATION:

That the Policy Committee find the proposed improvement to be in compliance with the Regional Transit Board's Interim Implementation Plan.

KT:CF:jmo

# CITY OF MINNEAPOLIS



SCALE: 1" = 1200'

*Corrected  
copy*

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: September 23, 1985  
TO: Regional Transit Board  
FROM: Selection Committee  
SUBJECT: Taxicab Advisory Committee

ACTION REQUESTED:

The nominating committee requests that the Regional Transit Board (RTB) approve the slate of appointments, as presented, to serve as the Taxicab Advisory Committee and authorize the advisory committee size be changed from 15 to 16 with the RTB liaison assuming a non-voting role.

BACKGROUND:

At its regular board meeting of August 5, 1985, the Regional Transit Board approved the formation of a Taxicab Advisory Committee to advise it on issues relating to taxicab service in the metropolitan area. The RTB designated the composition and size for the advisory committee. The size of the committee was set at 13-15 members made up of the following representatives:

Consumers	1-3*
Taxicab Operators	4*
Local Units of Government	
Representatives of Bloomington,	
Minneapolis, St. Paul and one	
other suburb	4
Business Community	1
MAC	1
RTB Liaison	1
Chair	1
	<hr/>
	13-15

\*represents maximum

The Board authorized staff to solicit applications until September 10, 1985. Notice of the vacancies was placed in regular Twin Cities publications and the Metropolitan Council Review, a bi-weekly publication sent to government officials and community leaders.

At its regular meeting of September 3, 1985, the RTB appointed a nominating committee to review the applications and to recommend appointments to the Board. The nominating committee consisted of Doris Caranicas, chair, Alison Fuhr and Todd Lefko. On September 12, the Ad Hoc Nominating Committee met to

screen the 28 applications that had been received. Upon review of the applications, the nominating committee found that to achieve a balance between taxicab operators, both fleet and independent, and city and suburban interests, five rather than four positions representing the industry would be required. To keep the total voting membership to 15, the nominating committee is recommending that the RTB liaison be a non-voting member. This recommendation follows the discussion concerning advisory committees at the recent RTB retreat. The first advisory committee meeting will be held in mid-October, following the approval of the slate of candidates by the Board.

RECOMMENDATION:

The nominating committee recommends to the Board the following slate of candidates for the Taxicab Advisory Committee:

Consumers (3)

Debby Lee Baumgartner - St. Paul  
Chris Ann Cuppett - Minneapolis  
John Schultheis - Minneapolis

Taxicab Operators (5)

James Morgan - Minneapolis Taxicab Owner's Association,  
Executive Director  
Robert Janecek - Transportation Management, Inc., President  
Nathan Shaw - Airport Taxi, Vice President  
Lawrence Williams - Owner Operator  
Richard Timm, Independent Operator

Local Units of Government (4)

Kathleen Hale - City of St. Paul, Aide to Mayor  
Joan Niemiec - Member City of Minneapolis City Council  
Margaret Fosse - Licensing Division, City of Bloomington  
James Brimeyer - City of St. Louis Park, City Manager

Business Community (1)

Glenn Olson, NSP, Downtown Council Member

MAC (1)

Tim Anderson, Operations Division

RTB Liaison

Doris Caranicas

Chair

Marcia Bennett, Intergovernmental Coordinator, Anoka County  
past Metropolitan Council member

Doris Caranicas  
Chair

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: September 24, 1985  
TO: Regional Transit Board  
FROM: Administration & Finance Committee  
SUBJECT: RTB 1985 (Payable 1986) Property Tax Levy  
Request for Approval of Resolution No. 85-\_\_\_\_\_

ACTION REQUESTED

At its meeting September 26, 1985, the Administration and Finance Committee will review the attached memorandum "RTB 1985 (Payable 1986) Property Tax Levy--Request for Approval of Resolution No. 85-\_\_\_\_\_", and comments received from communities. The committee will request board approval of Resolution No. 85-\_\_\_\_\_"Resolution Levying Ad Valorem Property Taxes". A verbal report of the committee's findings and action will be made at the board meeting.

Attachment

Ruth Franklin  
Chair

CH001A

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: September 20, 1985  
TO: Administration and Finance Committee  
FROM: Leslie M. Johnson, Director of Administration  
SUBJECT: RTB 1985 (Payable 1986) Property Tax Levy  
Request for Approval of Resolution No. 85-\_\_\_\_\_

ACTION REQUESTED

The committee is asked to recommend approval of Resolution No. 85-\_\_\_\_\_  
"Resolution Levying Ad Valorem Property Taxes" to the full board.

BACKGROUND

September 9, 1985, the board approved a Resolution of Intent to approve a 1985 tax levy of \$48,458,222 plus \$4,626,255 in debt levies and \$432,109 exurban levy. The resolution included the tax feathering plan and levy reductions for Metropolitan Transit Taxing District communities. Board members are referred to September 9th agenda materials for review of the basic tax levy issues.

The Resolution of Intent directed dissemination of the proposed tax levy to the communities for their comment--in writing--by September 24, with committee review of the comment, response and recommendation of the tax levy resolution scheduled for this meeting (September 26th).

Community Contact

To date we have had contact from the cities of Lino Lakes, Plymouth, Shakopee, and the Chanhassen, Chaska and Eden Prairie group. We have not received all written comments. The committee will be verbally briefed on these contacts as confirmed in writing and should anticipate the presence of community representatives to discuss their comments.

Debt Service Levies

With reference to the attached tax levy resolution, the committee is advised that on September 17 the Metropolitan Transit Commission took committee action to eliminate the proposed 1976 and 1979 debt service levies due to having sufficient funds on hand to make the necessary principal and interest payments. This action is expected to be confirmed by the Metropolitan Transit Commission Monday, September 23, 1985. The elimination of these levies reduces the total debt service levy to \$3,353,595 and necessarily--due to the method of calculation--reduces the exurban levy to \$424,100. These changes have been made in the tax levy resolution attached.

ADMINISTRATION & FINANCE COMMITTEE  
SEPTEMBER 20, 1985  
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RECOMMENDATION

That the Administration and Finance Committee recommend approval of Resolution No. 85-\_\_\_\_ "Resolution Levying Ad Valorem Property Taxes".

Attachment  
CH001A

REGIONAL TRANSIT BOARD  
Suite 270 Metro Square Building, St. Paul, Minnesota 55101

RESOLUTION NO. 85-\_\_\_\_\_

RESOLUTION LEVYING AD VALOREM  
PROPERTY TAXES

WHEREAS, the Regional Transit Board is authorized by 1984 Minnesota Laws, Chapter 654, Article 3, Section 136, and Minnesota Statutes 473.446, as amended, to levy certain property taxes in the metropolitan area on or before October 10, 1985; and

WHEREAS, the provisions of 1984 Minnesota Laws, Chapter 502, Article 3, Section 25 require the Regional Transit Board to reduce the property tax to those properties receiving less than full peak and off-peak service; and

WHEREAS, the Regional Transit Board has defined the level of service provided to communities as the frequency of service received from the Metropolitan Transit Commission and private providers, excluding paratransit services, as specified in the service plans in effect on September 1, 1985.

