



Minnesota Regional Transit
Board: Records.

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MEETING OF THE REGIONAL TRANSIT BOARD
Monday, December 2, 1985
Council Chambers
4:00 p.m.

AGENDA

1. Call to Order and Roll Call
2. Approval of Agenda
3. Approval of Minutes of November 4 and November 18, 1985 Board Meetings
4. Presentation on Metropolitan Development and Investment Framework
5. CONSENT LIST
6. REPORT OF THE POLICY COMMITTEE
7. REPORT OF ADMINISTRATION AND FINANCE COMMITTEE
 - a. 1985 Auditor Selection*
 - b. Accounting Procedure Statements*
 - c. Depository Collateral Approval*
 - d. 1986 Regional Transit Budgets Approval Resolution No. 85-22
 - e. Disadvantaged Business Enterprise/Women's Business Enterprise Plan
8. OTHER BUSINESS
 - a. Chairman's Report
 - b. Members' Reports
 - c. Staff Reports
9. PUBLIC COMMENT

Todd Lefko,
Chair

Ruth Franklin,
Chair

Elliott Perovich
Chairman

* Please bring committee packets to meeting.

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REGIONAL TRANSIT BOARD
ROLL CALL AND ATTENDANCE SHEET

ga
mf
Bob Davis
Sary W.
Din
G. Andrews

DATE: Dec 2, 1985

BOARD OR COMMITTEE RTB

Res 85-22

MEMBER NAME	PRESENT	VOTE	VOTE	VOTE	VOTE	VOTE
Chairman	✓	✓				
Kenneth Bedeau	✓	Y				
Doris Caranicas	✓	Y				
Ruth Franklin	✓	Y				
Alison Fuhr	✓	Y				
Paul Joyce	✓	Y				
Edward Kranz	<i>arr. 4:20</i>	Y				
Todd Lefko	✓	Y				
Bernard Skrebes	✓	Y				

REGIONAL TRANSIT BOARD

270 Metro Square Building, St. Paul, Minnesota 55101

Minutes of the Meeting of the
REGIONAL TRANSIT BOARD
Metropolitan Council Chambers
November 18, 1985

Amend

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

OTHERS PRESENT: Ghaleb Abdul-Rahman, Mary Fitzgerald, Judy Hollander, Leslie Johnson, Jerry Brechlin, Ed McMenemy and Bob Dietrick, Regional Transit Board Staff; Larry Wertheim, legal counsel; and Arnie Entzel

Vice Chair Caranicas called the meeting to order at 4:00 p.m. and roll was taken. Caranicas announced that the chairman was in Orlando, Florida as a keynote speaker at an conference sponsored by the Urban Mass Transit Agency (UMTA).

Skrebes moved approval of the amended agenda; Bedeau seconded the motion. Motion carried unanimously.

REPORT OF THE POLICY COMMITTEE

APPROVAL OF 1986-1988 TRANSPORTATION IMPROVEMENT PROGRAM

Committee Chair Lefko reviewed the November 12, 1985 committee report and moved:

That the Regional Transit Board find the Metropolitan Transit Commission's transit elements of the 1986-1988 Transportation Improvement Program consistent with the approved capital budget and the Regional Transit Board's Interim Implementation Plan.

Skrebes seconded the motion. Motion carried unanimously.

STAFF RECOMMENDATIONS FOR IMPROVING METRO MOBILITY SERVICE

Lefko reviewed the committee report dated November 18, 1985, noting that there will be public meetings on November 20 and December 4 to discuss the staff recommendations. Lefko moved and Fuhr seconded the motion:

That the RTB accept the following recommendations for purposes of public meeting:

1. The Regional Transit Board directs its staff to develop an implementation plan by June 1, 1986, to propose and organize the specific operational details for implementing the following actions. This plan should be developed in conjunction with the Minnesota Department of Transportation, the Metropolitan Transit Commission, and reviewed by the RTB Transportation Handicapped Advisory Committee. This implementation plan should contain a

comprehensive monitoring and evaluation element so that improvements in Metro Mobility service can be monitored by the Board on a regular basis. A draft timetable and outline of tasks necessary to accomplish this effort follows.

2. Beginning in October 1986, the Metro Mobility program should be reorganized to operate on a modified user side subsidy basis, as described by Option X in the preceding discussion. This option promises the greatest travel benefits for users, while at the same time, presents the greatest opportunity to reduce per trip costs. The modified user-side subsidy arrangement would allow users to contact providers directly to arrange for their ride requests. All qualified providers would be able to participate in the program and the Metro Mobility Transportation Center would monitor trip requests. Competition among providers promises cost savings as well as increases in service quality.

It is further recommended that the Metro Mobility Transportation Center be retained to certify eligible users, monitor daily performance of providers, provide computer facilities and deal with consumer concerns. The Transportation Center should continue to be operated by the Metropolitan Transit Commission. Additionally, it is recommended that a consumer liaison be added to the Transportation Center staff to assist users with trip plans and concerns.

3. The Regional Transit Board should pursue dialogue with social service agencies to determine how the needs of their clients can best be met and what level of financial support they can provide to support their clients using Metro Mobility service. The best way to provide large group trips should also be a key agenda item of this discussion.
4. A monitoring system should be established by the Transportation Center to adequately measure the quality of service to assist in the identification of additional and necessary ongoing service improvements. Information relating to consumer satisfaction and service performance should also be used to evaluate service on an ongoing basis.
5. Metro Mobility service should be expanded throughout the transit taxing district with the savings realized from this restructuring effort. Expansion should take place in a staged manner as funding permits. The RTB should work toward ensuring transportation services for elderly and handicapped persons throughout the seven-county area, emphasizing coordination with existing community providers.
6. Using the Service Needs Assessment as a starting point, the Regional Transit Board should conduct a review of county transportation programs to evaluate service quality and adequacy. Once these evaluation efforts are completed, agreement on the type and extent of coordination with Metro Mobility should be outlined.

7. The RTB should similarly begin discussions with other providers of transportation for handicapped persons to determine the level and type of coordination required to best meet the needs of the disabled community. An effort to define the appropriate role of these providers in relation to the Metro Mobility program should be a key element of these discussions.

8. Based on the forthcoming results of the Metro Mobility user survey and a refined monitoring system, attention should be focused on finding solutions to deal with issues related to quality of service and user satisfaction. Attention should be focused on user concerns expressed at public meetings.

- confirmation of ride requests in a timely manner;
- inconvenient call-in requirements;
- late pick-ups;
- prohibition on additional standing orders; and
- limited weekend hours.

9. The Regional Transit Board should consider Metro Mobility fares as one of the issues to address as part of its overall consideration of fare policies later this year. The following general guidelines should be considered in this discussion. Metro Mobility fares should be established at an affordable rate, easy to understand, but should be greater than fares charged to users of regular route transit service to improve the revenue to cost ratio. Fares should be designed to create a disincentive for long trips. A hardship policy should be established for those unable to pay the established fare. Discussion about premium fares for standing orders or longer trips should also take place to determine impacts on revenue recovery and service provision.

Fuhr requested clarification of the action to be taken at this meeting. Lefko stated final action will be taken by the board on December 16. Any changes in the recommendations will be based on public input received at the public meetings on November 20 and December 4. Franklin said the existing service is excellent, but much of the seven-county area does not have any Metro Mobility service. The board must consider cutting costs in order to expand into other areas.

Lefko said the board is making basic decisions now, installing the new system in October to make sure it has covered several detailed issues, and establishing a monitoring system.

Hollander said she wanted to be sure people understand that staff feels these recommendations are most cost-effective and will improve service. At present people cannot make standing orders. People have asked to choose their providers. Staff believes there are service quality improvements in this. Caranicas said we are running into financial problems that might lead to a reduction in service. Fuhr called the question. Vote was taken; motion carried unanimously.

JOBSEEKERS PROGRAM

Lefko reviewed the committee report dated November 18 and moved:

That the Regional Transit Board approve the implementation of a user-side subsidy jobseekers program, effective January 1, 1986.

Skrebes seconded the motion; motion carried unanimously.

REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE

FINANCIAL PLAN

Committee Chair Franklin reviewed the committee report dated November 18, 1985. She reviewed the changes to the plan recommended by the committee at its November 14 meeting. Johnson said the secretary failed to make the change noting the potential deletion of the Nicollet Garage. The Metropolitan Council did not confirm that project and asked for more information from MTC. Staff decided to leave the project in but noted that it was not approved. The plan will be amended. An explanation will be added to Figures 7 and 8 because the fares do not equal 35 percent of the operating costs of regular route services. Franklin moved and Skrebes seconded:

That the Regional Transit Board approve the Financial Plan, 1986-87, subject to the following understandings:

1. In the Capital Expenditure Program, projected expenditures for the MTC Nicollet Garage project have been disapproved by the Metropolitan Council subject to completion of the (alternative locations study) and confirmation of the project in the final RTB 1986 budget approval process. If disapproved, the Nicollet Garage project will be amended out of the Financial Plan projections.
2. Farebox revenue projections for 1986 and 1987, as shown in Figures VII and VIII, with a portion of state assistance equivalent to the differential between senior fares, student fares and handicapped fares, and normal fare added provides a regular route fare recovery ratio for 1986 of 38.3 percent and for 1987, 36.8 percent.

Vote was taken. Motion carried unanimously.

THIRD QUARTER FINANCIAL STATEMENTS

Franklin moved approval of the committee report dated November 12, 1985. Fuhr seconded the motion:

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

Vote was taken; Motion carried unanimously.

AFFIRMATIVE ACTION PLAN

Franklin reviewed the committee report dated November 12, 1985 and moved:

That the board approve, as is, the Affirmative Action Plan.

Lefko seconded the motion. In response to Bedeau's question, Abdul-Rahman said there is no plan to hire an administrative aide to the chairman; Bob Dietrick is Les Johnson's administrative aide and is responsible for the implementation of the plan under Item 5, Designation of Responsibilities. Vote was taken; motion carried unanimously.

NEW SPACE LEASE

Franklin reviewed the report of the committee dated November 12, 1985 and moved:

That the board concur with the recommendation of the Policy Task Force and authorize staff to work with the Metropolitan Council and the Metropolitan Waste Control Commission staff to initiate lease negotiations with Asset Development Services at the earliest date possible with a deadline for completion of these negotiations of January 10, 1986.

Lefko seconded the motion; motion carried unanimously.

ASSUMPTION OF PROGRAM RESPONSIBILITIES

Franklin reviewed the committee report dated November 12 and moved:

That the Regional Transit Board adopt the attached certifications for the transmittal to the Commissioner of Transportation indicating readiness to assume program responsibilities for contracts with metropolitan area providers, the special transportation service project and the metropolitan transit service demonstration program on January 15, 1985.

Kranz seconded the motion; motion carried unanimously.

Franklin moved approval of Resolution No. 85-19, Resolution Certifying Readiness to Assume Responsibility for Contracts in the Metropolitan Area under Minnesota Statutes 473.384. Kranz seconded the motion. Roll call vote was taken and the resolution was unanimously approved.

Franklin moved approval of Resolution No. 85-20, Resolution Certifying Readiness to Assume Responsibility for Special Transportation Service under Minnesota Statutes 473.386. Skrebes seconded the motion. Roll call vote was taken and the resolution was unanimously approved.

Franklin moved approval of Resolution No. 85-21, Resolution Certifying Readiness to Assume Responsibility for the Metropolitan Transit Commission Demonstration Program under Minnesota Statutes 473.388. Skrebes seconded the motion. Roll call vote was taken and the resolution was unanimously approved.

Chair Franklin noted that the next meeting of the Administration and Finance Committee will be November 21, 1985. 5

OTHER BUSINESS

CHAIRMAN'S REPORT

Rideshare Advisory Committee

The vice chair noted that a memorandum from Judy Hollander, dated November 18, had been distributed. Lefko moved that the board approve the appointments to the committee; Fuhr seconded the motion. Motion carried unanimously.

MEMBERS REPORTS

Fuhr said she has made written recommendations on the board's public relations to the chairman and will discuss it at the next meeting. Copies of the memorandum are being distributed to the board.

STAFF REPORTS

Abdul-Rahman said the Administration and Finance Committee raised the issue of duplication of materials for mailing to committee and board. Staff is also concerned about the amount of duplication but there are requirements for public meetings. He asked the members for direction. Fuhr said she feels strongly that the duplication is unnecessary. She said members should be responsible for bringing committee materials to the board meetings. Abdul-Rahman said if the material was changed at the committee there is confusion. Copies left over from committee meetings are changed. Kranz said that there are times when it is easier for staff to be more accurate, even if they have to send out more information. For accuracy's sake, he would like to continue as it has been. Franklin said she would like to have fewer copies mailed and assumes staff will have extra copies of the packets on hand. She would prefer not amending the report and having a sheet prepared stating the changes and then vote on the changes. The reports can be changed after the board action.

Caranicas said copies should be printed on both sides to reduce cost of mailing. Abdul-Rahman said he agreed with Franklin's approach, but on the day of adoption the board must adopt the right document. If it is possible to make copies and also have an errata sheet on top, that might be the best approach. Lefko said that in terms of staff time, the reports have to be corrected at some point. The issue is whether it is easier to work with the committee copy and at what point should it be finalized. Most documents are on word processor. Abdul-Rahman said it would be best to hold all the changes until the end and do them all at once. Sometimes that is not feasible. It is sometimes frustrating when someone calls and asks what the board will act upon if you have to provide the old report and an errata sheet. Staff would like to try the new system on the basis that we will not duplicate any of these documents and try to use errata sheets. There may be times when the revised version should be in front of the board members.

There being no public comment or further business, Skrebes moved that the meeting be adjourned. Fuhr seconded the motion. Motion carried unanimously.

Respectfully submitted,

Mary Fitzgerald
Secretary

Handout 12/2/15

**METROPOLITAN DEVELOPMENT - INVESTMENT
FRAMEWORK ESTABLISHES:**

- Direction for Council Planning**
- Urban - Rural Service Areas - 2000**
- Geographic Policy Areas**
- Forecasts for 1990 and 2000**
- Process for Managing Regional Systems**

FORECASTS

POLICY: THE METROPOLITAN COUNCIL WILL USE ITS REGIONAL FORECASTS IN DEVELOPING ALL REGIONAL PLANS AND PROGRAMS AND IN MAKING INVESTMENTS. THE COUNCIL WILL MONITOR VARIATIONS BETWEEN FORECASTS AND DEVELOPMENT TO DETERMINE WHERE PLANNING CHANGES ARE NEEDED TO ACHIEVE REGIONAL GOALS AND COMMITMENTS.

