



Minnesota Regional Transit
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REGIONAL TRANSIT BOARD
270 Metro Square Building
St. Paul, Minnesota 55101
612/292-8789

MEETING OF THE REGIONAL TRANSIT BOARD
July 7, 1986
Metropolitan Council Chambers
4:00 p.m.

AGENDA

1. Call to Order and Roll Call

2. Approval of Agenda

Amend 3. Approval of Minutes of June 16, 1986, Meeting

c 4. Consent List: ~~No business items~~ *Amend*

5. RTB Involvement in I-35W, I-494, I-94 and I-394
Corridor Studies

OK 6. Authorization for the Executive Director to Enter
into Agreement with the Minnesota Department of
Transportation for the Transfer of Funds from
the Minnesota Department of Transportation to
the Regional Transit Board, Resolution No. 86-17

no action 7. Metro Mobility Implementation Plan, Legal
Opinion by Holmes and Graven (mailed separately)

8. Regional Transit Board Implementation Plan

9. REPORT OF THE POLICY COMMITTEE

Todd Lefko,
Chair

10. REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE

Ruth Franklin,
Chair

a. Exurban Special Project Request from City of
Hastings, TRAC

b. Request for Proposal for Consultant Services for
I-394 Timed-Transfer Detailed Service Design*

Amend c. Metro Mobility Computer Consultant Report*

d. Development of Policy for Providing Financial
Assistance to the Metropolitan Transit Commission,
Resolution No. 86-18

11. OTHER BUSINESS

- a. Chairman's Report
- b. Members' Reports
- c. Staff Reports

12. PUBLIC COMMENT

Elliott Perovich
Chairman

* Please bring material mailed in committee packets.

REGIONAL TRANSIT BOARD
ROLL CALL AND ATTENDANCE SHEET

DATE: July 7, 1986

BOARD OR COMMITTEE Board Mtg

Res.
86-17

Res.
86-18

MEMBER NAME	PRESENT	VOTE	VOTE	VOTE	VOTE	VOTE
Chairman	✓		Y	Y		
Kenneth Bedeau (P)		not present				
Doris Caranicas (P)	✓		Y	Y		
Ruth Franklin (Chair, A & F)	✓		Y	Y		
Alison Fuhr (P)	✓		Y	Y		
Paul Joyce (A & F)	✓		Y	Y		
Edward Kranz (A & F)	not present					
Todd Lefko (Chair, Policy)	✓		Y	Y		
Bernard Skrebes (A & F)	not present					

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REGIONAL TRANSIT BOARD

270 Metro Square Building, St. Paul, Minnesota 55101

Minutes of the Meeting of the
REGIONAL TRANSIT BOARD
Metropolitan Council Chambers
June 16, 1986

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

OTHERS PRESENT: Ghaleb Abdul-Rahman, Mary Fitzgerald, Judy Hollander, Katie Turnbull, Cindy Mayer, Mark Ryan, Jerry Brechlin, Regional Transit Board Staff; Tim Marx, legal counsel; Dirk deVries, Metropolitan Council liaison

The meeting was called to order at 4:00 p.m. and roll taken. It was noted that the material regarding RTB involvement in I-35W, I-494, I-94 and I-394 corridor studies had not been mailed and would be carried over to the next board meeting. Joyce moved approval of the agenda; Caranicas seconded the motion. Motion carried unanimously.

Franklin noted that the minutes of the May 28 Committee of the Whole meeting should be amended to note that she was present. Fuhr moved approval of the minutes of the May 28, 1986, Committee of the Whole meeting, as amended. Franklin seconded the motion. Motion carried unanimously.

Caranicas moved approval of the board meeting of June 2, 1986, minutes; Fuhr seconded the motion. Motion carried unanimously.

CONSENT LIST

Lefko moved approval of the following consent list items:

Environmental Assessment Worksheet (EAW) on Trunk Highway 169 from Prairie Center Drive to County Road 1 in Eden Prairie

Study Report for I-694 Third Land Addition from T.H. 100 to I-35W and Interstate Highway 94 E.B. Auxillary Lane Addition from County State Aid Highway 152 to T.H. 252

Project Path Report for Bridge Replacement and Roadway Reconstruction at the Junction of T.H. 51 (Snelling Avenue) and Marshall Avenue in St. Paul

Caranicas seconded the motion. The motion carried unanimously.