NOW, THEREFORE, BE IT RESOLVED THAT the Regional Transit Board hereby levies upon all taxable property within the Metropolitan Transit Taxing District, as defined in Minnesota Statutes 473.446, Subd. 2 (1982) the following amounts:

1. \$48,458,222 for use by the Regional Transit Board for payment of the expenses of operating transit and paratransit services. This amount represents a two (2) mill levy on all taxable property within the Metropolitan Transit Taxing District, except that the levy on taxable property located in the following communities is reduced by the following dollar amounts:

<u>County</u>	<u>Community</u>	<u>Reduced Mill Rate</u>	<u>Levy Reduction</u>
Anoka	Centerville	1.25	\$ 5,364
Carver	Chanhassen (part)	1.50	43,986
	Chaska	1.25	64,293
Dakota	Apple Valley	1.25	170,923
	Burnsville	1.25	401,210
	Eagan	1.25	266,317
	Rosemount	1.25	52,392
	Lilydale	1.25	8,372
	Mendota	1.25	1,311
	Sunfish Lake	1.25	7,070
Hennepin	Chanhassen (part)	1.25	723
	Deephaven	1.50	34,945
	Excelsior	1.50	18,121
	Eden Prairie	1.25	301,060
	Shorewood	1.50	40,568

<u>County</u>	<u>Community</u>	<u>Reduced Mill Rate</u>	<u>Levy Reduction</u>
Hennepin	Greenwood	1.50	\$ 6,829
	Woodland	1.25	13,235
	Tonka Bay	1.25	21,359
	Long Lake	1.50	10,429
	Medicine Lake	1.25	5,285
	Maple Grove	1.25	213,752
	Osseo	1.25	21,019
	Champlin	1.50	42,403
Ramsey	Arden Hills	1.25	104,907
	Gem Lake	1.25	6,391
	North Oaks	1.25	58,470
	Vadnais Heights	1.50	38,403
	White Bear Township	1.25	51,952
	Mounds View	1.50	51,051
Scott	Prior Lake	1.25	71,961
	Savage	1.25	43,780
	Shakopee	1.25	103,194
Washington	Baytown	1.50	5,222
	Birchwood	1.25	9,617
	Cottage Grove	1.50	91,544
	Dellwood	1.50	11,031
	Lake Elmo	1.50	30,543
	Mahtomedi	1.50	21,948
	Newport	1.50	20,402
	Pine Springs	1.25	4,128
	St. Paul Park	1.50	19,105
	Willernie	1.50	1,792
Woodbury	1.50	87,950	

2. \$1,231,125 for principal and interest payments on general obligation certificates of indebtedness of 1982, including allowance for uncollectible taxes; and
3. \$2,122,470 for principal and interest payments on general obligation certificates of indebtedness of 1985, including allowance for uncollectible taxes.

BE IT FURTHER RESOLVED THAT the Regional Transit Board hereby advises that sufficient funds are presently on hand with the Metropolitan Transit Commission and are pledged by the Commission to the payment of principal and interest on general obligations certificates of indebtedness of 1976 (\$331,380) and 1979 (\$941,280) and therefore, no levy is made for those issues.

BE IT FURTHER RESOLVED THAT the Regional Transit Board hereby levies upon all taxable property within the Metropolitan Transit Area but outside the Metropolitan Transit Taxing District an amount payable in 1985 of \$424,100, estimated to represent ten (10) percent of the rate for the levies in 1 through 5 above, pursuant to Minnesota Statutes 473.446, Subd. 1a (1982).

BE IT FURTHER RESOLVED THAT the Treasurer of the Regional Transit Board, on behalf of the Board, shall certify these levies to the respective county auditors of the counties in which the taxable property is located on or before October 10, 1985.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 1985.

\_\_\_\_\_  
Elliott Perovich, Chairman

\_\_\_\_\_  
Mary Fitzgerald, Secretary

CH006A

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: September 30, 1985  
Regional Transit Board

FROM: Administration and Finance Committee

SUBJECT: RTB 1985 (Payable 1986) Property Tax Levy  
Request for Approval of Resolution No. 85-\_\_\_

ACTION REQUESTED

The board is asked to approve Resolution 85-\_\_\_ "Resolution Levying Ad Valorem Property Taxes" for 1985 (payable 1986).

Background

At its meeting of September 26, 1985, the Administration and Finance Committee reviewed the 1985 Tax Levy Resolution and the comments received from metro area communities in response to the resolution of intent to levy issued by the board September 10, 1985. In addition, the committee reviewed three changes in the numbers made by staff and confirmed the revised resolution for board approval.

Letters were received from two communities regarding the proposed tax levy-- the City of Plymouth and the City of Lino Lakes. The City of Plymouth (letter and copy of resolution attached) conveyed copy of resolution action of the Plymouth City Council changing their midday, weekday service to greater than 60 minutes and requesting that the RTB consequently reduce their tax levy from two mills to 1.5 mills in keeping with the "limited off-peak service" definition. After considerable discussion, it was the consensus of the committee that the board's responsibility is a regional transit system and, therefore, in that many cities in the regional system have midday, weekday service headways of 60 minutes, the RTB should not change one city's proposed tax levy within the tax levy process and should maintain the September 1, 1985 definition of service level deadline. Further, the committee felt that changes in service levels are a contract negotiation issue and should be accomplished within the contract negotiations process.

In its letter, the City of Lino Lakes questioned the service level presently attributed to it relative to how their service compared to Columbia Heights and White Bear Lake (2 mill communities) or even Champlin and Cottage Grove (both 1.5 mill communities). The City of Lino Lakes receives peak period service from MTC's Route 38 and from North Suburban's Rice Street Route and receives midday, weekday service on North Suburban's Rice Street Route on an hourly basis. The consensus of the committee was that Lino Lakes' level of service and consequent tax levy is statutorily mandated and that changes in the level of service definitions require legislative changes not presently proposed or possible within this tax levy framework.

The following changes in the numbers on the proposed resolution to levy ad valorem taxes have been made by staff:

1. The two mill tax levy number has been changed from \$48,458,222 to \$49,045,767 because additional information on the assessed valuation changes has been obtained. In order to assure that the RTB will collect at the allowed two mill rate, it is necessary to certify at the higher amount.
2. Secondly, as the board was advised in the packet memorandum, the MTC has revised their debt service levy certification eliminating the 1976 and 1979 levies due to having sufficient funds in the debt service accounts to retire those obligations.
3. Finally, MTC's debt service revision, due to the nature of the calculation, changes the ex-urban levy from our original \$432,109 to \$424,100.

The Administration and Finance Committee confirmed RESOLUTION 85-\_\_\_ "RESOLUTION LEVYING ADVALOREM PROPERTY TAXES" with the appropriate change in numbers.

#### RECOMMENDATION

That the Regional Transit Board approve RESOLUTION 85-\_\_\_ "RESOLUTION LEVYING AD VALOREM PROPERTY TAXES" with the following changes: 1) Two mill tax levy \$49,045,767; 2) MTC debt service levies reduced to certificates of indebtedness for 1982, and 1985; and 3) the ex-urban levy changed from \$432,109 to \$424,100.

Attachments: Supplemental memorandum regarding community responses  
Revised Resolution 85-\_\_\_  
City of Plymouth letter and resolution  
City of Lino Lakes letter

LJ002AMEMO

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: September 26, 1985  
TO: Administration and Finance Committee  
FROM: Leslie M. Johnson, Director of Administration  
SUBJECT: RTB.1985 (Payable 1986) Property Tax Levy  
Supplemental Memorandum  
Community Responses to Proposed Tax Levy

ACTION REQUESTED

The committee is asked to consider the attached communications from two metro area communities in response to the board's "Resolution of Intent" to levy the 1985 (payable 1986) tax levy and recommend any necessary change in the Tax Levy Resolution for Monday's board action.

BACKGROUND

The RTB has received two written communications from metro area communities prompted by the board's release of the Intent to Levy Resolution. The communications are as follows:

City of Plymouth

Following an assessment of their services and prompted by the board's Intent to Levy Resolution, the City of Plymouth has formally taken action (letter and resolution attached) to revise their mid-day, weekday service from full off-peak service to limited off-peak service. They request that the RTB revise their proposed mill levy from two mills to 1.5 mills in keeping with their revised full-peak, limited off-peak service. Plymouth proposes that their limited off-peak service would begin January 1, 1986, but would initiate it October 1, 1985 if RTB requires that as a testament of good faith in securing a reduced mill rate.

We believe the issues of the Plymouth request to be:

- 1) Is Plymouth's current level of services a contractual obligation?
- 2) Should RTB allow an exception from the specified September 1, 1985 date of definition of level of service?
- 3) What is the financial implication of reducing Plymouth's levy?
- 4) What is the precedent and potential effects of reducing Plymouth's levy and the larger financial implications?

Finding: The Minnesota Department of Transportation (MN/DOT) has management authority over the Plymouth opt-out contract. The contract contains a management (service) plan that defines the parameters of the service and specifically contains a clause relating to service changes, which requires written approval of all service changes prior to their implementation. Plymouth has not made a request to MN/DOT for a service change. RTB does not have the authority presently to approve a service change. While Plymouth's current contract expires December 31, 1985 and a service reduction might be possible for 1986, the RTB staff finding is that the service plan is a contract process issue, which process is currently in the hands of MN/DOT.