URBAN SERVICE AREA

-2000-

REFLECTS SLOWER REGIONAL GROWTH
USES LOCAL COMPREHENSIVE PLANS
MAINTAINS 5 YEAR LAND SUPPLY OVERAGE

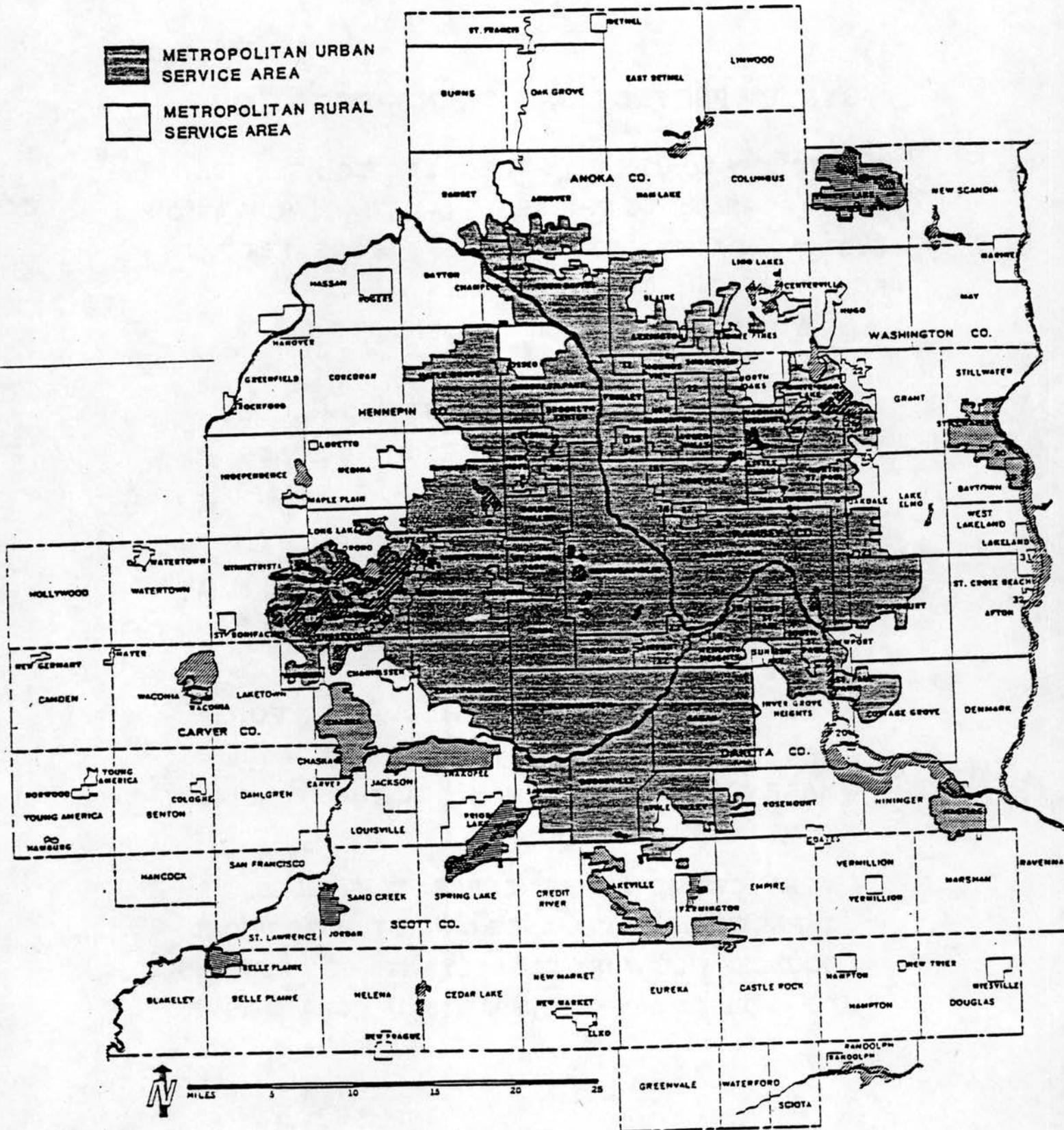
METROPOLITAN URBAN SERVICE AREA

POLICY: REGIONAL INVESTMENTS DIRECTED BY THE METROPOLITAN COUNCIL WILL PROVIDE URBAN-TYPE SERVICES ONLY TO PEOPLE IN THE METROPOLITAN URBAN SERVICE AREA. THE METROPOLITAN URBAN SERVICE AREA WILL BE THE AREA OPEN FOR URBAN DEVELOPMENT UNTIL THE YEAR 2000.

METROPOLITAN URBAN AND RURAL SERVICE AREA

-2000-

-  METROPOLITAN URBAN SERVICE AREA
-  METROPOLITAN RURAL SERVICE AREA



SYSTEM PROTECTION - TRANSPORTATION

COUNCIL WILL USE ITS FORECASTS TO HELP PLAN IMPROVEMENTS TO THE REGIONAL TRANSPORTATION SYSTEM. IF ACTUAL DEVELOPMENT IS GREATER THAN FORECAST, THE COUNCIL WILL:

- 1) WORK WITH COMMUNITY & MN/DOT TO RESOLVE PROBLEMS
- 2) REQUIRE NEW MANAGEMENT TECHNIQUES & OPTIMIZE EFFICIENCY OF EXISTING ROADS
- 3) ACT TO STOP DEVELOPMENT, IF NECESSARY

SYSTEM PROTECTION - SEWERS

POLICY: THE COUNCIL WILL USE ITS FORECASTS TO HELP DECIDE WHEN & WHERE IT WILL MAKE CAPITAL IMPROVEMENTS TO THE REGIONAL SEWER SYSTEM.

MORATORIUMS MAY BE NECESSARY IF ADDED CAPACITY OR COMPLIANCE CANNOT BE PROVIDED. COUNCIL WILL WORK CLOSELY WITH COMMUNITIES TO AVOID OR MINIMIZE IMPACTS OF MORATORIUMS.

**AIRPORTS DEVELOPMENT-
PROTECTION GUIDELINES**

**GET MAXIMUM USE FROM EXISTING SYSTEM,
ESPECIALLY "MAJOR" AND "INTERMEDIATE"
AIRPORTS IN THE URBAN SERVICE AREA.**

PARKS PROTECTION GUIDELINES

**POLICY: THE COUNCIL WILL COMPLETE ITS
PROPOSED ACQUISITION OF LANDS FOR
THE OUTDOOR RECREATION SYSTEM.**

**MODIFICATION WILL BE SOUGHT TO LOCAL
PLAN AMENDMENTS THAT COULD INCREASE
THE VALUE OF LAND TO BE ACQUIRED OR
RESULT IN INCOMPATIBLE LAND USES ON
THE PARK SITE OR IN ADJACENT AREAS.**

**METROPOLITAN SYSTEMS
WITH EXCESS CAPACITY**

**POLICY: THE METRO COUNCIL URGES PUBLIC
AND PRIVATE DECISION-MAKERS TO TAKE
INTO CONSIDERATION THE METRO HIGHWAY
AND SEWER SEGMENTS WITH EXISTING
EXCESS CAPACITY WHEN MAKING DEVELOP-
MENT DECISIONS.**

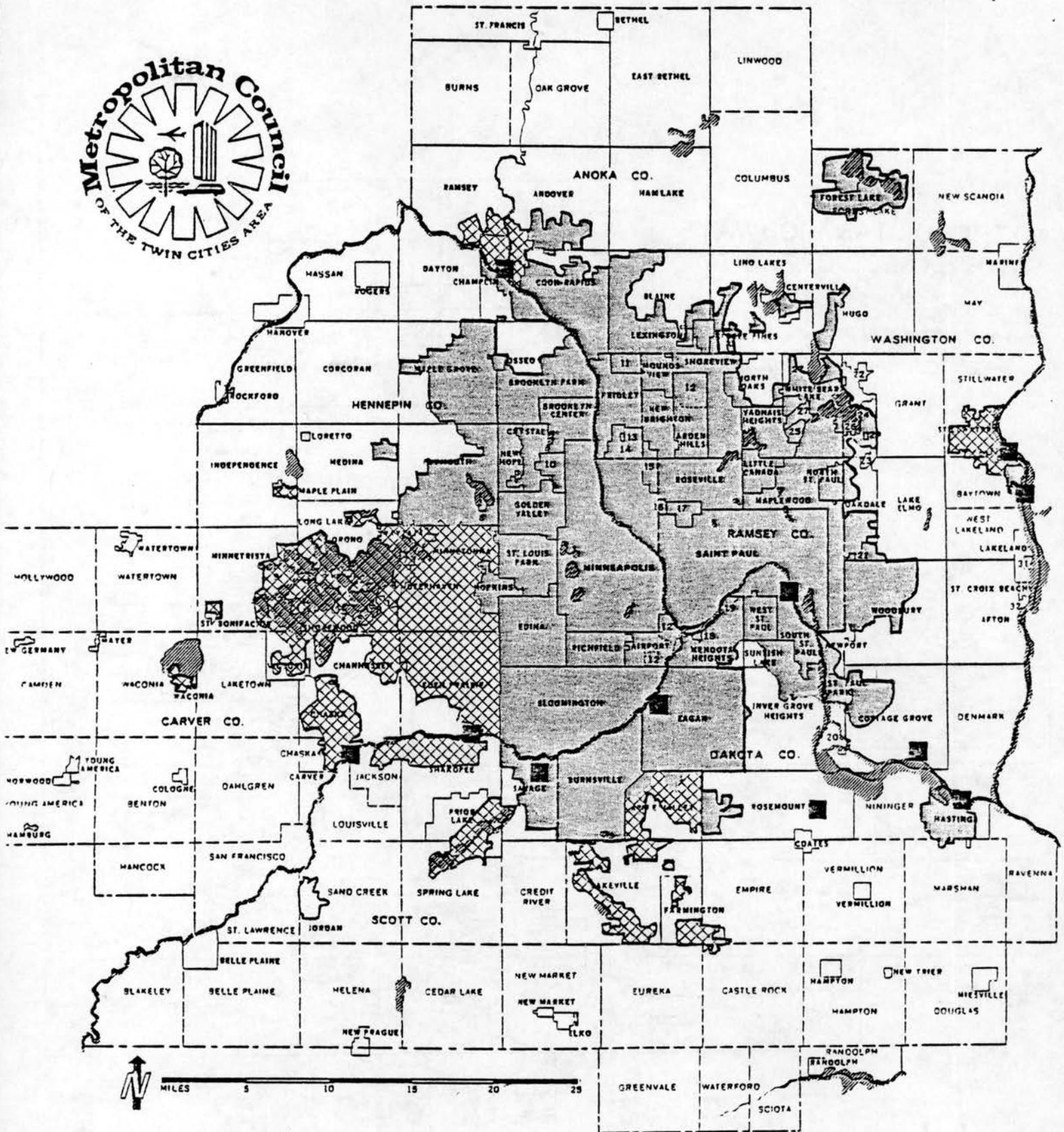
METROPOLITAN HIGHWAYS WITH EXCESS CAPACITY

==== Major Highways

— 2000 Urban Service Area



--- County Boundary
 --- Municipal Boundary
 --- Township Boundary
 --- Interstate Highway
 --- Federal Interstate Highway
 --- Arterial
 --- Water Body



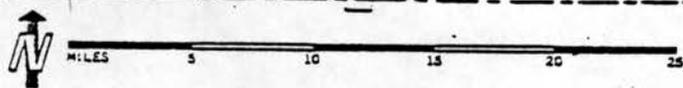
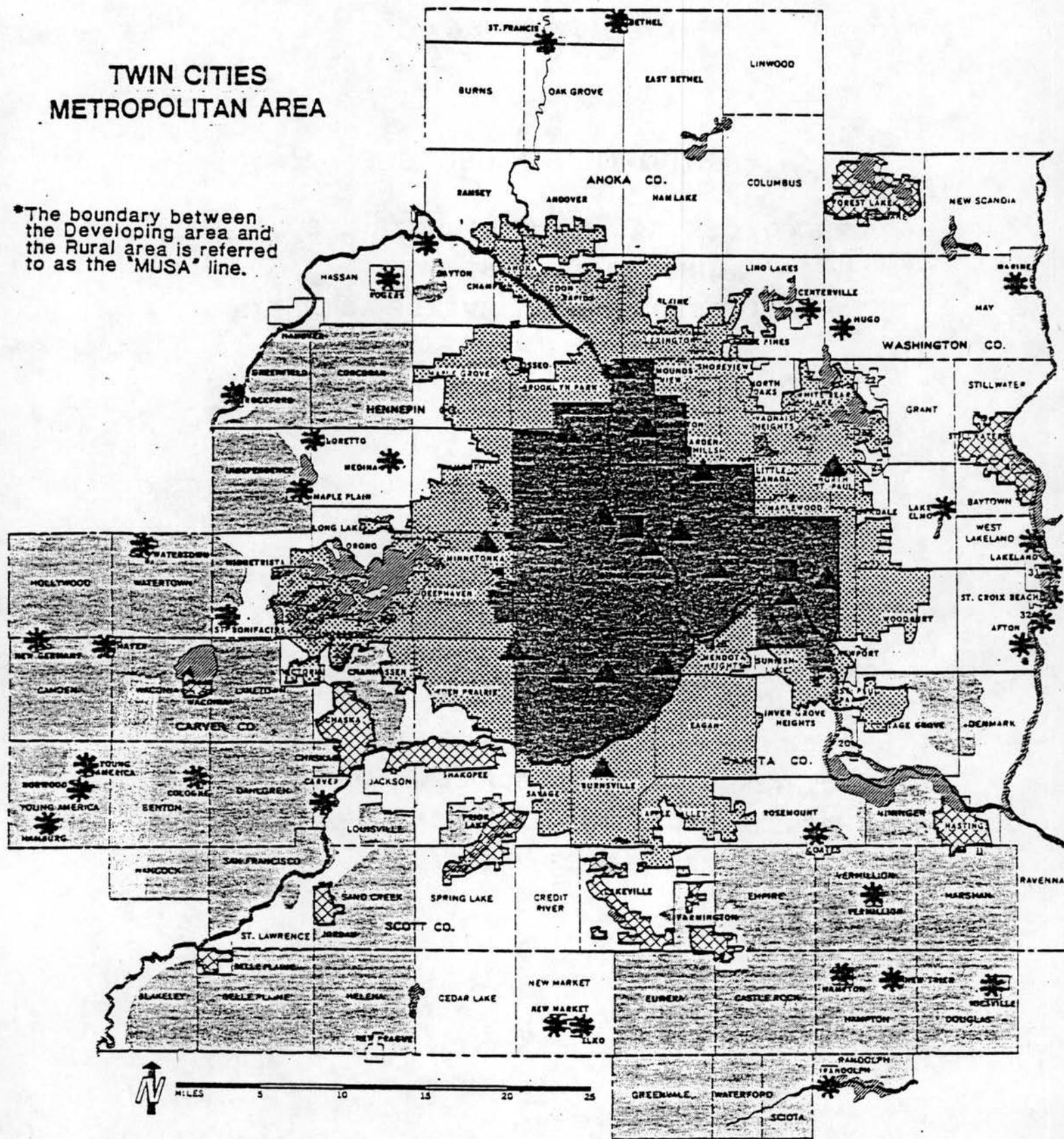
-  SEWER SERVICE AREAS WITH UNUSED TREATMENT PLANT CAPACITY
-  SEWER SERVICE AREAS WITH CONSTRAINTS IN TREATMENT PLANT CAPACITY
-  EXISTING TREATMENT PLANTS

Treatment plant conditions are for facilities existing or under construction as of October, 1985. Information is presented only for wastewater treatment plants that are part of the metropolitan sewer system.