UPDATE ON TRANSIT SERVICE NEEDS ASSESSMENT

Turnbull gave a verbal report on study activities completed to date and the activities in progress.

EXISTING OFFICE SPACE EXPANSION

Abdul-Rahman reviewed his memorandum dated June 9, 1986. The members were called called the week before about expanding the office facility to accommodate additional staff and summer interns. The expansion is necessary because it will be at least another year before the agency could move into new quarters. Joyce moved:

That the Regional Transit Board authorize the executive director to enter into a contract with the Metropolitan Council and/or the Metro Square Partnership to lease no more than 2,450 square feet at a cost not to exceed \$9.90 per square foot per year and to purchase or rent appropriate office furnishings.

Franklin seconded the motion. The motion carried unanimously.

TRANSPORTATION HANDICAPPED ADVISORY COMMITTEE (THAC) REVIEW OF METRO MOBILITY IMPLEMENTATION PLAN

Tom Haben, Acting Vice Chair of THAC, read the report of the committee dated June 16. Fuhr asked for the rationale of the committee's recommendation that trips arranged through a standing request not be eligible for reimbursement under the proposed hardship policy. Haben said if people have standing requests Monday through Friday, they have guaranteed rides throughout the month and would use the entire \$35 limit, giving them free rides for two and a half days. Why give more to people who are already getting a lot? There was some feeling it was unfair for others to wait. Another controversial issue was a fare of \$1.50 or \$1.00. The vote was seven to six in favor of \$1.00. There was some feeling that the trip limit should be ten miles, but the committee did not have time to discuss it.

Kranz asked if the committee discussed when implementation should take place. Haben said the committee did not have the power to speed up or slow down the implementation. Between the cities people will have to pay per trip. They will have to go over eight miles just to go for rehabilitation. It should be comparable to main line busing. The foregoing is not the feeling of the THAC. Caranicas said the hardship policy is a beginning, not a finished product. A lot of fine tuning is expected on that and some other issues. The eight-mile limit may need to be reconsidered.

Franklin said most of the conversation was about St. Paul and Minneapolis. When you add those to the system who never had service before you will find eight miles is not enough. She asked staff if there was thought given to changing it to ten miles or more. If the limit was set at ten miles, could some compromise on fares be made; what would that do to service? She supports the staff recommendations as the only way to get service to the outlying areas. The chairman asked to defer that until later. Fuhr said 85-percent of trips are closer to eight miles in length. Haben said the service area is smaller now.

Copies of a memorandum from the participants at the Cerebral Palsy Work Activity Center, Workshop B, to Tom Byrne, Chair of THAC, was distributed to the board.

ADOPTION OF METRO MOBILITY IMPLEMENTATION PLAN

The chairman stated that public comment would not be taken at this meeting in order to allow discussion by the board. Michael Ehrlichman of the Minnesota Council for the Handicapped said many people wish to respond to the staff comments on the Human Rights Act. The chairman said people may only react to questions from the members at this meeting. He asked that the meeting not be disrupted because there have been many meetings on these issues.

Ryan reviewed the June 16 memorandum that was distributed before the meeting. Hollander discussed the federal rules and regulations outlined in her June 12 memorandum. She noted that the Department of Transportation found in its studies that a shorter response time increases costs on an average of 70 percent.

Tim Marx, the board's legal counsel, said his research indicates the direction the staff and board is going is in general compliance with the law. After the board takes formal action he will present an opinion and work with the board in terms of what is necessary. It is necessary to understand that the law does not require sameness but similarity and comparability. Caranicas said these presentations were excellently done with a significant amount of time spent by the staff. People must keep in mind that some things will be fine-tuned as we move toward implementation. Perovich said that once we have a final plan, legal counsel will work with staff to recommend modifications to put the plan into full compliance with the law.

Lefko moved approval of the recommendations as outlined in the May 29, 1986, memorandum accepting the documents for purposes of the public meeting held on June 2, 1986. Caranicas seconded the motion. Lefko said he would offer a number of amendments. He said staff has been criticized for following the board's direction. It is possible to make any changes, but when one area is changed it effects several others. There is no situation where everybody will be happy. Some people will perceive it to be a more difficult situation than before, where thousands of others will be in a better situation. The recommendations, as amended, are listed below.