Regarding issues of financial implications and precedent, the anticipated impact of one-half mill from Plymouth is approximately \$292,000. Regarding precedent, Plymouth, singularly, as the opt out community, directly contracts for its services and few, if any, other communities can directly impact service levels.

#### Lino Lakes

The City of Lino Lakes has questioned the (2.0) service level presently attributed to them, asking how their service compares to Columbia Heights or White Bear Lake (2 mill communities) and stating that it appears to them that they "do not have even the level of (service) of Champlin or Cottage Grove" (both 1.5 mill communities).

RTB staff has advised Lino Lakes of the definition of levels of service and that changes in the definitions would require legislative changes not presently proposed or possible within this tax levy framework. The City of Lino Lakes receives peak period service from Metropolitan Transit Commission Route 38 and from North Suburban's Rice Street Route. It receives mid-day, weekday service on North Suburban's Rice Street Route on an hourly basis.

Attachments

CHO20A

REGIONAL TRANSIT BOARD  
Suite 270 Metro Square Building, St. Paul, Minnesota 55101

RESOLUTION NO. 85-\_\_\_\_\_

RESOLUTION LEVYING AD VALOREM  
PROPERTY TAXES

WHEREAS, the Regional Transit Board is authorized by 1984 Minnesota Laws, Chapter 654, Article 3, Section 136, and Minnesota Statutes 473.446, as amended, to levy certain property taxes in the metropolitan area on or before October 10, 1985; and

WHEREAS, the provisions of 1984 Minnesota Laws, Chapter 502, Article 3, Section 25 require the Regional Transit Board to reduce the property tax to those properties receiving less than full peak and off-peak service; and

WHEREAS, the Regional Transit Board has defined the level of service provided to communities as the frequency of service received from the Metropolitan Transit Commission and private providers, excluding paratransit services, as specified in the service plans in effect on September 1, 1985.

NOW, THEREFORE, BE IT RESOLVED THAT the Regional Transit Board hereby levies upon all taxable property within the Metropolitan Transit Taxing District, as defined in Minnesota Statutes 473.446, Subd. 2 (1982) the following amounts:

1. \$49,045,767 for use by the Regional Transit Board for payment of the expenses of operating transit and paratransit services. This amount represents a two (2) mill levy on all taxable property within the Metropolitan Transit Taxing District, except that the levy on taxable property located in the following communities is reduced by the following dollar amounts:

<u>County</u>	<u>Community</u>	<u>Reduced Mill Rate</u>	<u>Levy Reduction</u>
Anoka	Centerville	1.25	\$ 5,364
Carver	Chanhassen (part)	1.50	43,986
	Chaska	1.25	64,293
Dakota	Apple Valley	1.25	170,923
	Burnsville	1.25	401,210
	Eagan	1.25	266,317
	Rosemount	1.25	52,392
	Lilydale	1.25	8,372
	Mendota	1.25	1,311
	Sunfish Lake	1.25	7,070
Hennepin	Chanhassen (part)	1.25	723
	Deephaven	1.50	34,945
	Excelsior	1.50	18,121
	Eden Prairie	1.25	301,060
	Shorewood	1.50	40,568

<u>County</u>	<u>Community</u>	<u>Reduced Mill Rate</u>	<u>Levy Reduction</u>
Hennepin	Greenwood	1.50	\$ 6,829
	Woodland	1.25	13,235
	Tonka Bay	1.25	21,359
	Long Lake	1.50	10,429
	Medicine Lake	1.25	5,285
	Maple Grove	1.25	213,752
	Osseo	1.25	21,019
	Champlin	1.50	42,403
Ramsey	Arden Hills	1.25	104,907
	Gem Lake	1.25	6,391
	North Oaks	1.25	58,470
	Vadnais Heights	1.50	38,403
	White Bear Township	1.25	51,952
	Mounds View	1.50	51,051
Scott	Prior Lake	1.25	71,961
	Savage	1.25	43,780
	Shakopee	1.25	103,194
Washington	Baytown	1.50	5,222
	Birchwood	1.25	9,617
	Cottage Grove	1.50	91,544
	Dellwood	1.50	11,031
	Lake Elmo	1.50	30,543
	Mahtomedi	1.50	21,948
	Newport	1.50	20,402
	Pine Springs	1.25	4,128
	St. Paul Park	1.50	19,105
	Willernie	1.50	1,792
Woodbury	1.50	87,950	

2. \$1,231,125 for principal and interest payments on general obligation certificates of indebtedness of 1982, including allowance for uncollectible taxes; and
3. \$2,122,470 for principal and interest payments on general obligation certificates of indebtedness of 1985, including allowance for uncollectible taxes.

BE IT FURTHER RESOLVED THAT the Regional Transit Board hereby advises that sufficient funds are presently on hand with the Metropolitan Transit Commission and are irrevocably pledged by the Commission to the payment of principal and interest on general obligations certificates of indebtedness of 1976 (\$315,600) and 1979 (\$896,450) and therefore, no levy is made for those issues.

BE IT FURTHER RESOLVED THAT the Regional Transit Board hereby levies upon all taxable property within the Metropolitan Transit Area but outside the Metropolitan Transit Taxing District an amount payable in 1985 of \$424,100, estimated to represent ten (10) percent of the rate for the levies in 1 through 5 above, pursuant to Minnesota Statutes 473.446, Subd. 1a (1982).

BE IT FURTHER RESOLVED THAT the Treasurer of the Regional Transit Board, on behalf of the Board, shall certify these levies to the respective county auditors of the counties in which the taxable property is located on or before October 10, 1985.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 1985.

\_\_\_\_\_  
Elliott Perovich, Chairman

\_\_\_\_\_  
Mary Fitzgerald, Secretary

CH006A

cc LJ  
6A

September 18, 1985



RECEIVED  
SEP 19 1985

REG. TRANS. BRD.

Mr. Elliott Perovich  
Chairman  
Regional Transit Board  
270 Metro Square Building  
St. Paul, MN 55101

Dear Mr. Perovich:

In accordance with your September 10, 1985 request, this letter together with the attached resolution, represents the position of the City of Plymouth with respect to the proposed transit tax levy to be established by the Regional Transit Board as contained in Resolution 85-16 and the resolution levying ad valorem property taxes labeled as Exhibit 2 in the materials you submitted.

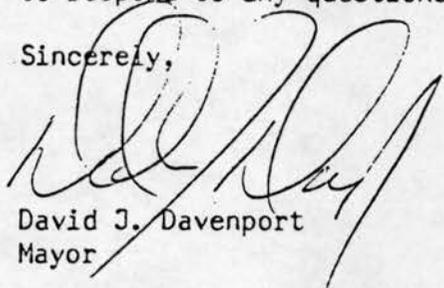
On September 16, the Plymouth City Council met to discuss the level of transit services Plymouth residents should receive in 1986 in consideration of the ad valorem property tax levy proposed by the Regional Transit Board. Regional Transit Board Resolution 85-16 would define the City of Plymouth as a full peak and off peak transit service community eligible to the full "two mill" levy. After carefully scrutinizing the peak and mid-day service provided to our community by both Plymouth Metrolink and Medicine Lake Lines, the City Council has directed that service levels for calendar year 1986 be revised to full peak service and limited off peak service as defined by the Regional Transit Board including peak period regular route service, plus weekday mid-day regular route service at intervals longer than 60 minutes on the route with greatest frequency. Under this revised service level the City's contribution to the Metropolitan Transit Taxing District would be "1.5 mills" rather than "2 mills".

Accordingly, the City Council has directed the staff to revise the transit service levels for both Plymouth Metrolink and Medicine Lake Lines service to conform with the "full peak service and limited off peak service" definition established by the Regional Transit Board. Jim Johnson of Medicine Lake Lines has agreed to this service revision. This change would be effective December 31, 1985 and continue for calendar year 1986. If the Regional Transit Board desires, however, we would be glad to implement service changes effective October 1, 1985 as a demonstration that the City will indeed initiate and retain at this service level throughout 1986.