GEOGRAPHIC POLICY AREAS

TWIN CITIES METROPOLITAN AREA

*The boundary between the Developing area and the Rural area is referred to as the 'MUSA' line.



- | | | | |
|---|---|--|-----------------------------|
|  | METROPOLITAN CENTERS |  | FREESTANDING GROWTH CENTERS |
|  | REGIONAL COMMERCIAL-INDUSTRIAL CONCENTRATIONS |  | RURAL CENTERS |
|  | FULLY DEVELOPED AREA |  | COMMERCIAL AGRICULTURE AREA |
|  | DEVELOPING AREA* |  | GENERAL RURAL USE AREA |

METROPOLITAN CENTERS

**WHAT: CENTRAL BUSINESS DISTRICTS OF
MINNEAPOLIS & ST. PAUL**

**WHY: LARGEST - MOST DIVERSE ACTIVITY
CENTERS**

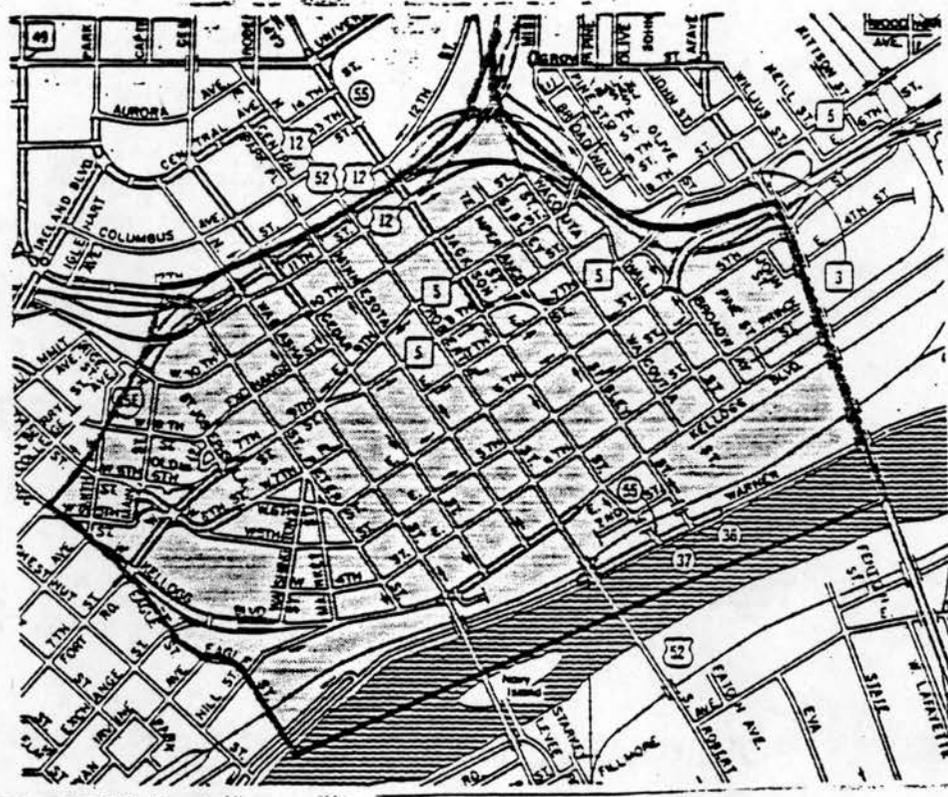
METRO CENTERS

POLICY:

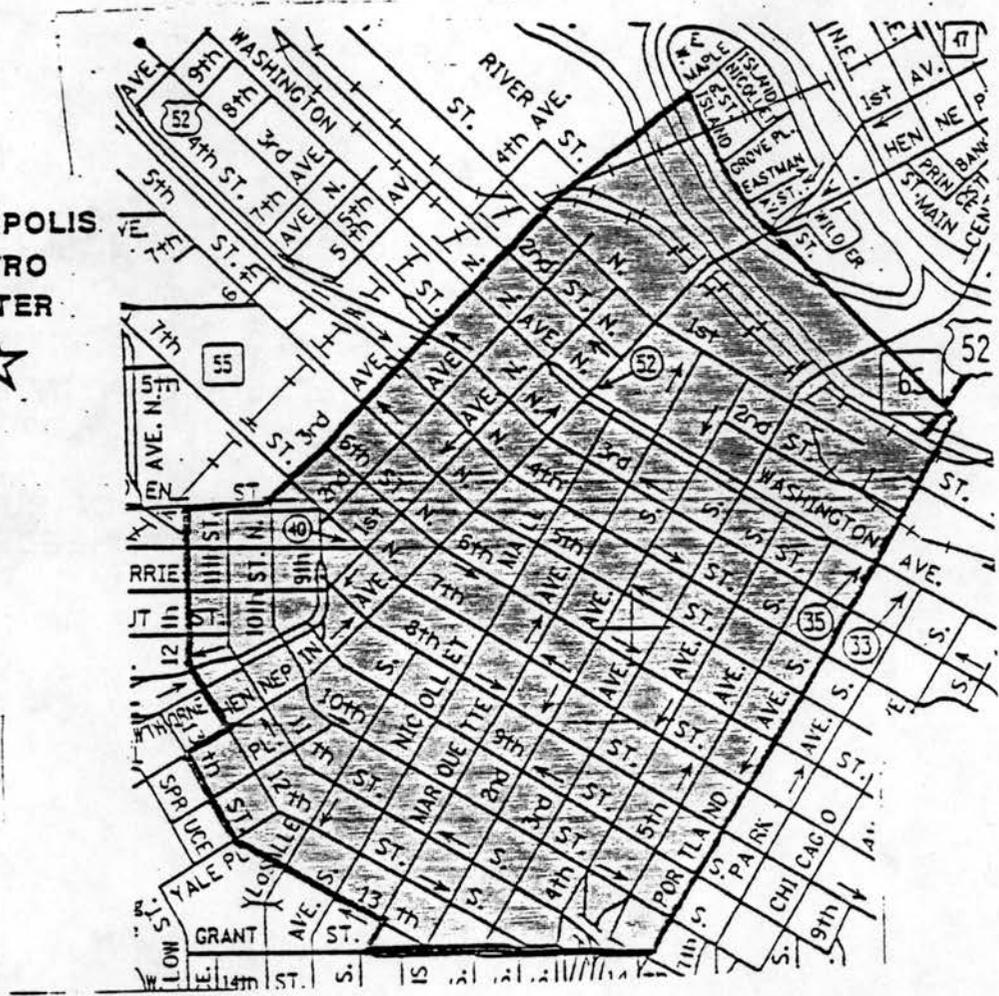
**COUNCIL SUPPORT FOR TWO STRONG METRO
CENTERS APPROPRIATE FOR DENSE DEVELOPMENTS
REQUIRING A CENTRAL LOCATION, HIGH ACCESSI-
BILITY & HIGH SERVICE LEVELS.**

Fig 5

ST. PAUL
METRO
CENTER



MINNEAPOLIS
METRO
CENTER



**REGIONAL COMMERCIAL-INDUSTRIAL
CONCENTRATIONS**

**AREAS WITH A LARGE EMPLOYMENT
AND/OR LARGE SALES VOLUMES OUT-
SIDE THE METRO CENTERS. MOST
IMPORTANT OUTLYING CONCENTRA-
TIONS OF ECONOMIC ACTIVITY.**

**SOURCE: EMPLOYMENT-1980 CENSUS
& SALES-1982 CENSUS OF RETAIL TRADE**

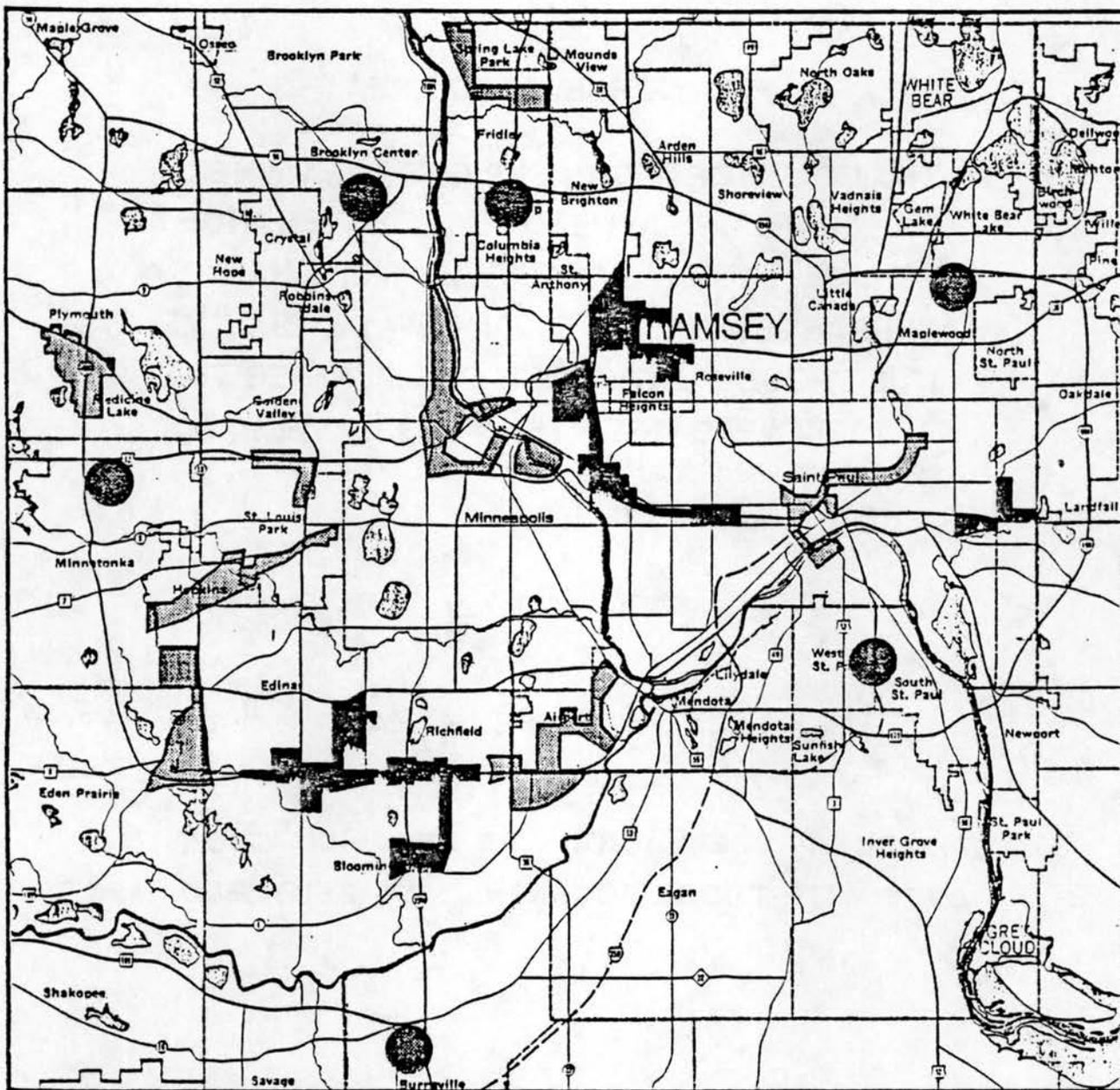
REGIONAL COMMERCIAL-INDUSTRIAL CONCENTRATIONS

POLICY:

**PROVIDE HIGHWAYS & TRANSIT FOR CONTINUED
GROWTH.**

**COUNCIL & LOCAL GOVERNMENT WORK ON SUBAREA
STUDIES TO DETERMINE WHAT EACH NEEDS TO
REMAIN VIABLE.**

REGIONAL COMMERCIAL-INDUSTRIAL CONCENTRATIONS



Concentrations with employment of 10,000 or more



Concentrations with retail sales of \$100 million or more



Concentrations with employment of 10,000 or more
and retail sales of \$100 million or more

FULLY DEVELOPED AREA

**THAT PART OF URBAN SERVICE AREA WHERE
THE LEVEL OF, OR NEED FOR MAINTENANCE,
REHABILITATION & REDEVELOPMENT HAS
SURPASSED THE LEVEL OF NEW DEVELOPMENT.
IT IS THOSE CONTIGUOUS COMMUNITIES THAT
IN 1984 WERE MORE THAN 85% DEVELOPED.**

FULLY DEVELOPED AREA

**POLICY:
BALANCE PRESERVATION AND REHABILITATION
NEEDS WITH THOSE FOR INFILL AND REDEVELOPMENT.**

DEVELOPING AREA

THAT PORTION OF THE REGION WHERE MOST OF THE GROWTH WILL OCCUR BETWEEN 1985 & 2000. THIS AREA EITHER HAS BEEN OR WILL BE PROVIDED WITH METROPOLITAN SERVICES.

DEVELOPING AREA

POLICY: PLAN AND STAGE URBAN EXPANSION CONTIGUOUS TO EXISTING DEVELOPMENT PROVIDE METRO SYSTEMS AT TIME, PLACE, AND SIZE TO SUPPORT GROWTH ACCORDING TO ACCEPTABLE LOCAL COMPREHENSIVE PLANS.