Passenger Fares

The current base fare for Metro Mobility service be increased to \$1.25 per trip. As part of the review of the Regional Transit Board's annual budget, Metro Mobility fares shall be evaluated.

Provider Reimbursement Rate

The reimbursement rate for Metro Mobility providers shall be \$5.25 for an ambulatory trip and \$11.25 for a wheelchair trip.

Trip Scheduling

Metro Mobility users can call the provider of their choice the day before service is desired, between the hours of 6:00 a.m. and 2:30 p.m. Monday through Friday and between 8:00 a.m. and 2:30 p.m. on Saturday, Sunday and holidays. As part of the Metro Mobility evaluation, staff will investigate the possibility of same day call-in for Metro Mobility users.

Provider Charges for Additional Mileage

Provider charges for service after eight miles must be reasonable and will be established as part of the contract each Metro Mobility provider enters into with the RTB.

Evaluation of Metro Mobility Reorganization

The RTB staff will evaluate the effectiveness of the reorganization of Metro Mobility by considering service quality, cost per trip, effect of trip length, number of trips provided, expansion of service area, ease of administration, the possibility of earlier trip requests and productivity of the Metro Mobility Administrative Center. A complete evaluation of the first 12 months of the reorganization shall be presented to the RTB by the end of October 1987.

The staff will provide an evaluation update to the RTB in May 1987. The update to the RTB shall address service quality, cost effectiveness, passenger costs (fares, additional mileage fees), impact of expansion and effectiveness of the administrative center.

Role of Existing Transit Programs Serving Elderly and Handicapped

The Regional Transit Board will evaluate existing transit programs funded by the RTB that serve elderly and handicapped people and study transit programs operated by and/or for social service agencies. The purpose of the study will be to identify the transit needs being met by these programs, the effectiveness of the programs in meeting these needs, to identify the providers involved and to determine the impact of the Metro Mobility reorganization on these programs.

The study will also include an evaluation of the transit needs met by Metro Mobility and an evaluation of how Metro Mobility and non-Metro Mobility services can be coordinated to best meet the needs of the elderly and handicapped in the seven-county area.

The RTB will seek the assistance of staff from the Metropolitan Council's Program on Aging for that portion of the study that deals with transit programs operated by and/or for social service agencies.

The study will commence in November 1986, and the results will be part of the Metro Mobility evaluation report to the Regional Transit Board in October 1987.

Agency Trips

The RTB staff will develop a plan for 100-percent agency financial participation in their client travel that will be effective January 1, 1988. The plan will be presented to the RTB in August 1986, and will include a definition of agency trips, identification of agencies using Metro Mobility for their client travel and an outline of the steps necessary to achieve 100-percent financial participation of agencies in their client travel by January 1, 1988.

Hardship Policy

Metro Mobility users participating in the state's General Assistance Program will be eligible for reimbursement under the Metro Mobility hardship policy. Eligible users will be reimbursed for monthly expenses of over \$35.00 paid to providers for travel over eight miles. Reimbursement will be based on documented expenses provided by the Metro Mobility user and will be in the form of Metro Mobility commuter tickets.

Legal Review of Implementation Plan

The Regional Transit Board directed its legal counsel to review the Metro Mobility Implementation Plan as adopted by the RTB on June 16, 1986, for compliance with all applicable state laws. A legal opinion shall be presented at the next RTB meeting on July 7, 1986.

Exemption to Provider Guidelines

RTB funded programs, serving elderly and disabled people and that currently provide service in the Metro Mobility service area, will be exempt from the Metro Mobility provider requirement to serve eight suburban municipalities or Minneapolis or St. Paul.

Metro Mobility Administrative Center

The Regional Transit Board will contract with the Metropolitan Transit Commission to operate the Metro Mobility Administrative Center (MMAC). The MMAC will be responsible for the day-to-day administration of the Metro Mobility Program.

Rider Representative

A rider representative will be available at the MMAC between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, to assist Metro Mobility riders.