Mr. Elliot Perovich,  
Chairman  
Regional Transit Board  
September 18, 1985  
Page two

We appreciate the efforts which the Regional Transit Board has made to develop a more efficient and effective transit system for our entire metropolitan area. If you have any questions, I direct your attention to the attached resolution which more specifically sets forth the action of the Plymouth City Council. I would be glad to respond to any questions you or members of the Regional Transit Board may have. Representatives of the City will be in attendance at the September 26 Administration and Finance Committee meeting as well as the September 30 Regional Transit Board meeting to respond to any questions which Board members may have.

Sincerely,



David J. Davenport  
Mayor

DJD:jm  
attach

cc: Plymouth City Council  
Mr. Jim Johnson, Medicine Lake Lines

CITY OF PLYMOUTH

Pursuant to due call and notice thereof, a \_\_\_\_\_ meeting of the City Council of the City of Plymouth, Minnesota, was held on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

The following members were present: \_\_\_\_\_

The following members were absent: \_\_\_\_\_

\*\*\*

\_\_\_\_\_ introduced the following Resolution and moved its adoption:

RESOLUTION NO. 85 -

RESOLUTION WITH RESPECT TO THE 1985-1986 TRANSIT TAX LEVY

WHEREAS; the Regional Transit Board has adopted Resolution 85-16, announcing the Board's intent to certify the 1985-1986 ad valorem property tax levy in accordance with service levels set forth in Exhibit No. 1 of the resolution; and

WHEREAS, such service levels were established through informal poll and based upon service then-existing on September 1, 1985; and

WHEREAS, Exhibit No. 1 of Resolution 85-16 considers the City of Plymouth to receive full peak and off peak service and therefore should be levied the full 2 mill levy; and

WHEREAS, the City Council of the City of Plymouth believes that property tax contributions made by Plymouth property owners should more accurately portray the actual transit services received; and

WHEREAS, the Regional Transit Board has requested the City's response in writing to the proposal as set forth in Resolution 85-16;

NOW, THEREFORE, BE IT HEREBY RESOLVED by the City Council of the City of Plymouth, Minnesota, that it should and hereby does direct the staff to communicate the following with the Regional Transit Board:

1. That the City Council hereby directs that the week-day, mid-day service provided by the Plymouth Metrolink and Medicine Lake Lines in the community be revised in order that week-day, mid-day, regular route service operates at intervals longer than 60 minutes on the route with greatest frequency.
2. That this revision in service be effective no later than December 31, 1985 or if required by the Regional Transit Board, be effective on October 1, 1985.
3. That the staff be directed to communicate to the Regional Transit Board these revisions in service and that such service revisions shall remain in effect for calendar year 1986, the year supported by 1985-1986 property taxes.

The motion for adoption of the foregoing Resolution was duly seconded by \_\_\_\_\_, and upon vote being taken thereon, the following voted in favor thereof: \_\_\_\_\_

The following voted against or abstained: \_\_\_\_\_  
Whereupon the Resolution was declared duly passed and adopted.

City of



CC J.M.  
LJ

September 17, 1985

Regional Transit Board  
270 Metro Square Bldg.  
St. Paul, MN 55101

ATTENTION: Elliott Perovich, Chairman

I have received your letter dated September 10, 1985 regarding the Regional Transit Board's 1985/1986 Property Tax Levy and a copy of the 1985 legislation regarding the levy.

I would like to know what formula is being used to determine service levels in the communities within the taxing districts. I also would like to know how the service in Lino Lakes would compare to the service in Columbia Heights or White Bear Lake as an example. It appears to me at this point that we do not have even the level of Champlin or Cottage Grove.

Lino Lakes is a fast growing community and the transit needs are also growing. However, I do question the service level presently attributed to Lino Lakes and would like to hear from you on this matter.

Thank you for your attention to this matter.

Respectfully,

A handwritten signature in cursive script that reads "Marilyn G. Anderson".  
Marilyn G. Anderson  
Clerk-Treasurer

MGA/fr

RECEIVED  
SEP 18 1985  
REG. TRANS. BRD.

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: September 30, 1985  
TO: Regional Transit Board  
FROM: Administration and Finance Committee  
SUBJECT: Personnel Consultant

ACTION REQUESTED

The board is asked to authorize the Executive Director to execute a contract with Labor Relations Associates for personnel administration consulting services in an amount not to exceed \$10,270.

BACKGROUND

At its meeting of September 26, 1985, the Administration and Finance Committee considered the staff request for authority to contract for personnel consulting services to assist and provide expertise in the completion of several personnel policy documents. Please refer to the board's packet memorandum for the documents needed as well as the rationale for consulting services. Proposals for services from consultant Don Anderson (\$5,600) and consulting firm Labor Relations Associates (\$10,270) were presented for consideration. Staff recommended Labor Relations Associates in the persons of Karen Olson and Cyrus Smythe for their greater education and experience qualifications, their past involvement in and familiarity with metro agencies personnel documents, and their far broader clientele among metro agency and local units of government.

Following discussion, the committee concurred in the staff recommendation.

RECOMMENDATION

That the Regional Transit Board authorize the Executive Director to execute the proposed contract with the firm of Labor Relations Associates in an amount not to exceed \$10,270.

Attachment: Proposed contract  
Resumes: Don Anderson  
Labor Relations Associates

APPENDIX A  
CONTRACTUAL CONDITIONS  
FOR  
RTB CONTRACT

DATED: \_\_\_\_\_

BETWEEN  
REGIONAL TRANSIT BOARD  
AND  
\_\_\_\_\_

A G R E E M E N T

WHEREAS, the Regional Transit Board, 270 Metro Square Building, St. Paul, Minnesota, 55101 (hereinafter called the RTB) will engage (hereinafter called the CONTRACTOR) for certain personnel administration services.

NOW, THEREFORE, it is mutually understood and agreed upon that:

1. The CONTRACTOR shall comply with all of the contractual conditions of Appendix A, attached hereto and incorporated herein;
2. The CONTRACTOR shall provide those types of services specified in Appendix B, attached hereto and incorporated herein;
3. This is a cost-reimbursement-type contract wherein the RTB agrees to pay the CONTRACTOR for the services authorized in accordance with the agreed upon costs specified in this agreement.
4. The term of this contract shall be for the period commencing upon the execution date of this contract and ending upon completion of the services herein specified, but no later than March 31, 1986.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of \_\_\_\_\_.  
(date)

Approved by:

\_\_\_\_\_

Its \_\_\_\_\_

\_\_\_\_\_

Approved by:

\_\_\_\_\_

Its \_\_\_\_\_

REGIONAL TRANSIT BOARD

## CONTRACTUAL CONDITIONS

### 1.0 SERVICES

The CONTRACTOR is retained as an independent contractor wherein the CONTRACTOR agrees to use its best efforts to provide the type of services generally described in Appendix B. The CONTRACTOR'S employee shall not be deemed to be RTB employees. Claims that may or might arise under any workmens' compensation act on behalf of the CONTRACTOR'S employees while engaged in the performance of duties pursuant to the contract and any claims made by any third party as a consequence of any act or omission on the part of the CONTRACTOR'S employees or other persons while so engaged by the CONTRACTOR in the performance of duties pursuant to the contract shall not be the RTB's obligation or responsibility.

### 2.0 NON-EXCLUSIVE CONTRACT

Nothing in this agreement shall prohibit the RTB or the CONTRACTOR from entering into a separate contract relative to a specific service.

### 3.0 AMENDMENTS

#### 3.1 General

With the exception of termination, this contract may not be modified in any aspect except by a contract amendment agreed to and signed by the parties hereto.

#### 3.2 Scope of Work

Any amendment hereto shall describe the type of service to be provided by the CONTRACTOR and the RTB.

#### 3.3 Reimbursement

Any amendment shall specify:

- (a) Maximum cost per hour authorized.
- (b) That incidental expenses are permitted.
- (c) The aggregate total that cannot be exceeded for the service authorized by said amendment.

#### 3.4 Changes

If the scope of work for a specific service is increased by mutual agreement, an amendment must be agreed to and executed prior to the performance of the additional services desired.