COMMERCIAL AGRICULTURE AREA

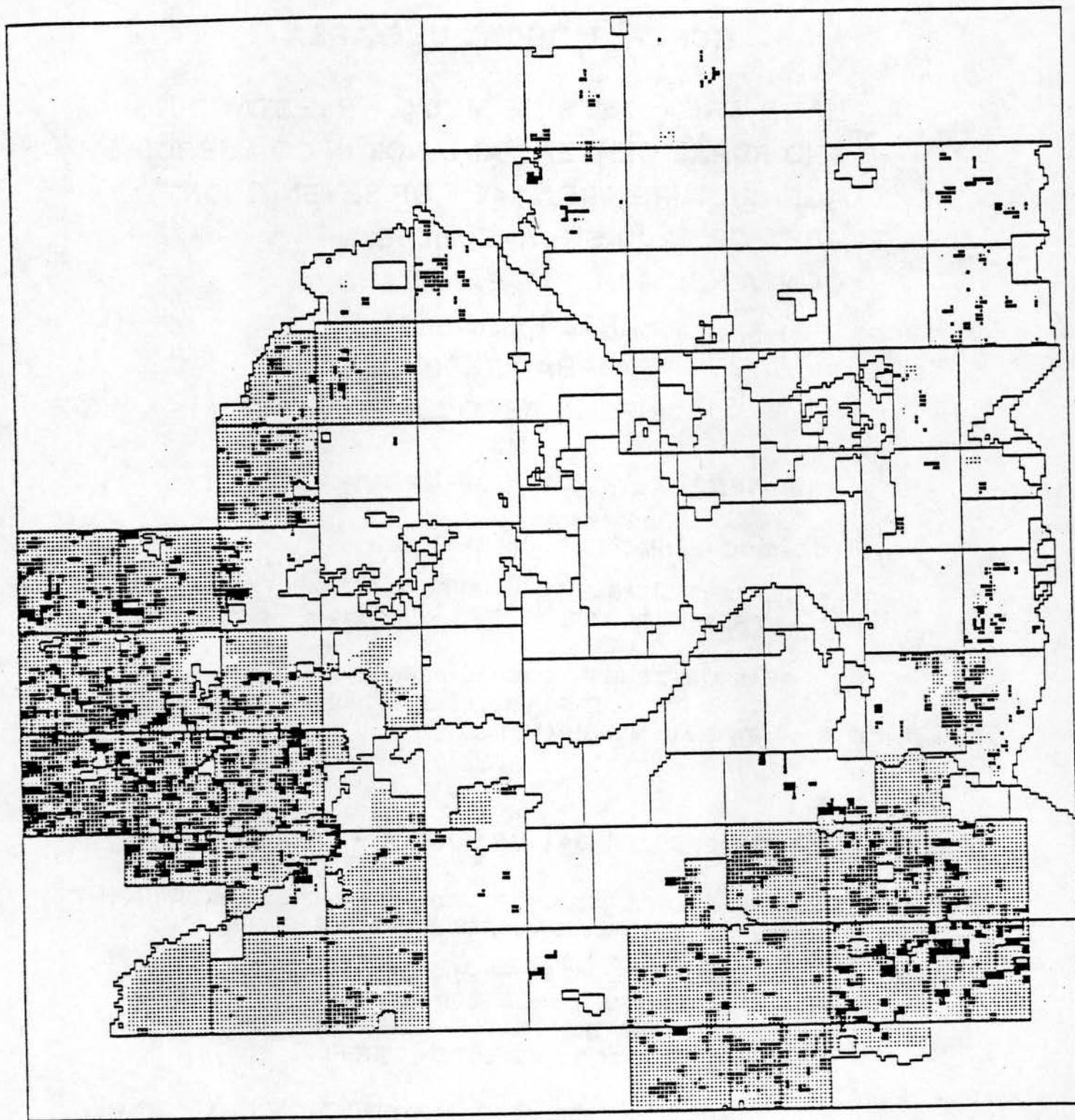
**THESE ARE AGRICULTURE LANDS CERTIFIED
BY LOCAL GOVERNMENTS FOR AGRICULTURE
PRESERVES ACT. LOCAL PLAN & ZONING
LIMITS HOUSING TO ONE UNIT/ 40 ACRES**

COMMERCIAL AGRICULTURE AREA

**POLICY: METROPOLITAN COUNCIL WILL
NOT INITIATE OR SUPPORT PROJECTS
INCONSISTENT WITH AGRICULTURE IN
AREAS CERTIFIED TO PARTICIPATE IN
THE METROPOLITAN AGRICULTURAL
PRESERVES ACT.**

METROPOLITAN AGRICULTURE PRESERVES

COMPOSITE OF ALL LANDS IN AGRICULTURE PRESERVES AS OF 3/1/85



*Secondary
Protection*

*Primary
Protection*

■ LANDS CERTIFIED

■ LANDS COVENANTED

■ LANDS COVENANTED WITH EXPIRATIONS

1 inch = 8.7 miles

GENERAL RURAL USE AREA

LAND AREA OUTSIDE MUSA, FREESTANDING
AND RURAL CENTERS AND NOT IN COMMERCIAL
AGRICULTURE AREA. 40% OF SEVEN COUNTY
AREA OR 1200 SQUARE MILES.

CONTAINS: GENERAL FARMLAND
RURAL RESIDENTIAL
EXURBAN RESIDENTIAL
URBAN ASSOCIATED USES

GENERAL RURAL USE AREA - POLICY I

LOCAL GOVERNMENTS PLANS SHOULD:

CERTIFY SUITABLE AG. LAND FOR PARTICIPATION IN AG.
PRESERVES ACT.

PLAN AND ZONE FOR RURAL-RESIDENTIAL DENSITIES NO MORE
THAN ONE UNIT PER 10 AC. ON A 640-AC. BASIS AND A
FIVE-AC. MINIMUM LOT SIZE.

GENERAL RURAL USE AREA - POLICY II

THE METRO COUNCIL WILL USE FOLLOWING RANKING TO ACCOMMODATE
FACILITIES SERVING URBAN RESIDENTS IN RURAL AREA

1. LANDS COVENANTED: PRIMARY PROTECTION
PROHIBITS URBAN-ASSOCIATED FACILITIES UNLESS
DOCUMENTATION THAT NO OTHER LOCATIONS CAN
MEET THE SITING SELECTION CRITERIA.
2. LANDS CERTIFIED: SECONDARY PROTECTION,
AVOID URBAN-ASSOCIATED FACILITIES, IF POSSIBLE.
3. GENERAL RURAL USE AREA: OPEN TO URBAN-
ASSOCIATED FACILITIES.

FREESTANDING GROWTH CENTERS

**THESE ARE LARGER URBAN CONCENTRATIONS
LOCATED WITHIN THE RURAL PORTION OF
THE METRO AREA.**

- ALTERNATIVE TO LIVING IN MUSA**
- ALL HAVE SEWER AND WATER**
- HAVE BASIC EMPLOYMENT**
- PROVIDE OTHER SERVICES NEEDED FOR
URBAN POPULATION**

FREESTANDING GROWTH CENTERS

**POLICY: FREESTANDING GROWTH CENTERS
SHOULD DEFINE AN URBAN SERVICE AREA,
CONSISTENT WITH COUNCIL FORECASTS .**

RURAL CENTERS

SMALL HISTORICAL RETAIL & TRANSPORTATION CENTERS IN THE RURAL SERVICE AREA.

SOME HAVE SEWER &/OR WATER,
OTHERS DO NOT
MOST LACK OTHER BASIC SERVICES
NECESSARY TO SUPPORT AN URBAN
POPULATION
BASIC EMPLOYMENT IS LACKING

RURAL CENTERS - POLICY

NO METROPOLITAN URBAN SERVICES WILL BE EXTENDED TO CENTERS.

CENTERS SHOULD ACCOMMODATE DEVELOPMENT CONSISTENT WITH ABILITY TO FINANCE SERVICES. URBAN DEVELOPMENT SHOULD NOT BE ACCOMMODATED IN CENTERS WITHOUT CENTRAL SEWER.

COUNCIL WILL HELP PLAN A NEW RURAL CENTER IF COMMUNITY MEETS REGIONAL REQUIREMENTS.

SPECIAL REGIONAL FACILITIES

LARGE, OFTEN UNIQUE PROJECTS WITH A SPECIFIC FUNCTION OR FOCUS, ARE GENERALLY USER ORIENTED & LIKELY TO AFFECT THE ENTIRE METRO AREA.

SPECIAL REGIONAL FACILITIES

POLICY: THE METRO COUNCIL WILL INITIATE EVALUATION OF ANY MAJOR PROPOSAL TO DETERMINE IF IT HAS SPECIAL REGION-WIDE IMPACT. COUNCIL WILL FOCUS ON THE PURPOSE & NEED FOR FACILITY, WHOM IT WILL SERVE & WHERE IT WILL BE MOST SUCCESSFUL.

COST-SHARING AGREEMENTS

- A. NET REGIONAL BENEFIT DEMONSTRATED**
- B. THERE IS CONSISTENCY WITH MDIF**
- C. METRO SYSTEMS INTEGRITY IS MAINTAINED**
- D. NO SIGNIFICANT PRIORITY CHANGE IN
SYSTEM OF CONCERN BY OUTSIDE FUNDING**
- E. FACILITY WILL BE UNDER REGIONAL CONTROL**
- F. SHARED-FACILITY COSTS & USES ARE
EQUITABLE**

INVESTMENT EVALUATION PROCESS

1. Establish Regional Needs
2. Determine Regional Benefits and Contributions
3. Rank Proposals
4. Recommend/Analyze Financing Plan
5. Economic Development Review

Rank by Investment Class

1. Protect the natural environment and public welfare.
2. Maintain facilities and services and stimulate redevelopment within the MUSA to maximize use of existing investments.
3. Provide for anticipated regional growth.
4. Stimulate new development within the MUSA.

Apply Economic Evaluation Criteria

1. Equity.
2. Efficiency.
3. Use of external funds.
4. Use of public financing mechanism.
5. Use of public revenue sources.

PROPOSED METROPOLITAN AGENCY REVIEW PROCESS
COMPARED TO EXISTING STATUTORY RELATIONSHIPS

MARP	Council	Prepares policy plans	Approves and aggregates implementation plans ¹	Approves capital budgets	Comments on operating budgets	Aggregates financial plans
	Regional Agencies	↓	Prepares implementation plans	Prepares capital budgets	Prepares operating budgets	Prepares financial plans
TRANSIT	Council	Prepares policy plan	Approves implementation plan	Approves capital budget	Comments on operating budget	Approves financial plan
	RTB		Prepares implementation plan	Prepares capital budget	Prepares operating budget	Prepares financial plan
SEWERS	Council	Prepares policy plan	Approves development program	Approves capital budget	Comments on operating budget	
	MWCC	↓	Prepares development program	Prepares capital budget	Prepares operating budget	
PARKS	Council	Prepares policy plan	Approves CIP and master plans			
	MPOSC		Prepares CIP; Reviews master plans			
AIRPORTS	Council	Prepares policy plan	Approves master plans	Approves capital projects ²		
	MAC		Prepares CIP; Prepares master plans	Prepares capital budget	Prepares operating budget	

¹ Defined as projects, timing, expenditure schedule and funding source.

² Projects over \$5 million at Minneapolis-St. Paul International, over \$2 million at other airports.

CAPITAL IMPROVEMENT PLANNING AND BUDGETING
CONCEPTUAL FRAMEWORK

<u>Planning Horizon</u>	<u>Document</u>	<u>Initiating Party</u>
Long term (15+ years)	Development and investment framework Metro systems plans (updated every 5 years)	Metropolitan Council
Mid term (5-15 years)	Implementation plans Development programs Master plans Capital improvement plans (updated biennially)	Commissions
Short term (1-4 years)	Budgets Financial plans (updated annually)	Commissions

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: November 26, 1985
TO: Regional Transit Board
FROM: Elliott Perovich, Chair
SUBJECT: Consent List

The following referrals have been reviewed by the staff and chair of the Regional Transit Board. In my opinion, the referrals meet the standards of consent referrals adopted by the board in its bylaws.

Project Development Report for Shepard Road including East Central Business District Bypass from Ranholph Avenue to I-35E (at Arch-Penn Interchange) and for Shepard Road from I-35E (at Mississippi River) to Randolph Avenue.

This Project Development Report outlines the nature of the proposed improvements to be made in Shepard Road and the process to be followed in making them. The two segments have been combined into a single project to provide a continuous and paralleling truck route facility to I-35E through the downtown St. Paul area. I-35E between the Mississippi River and I-94 has been designated a "parkway" on which truck traffic is prohibited. Transit vehicles are not prohibited from using the I-35 parkway and are currently operating on the completed section of the I-35E parkway. The RTB has reviewed this document in accordance with the Interim Implementation Plan and finds no significant impact on transit on the Shepard Road roadway improvement or the East Center Business District Bypass as outlined in the Project Development Report.

Draft Study Outline and Scoping Documents Minnesota Trunk Highway 36 and Wisconsin State Trunk Highway 64 Including the Stillwater-Houlton Bridge Over the St. Croix River--Stillwater, Minnesota

This document outlines the approach to be taken by Mn/DOT and the issues to be examined in detail in the Environmental Impact Statement (EIS) for the proposed highway improvements. The project is necessary to provide for additional expected traffic demands, as well as alleviate existing unacceptable traffic flow conditions through the Stillwater-Houlton area. The RTB has been asked to comment on the Draft Study Outline by the Minnesota Department of Transportation. Review of this document has been completed and the RTB finds that the impact of this project on transit will be examined in the Environmental Impact Statement in accordance with the RTB's Interim Implementation Plan.

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: November 26, 1985
TO: Regional Transit Board
FROM: Administration and Finance Committee
SUBJECT: Accounting Procedure Statements

At its meeting November 21, 1985, the Administration and Finance Committee approved the Accounting Procedure Statements as received in the packet.

RECOMMENDATION

That the Regional Transit Board approve the following administrative policy and procedures statements:

"Petty Cash Fund"
"Capital Expenditure Requests"
"Rent and Lease Agreements"
"Accounting for Fixed Assets"
"Property and Fixed Asset Disposal"

Ruth Franklin
Chair

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: November 15, 1985
TO: Administration and Finance Committee
FROM: Leslie M. Johnson, Director of Administration
SUBJECT: Accounting Procedure Statements

ACTION REQUESTED

The committee is asked to review and recommend for consensus agenda approval the attached administrative policy and procedure statements:

"Petty Cash Fund"
"Capital Expenditure Requests"
"Rent and Lease Agreements"
"Accounting for Fixed Assets"
"Property and Fixed Asset Disposal"

BACKGROUND

The above statements are a second series of policy and procedure statements for the Administrative Policy and Procedures Manual.

STATEMENTS

The statements are respectively brief and self-explanatory. The committee is requested simply to assure the board has no problems with, for example, the definitions of a capital asset, size of petty cash, etc.

RECOMMENDATION

That the committee recommend approval of the following administrative policy and procedures statements:

"Petty Cash Fund"
"Capital Expenditure Requests"
"Rent and Lease Agreements"
"Accounting for Fixed Assets"
"Property and Fixed Asset Disposal"

Attachment
NOV021

REGIONAL TRANSIT BOARD
ADMINISTRATIVE POLICY & PROCEDURES MANUAL

Section: Fiscal Management

Date Issued: August, 1985

Chapter: Cash Management

Number:

Procedure: Petty Cash Fund

Petty Cash Policy

- 1) A \$200.00 petty cash fund is established.
- 2) The petty cash fund is maintained and controlled by the Director of Administration.
- 3) Disbursements from this fund are limited to individual expenditures of under \$30.00, except in emergencies.
- 4) No petty cash funds may be obtained or disbursements made without completing and signing a petty cash slip.
- 5) Receipt and ticket sales shall be presented when requesting reimbursement.
- 6) Amounts advanced shall be signed for on a petty cash slip and amounts expended shall be supported by a receipt or ticket sale, with the balance of the advance returned.
- 7) The Fiscal Analyst shall audit the petty cash fund periodically.
- 8) Attached are rules governing sales tax exemptions which can be produced with purchase.

Petty Cash Procedure

- 1) Prepare a petty cash voucher for all petty cash disbursements, except stamps (see below for stamps). All vouchers should include:
 - a) payee
 - b) amount
 - c) description of purchase and purpose
 - d) expense account to be charged
 - e) authorized signature
 - f) date of purchase
 - g) sale receipt attached

2) Stamps.

- a) Purchase stamps using petty cash funds. Do not prepare a voucher or record expense at this time.
- b) Keep a record of postage used for RTB business. Total this monthly. This is the postage expense for the month. Prepare a petty cash voucher for this amount when usage equals or exceeds \$22.00 (100 stamps).
- c) A personal purchase of stamps is an even exchange. No voucher or entry is necessary.

3) Balancing Petty Cash.

- a) Count cash on hand (coins and cash).
 - b) Count stamps on hand.
 - c) Total stamps used but not yet recorded as postage expense.
 - d) Total of unreimbursed petty cash vouchers.
 - e) Total of: $a + b + c + d$ should equal \$200.00.
- 4) When cash is at or below \$50.00, turn in vouchers for reimbursement. Reimbursement is for total amount of vouchers, payable to petty cash control person.

REGIONAL TRANSIT BOARD
ADMINISTRATIVE POLICY & PROCEDURES MANUAL

Section: Fiscal Management

Date Issued: August, 1985

Chapter: Capital Expenditures

Number:

Procedure: Capital Expenditure Request(s)

- 1) Capital expenditure is determined by the following test criteria and requires the submittal of a Capital Program Budget form.
 - a) The expenditure or the fair market value thereof exceeds \$100.00, or if a series of units of a similar nature and purpose in a plan of acquisition exceeds \$50.00 per unit and \$300.00 in total (parcelling of expenditures is not provided).
 - b) The expenditure or acquisition results in a tangible asset with an estimated useful life of more than one (1) year.
- 2) Other tests/questions as to whether an expenditure or acquisition would result in a capital expenditure are to be referred to Accounting or submitted on the Capital Program Budget form.
- 3) Purchase of a Capital Program Budget item, if contained and itemized in the budget, is to be authorized by the Executive Director.
- 4) For the purpose of purchasing small items of Capital such as office furniture and equipment, a Summary Capital Program Budget form may be used and itemized to the extent possible and practical.

REGIONAL TRANSIT BOARD
ADMINISTRATIVE POLICY & PROCEDURES MANUAL

Section: Fiscal Management

Date Issued: August, 1985

Chapter: Contracts, Leases, and Agreements

Number:

Procedure: Rent and Lease Agreements

- 1) Leases of property or equipment which exceed \$100.00 monthly shall be submitted for approval on the form "Request for Rent or Lease of Property or Equipment".
- 2) All leases of property or equipment which cannot be cancelled within a one-year period will be requested on the request form.
- 3) The request shall be approved by the Department Supervisor and authorized by the Executive Director.

REGIONAL TRANSIT BOARD
ADMINISTRATIVE POLICY & PROCEDURES MANUAL

Section: Fiscal Management

Date Issued: August, 1985

Chapter: Capital Expenditures

Number:

Procedure: Accounting for Fixed Assets

Identification/Recording

- 1) Each item of property or equipment, including furniture and fixtures, is assigned a property identification number, whether or not accounted for as a fixed asset.
- 2) Each unit is identified by a permanent sticker tag showing the unit number and the identification:

"Property of the
Regional Transit Board
Do Not Remove"

Property on which a sticker tag cannot be affixed will be marked by a marker pen.

- 3) A numeric listing of all property tagged will be maintained by Accounting. A series of units representing components, such as moveable partitions, will be noted and grouped in the listing in accord with acquisition.

Accounting

- 1) Records are maintained for fixed asset units which show the date purchased or acquired, the acquisition cost, serial number of item (if applicable) and the sticker tag identification number. File data information is also noted (property record attached).
- 2) The fixed assets are depreciated on the half-year method with acquisitions in the first half accruing a full year's depreciation. Second half are not depreciated until the following year.
- 3) Depreciation rates are subject to the guidelines provided by the "Accelerated Cost Recovery System".

REGIONAL TRANSIT BOARD
ADMINISTRATIVE POLICY & PROCEDURES MANUAL

Section: Fiscal Management

Date Issued: August, 1985

Chapter: Capital Expenditures

Number:

Procedure: Property and Fixed Asset Disposal

- 1) Disposal of property items requires the submittal of a "Request for Property Disposal" form (copy attached).
- 2) The disposal form will be forwarded for approval to the Department of Administration for review and recommendation and approval by the Executive Director.
- 3) After approval, items for disposal shall be turned over to the Department of Administration.
- 4) Bids or other means of sale shall be solicited along with an estimate of fair market value.
- 5) All disposals shall be approved by the Executive Director.
- 6) The item(s) for disposal shall be turned over to the contract (purchaser) for disposal along with the authorized form. A copy of the authorization shall be forwarded to Accounting for pending action.
- 7) Each disposal authorization shall be numbered and retained in file. The actual disposal information shall be recorded in the remarks.
- 8) Administration Section will process the orderly disposal of the item(s) with applicable billings and documentation.

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: November 26, 1985
TO: Regional Transit Board
FROM: Administration and Finance Committee
SUBJECT: Depository Collateral Approval

At its meeting November 21, 1985, the Administration and Finance Committee approved the depository collateral as proposed.

RECOMMENDATION

That the Regional Transit Board approve the depository collateral pledged and the place of safekeeping as shown on the statement of investments, escrow and pledged depository collateral.

Ruth Franklin
Chair

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: November 15, 1985
TO: Administration and Finance Committee
FROM: Leslie M. Johnson, Director of Administration
SUBJECT: Depository Collateral Approval

ACTION REQUESTED

Attached is a schedule of the collateral pledged by authorized depository institutions and a status of current investments. In accordance with policy procedures, the committee is asked to approve depository collateral. The board shall receive periodic statements on the status of investments.

RECOMMENDATION

That the committee recommend board approval of the depository collateral pledged and the place of safekeeping as shown on the statement of investments, escrow and pledged depository collateral.

Attachment
NOV021

STATEMENT OF INVESTMENTS, ESCROW AND PLEDGED DEPOSITORY COLLATERAL AT 11-13-85

INVESTMENTS							SOURCE OF FUNDS				
Investment	Depository	Date Invested	Scheduled Maturity	Effective Int. Rate	Amount Invested	Scheduled Interest	State Planning Grant		RTB Adm. Funds		
							Principal	Interest	Principal	Interest	
Commercial Paper	Herrill Lynch	11-04-85	12-03-85	7.89	\$116,000	738.21			\$116,000.00	738.21	
Cert. of Deposit	Shelard Nat'l	10-23-85	12-23-85	7.81	100,000	1323.36	\$ 51,849.98	\$ 686.16	48,150.02	637.20	
Cert. of Deposit	Nat'l City/Mpls	10-23-85	1-21-86	7.85	100,000	1962.50	100,000.00	1,962.50			
Cert. of Deposit	Marquette/Mpls	10-23-85	2-20-86	7.95	100,000	2,650.00	100,000.00	2,650.00			
Cert. of Deposit	Capital Bank/St.P	10-23-85	3-18-86	7.90	750,000	24,029.17	750,000.00	24,029.17			
Cert. of Deposit	First Bank/St.P	10-23-85	4-22-86	7.80	750,000	29,412.50	750,000.00	29,412.50			
TOTAL INVESTMENTS					\$1,916,000	\$60,115.74	\$1,751,849.98	\$58,740.33	\$164,150.02	\$1,375.41	
<u>ESCROW ACCOUNT</u>											
Escrow account established with First Trust Company Inc. for the repayment of the tax anticipation note of \$16,500,000.											
BALANCE							\$3,503,538				
<u>DEPOSITORY COLLATERAL</u>											
<u>Depository</u>	<u>Collateral</u>				<u>Par Value</u>	<u>Held in Safekeeping at</u>					
Capital Bank	U.S. Treasury Note 12-31-87 Maturity				\$ 400,000	Horwest Bank/Mpls					
Capital Bank	Fed. Nat'l Mortgage Assn. 10-10-86				200,000	Horwest Bank/Mpls					
Capital Bank	Fed. Nat'l Mortgage Assn. 8-10-89				500,000	Horwest Bank/Mpls					
Capital Bank	Fed. Home Loan Banks 4-25-86				350,000	Horwest Bank/Mpls					
TOTAL					\$1,450,000						
First Bank/St.P	Neenah, WI Gen'l Obligation 12-1-89				125,000	First Bank/Mpls					
First Bank/St.P	Fed. Nat'l Mortgage Assn. 6-1-08				1,181,618	First Nat'l Bank/Chicago					
TOTAL					\$1,306,618						

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: November 26, 1985
TO: Regional Transit Board
FROM: Administration and Finance Committee
SUBJECT: Disadvantaged Business Enterprise/Women's Business
Enterprise (DBE/WBE) Plan

At its meeting November 21, 1985, the Administration and Finance Committee discussed and approved the DBE/WBE Plan. Subsequent to the committee mailing, the Metropolitan Council's Affirmative Action Officer suggested several non-policy but important language and reference changes which the committee was briefed on and discussed. Consequently, a revised copy of the plan as approved by the committee is attached.

RECOMMENDATION

That the Regional Transit Board approve the Disadvantaged Business Enterprise/Women's Business Enterprise (DBE/WBE) Plan.

Ruth Franklin
Chair

Attachment: final copy w/changes

REGIONAL TRANSIT BOARD
DISADVANTAGED BUSINESS ENTERPRISE/WOMEN BUSINESS ENTERPRISE PLAN
(DBE/WBE PLAN)

Final Draft
November 1985

REGIONAL TRANSIT BOARD
Suite 270 Metro Square Building
Seventh & Robert Streets
St. Paul, Minnesota 55101
612/292-8789

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I. STATEMENT OF POLICY

It is the policy of the Regional Transit Board (RTB) to encourage and increase participation of businesses owned and controlled by disadvantaged individuals (DBEs) and women (WBEs) in the procurement of goods, services and awarding of contracts. The RTB recognizes a need to promote the development of businesses owned by economically and socially disadvantaged persons to achieve the goal of equal opportunity.

To ensure that this program is effective, the RTB will actively pursue the following objectives:

- o Purchases of goods and services will be made without discrimination on the basis of race, color, creed, sex, age, marital status, religion, national origin, disability, status with regard to public assistance, political affiliation or sexual preference.
- o Affirmative efforts will be made to ensure that maximum opportunities are available to DBE/WBEs in purchasing, bidding on contracts, and responding to requests for proposals. This will be accomplished by the development and publication of overall percentage goals and contract percentage goals for DBE/WBE participation. All contractors must take affirmative action in meeting these goals.
- o Enforcement of this plan shall require a commitment by all RTB employees, committees, contractors and suppliers. The DBE/WBE Liaison Officer shall be responsible for monitoring of the program which implements this policy.
- o To ensure that this policy benefits only DBE/WBEs, the RTB shall use only those firms that have been certified by the Metropolitan Council and the Minnesota Department of Transportation. The RTB shall also coordinate with the Metropolitan Council in actively seeking out DBE/WBE firms.

The Director of Administration shall be designated as the DBE/WBE Liaison Officer. The Liaison Officer shall be responsible for the development, implementation and monitoring of this program. This position shall have the responsibility for providing coordination between procurement personnel and DBE/WBEs, and reports directly to the RTB Executive Director.

The DBE/WBE policy and program shall be circulated within the RTB's organization, and free copies will be distributed to minority, female, and non-minority community and business organizations upon request.

Elliott Perovich, Chair
Regional Transit Board

II. DESIGNATION OF RESPONSIBILITIES

A. Responsibilities of the Chairman

The Chairman of the RTB has overall responsibility for the DBE/WBE Program including the exercise of policy leadership regarding the involvement of DBE/WBEs in RTB activities.

B. Responsibilities of the Executive Director

The Executive Director has the responsibility for establishing and maintaining a program to promote the RTB's DBE/WBE policy. This responsibility will be coordinated with the Chairman and the designated DBE/WBE Liaison Officer.

C. Responsibilities of the Management Staff

The management staff has responsibility for effectively carrying out this policy within their particular departments. Managers shall work in cooperation with the DBE/WBE Liaison Officer for the promotion of DBE/WBEs for the department. All staff shall coordinate with the DBE/WBE Liaison Officer in facilitating participation by DBE/WBEs.

D. DBE/WBE Liaison Officer Designation

The RTB designates the Director of Administration as its agent to serve as DBE/WBE Liaison Officer responsible for fulfilling the duties described herein.

1. Responsibilities of the DBE/WBE Liaison Officer

The DBE/WBE Liaison Officer shall be responsible for the overall implementation, management and monitoring of the program. The Liaison Officer shall report directly to the Executive Director.

2. Specific Duties

Specific duties of the DBE/WBE Liaison Officer include:

- a. Monitor contractor compliance with DBE/WBE commitments through the life of the contract.
- b. Maintain accurate and up-to-date records, demonstrate DBE/WBE efforts and accomplishments and determine compliance.
- c. Review proposals received for consultant contracts and make recommendations on the award of such contracts based on factors set forth in the Request For Proposal (RFP).
- d. Develop, monitor and recommend necessary revisions to the DBE/WBE Program.
- e. Develop and implement the RTB's annual DBE/WBE goals and specific contract goals established to ensure maximum participation by DBE/WBEs.
- f. Serve as a liaison with agencies working in support of economic development in minority and women's communities, and disseminate information on available business opportunities to DBE/WBEs. Also, will identify firms that provide training and assistance to DBE/WBEs in bidding procedures, performance bonds, and quality control requirements.

III. PROCEDURES TO ENSURE DBE/WBEs WILL HAVE AN EQUITABLE OPPORTUNITY TO PROVIDE GOODS AND SERVICES AND COMPETE FOR CONTRACTS AND SUBCONTRACTS

In order to implement this program and ensure that DBE/WBEs are aware of the RTB's procurement and contracting activities, and to ensure maximum DBE/WBE participation in those activities, affirmative efforts will be made in the following areas:

1) Dissemination of Information

Identifying Potential DBE/WBEs.

Procurement and contracting personnel will consult the Metropolitan Council's DBE/WBE Directory and other government agencies to identify DBE/WBEs capable of providing goods and services required by the Regional Transit Board. Once identified, the DBE/WBEs shall receive appropriate information on all projects and invitations to bid in sufficient time for the preparation of bids and proposals.

2) Requests for Bids and Proposals

The following procedures shall apply in the bidding and procurement process:

- a) All advertisements for bid notices will be published in trade journals, general circulation newspapers and major DBE/WBE-oriented publications. Bid notices shall be published to allow a period of twenty (20) days exposure prior to bid opening.
- b) The following clause will be included in all invitations to bid, advertisements and solicitations:
"The Regional Transit Board hereby notifies all bidders that businesses owned and controlled by minorities and women will be afforded maximum feasible opportunity to submit bids and/or proposals and will not be subjected to discrimination on the basis of race, color, sex, age, religion, ancestry, handicap, public assistance status, marital status, national origin, political affiliation or sexual preference".
- c) Specific contract goals will be set based on availability of DBE/WBE contractors and opportunities for subcontracting. A bidder or proposer's failure to: 1) meet the DBE/WBE goals for a project, or to 2) show meaningful good faith efforts to meet the DBE/WBE goals may be grounds for rejection of the bid or proposal.
- d) Price alone will not be an acceptable basis to reject a DBE/WBE bid unless it is determined that no reasonable price can be obtained from the DBE/WBE firm.