4.0 PAYMENT

- 4.1 Not more frequently than once per month, the CONTRACTOR shall submit a request for payment to:

Regional Transit Board  
270 Metro Square Building  
St. Paul, Minnesota 55101

- 4.2 Each request for payment shall reference this contract and the specific services identified in fee and reimbursement schedules and provisions.
- 4.3 If the CONTRACTOR requests payment for more than one service being performed concurrently, the CONTRACTOR shall submit a separate request for payment for each.
- 4.4 Terms of payment shall be thirty (30) days upon receipt and acceptance of a request for payment.

5.0 CONFLICT OF INTEREST

The CONTRACTOR agrees that it presently has no interest and shall acquire no interest, direct or indirect, which would conflict in any manner or degree with the performance of its services hereunder. The CONTRACTOR further agrees that in the performance of the Agreement, no person having any such interest shall be employed.

The CONTRACTOR shall disclose to the RTB any contract, agreement or understanding that the CONTRACTOR has as of the date of submission of the CONTRACT, or in the future may have, with any entity or individual which in the CONTRACTOR'S opinion may represent a conflict of interest in the performance of the CONTRACTOR'S performance of its duties for the RTB and if the RTB determines that there is in fact a conflict, then the CONTRACTOR shall forthwith resign from such conflicting contract, agreement or understanding, in which event the contract shall remain in full force and effect. In the event the CONTRACTOR does not so resign, then the RTB shall have the option of terminating the contract forthwith

6.0 PROHIBITED INTERESTS

No member of or delegate to the Congress of the United States shall be admitted to any benefit arising therefrom.

No member, officer, employee or agent of the RTB or of a local public body during his tenure or for one (1) year thereafter, shall have any interest, direct or indirect, in this Agreement or the proceeds thereof.

7.0 GRATUITIES

The CONTRACTOR shall not offer or provide gifts, favors, nor any other gratuities of more than nominal value to any official, employee or agent of the RTB during the period of this contract nor for a period of one year thereafter.

8.0 RECORDS

The CONTRACTOR shall retain all records pertinent to this agreement for a minimum of three years after agreement completion or until audited by the RTB, except that if any litigation, claim or adverse finding exists, the records shall be retained until final disposition thereof has been resolved.

The CONTRACTOR shall permit the RTB access to the aforementioned records for the purpose of making audit during the CONTRACTOR'S normal business hours.

9.0 NONDISCRIMINATION

The CONTRACTOR shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, age, national origin or handicap and the CONTRACTOR shall take affirmative action to ensure that applicants are employed and that employees are treated during their employment without regard to their race, religion, color, sex, age, handicap or national origin. Such actions shall include but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection of training, including apprenticeship.

10.0 MINORITY AND WOMEN BUSINESSES

The CONTRACTOR shall use its best efforts to obtain goods and services from small business concerns owned and controlled by women and socially and economically disadvantaged individuals.

11.0 TERMINATION

This contract, including any amendments thereto, may be terminated by the RTB upon 60 days notice at its absolute discretion when it determines it to be in its best interest to do so, providing the RTB notifies the CONTRACTOR in writing of such termination and the effective date thereof.

The CONTRACTOR may terminate this contract, including any amendments thereto, providing the CONTRACTOR notifies the RTB in writing of such termination 60 days prior to such termination.

12.0 INDEMNIFICATION

The RTB and the CONTRACTOR shall each indemnify and hold harmless the other from and against any and all losses, claims, damages, expenses, including legal fees for defense, or liabilities, collectively, "Damages," to which either may be subjected by reason of the other's acts, errors or omissions, except, however, neither will indemnify the other from or against Damages by reason of changed events and conditions beyond the control of either.

13.0 OWNERSHIP OF DOCUMENTS

Reports, information, data, given by the RTB to the CONTRACTOR, or prepared or assembled by the CONTRACTOR pursuant to the contract shall be kept confidential by the CONTRACTOR, except as its release is necessary to the performance of a service pursuant to the contract. All finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, reports and memorandums, prepared by the CONTRACTOR shall be the CONTRACTOR'S property and shall be maintained by the CONTRACTOR for a period of three years from completion of a project. The RTB shall have access to such data. The CONTRACTOR shall provide RTB with copies of all data required to support reports, statements or such other data developed specific to the services provided under the contract.

14.0 GOVERNING LAW

Any dispute under this Agreement shall be submitted to binding arbitration in the City of St. Paul, Minnesota, within thirty (30) days of written notification by either party.

This dispute shall be referred to three (3) arbitrators, one (1) to be appointed by each party and the third to be appointed by agreement of two (2) appointed. If no agreement can be reached, the third member shall be appointed in accordance with Minnesota Statutes 572.10. This disagreement shall be submitted to the arbitrator so appointed within thirty (30) calendar days after the last appointment. An award by the arbitrators shall be made within thirty (30) calendar days after the matter is submitted to them. An award signed by any two (2) of the arbitrators shall be final.

Submission of the disagreement to the arbitrator shall be in accordance with the Rules and Procedures of the American Arbitration Association to the extent not inconsistent herewith, provided, however, that the parties shall be entitled to obtain discovery by one or more of the following methods: Deposition upon oral examination or written questions; written interrogatories, production of documents or things for inspection and other purposes; physical and mental examinations and requests for admissions. The scope, use and procedures for such discovery shall be as provided in the Minnesota Rules of Civil Procedure for the District Courts and the sequence, timing and times for response or objection shall be terminated by the arbitrators, or any two of them, upon application of a party.

If either party shall refuse or neglect to appoint an arbitrator within five (5) calendar days after the other shall have appointed an arbitrator and served written notice thereof upon the other requiring him to appoint an arbitrator, then the arbitrator so appointed by the first party shall have disagreement as if he were an arbitrator appointed by both the parties hereto for that purpose and his award shall be made within fifteen (15) calendar days after such refusal or neglect of the other party to appoint an arbitrator.

APPENDIX B

SERVICES

FOR

RTB CONTRACT NO. \_\_\_\_\_

DATED: \_\_\_\_\_

BETWEEN

REGIONAL TRANSIT BOARD

AND

\_\_\_\_\_

1.0 The Contractor shall provide:

- (a) Technical resource regarding legal issues and recent developments in personnel and wage and salary administration.
- (b) Assistance in identifying personnel and compensation issues, concerns and objectives.
- (c) Review, revision and/or draft policies and procedures for:
  - 1) Personnel Code
  - 2) Equal Employment Opportunity/Affirmative Action Policies and Program
  - 3) Classification/Compensation Plan
  - 4) Performance Evaluation Plan

2.0 The Contractor agrees to conduct such other services as may be determined necessary from time to time by the RTB which would supplement the services hereafter described and such supplement services would be negotiated by the parties hereto and authorized by an amendment hereto duly executed by the parties hereto.

3.0 Engagement Scope

The Contractor's services will include the following:

3.1 Completion of Personnel Code

Review and analysis of an RTB prepared draft and comparison to existing documents, including metro agency personnel policies and procedures and other relevant resources; interview metro agency Personnel Administrators to determine problems with current policies and procedures; revision of, as necessary, RTB Personnel Code; meet with RTB management staff and board to review proposed policies and procedures; make revisions in RTB draft as needed; prepare final copy.

3.2 Completion of Equal Employment Opportunity/Affirmative Action Policies and Program

Review and analysis of an RTB prepared draft and comparison to metro agency policies and procedures and other relevant resources; review recent applicable legal issues, guidelines and court cases; interview metro agency EEO/Affirmative Action Officers to determine problems with current policies and procedures; make revisions in RTB draft as needed; meet with RTB staff and board to review proposed policies and procedures.

3.3 Assist RTB in Development of a Compensation Plan

Interview metro agency Personnel Administrators to determine problems/issues regarding current compensation plans and status of compensation studies for compliance with Comparable Worth; prepare information for RTB management staff and board; meet with RTB management staff and board to discuss critical issues and determine approach for the development of a Compensation Plan. Draft RTB Compensation Plan; meet with RTB management staff and board to review the proposed Compensation Plan; make revisions in RTB draft plan as needed; prepare final copy.

3.4 Assist RTB in Development of a Performance Evaluation Plan

Interview agency Personnel Administrators to determine problems/issues regarding current performance evaluation programs and "pay for performance", where currently implemented; prepare information for RTB management staff and board; meet with RTB management staff and board to discuss critical issues regarding performance evaluation and "pay for performance" concepts in order to determine approach for the development of a Performance Evaluation Plan.