3) Management/Technical Assistance

The RTB will make every effort to ensure that management and technical assistance is made available to DBE/WBEs. This includes:

- a) Assistance in preparation of bid submissions, where necessary, to assure that bids are technically correct.
- b) Explanation of terms, conditions and specifications of bidding documents and procurement regulations which may apply.
- c) Where permitted, contracts will be broken down into small jobs to allow DBE/WBE firms an opportunity to bid on a manageable amount of work.

IV. OPPORTUNITIES FOR USE OF BANKS THAT ARE DBEs OR WBEs

The RTB shall make every effort to identify and use banks owned and controlled by minorities and women, and to encourage prime contractors to use those services. At the present time, however, there are no banks owned or controlled by women or minorities in the State of Minnesota.

V. DBE/WBE DIRECTORY

Procurement and contracting personnel will consult the Metropolitan Council's DBE/WBE Directory to identify DBE/WBEs capable of providing goods and services required by the RTB. The RTB will also accept certifications from the Minnesota Department of Transportation's DBE/WBE Directory.

VI. DBE/WBE CERTIFICATION PROCEDURE

A) Certification by Metropolitan Council

To ensure that this policy benefits only DBE/WBEs that are owned and controlled in both form and substance by one or more minorities or women, the RTB shall use the Metropolitan Council's DBE/WBE Directory to identify those firms that have been certified as legitimate DBE/WBE firms by the Metropolitan Council. The RTB shall also actively recruit DBE/WBE firms and refer them to the Metropolitan Council for certification. Firms that wish to participate as DBE/WBEs under this policy shall complete and submit the required forms to the Metropolitan Council. The purpose of this procedure is to ensure that the DBE/WBE program benefits only its intended recipients.

B) Procedure to Establish DBE/WBE Legitimacy

After bid opening and prior to award of contract by the RTB, the DBE/WBE Liaison Officer will contact the Metropolitan Council's DBE/WBE Liaison Officer to validate each bidder as a DBE/WBE based upon the definition of a DBE/WBE defined pursuant to U.S. DOT Leg. 49.CFR 23.

C) DBE/WBE Selection as Contractor or Subcontractor

Once a firm has been selected as a contractor or subcontractor, they will report on a monthly basis to the DBE/WBE Liaison Officer as to their progress in meeting stated DBE/WBE goals. Contractors are expected to meet or exceed the stated contract goals, or demonstrate that despite their good faith efforts, they could not meet the contract goals.

D) Joint ventures will be permitted between minority businesses. With the bid document, joint venture parties must submit the name and addresses of the principal officers of each entity, with a designation of the type of business entity; and an executed copy of the agreement incorporating the joint venture and the respective ownership of each joint venture entity.

E) In the event the DBE/WBE contractor or subcontractor fails to fulfill its contractual obligations for the RTB, the RTB agrees to the following course of action(s):

1. Attempt corrective action that allows the DBE/WBE to complete its contractual obligation.

2. In the event the DBE/WBE must be replaced, the prime contractor or the RTB will attempt to replace the defaulting DBE/WBE with another DBE/WBE who previously submitted a bid if any are prepared and able to assume the program. All substitutions of DBE/WBE subcontractors must be approved by the RTB.
3. Failure to substitute a DBE/WBE will constitute non-compliance which may result in sanction only if the prime contractor or the RTB failed to make a good faith effort in their attempt to find a qualified DBE/WBE substitute.

F) Counting DBE/WBE Participation Toward Meeting DBE/WBE Goals

Once a firm is determined to be an eligible DBE/WBE in accordance with the provisions of this policy, the total dollar value of the contract awarded to the DBE/WBE is counted toward the applicable goal.

- 1) Awards/expenditures in contracts with businesses that are owned by both DBEs and WBEs should be counted toward the respective DBE and WBE goals in proportion to the percentage of ownership and control of each group in the business.
- 2) Awards/expenditures that could be counted toward either the DBE goal or the WBE goal may be applied to either goal, but not both.
- 3) Awards/expenditures in contracts with businesses that are joint ventures should be counted on the basis of percentage of ownership of the eligible DBE or WBE in the joint venture.

- G) The RTB and its contractors shall seek, at a minimum, DBE/WBEs in the same geographic area in which they seek subcontractors generally for a given solicitation. If the RTB or a contractor cannot meet the goals using DBE/WBEs from this geographic area as a part of its efforts to meet the goal, it shall expand its search to a reasonably wider geographic area.

VII. GOALS

The RTB shall annually set goals for its DBE/WBE program. These goals will be based on a review of the number and type of contracts to be awarded and the number and types of certified DBE/WBEs likely to compete for contracts to provide the necessary goods and services. Separate goals will be set for DBEs and WBEs.

A) Goals for UMTA-Assisted Funding

The RTB is a subrecipient of UMTA Section 8 Planning Assistance Funding, with the Metropolitan Council being the primary recipient. UMTA regulations require that at least ten (10) percent of the contracting opportunities using Section 8 Funding be with DBEs. Consequently, the RTB will adopt the annual goals set by the Metropolitan Council for use of DBE/WBEs in the expenditure of UMTA Section 8 Planning Assistance Funding. The goals set by the Metropolitan Council for federal fiscal year 1986 for UMTA Section 8 Planning grant are:

DBE: ten (10) percent

WBE: three (3) percent

The RTB adopts these goals for its share of UMTA Section 8 Planning Assistance Funding. These goals are published by the Metropolitan

Council and the public is invited to submit comments on the goals for forty-five (45) days from the date of the notice. These goals will be reviewed and updated on an annual basis.

B) Overall Goals

In addition to the goals for UMTA-assisted funding, the RTB will set annual goals for DBE/WBE participation in the procurement of goods and services for the agency. These goals shall be established in specific areas such as, but not limited to, office supplies, printing, employment agencies and travel agencies. These goals shall be set on an annual basis by the DBE/WBE Liaison Officer, with assistance from the management staff. These goals shall be published annually in general circulation and minority-owned newspapers.

C) Individual Contract Goals

Individual contract goals shall be established for specific UMTA-funded projects with subcontracting opportunities based on the known availability of DBE/WBEs. Bidders with proposals less than the total goal will be required to document their good faith efforts to meet the goals.

D) Methodology for Setting Goals

The RTB's goals for procurement of goods and services will be set after a review of the projected contracts and procurements to be available during the year, an analysis of the certified DBE/WBEs that exist in the metropolitan area who would be likely to compete to provide the services needed by the RTB, and the RTB's past record of contracting and purchasing from DBE/WBEs.

VIII. PROCEDURES TO ENSURE THAT COMPETITORS MAKE GOOD FAITH EFFORTS TO MEET DBE/WBE CONTRACT GOALS

For all contracts for which DBE/WBE goals have been established, the successful bidder shall be required to submit the following DBE/WBE participation information prior to the contract award:

- a) The names and addresses of DBE/WBE firms that will participate in the contract;
- b) A description of the work each named DBE/WBE firm will perform;
- c) The dollar amount of participation by each named DBE/WBE firm.

If the successful bidder does not propose DBE/WBE participation which meets the contract goals, the bidder shall be required to satisfactorily document good faith efforts to meet the goals.

IX. PROCEDURES TO REQUIRE THAT CONTRACTORS AND SUPPLIERS MEET THE CONTRACT DBE/WBE GOALS

It is RTB policy to encourage maximum participation of DBE/WBE firms. Contractors and suppliers must demonstrate that they are taking affirmative action in meeting the DBE/WBE goals set by the RTB. Once a DBE/WBE firm has been selected as a contractor, the following procedures will be taken to ensure that they meet the DBE/WBE goals for the contract:

- a.) Contractors will report on a monthly basis to the DBE/WBE Liaison Officer as to their progress in meeting the goals set by the RTB.
- b.) In the event that the contractor is found to be in non-compliance after the commencement of the contract, the RTB shall impose such sanctions as it deems appropriate, including, but not limited to, withholding of payment, termination of the contract in whole or part, and any other legal remedies as may be appropriate.

X. CHALLENGE PROCEDURE

The RTB shall use the Metropolitan Council's DBE/WBE Directory to identify DBE/WBEs capable of providing goods and services required by the RTB. In the event that a business submits a request for certification as a DBE/WBE to the Metropolitan Council and is denied, the business may appeal the noncertification to the Metropolitan Council, and will follow the appeal procedures as outlined in the Metropolitan Council DBE/WBE Plan. A third party may challenge the DBE/WBE status of a certified firm. This challenge will be handled by the Metropolitan Council per their established challenge procedure.

APPENDIX A

Definitions

"AFFIRMATIVE ACTION" means positive activities undertaken to eliminate discrimination and effects of past discrimination and to ensure nondiscriminatory practices in the future.

"APPLICANT" means one who submits an application, request, or plan to be approved by a government official or by a primary recipient as a condition of eligibility for federal financial assistance; and "application" means such an application, request, or plan.

"COMPLIANCE" means the condition existing when a recipient or contractor has met and implemented the requirements of this plan.

"CONTRACT" means a mutually binding legal relationship or any modification thereof obligating the seller to furnish supplies or services, including construction, and the buyer to pay for them. For purposes of this plan, a lease is a contract.

"CONTRACTOR" means one who participates, through a contract or subcontract, in any program covered by this plan, and includes leasees.

"DISADVANTAGED BUSINESS ENTERPRISE or "DBE" means a small business concern:

- 1.) Which is at least fifty-one (51) percent owned by one or more socially and economically disadvantaged individuals, or in the case of any publically owned business, at least fifty-one (51) percent of the stock of which is owned by one or more socially and economically disadvantaged individuals; and
- 2.) Whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it.

"JOINT VENTURE" means an association of two or more businesses to carry out a single business enterprise for profit for which purpose they combine their property, capital, efforts, skills, and knowledge.

"PRIMARY RECIPIENT" means a grantee who receives Minnesota Department of Transportation financial assistance and passes all or some of the assistance on to a subrecipient.

"PROGRAM" means any undertaking by a recipient to use federal financial assistance and includes the entire activity, any part of which receives federal financial assistance.

"RECIPIENT" means any entity the receives Federal financial assistance from UMTA.

"SOCIALY AND ECONOMICALLY DISADVANTAGED INDIVIDUALS" means those individuals who are citizens of the United States (or lawfully admitted permanent residents) and who are:

- 1.) "Black Americans" which includes persons having origins in any of the Black racial groups of Africa;
- 2.) "Hispanic Americans" which includes persons of Mexican, Puerto Rican, Cuban, Central or South American, or any other Spanish or Portuguese culture or origin, regardless of race;
- 3.) "Native Americans" which includes persons who are American Indians, Eskimos, Aleuts, or Native Hawaiians;
- 4.) "Asian-Pacific Americans" which includes any persons whose origins are from Japan, China, Taiwan, Korea, Vietnam, Laos, Cambodia, the Phillipines, Samoa, Guam, the U.S. Trust Territories of the Pacific, and the Northern Marianas; and
- 5.) "Asian-Indian Americans" which includes persons whose origins are from India, Pakistan, and Bangladesh; and any other minorities or individuals found to be disadvantaged by the Small Business Administration pursuant to Section 8 (a) of the Small Business Act.

"SUBRECIPIENT" means any entity that receives Federal financial assistance from UMTA through a primary recipient.

"WOMEN BUSINESS ENTERPRISES" or "WBEs" means small business concerns, as defined pursuant to Section 3 of the Small Business Act and implementing regulations, which are owned and controlled by one or more women. For purposes of this plan, owned and controlled means a business:

- 1.) Which is at least fifty-one (51) percent owned by one or more women or, in the case of a publicly owned business, at least fifty-one (51) percent of the stock of which is owned by one or more women; and
- 2.) Whose management and daily business operations are controlled by one or more such individuals.

NOV021

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: November 26, 1985
TO: Regional Transit Board
FROM: Administration and Finance Committee
SUBJECT: 1986 Regional Transit Budgets Approval

At its meeting November 21, 1985, the Administration and Finance Committee recommended for approval Resolution No. 85-22 approving the 1986 Regional Transit Budget(s).

Three items from the meeting need to be brought specifically to the board's attention:

- 1) Paragraph 2 of Resolution No. 85-22, excluding the Nicollet Garage project from the 1986 Capital Budget, remains; however, it is anticipated that MTC will present a report addressing the issues of Nicollet Garage at your board meeting and request that you amend the resolution to restore Nicollet Garage to the 1986 Capital Budget. The MTC's materials were not ready for the committee meeting. They may or may not be mailed to the board before the December 2, 1985 board meeting.
- 2) A new Paragraph 3, concurring in MTC amendments of their 1985 Capital Budget (a requirement of the Metropolitan Council's approval action) has been added to the resolution and the remaining paragraphs renumbered.
- 3) Attached to this memorandum are MTC responses to Metropolitan Council requests for information on the source and amount of funding for each improvement for the year 1985, 1987 and 1989, and "information showing estimated expenditures and grant funding for each improvement for each quarter for the year 1986". Metropolitan Council's Capital Budget approval requires this information be submitted by December 20, 1985 and it will be forwarded with your budget(s) approval. It does not require any board action.

RECOMMENDATION

That the Regional Transit Board adopt Resolution No 85- , granting final approval in the total amounts detailed therein, to the Regional Transit Board 1986 Work Program and Budget and the ~~Twin Cities~~ Metropolitan Transit Commission 1986 Budget.

Ruth Franklin
Chair



Attachment: MTC budgetary information
revised resolution
committee memorandum

THIS WORKSHEET PREPARED FOR PURPOSES OF REVIEWING MET COUNCIL STAFF COMMENTS ON PROPOSED 1986 CAPITAL PROJECTS BUDGET
 THIS COPY SHOWS NICOLLET GARAGE PROJECT TERMINATING 12.31.85 PER MET COUNCIL STAFF RECOMMENDATION, 10.1.85.

FILE NAME: CAPCAS2
 LAW/11/15/85

1986 CAPITAL PROJECTS BUDGET--FUNDING BY YEAR

	ACTUAL THRU 1984			ESTIMATED 1985			PROPOSED 1986			PROJECTED 1987			PROJECTED 1988			TOTAL PROJECT				
	FEDERAL	LOCAL	TOTAL	FEDERAL	LOCAL	TOTAL	FEDERAL	LOCAL	TOTAL	FEDERAL	LOCAL	TOTAL	FEDERAL	LOCAL	TOTAL	FEDERAL	LOCAL	TOTAL		
3253 HENNEPIN AVE TRANSWY	0	5,802	5,802	0	15,031	15,031	0	35,867	35,867	0	0	0	0	0	0	0	56,700	56,700		
3320 COMPUTER RELATED EQUIP	153,281	51,423	204,704	1,087,016	364,673	1,451,689	351,214	117,836	469,050	257,341	86,333	343,674	50,482	16,936	67,418	1,899,365	637,200	2,536,565		
3321 VEHICLE CONSUMABLES	6,924	1,634	8,568	2,056	485	2,541	166,010	39,131	205,141	0	0	0	0	0	0	175,000	41,750	216,750		
3322 RADIO COMPUTER UPGRADE	1,095	274	1,369	7,744	1,936	9,680	523,586	130,897	654,483	0	0	0	0	0	0	532,426	133,106	665,532		
3330 BUS REHABILITATION	370,673	96,077	466,750	3,820,065	782,792	3,802,857	6,965,842	1,805,526	8,771,368	0	0	0	0	0	0	10,356,580	2,664,395	13,020,975		
3450 PARK-RIDE FACILITIES	0	0	0	9,158	2,289	11,447	117,552	29,388	146,940	231,850	57,963	289,813	0	0	0	358,560	89,640	448,200		
3460 ST. PAUL CBD LAYOVER	0	0	0	0	0	0	174,469	58,156	232,625	222,394	74,131	296,525	0	0	0	395,863	132,288	528,150		
3470 11 PROJECT MOBILITY BUSES	0	0	0	11,571	2,893	14,464	1,240,171	310,043	1,550,214	851	213	1,064	0	0	0	1,252,594	313,148	1,565,742		
3480 84 BUS REPLACE (1134/1132-10)	434,732	109,683	544,415	3,740,950	3,435,237	7,176,187	6,646	1,661	8,307	0	0	0	0	0	0	14,182,327	3,545,582	17,727,909		
3523 1985 CAPITAL EQUIPMENT	0	0	0	6,210	426,710	432,920	318,970	79,742	398,712	0	0	0	0	0	0	325,180	506,452	831,632		
3530 I-394 TRANSIT FACILITIES	0	0	0	0	0	0	0	506,158	506,158	0	0	0	0	0	0	0	506,158	506,158		
3540 NICOLLET GARAGE	0	0	0	116,643	38,881	155,524	(ASSUMES NICOLLET GARAGE PROJECT TERMINATES 12/31/85)						116,643	38,881	155,524					
3550 CENTRAL & COUNTING ROOM/FTH	0	0	0	242,944	60,736	303,680	78,696	19,674	98,370	0	0	0	0	0	0	321,540	80,410	402,050		
3560 BUS TURNAROUNDS	0	0	0	5,675	1,419	7,094	11,602	2,900	14,502	128,033	32,008	160,041	0	0	0	145,310	36,327	181,637		
3570 20 DEMONSTRATION BUSES	0	0	0	22,490	7,497	29,987	2,977,511	992,504	3,970,015	0	0	0	0	0	0	3,000,000	1,000,000	4,000,000		
3575 COMPUTER APPLICATIONS	0	0	0	0	0	0	303,188	75,797	378,985	370,438	92,610	463,048	11,224	2,806	14,030	684,850	171,213	856,063		
3580 VEHICLE LEASING PROGRAM	0	0	0	0	0	0	212,625	70,875	283,500	0	0	0	0	0	0	212,625	70,875	283,500		
3590 1985 BUS REPLACEMENT 167-40	0	0	0	5,992	1,498	7,490	7,588,248	1,897,062	9,485,310	1,302,053	325,513	1,627,566	0	0	0	8,896,293	2,224,073	11,120,366		
3601 GRANT APPLICATIONS/ADMIN	0	0	0	0	0	0	31,100	46,141	77,241	0	0	0	0	0	0	31,100	46,141	77,241		
3610 1986 BUS REPLACEMENT 1125-40	0	0	0	0	0	0	8,636	2,340	10,976	15,647,163	4,238,676	19,885,839	0	0	0	15,655,799	4,241,016	19,896,815		
3623 1986 CAPITAL EQUIPMENT	0	0	0	0	0	0	0	356,301	356,301	996,172	245,457	1,241,629	0	0	0	996,172	601,758	1,597,930		
3643 MAJOR MAINTENANCE-FACILITIES	0	0	0	0	0	0	0	344,406	344,406	0	0	0	0	0	0	0	344,406	344,406		
3752 PARK-RIDE FACILITIES	1,106	338	1,444	43,497	13,311	56,808	252,994	77,419	330,413	316,103	96,732	412,835	0	0	0	613,700	187,800	801,500		
3761 MGMT INFORMATION SYSTEMS	735,658	720,269	1,455,927	55,761	54,595	110,356	113,985	111,601	225,586	18,596	18,207	36,803	0	0	0	924,000	904,672	1,828,672		
3766 ARTICULATED BUSES	13,242,941	3,533,639	16,776,580	289,178	77,162	366,340	407,720	108,793	516,513	0	0	0	0	0	0	13,939,839	3,719,594	17,659,433		
TOTAL	14,946,419	4,519,140	19,465,559	13,666,950	5,287,144	18,954,094	21,850,795	7,220,217	29,071,012	19,490,994	5,267,843	24,758,837	61,706	19,742	81,448	75,016,865	22,313,085	97,329,950		
PROJECTS TO BE COMPLETED IN 1985																				
3141 HEYWOOD OPER & OFFICE FCITY	17,806,646	4,892,814	22,699,460	6,550	797,935	804,485											17,813,196	5,690,749	23,503,945
3161 UNIVERSITY AREA TRANSITWAY	0	22,700	22,700	0	5,531	5,531	(U OF M NO LONGER REQUESTS ASSISTANCE IN THIS PROJECT)											0	28,231	28,231
3361 BUS TURNAROUNDS	8,196	2,049	10,245	100,041	55,414	155,455											108,237	57,463	165,700
3423 1984 CAPITAL EQUIPMENT	462,385	360,435	822,820	444,694	111,174	555,868											907,079	471,609	1,378,688
3501 GRANT APPLICATIONS AND ADM.	0	0	0	19,475	141,025	160,500											19,475	141,025	160,500
3504 CAPITAL PROJECTS AUDITING	0	0	0	24,602	6,152	30,754											24,602	6,152	30,754
3543 MAJOR MAINTENANCE-FACILITIES	0	0	0	0	323,140	323,140											0	323,140	323,140
SUBTOTAL	18,277,227	5,277,998	23,555,225	595,362	1,440,371	2,035,733												18,872,589	6,718,369	25,590,958
GRAND TOTAL	33,223,646	9,796,138	43,019,784	13,262,312	6,727,515	19,989,827	21,850,795	7,220,217	29,071,012	19,490,994	5,267,843	24,758,837	61,706	19,742	81,448	93,889,454	29,031,454	122,920,908		

CAPQTR
LAW/11/15/85

PROJECT EXPENDITURES BY QUARTER

PROJECT NUMBER	PROJECT NAME	PROJECT MANAGER	PROJECT STATUS*	PROJECT EXPENDITURES BY QUARTER				TOTAL 1986
				1ST QTR	2ND QTR	3RD QTR	4TH QTR	
3263	HENNEPIN AVENUE TRANSITWAY	JESSUP	PA	7,403	7,403	8,162	12,899	35,867
3320	COMPUTER RELATED EQUIPMENT	AULD	AM	94,318	94,318	140,218	140,226	469,080
3321	VEHICLE CONSUMABLES	OLSON	PA	97,665	97,665	165	9,646	205,141
3322	RADIO COMPUTER UPGRADE	AULD	PA	287,064	221,811	72,798	72,810	654,483
3330	BUS REHABILITATION	EAVES	PA	4,384,407	4,386,812	75	74	8,771,368
3450	PARK-RIDE FACILITIES	SCHUMI	PA	36,689	36,775	36,682	36,794	146,940
3460	ST PAUL CBD LAYOVER	JESSUP	PA	11,148	21,148	10,165	190,164	232,625
3470	11 PROJECT MOBILITY BUSES	PORTER	AM	10,214	0	1,540,000	0	1,550,214
3480	1984 BUS REPLACEMENT (134/132-40')	PORTER	AM	8,307	0	0	0	8,307
3523	1985 CAPITAL EQUIPMENT	TORKELSON	PA	377,377	7,110	7,110	7,115	398,712
3530	I-394 TRANSIT FACILITIES	JESSUP	PA	503,104	1,017	1,017	1,020	506,158
3540	NICOLLET GARAGE	PORTER	AM	195,000	195,000	15,559	531,487	937,046
3550	CENTRAL & COUNTING ROOM/FTH	PORTER	PA	95,185	3,185	0	0	98,370
3560	BUS TURNAROUNDS	SCHUMI	PA	3,574	3,664	3,566	3,698	14,502
3570	20 DEMONSTRATION BUSES	PORTER	PA	4,411	0	1,982,801	1,982,802	3,970,014
3575	COMPUTER APPLICATIONS	AULD	AM	89,911	87,724	101,990	99,360	378,985
3580	VEHICLE LEASING PROGRAM	FARRELL	PA	2,548	93,651	187,301		283,500
3590	1985 BUS REPLACEMENT (67-40')	PORTER	AM	4,716,745	4,723,321	18,263	26,981	9,485,310
3601	BRANT APPLICATIONS/ADMIN	BRAUM	NEW	19,311	19,311	19,311	19,308	77,241
3610	1986 BUS REPLACEMENT (125-40')	PORTER	NEW	0	0	5,490	5,486	10,976
3623	1986 CAPITAL EQUIPMENT	TORKELSON	NEW	200,658	43,907	96,265	15,471	356,301
3643	MAJOR MAINTENANCE-FACILITIES	EAVES	NEW	94,355	83,356	83,355	83,340	344,406
3752	PARK-RIDE FACILITIES	SCHUMI	PA	82,538	82,658	82,527	82,690	330,413
3761	MANAGEMENT INFORMATION SYSTEMS	AULD	AM	36,768	40,768	148,050		225,586
3766	ARTICULATED BUSES	EAVES	PA	6,735	496,407	6,478	6,893	516,513
TOTAL				11,365,435	10,747,011	4,567,348	3,328,264	30,008,058

*PROJECT STATUS

AM: AMENDED
PA: PREVIOUSLY AUTHORIZED
NEW: NEWLY PROPOSED PROJECT

RESOLUTION NO. 85-_____

RESOLUTION APPROVING THE
REGIONAL TRANSIT BOARD 1986 WORK PROGRAM AND BUDGET
AND, SUBJECT TO CONDITIONS,
THE 1986 ~~TWIN CITIES~~ METROPOLITAN TRANSIT COMMISSION BUDGET

- WHEREAS, the Regional Transit Board (RTB) is required by Minnesota Statute 473.163, to prepare annually a calendar year budget; hold a public hearing on the proposed budget, submit those parts of said budget relating to capital improvements to the Metropolitan Council for approval; obtain Metropolitan Council approval of the Capital Budget; and adopt by resolution before December 15 of each year, a final budget; and
- WHEREAS, in accordance with Minnesota Statute 473.435, the Metropolitan Transit Commission (MTC) is also required to prepare an annual budget as prescribed by the RTB and submit it to the RTB for review and approval or disapproval, to which approval the Board may attach conditions; and
- WHEREAS, the MTC prepared a Twin Cities Metropolitan Transit Commission 1986 Proposed Budget and submitted it to the RTB for review and approval; and
- WHEREAS, the RTB prepared a 1986 Work Program and Budget; and
- WHEREAS, the RTB reviewed the Twin Cities Metropolitan Transit Commission 1986 Proposed Budget and Regional Transit Board 1986 Work Program and Budget, August 19, 1985, preliminarily approving both budget documents for purposes of a public hearing and submittal of the Capital Budgets to the Metropolitan Council for review and approval; and
- WHEREAS, the RTB held a public hearing on said budgets on August 26, 1985; and
- WHEREAS, the Metropolitan Council reviewed and approved the Capital Budgets, on October 24, 1985, subject to conditions stated in the Metropolitan Council's approving Resolution No. 85-96; and
- WHEREAS, the Administration and Finance Committee of the RTB has analyzed the Twin Cities Metropolitan Transit Commission 1986 Proposed Budget and the Regional Transit Board 1986 Work Program and Budget and recommended the documents be approved subject to certain conditions and recommendations hereinafter detailed, and resubmitted together to the Metropolitan Council pursuant to Minnesota Statute 473.163, Subdivision 2, as the final 1986 Regional Transit Budget:

NOW, THEREFORE, BE IT RESOLVED:

1. That the RTB finds the Twin Cities Metropolitan Transit Commission 1986 Proposed Budget to be consistent with its Interim Implementation and proposed Financial Plan and therefore grants its approval of the document consisting of operations (\$105,608,000), debt service (\$4,222,000) and capital expenditures (\$29,071,012); totaling \$138,901,012 in disbursements, calendar year 1986, subject to the following conditions:
 - a) That the MTC actively pursue cost savings measures such as alternative midday bus storage, closing of garages on weekends, an employee cost-savings program, wellness program, alternatives run scheduling, computer efficiencies, and modification of the absenteeism policy to generate internal savings while maintaining the quality of transit services and that the estimated savings, \$400,000 as realized, be reflected in an amended contract budget negotiated between the MTC and the RTB;
 - b) That, pursuant to the findings of the RTB/MTC Joint Task Force on Performance Standards, the MTC review service which does not meet its performance criteria and determine action to be taken to eliminate or modify service;
 - c) That, pursuant to finalized definitions of work activities and capital needs associated with I-394, the MTC revise its budget to reflect those changes and needs in order to carry out its assigned responsibilities associated with the I-394 project;
 - d) That, pursuant to changes that may be made in the delivery of Metro Mobility services, appropriate budget amendments be executed;
2. That the RTB approve, excluding the Nicollet Garage project, the proposed 1986 Capital Budget of the Metropolitan Transit Commission in an amount of \$97,174,426.
3. That the Regional Transit Board concur with the Metropolitan Transit Commission to amend 1985 capital budget projects as follows:

	Total Project Budget	Adopted 1985 Budget	Amendment Amount	Amended To	Total Amended Project
3141 Heywood Fac.	\$23,154,700	\$455,240	\$349,245	\$804,485	\$23,503,945
3361 Bus Turnarounds	136,600	125,051	30,404	155,455	167,004
3501 Grant Appl. & Adm.	101,500	101,500	59,000	160,500	160,500
3543 Major Maint. Fac.	253,140	253,140	70,000	323,140	323,140

Which increased project costs are funded by local capital dollars from the MTC's Capital Fund balance.

4. That the RTB requires the MTC to submit the following reports during 1986:
 - a) Quarterly statements with regard to the status of the budget to include narrative regarding success with implementing cost saving measures and modification of service.
 - b) By the tenth day of each February, May, August and November, a report concerning the expenditures of its capital projects funds including the name of each project, the approved budget amount plus or minus any amendments approved by the Metropolitan Council, the expenditures of the previous quarter and year-to-date, and the balance. A summary page should show budgeted and actual year-to-date revenues and expenditures as well as beginning and ending cash balances.
 - c) By the first day of October of each year, the MTC should submit to the RTB proposed amendments to the annual capital budget for any improvement for which the expenditures are expected to exceed the approved budget amount. Future capital budget submissions and amendment submissions should include the sources and amounts of funding for each project or the amended project for each year of its planned construction or acquisition.
5. That the RTB and MTC shall work together to set forth a budget process in 1986 for the Calendar Year 1987 and subsequent budget years that will result in an integrated Regional Transit Budget responsive to the findings of the joint committee on performance standards, the Transit Service Needs Assessment, and the Implementation Plan.
6. That the RTB finds the Regional Transit Board 1986 Work Program and Budget to be consistent with its Interim Implementation Plan and Financial Plan, and, therefore, approves the document totaling \$72,982,100 in estimated revenues and fund reserves, and \$70,985,100 in disbursements.
7. That the RTB direct its Executive Director to transmit as the final approved 1986 Regional Transit Budgets, this resolution, together with a copy of the "Regional Transit Board 1986 Work Program and Budget" and the "Twin Cities Metropolitan Transit Commission 1986 Budget", each reflective of the totals authorized herein, to the Metropolitan Council on or before December 20, 1985, in fulfillment of the Minnesota Statute 473.163, Subdivision 2, requirement that the Regional Transit Board adopt, by resolution, a 1986 Calendar Year Budget.