4.0 Engagement Work Plans

- 4.1 The Contractor will proceed with the services (Engagement Scope) on October 7, 1985.
- 4.2 The Contractor will work in liaison with the RTB staff and as directed by RTB, allowing RTB staff to complete components of the work, including reproduction of documents as determined by the RTB.
- 4.3 The Contractor shall be in direct liaison with RTB staff on the progress of the services (Engagement Scope) and shall provide verbal progress reports of the status of completion.

5.0 Contractor's Professional Fees

- 5.1 The maximum fee for the services, Engagement and Scope work plan shall not exceed \$10,270.
- 5.2 Work will be billed on a hourly job cost basis and billed in equal monthly billing increments for each component in the work plan plus monthly reproduction costs. There is no additional fee for word processing, expenses or mileage. Reproduction costs are billed at ten cents per page. Time is calculated at \$65.00 per hour on a portal to portal basis.
- 5.3 Any additional services shall be provided in accordance with Appendix A and at the rate identified in 5.2 above.

# DON ANDERSON

## SUMMARY OF WORK AND EDUCATION

Donald H. Anderson  
948 W. County Road D  
Roseville, MN 55112

Soc. Sec. No. 472-22-1363  
Telephone: (612) 484-6039

November 1981 - Present: Self-employed Personnel Consultant. Provide technical assistance and training on personnel administration including classification and compensation, performance appraisal and systems design and implementation. →

September 1976 - November 1981: Personnel Management Specialist, U. S. Office of Personnel Management, Intergovernmental Personnel Programs Division. Assigned to Twin Cities Area Office. Provided technical assistance and training on personnel administration and evaluated personnel systems in State and local government for conformity with Federal Merit Standards.

February 1974 - September 1976: Area Training Representative, Great Lakes Regional Training Center, U. S. Civil Service Commission. Instructor, coordinator and evaluator of training in Minnesota and region.

September 1969 - February 1974: Personnel Director. Metropolitan Council of the Twin Cities. Administered personnel system for regional agency.

June 1963 - September 1969: Administrative Assistant. Twin Cities Metropolitan Planning Commission and its successor agency the Metropolitan Council. Administered personnel, fiscal and office services functions.

June 1959 - June 1963: Economic Planner, Twin Cities Metropolitan Planning Commission. Demographic, labor force and socio-economic research.

April 1952 - June 1959: Assistant Director of Research, Minnesota Department of Business Development (2/58-6/59); Research Analyst (9/54-2/58) Occupational Test Technician (5/53-9/54), Employment Interviewer (4/52-5/53), all Minnesota Department of Employment Services (former name).

Educated K through 12, in St. Paul Public Schools. Graduate of the University of Minnesota, with a BA in Economics and Speech, minors in Sociology and Psychology. Attended Metropolitan State University concentrating on accounting, data processing and management courses.

Attended job-related short courses in personnel, training, management and related subjects. Graduate work in vocational psychology and planning.

Member of the American Society for Public Administration, International Personnel Management Association, American Society for Personnel Administration, Twin Cities Personnel Association, Citizens League, Amateur Skating Union of the United States (speedskating) and other professional and civic organizations.

Additional information on duties performed and references available on request.

*Pioneer  
Cib System  
Ramsey County  
K. Carson  
Ancker County  
Lake County  
D. S. M.  
Isanti Co  
Co. Amador*

CLIENT LIST

ORGANIZATIONS FOR WHOM LABOR RELATIONS ASSOCIATES, INC.

NEGOTIATES AND/OR CONSULTS

- A. Labor Relations Associates, Inc. presently represents and/or consults with the counties of:

Douglas  
Douglas County Hospital  
Goodhue  
Hennepin  
Wright.

- B. Labor Relations Associates, Inc. presently represents the cities of:

Albert Lea	Eden Prairie	North St. Paul
Anoka	Edina	Oakdale
Apple Valley	Farmington	Orono
Belle Plaine	Forest Lake	Pipestone
Blaine	Fridley	Redwood Falls
Bloomington	Golden Valley	Richfield
Brainerd	Hastings	Robbinsdale
Brooklyn Center	Hopkins	Rosemount
Brooklyn Park	Inver Grove Heights	Roseville
Burnsville	Maplewood	St. James
Circle Pines	Medina	St. Louis Park
Columbia Heights	Minnetonka	Shakopee
Cottage Grove	Moorhead	Spring Valley Utilities
Crookston	Mound	Vadnais Heights
Crystal	Mounds View	West St. Paul
Deephaven	New Brighton	White Bear Lake.
	New Hope	
	New Prague	

- C. Labor Relations Associates, Inc. presently represents and/or consults with the metropolitan agencies of:

Metropolitan Council  
Metropolitan Transit Commission  
Metropolitan Airports Commission  
Public Housing Agency of Saint Paul.

- D. Labor Relations Associates, Inc. presently represents and/or consults with the school districts of:

Brooklyn Center  
Sauk Rapids  
Special School District #916.

DR. CYRUS F. SMYTHE

Cyrus Smythe received a Ph.D. in Economics from the University of Washington and became a member of the faculty of the Industrial Relations Department, School of Management at the University of Minnesota in 1961. He currently serves as a Lecturer on a part-time basis for the Industrial Relations Department. He has authored numerous articles for academic journals on labor relations and labor law.

Dr. Smythe has thirty-three years of experience in labor relations as both a negotiator and arbitrator. He is presently, by his request, on inactive status as an arbitrator with the Federal Mediation and Conciliation Service and the American Arbitration Association. In the public sector Dr. Smythe has consulted with an represented federal, state, municipal and county governments, and academic institutions.

From 1968 to the present Dr. Smythe has been a consultant to the Metropolitan Council; he drafted the initial Personnel Code and negotiated the first labor agreement between AFSC&ME and the Metropolitan Council. Since 1971 he has provided consulting services in labor relations and personnel administration on a continuing basis to the Metropolitan Transit Commission. He also serves as consultant to the Metropolitan Airports Commission, and has been responsible for assisting them with labor relations matters since 1972.

**KAREN OLSEN**, Consultant and Vice President, Labor Relations Associates of Golden Valley, Minnesota. Ms. Olsen earned her B.A. degree in Psychology and an M.A. in Industrial and Organizational Psychology from the University of Minnesota. She joined the consulting firm of Labor Relations Associates in 1970, after several years as a personnel officer with General Mills, Inc. Her consulting activities focus on: collective bargaining and labor relations; job evaluation and compensation systems in both union and non-union settings; EEO compliance and affirmative action programs; recruitment and selection; and salary and benefit surveys.

Ms. Olsen was appointed by the Governor of the State of Minnesota as an employer representative from 1979 through mid-1983 to the Public Employment Relations Board, which she served as Chairperson. She is currently Chairperson for an Advisory Committee on Personnel, Labor Relations and Equal Opportunity for U.S. Senator Durenberger, and a member of the University of Minnesota Employer Education Service Advisory Committee. Ms. Olsen has authored two academic studies on employer job evaluation practices, and a guide on Equal Employment Opportunity and Affirmative Action for the U.S. Conference of Mayors' Labor-Management Relations Service.

Consulting services provided by Ms. Olsen for metropolitan agencies have included: development of Equal Employment Opportunity/Affirmative Action Programs for the Metropolitan Council, the Metropolitan Airports Commission and the Metropolitan Waste Control Commission; assistance with recruitment selection and promotion procedures for the Metropolitan Council, the Metropolitan Airports Commission, and the Metropolitan Waste Control Commission consistent with EEO principles; recommendations regarding the Metropolitan Airports Commission management salary program; and assistance to the Metropolitan Waste Control Commission, the Metropolitan Airports Commission and the Metropolitan Council in preparing for EEO compliance reviews.

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: September 24, 1985  
TO: Regional Transit Board  
FROM: Administration & Finance Committee  
SUBJECT: Personnel Consultant

ACTION REQUESTED

As its meeting September 26, 1985, the Administration and Finance Committee will review the attached memorandum "Personnel Consultant". If approved, the Administration and Finance Committee will request board approval of Resolution No. 85-\_\_\_ authorizing the executive director to execute a contract for personnel consulting services. The committee's findings and a verbal report will be presented at the board meeting.

Attachment

Ruth Franklin  
Chair

CH001A

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: September 20, 1985  
TO: Administration and Finance Committee  
FROM: Leslie M. Johnson, Director of Administration  
SUBJECT: Personnel Consultant

ACTION REQUESTED

The committee is asked to recommend for board approval retention of a personnel consultant to assist RTB staff in completing personnel policy documents.

BACKGROUND

Earlier in the year the committee had approved retention of consultants for preparation of our personnel policy documents and subsequently concurred in the delay of that action. The reason for the delay was anticipation of legislation authorizing (and action by) the Metropolitan Council to draft uniform personnel policies for all metropolitan agencies. The legislation, however, did not materialize. Having completed our own budget, audit, and tax levy processes, it is important that we move now to draw up our own personnel policy documents with the goal of completing them by the end of this year.

At the time earlier in the year, we had solicited consultant proposals and received three, as follows:

Karen Olson, Labor Relations Associates, Inc.  
Don Anderson, individual  
Gene Franchett & Associates

We now request authorization to execute a contract with either Labor Relations Associates or Mr. Anderson. Gene Franchett has joined a public finance consulting firm and is no longer available for this work.

WORK REQUIRED

The work for which we are needing to utilize consultant time is:

- 1) Finalization of the Personnel Code.
- 2) Finalization of the Affirmative Action Plan.
- 3) Review and advise on the Classification Plan.
- 4) Assistance in studying and completing a Comparable Worth Issues Report.
- 5) Preparation of a Compensation Plan.
- 6) Preparation of a Performance Evaluation System.

Reasons for consultant time are:

- A) Sheer time requirement versus ambitious program.
- B) Need for specialized expertise in state-of-the-art policy, comparable worth/compensation, and evaluation systems.
- C) A growing RTB staff desire for innovative systems versus adoption of in-place Metropolitan Council systems, necessitating expert knowledge and "process" time.
- D) Outside objectivity creditibility.

Bob Dietrick will coordinate the consultant and in-house work program.

We have interviews with Mr. Anderson and Ms. Olson of Labor Relations to update their proposals and complete contract terms next week and will verbally present to the committee the resolution for approval, our consultant recommendation, the proposed cost, and form of contract.

#### RECOMMENDATION

That the Administration and Finance Committee recommend to the board Resolution No. \_\_\_\_\_ authorizing the executive director to execute a contract for personnel consulting services.

Attachment: Consultant Proposals  
CH001A

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: September 30, 1985  
TO: Regional Transit Board  
FROM: Administration and Finance Committee  
SUBJECT: Accounting System Consultant

ACTION REQUESTED

The board is asked to approve a staff request for authorization to enter into a contract for accounting consultant services with Deloitte Haskins & Sells in an amount not to exceed \$6,180.

BACKGROUND

At its meeting of September 26, 1985, the Administration and Finance Committee considered the request of the staff for authority to contract accounting consulting services from Deloitte, Haskins & Sells for further development and refinement of the RTB accounting system responsive to the 1984 RTB audit. The rationale for the services and the proposed contract were provided the board in the agenda packet. Following discussion, the committee concurred in the staff request.

RECOMMENDATION

That the Regional Transit Board authorize the Executive Director to execute the proposed contract with the accounting firm of Deloitte Haskins & Sells in an amount not to exceed \$6,180.

LJ002A

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: September 24, 1985  
TO: Regional Transit Board  
FROM: Administration & Finance Committee  
SUBJECT: Accounting Consultant

ACTION REQUESTED

At its meeting September 26, 1985, the Administration and Finance Committee will review the attached memorandum "Accounting Consultant". Upon approval, the Administration and Finance Committee will request board approval of the recommendation to enter into contract for accounting consultant services with Deloitte Haskins & Sells with a maximum fee of \$6,180.

Attachment

Ruth Franklin  
Chair

CH001A

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: September 20, 1985  
TO: Administration and Finance Committee  
FROM: Leslie M. Johnson, Director of Administration  
SUBJECT: Accounting Consultant

ACTION REQUESTED

In consideration of continuing the development and refinements of the RTB accounting system, it is requested that the Administration and Finance Committee recommend approval to the board that the Deloitte Haskins & Sells firm be contracted to provide additional financial services to expedite the RTB's assuming responsibility of its primary accounting system from the Metropolitan Council.

WORK REQUIRED

The scope of the consulting contract would be essentially to:

- 1) Define and make recommendation on the accounting staffing structure.
- 2) Format the general ledger and statements required under generally accepted accounting standards.
- 3) Define and specify, to the extent possible and practical, the internal accounting control procedures.
- 4) Provide the RTB with other recommendations on accounting and financial matters essential to the accounting and finance system development.

RECOMMENDATION

That the Administration and Finance Committee recommend that the contract for accounting consultant services with Deloitte Haskins & Sells with a maximum fee of \$6,180 be submitted to the board for approval.

Attachment  
CH001A

A G R E E M E N T

WHEREAS, the Regional Transit Board, 270 Metro Square Building, St. Paul, Minnesota, 55101 (hereinafter called the RTB) will engage Deloitte Haskins & sells (hereinafter called the CONTRACTOR or AUDITOR) for certain financial services.

NOW, THEREFORE, it is mutually understood and agreed upon that:

1. The CONTRACTOR shall comply with all of the contractual conditions of Appendix A, attached hereto and incorporated herein;
2. The CONTRACTOR shall provide those types of services specified in Appendix B, attached hereto and incorporated herein;
3. This is a cost-reimbursement-type contract wherein the RTB agrees to pay the CONTRACTOR for the services authorized in accordance with the agreed upon costs specified in this agreement.
4. The term of this contract shall be for the period commencing upon the execution date of this contract and ending upon completion of the services herein specified, but no later than December 31, 1985.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of \_\_\_\_\_  
(date)

Approved by:

\_\_\_\_\_

Its \_\_\_\_\_

DELOITTE HASKINS & SELLS

Approved by:

\_\_\_\_\_

Its \_\_\_\_\_

REGIONAL TRANSIT BOARD

APPENDIX A  
CONTRACTUAL CONDITIONS  
FOR  
RTB CONTRACT  
DATED: \_\_\_\_\_  
BETWEEN  
REGIONAL TRANSIT BOARD  
AND  
DELOITTE HASKINS & SELLS

## CONTRACTUAL CONDITIONS

### 1.0 SERVICES

The CONTRACTOR is retained as an independent contractor wherein the CONTRACTOR agrees to use its best efforts to provide the type of services generally described in Appendix B. The CONTRACTOR'S employee shall not be deemed to be RTB employees. Claims that may or might arise under any workmens' compensation act on behalf of the CONTRACTOR'S employees while engaged in the performance of duties pursuant to the contract and any claims made by any third party as a consequence of any act or omission on the part of the CONTRACTOR'S employees or other persons while so engaged by the CONTRACTOR in the performance of duties pursuant to the contract shall not be the RTB's obligation or responsibility.

### 2.0 NON-EXCLUSIVE CONTRACT

Nothing in this agreement shall prohibit the RTB or the CONTRACTOR from entering into a separate contract relative to a specific service.

### 3.0 AMENDMENTS

#### 3.1 General

With the exception of termination, this contract may not be modified in any aspect except by a contract amendment agreed to and signed by the parties hereto.

#### 3.2 Scope of Work

Any amendment hereto shall describe the type of service to be provided by the CONTRACTOR and the RTB.

#### 3.3 Reimbursement

Any amendment shall specify:

- (a) Maximum cost per hour authorized.
- (b) That incidental expenses are permitted.
- (c) The aggregate total that cannot be exceeded for the service authorized by said amendment.

#### 3.4 Changes

If the scope of work for a specific service is increased by mutual agreement, an amendment must be agreed to and executed prior to the performance of the additional services desired.

4.0 PAYMENT

- 4.1 Not more frequently than once per month, the CONTRACTOR shall submit a request for payment to:

Regional Transit Board  
270 Metro Square Building  
St. Paul, Minnesota 55101

- 4.2 Each request for payment shall reference this contract and the specific services identified in fee and reimbursement schedules and provisions.
- 4.3 If the CONTRACTOR requests payment for more than one service being performed concurrently, the CONTRACTOR shall submit a separate request for payment for each.
- 4.4 Terms of payment shall be thirty (30) days upon receipt and acceptance of a request for payment.