Adopted this _____ day of _____, 1985.

Elliott Perovich, Chairman

Mary Fitzgerald, Secretary

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: November 13, 1985
TO: Administration & Finance Committee
FROM: Leslie M. Johnson, Director of Administration
Judith Hollander, Director of Planning and Programs
SUBJECT: 1986 Regional Transit Budgets Approval

ACTION REQUESTED

The Administration and Finance Committee is asked to review the final proposed "Twin Cities Metropolitan Transit Commission 1986 Budget" and the "Regional Transit Board 1986 Work Program and Budget" and recommend to the full board approval of Resolution No. 85-____ which approves the final calendar year 1986 Regional Transit Budget as required by Minnesota Statute 473.163.

BACKGROUND

On August 19, 1985, the Regional Transit Board reviewed and preliminarily approved the Twin Cities Metropolitan Transit Commission 1986 Proposed Budget and the proposed Regional Transit Board 1986 Work Program and Budget for purposes of public hearing and transmittal of the Capital Budget portions to the Metropolitan Council for approval.

On August 26, 1985, the board held a public hearing on the proposed budgets and closed the written comment period of the public hearing September 19, 1985. The Regional Transit Board received two public hearing inputs, a statement from the Transit Access Coalition requiring no modification of the proposed budgets and a written request (attached with staff response) from Suburban Paratransit that the board fund the local match to 16(b)(2) grants for vehicle requisition. Staff has responded that the Regional Transit Board is not in a position to make a 16(b)(2) matching commitment to Suburban Paratransit until the capital needs of all transit providers is defined in the Implementation Plan process during 1986.

The board-approved Capital Budgets were transmitted to the Metropolitan Council on August 20, 1985. On October 24, 1985, the Metropolitan Council approved, with certain information requests, the Capital Budgets with the exception of the Nicollet Garage project. The Metropolitan Council's resolution of approval and documents are attached for committee review.

On September 24, 1985, the Metropolitan Transit Commission took action to reduce its payable 1986 debt levies, action which was confirmed by the Regional Transit Board in its Tax Levy Certification Resolution No. 85-18. This action, along with other fine-tuning, has changed the bottom line of the "Regional Transit Board 1986 Work Program and Budget" as originally proposed from \$73,784,972 to \$72,982,100.

FINDINGS AND CONCLUSIONS

1. The 1986 proposed budget submitted by the Metropolitan Transit Commission is consistent with the RTB Interim Implementation and Financial Plans.
2. Potential revenue shortfalls in state funding require the RTB and MTC, to be fiscally responsible, to actively pursue cost savings while preserving adequate service levels.
3. The MTC has been pursuing several cost saving measures in an effort to generate internal savings without reducing the level of quality of transit services such as midday bus storage, closing of garages on weekends, employee cost savings program, wellness program, run scheduling, computer efficiencies, and revision of the absenteeism policy. Although not all measures can be implemented immediately, it is estimated the MTC will be able to reduce its budget by about \$400,000 in 1986. These cost savings should be reflected in an amended budget.
4. The MTC is reviewing service which does not meet its performance criteria to determine if action should be taken to eliminate or modify the service. These service modifications should be undertaken as part of the RTB/MTC Joint Task Force on Performance Standards.
5. The allocation of funding for the I-394 project is not adequate to accomplish all of the activities identified as the responsibility of the MTC. As work activities and capital needs are finally defined, the MTC should amend its budget to accurately reflect the needs associated with the I-394 project.
6. Evaluation efforts currently underway may indicate necessary budget modifications in the Metro Mobility program. In that the Regional Transit Board will be negotiating separate contracts with MTC for Metro Mobility Transportation Center and Project Mobility services, amendments to the contracts and budget should be executed, as appropriate, to reflect changes in the delivery of Metro Mobility services.
7. The RTB and MTC should work together to set forth a budget process in 1986 for Calendar Year 1987 and subsequent budget years that will result in an integrated Regional Transit Budget responsive to the findings of the Joint Committee on Performance Standards, the Transit Service Needs Assessment, and the Implementation Plan.
8. The RTB should require that the MTC submit the following reports during the course of implementation of the 1986 Operating and Capital budgets:
 - a. Quarterly statements with regard to the status of the budget to include narrative regarding success with implementing cost saving measures and modifications of service.
 - b. By the tenth day of each February, May, August and November, a report concerning the expenditures of its capital projects funds including the amount of each project, the approved budget amount (including any amendments approved by the Metropolitan Council), the expenditures of the previous quarter and year-to-date, and the balance. A summary page should show budgeted and actual year-to-date revenues and expenditures as well as beginning and ending cash balances.

- c. By October 1 of each year the MTC should submit to the RTB proposed amendments to the annual capital budget for any improvement for which the expenditures are expected to exceed the approved budget amount. Future capital budget submissions and amendments should include the sources and amounts of funding for each project or the amended project for each year of its planned construction or acquisition.
9. The following adjustments are required in the Regional Transit Board 1986 Work Program and Budget as preliminarily approved. Attached are copies of the revised budget tables. Following approval, the full document will be published and distributed to you.

Total (preliminarily approved) Revenues:		\$73,784,972
Reduction in Federal Grant Funding		- 187,972
Reduction in Transit Assistance Calculation		- 500
Increase in General Property Tax Revenue		+ 286,000
Reduction (MTC) in Debt Service Levy		- 1,153,400
Increase in Interest Income Estimate		+ 214,000
Increase Allocation from Transit Planning Reserve		+ <u>39,000</u>
Total Revenues (revised)		\$72,982,100
Total (preliminarily approved) Estimated Expenditures		\$72,138,500
Reduction in MTC Debt Service Assistance		- 1,153,400
Total Estimated Expenditures		\$70,985,100
Estimated Reserve:		
RTB Administration	105,900	
Planning State Funds	\$1,070,000	
Transit Provider Funds	<u>821,100</u>	
		<u>\$ 1,997,000</u>
TOTAL ESTIMATED EXPENDITURES & RESERVES		\$72,982,100

10. The Regional Transit Board 1986 Work Program and Budget, as proposed and revised, is consistent with the Implementation and Financial Plan.

RECOMMENDATION

That the Administration and Finance Committee recommend to the full board for adoption Resolution 85-___, granting final approval in the total amounts detailed therein, to the Regional Transit Board 1986 Work Program and Budget and the Twin Cities Metropolitan Transit Commission 1986 Budget.

Attachment

Mr. David Johnson

Rm. 309

Adm Bldg.

Capitol Complex.

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: November 26, 1985
TO: Regional Transit Board
FROM: Administration and Finance Committee
SUBJECT: 1985 Auditor Selection

At its meeting November 21, 1985, the Administration and Finance Committee approved the selection of Deloitte Haskins & Sells as the 1985 auditor at an annual fee not to exceed \$6,600 including out-of-pocket expenses.

RECOMMENDATION

That the Regional Transit Board approve the firm of Deloitte Haskins & Sells for the 1985 Annual Financial Audit at an annual fee not to exceed \$6,600 including out-of-pocket expenses.

Ruth Franklin
Chair

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

DATE: November 15, 1985
TO: Administration and Finance Committee
FROM: Leslie M. Johnson, Director of Administration
SUBJECT: 1985 Auditor Selection

ACTION REQUESTED

Attached is an engagement proposal from Deloitte Haskins & Sells and the RTB proposed contract with that firm covering the 1985 Annual Financial Audit. The contract is for \$6,600, including out-of-pocket expenses.

BACKGROUND

In April of 1985, the RTB secured three (3) bids for audit services, including proposals for a three-year annual audit plan. Deloitte Haskins & Sells was recommended and approved based, in part, on low bid. The April proposal from Deloitte Haskins & Sells estimated the 1985 audit fees at \$6,600, which they are now proposing.

RECOMMENDATION

That the Administration and Finance Committee recommend the firm Deloitte Haskins & Sells be engaged for the 1985 Annual Financial Audit at an annual fee not to exceed \$6,600.

Attachment
NOV021

Suite 1000
625 Fourth Avenue South
Minneapolis, Minnesota 55415-1660
(612) 333-2900
Telex: 290234

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

November 11, 1985

Dear Sirs:

This letter is to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide with respect to the 1985 audit of the Regional Transit Board (RTB).

1. We will make an examination of the financial statements of RTB for the year ended December 31, 1985. Our examination will be performed in accordance with generally accepted auditing standards. We estimate the audit will require approximately 180 hours.
2. You will provide the assistance requested in preparing various schedules, confirmations, letters, etc.
3. Our fees will be \$6,600 for the audit of RTB, including out-of-pocket expenses. This fee assumes no major fraud or illegal acts or no requirements for a "single audit". Should any of these occur our additional hourly fees would be as previously quoted (\$150 partner, \$100 manager, \$50 staff) adjusted for changes in the CPI.

Should unforeseen new accounting requirements be imposed by standard setting bodies, by law or by regulatory bodies, our fees would have to be adjusted for their incremental impact. Should the scope or volume of activities of the RTB increase significantly from the present level, our fees would also have to be adjusted. We would advise you and provide an estimate when we became aware of any such changes. If our actual charges and expenses are less than the amounts above, we will bill the lesser amount.

Regional Transit Board

November 11, 1985

2

If our understanding meets with your approval, please sign the duplicate enclosed in the space provided and send it to my attention.

Very truly yours,
DELOITTE HASKINS & SELLS

Ed Robinson - jr

Edward A. Robinson
Partner

Enclosure

DELOITTE HASKINS & SELLS

Your understanding as specified above is correct.

Name and Title

Date

RESOLUTION NO. 85-_____

Resolution Approving
Agreement for 1985 Audit Services

WHEREAS, Minnesota Statutes 473,375, Subdivision 17, requires an annual audit of the Regional Transit Board; and

WHEREAS, In April, 1985, the Regional Transit Board secured proposals for a three-year annual audit plan and selected Deloitte Haskins & Sells as auditor; and

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 the 1985 audit as its auditing firm;

NOW, THEREFORE, BE IT RESOLVED:

1. That the CONTRACTOR shall comply with all of the contractual conditions of Appendix A, attached hereto and incorporated herein;
2. That the CONTRACTOR shall provide those types of audit services specified in Appendix B, attached hereto and incorporated herein;
3. That 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. That 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 May 15, 1986.

Adopted this _____ day of _____, 1985.

Elliott Perovich, Chairman

Mary Fitzgerald, Secretary

APPENDIX A
CONTRACTUAL CONDITIONS
FOR
RTB CONTRACT NO. _____
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 sixty (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 sixty (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

DELOITTE HASKINS & SELLS

1.0 ANNUAL FINANCIAL AUDIT

The CONTRACTOR shall conduct an audit of the financial statements of the RTB for calendar year 1985 in accordance with auditing standards listed in paragraph 3.0.

2.0 SPECIAL AUDITS

The CONTRACTOR agrees to conduct such other audits as may be determined from time to time by the RTB in accordance with the terms and conditions set forth herein and wherein such audits would be negotiated by the parties hereto and authorized by an amendment hereto duly executed by the parties hereto.

3.0 AUDIT STANDARDS

The audits referred to herein should be governed by the Professional Standards published by the American Institute of Certified Public Accountants.

4.0 ENGAGEMENT SCOPE

The 1985 AUDITOR services will include the following:

- 4.1 Assist in the design of the appropriate fund structure and basis of accounting to be used.
- 4.2 Assist in the development of the format of the financial statements and the related footnote and supplemental schedule disclosures.
- 4.3 Prepare the financial statements of the RTB in accordance with generally accepted accounting principles and any Minnesota Statutes or regulations that apply.
- 4.4 Audit the financial statements in accordance with generally accepted auditing standards and any applicable Minnesota and/or Federal audit requirements.
- 4.5 Provide an opinion on the financial statements.
- 4.6 Provide the RTB with a commentary report on the observations and recommendations as a result of the audit.
- 4.7 Meet with the RTB to plan the auditor's work, address any concerns and present findings and reports.

5.0 ENGAGEMENT WORK PLAN

The 1985 auditor's work plan will include, but is not limited to, the following:

5.1 AUDIT PLANNING

Planning will include the following:

- a. Meet with RTB to ascertain any concerns or areas requiring additional attention.
- b. Assist in preparing the financial statements, notes and schedules.
- c. Review the accounting system, internal accounting controls and the records.
- d. Determine any additional records or schedules that need to be obtained or prepared in liaison with RTB.
- e. Develop or select specific audit programs, tools, and procedures to be used.
- f. Arrange for RTB to prepare all requests for independent written confirmations that may be necessary from banks, other government agencies, and others.

5.2 Audit Execution

- a. Confirm cash and investment balances including the adequacy of necessary collateral.
- b. Confirm revenues and revenues receivable at year-end.
- c. Test expenditures for propriety, compliance with state law, necessary approvals, and appropriate budget and account classification.
- d. Test accounts payable for unrecorded items.

- e. Test contracts for compliance.
- f. Test compliance with internal control procedures.
- g. Read RTB meeting minutes to ensure that all board actions are properly reflected in the accounting and that transactions are properly approved.
- h. Review Minnesota Laws and Statutes pertaining to RTB.
- i. Assist in developing any necessary accruals.
- j. Inquire of legal counsel as to possible claims or contingencies.
- k. Test for proper recording of property and office equipment.
- l. Analytically review monthly transactions.

5.3 AUDIT REPORTING

- a. Draft financial statements, notes and schedules.
- b. Compare, cross reference and prove drafts.
- c. Review all report drafts with staff.
- d. Review financial statements and commentary letter report with RTB.
- e. Issue reports by May 15, 1986.
- f. The AUDITOR shall make presentations of reports or findings as necessary to the RTB.

6.0 AUDITOR'S PROFESSIONAL FEES

6.1 The fee for the 1985 audit as described in the engagement work plan above and based on actual charges, shall not exceed \$6600 including out-of-pocket expenses.

6.2 This fee excepts and presumes that:

- a. A "single audit" is not required, as defined in grant audits.
- b. No major fraud or illegal act has occurred.

- 6.3 The fee is also based on present accounting requirements, If new requirements are imposed by standard setting bodies, by law or by regulatory bodies, the fee would be adjusted for their incremental impact.
- 6.4 Should the scope or volume of activities of the RTB increase significantly from the present and scheduled levels, the fees would also be adjusted.
- 6.5 Adjustments to the fee schedule as in 6.2, 6.3 and 6.4 above shall be governed by provisions of Appendix A attached as part of this contract.
- 6.6 The estimate of audit hours is 180.
- 6.7 The fees for additional services or adjustments shall be at the following rates adjusted for changes in CPI:

Partner	150/hour
Manager	100/hour
Staff	50/hour