5.0 CONFLICT OF INTEREST

The CONTRACTOR agrees that it presently has no interest and shall acquire no interest, direct or indirect, which would conflict in any manner or degree with the performance of its services hereunder. The CONTRACTOR further agrees that in the performance of the Agreement, no person having any such interest shall be employed.

The CONTRACTOR shall disclose to the RTB any contract, agreement or understanding that the CONTRACTOR has as of the date of submission of the CONTRACT, or in the future may have, with any entity or individual which in the CONTRACTOR'S opinion may represent a conflict of interest in the performance of the CONTRACTOR'S performance of its duties for the RTB and if the RTB determines that there is in fact a conflict, then the CONTRACTOR shall forthwith resign from such conflicting contract, agreement or understanding, in which event the contract shall remain in full force and effect. In the event the CONTRACTOR does not so resign, then the RTB shall have the option of terminating the contract forthwith

6.0 PROHIBITED INTERESTS

No member of or delegate to the Congress of the United States shall be admitted to any benefit arising therefrom.

No member, officer, employee or agent of the RTB or of a local public body during his tenure or for one (1) year thereafter, shall have any interest, direct or indirect, in this Agreement or the proceeds thereof.

7.0 GRATUITIES

The CONTRACTOR shall not offer or provide gifts, favors, nor any other gratuities of more than nominal value to any official, employee or agent of the RTB during the period of this contract nor for a period of one year thereafter.

8.0 RECORDS

The CONTRACTOR shall retain all records pertinent to this agreement for a minimum of three years after agreement completion or until audited by the RTB, except that if any litigation, claim or adverse finding exists, the records shall be retained until final disposition thereof has been resolved.

The CONTRACTOR shall permit the RTB access to the aforementioned records for the purpose of making audit during the CONTRACTOR'S normal business hours.

9.0 NONDISCRIMINATION

The CONTRACTOR shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, age, national origin or handicap and the CONTRACTOR shall take affirmative action to ensure that applicants are employed and that employees are treated during their employment without regard to their race, religion, color, sex, age, handicap or national origin. Such actions shall include but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection of training, including apprenticeship.

10.0 MINORITY AND WOMEN BUSINESSES

The CONTRACTOR shall use its best efforts to obtain goods and services from small business concerns owned and controlled by women and socially and economically disadvantaged individuals.

11.0 TERMINATION

This contract, including any amendments thereto, may be terminated by the RTB upon 60 days notice at its absolute discretion when it determines it to be in its best interest to do so, providing the RTB notifies the CONTRACTOR in writing of such termination and the effective date thereof.

The CONTRACTOR may terminate this contract, including any amendments thereto, providing the CONTRACTOR notifies the RTB in writing of such termination 60 days prior to such termination.

12.0 INDEMNIFICATION

The RTB and the CONTRACTOR shall each indemnify and hold harmless the other from and against any and all losses, claims, damages, expenses, including legal fees for defense, or liabilities, collectively, "Damages," to which either may be subjected by reason of the other's acts, errors or omissions, except, however, neither will indemnify the other from or against Damages by reason of changed events and conditions beyond the control of either.

13.0 OWNERSHIP OF DOCUMENTS

Reports, information, data, given by the RTB to the CONTRACTOR, or prepared or assembled by the CONTRACTOR pursuant to the contract shall be kept confidential by the CONTRACTOR, except as its release is necessary to the performance of a service pursuant to the contract. All finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, reports and memorandums, prepared by the CONTRACTOR shall be the CONTRACTOR'S property and shall be maintained by the CONTRACTOR for a period of three years from completion of a project. The RTB shall have access to such data. The CONTRACTOR shall provide RTB with copies of all data required to support the financial statements or such other data developed specific to the services provided under the contract.

14.0 GOVERNING LAW

Any dispute under this Agreement shall be submitted to binding arbitration in the City of St. Paul, Minnesota, within thirty (30) days of written notification by either party.

This dispute shall be referred to three (3) arbitrators, one (1) to be appointed by each party and the third to be appointed by agreement of two (2) appointed. If no agreement can be reached, the third member shall be appointed in accordance with Minnesota Statutes 572.10. This disagreement shall be submitted to the arbitrator so appointed within thirty (30) calendar days after the last appointment. An award by the arbitrators shall be made within thirty (30) calendar days after the matter is submitted to them. An award signed by any two (2) of the arbitrators shall be final.

Submission of the disagreement to the arbitrator shall be in accordance with the Rules and Procedures of the American Arbitration Association to the extent not inconsistent herewith, provided, however, that the parties shall be entitled to obtain discovery by one or more of the following methods: Deposition upon oral examination or written questions; written interrogatories, production of documents or things for inspection and other purposes, physical and mental examinations and requests for admissions. The scope, use and procedures for such discovery shall be as provided in the Minnesota Rules of Civil Procedure for the District Courts and the sequence, timing and times for response or objection shall be terminated by the arbitrators, or any two of them, upon application of a party.

If either party shall refuse or neglect to appoint an arbitrator within five (5) calendar days after the other shall have appointed an arbitrator and served written notice thereof upon the other requiring him to appoint an arbitrator, then the arbitrator so appointed by the first party shall have disagreement as if he were an arbitrator appointed by both the parties hereto for that purpose and his award shall be made within fifteen (15) calendar days after such refusal or neglect of the other party to appoint an arbitrator.

APPENDIX B  
SERVICES  
FOR  
RTB CONTRACT NO. \_\_\_\_\_  
DATED: \_\_\_\_\_  
BETWEEN  
REGIONAL TRANSIT BOARD  
AND  
DELOITTE HASKINS & SELLS

1.0 The Contractor shall provide financial services as hereafter described which are in accordance with generally accepted accounting principles and professional standards as published by the American Institute of Certified Public Accountants.

2.0 The Contractor agrees to conduct such other services as may be determined from time to time by the RTB which would supplement the services hereafter described and such supplement services would be negotiated by the parties hereto and authorized by an amendment hereto duly executed by the parties hereto.

3.0 Engagement Scope

The Contractor's services will include the following:

3.1 Review the RTB operations on information provided and operations activities as identified by the Interim Implementation Plan and identify appropriate funds considered necessary for financial reporting.

3.2 Using the fund types identified and defined in 3.1 above and the present chart of accounts, expand such chart to provide a comprehensive account structure.

3.3 Utilizing data from 3.1 and 3.2 above, establish the format of the general ledger.

3.4 Define necessary sub-ledgers, standard journal entries and schedules that would be required to maintain the general ledger support system.

3.5 Define and make recommendations on an RTB accounting staff structure.

3.6 Define and specify internal accounting control procedures and related flow chart.

3.7 Provide the RTB with a pro forma of the financial statements including but not limited to the balance sheets, statements of revenues and expenditures and changes in fund balances.

3.8 Provide the RTB with a commentary report based on the above scope elements. Such report to be in sufficient detail to provide a base for subsequent utilization and follow up by the RTB.

3.9 Meet with RTB staff and others to present an overview and the results of the performed service.

4.0 Engagement Work Plans

4.1 The Contractor will proceed with the services (Engagement Scope) on October 7, 1985.

4.2 The Contractor will work in liaison with the RTB staff and staff of the Metropolitan Council as designated by the RTB.

4.3 The Contractor shall be in direct liaison with RTB staff on the progress of the services (Engagement Scope) and shall provide verbal progress reports of the status of completion.

5.0 Contractor's Professional Fees

5.1 The maximum fee for the services, Engagement and Scope work plan shall not exceed \$6,180.

5.2 Estimated hours and rates and expenses are as follows:

Partner	6 hours	at	\$126/hour
Manager	16 hours	at	\$ 69/hour
Staff D-2	70 hours	at	\$ 39/hour
Staff F	40 hours	at	\$ 33/hour
Office	6 hours	at	\$ 27/hour
	<u>138 hours</u>		

Out of pocket expenses - \$180

5.3 Any additional services shall be provided in accordance with Appendix A and negotiated at rates not to exceed 150% of those identified in 5.2 above through December 31, 1985.