Service Fees

Fees will be established for certification and standing requests in an effort to reduce the administrative subsidy and to provide more trips for Metro Mobility users. Fees are \$10.00 for certification, \$10.00 to establish a standing request and \$5.00 to change a standing request. It is estimated that the establishment of these fees will result in approximately 18,500 additional trips for Metro Mobility users.

Medical Assistance

Trips eligible for medical assistance reimbursement will not be reimbursed with Metro Mobility funds. The full cost of providing the trip and administering medical assistance reporting requirements will be recovered from the Medical Assistance Program.

Expansion

Service in the current Metro Mobility service area will be extended to 11:00 p.m. in October 1986 in those suburban communities where service is only now available until 6:00 p.m.

On January 1, 1987, Metro Mobility service will be expanded to the following communities: White Bear Lake, Vadnais Heights, North Oaks, Shoreview, Arden Hills, Circle Pines, Lexington, Moundsview, Spring Lake Park, Brooklyn Park, Osseo, Anoka, Champlin, Coon Rapids, Blaine, Lino Lakes, Centerville, Maple Grove, Excelsior, Spring Park, Hopkins, Minnetonka, Plymouth, Long Lake, Wayzata, Orono, Shorewood, Deephaven, Minnetonka Beach, Tonka Bay, Greenwood, Woodland, Medicine Lake and Mound.

On January 1, 1988, Metro Mobility service will be expanded to the following communities: Stillwater, Bayport, Willernie, Oak Park Heights, Baytown, Lake Elmo, Oakdale, Eagan, Inver Grove Heights, Saint Paul Park, Newport, Mendota Heights, Sunfish Lake, Woodbury, Cottage Grove, Rosemount, Apple Valley, Burnsville, Chanhassen, Chaska, Savage, Prior Lake, Shakopee, Mahtomedi, Dellwood, Pine Springs, Birchwood and Mendota.

Provider Certification

Guidelines will be established by the Regional Transit Board for provider certification and will be developed to ensure that the quality of service for Metro Mobility users is maintained or improved.

Speaking to the amendment on passenger fares, Lefko said that while \$1.50 may not seem like a lot of money to many people and that amount would be within the federal guidelines, the issue is that a \$1.00 fare, raised from \$.60, would increase access for some people. Caranicas asked what the impact would be; Ryan said Attachment VIII shows that that we could not provide about 40,000 trips and would affect the ability to provide effective expansion. Franklin said the plan is to expand to the whole area on a phased-in system. She asked who would be deprived of those trips. Ryan said the proposal calls for a two-phase expansion so the present area and the expansion area would have fewer trips. Perovich said trips-per-day would have to be adjusted downward or, as another option, continue to allow the present service area to have as many as they now have and delay expansion. There will be a price to pay in less service to people.

Fuhr asked if the demand figures come into play. There may be fewer riders with the higher fare. Franklin said there is little worry about getting enough riders. We are expanding to areas where they have not had service. Franklin said another concern with lowering the fee is that even excluding the outlying areas, the percentage of more-than-eight-mile trips will be higher. If the fare is decreased, how will that effect the possibility of increasing mileage from eight to ten miles? Hollander said it is important to understand that 85-percent of existing trips are under eight miles. If it is extended, the provider's rate will have to be increased. We will either have to limit additional mileage reimbursement or develop a two-tier zone. Franklin said some kind of cap could be put on total dollars. Lefko said the issues of fairness and the impact on the system must be separated. The hardship policy

is unsatisfactory. You have to have some kind of limits. The chairman said the hardship policy may be somewhat a dangerous precedent because it is done for one group. We should deal with providing service and determining what a fair price is, keeping in mind what the 504 regulations consider fair. If it is decided on the basis that people cannot afford it, it has an impact on transit in general because there are a lot of people on mainline who cannot afford it either.

Skrebes asked how the bidding can be competitive when the fares are already set. Ryan said there are several areas of competition. Providers will compete for users because that is the only way to get paid. We may see providers offering some special packages to attract riders. The chairman said it is the responsibility of the board to set the fare. Competition comes from the cost of service and the quality of service provided as providers seek rider volume.

Franklin suggested that the board discuss a \$1.25 fare involving 20,000 fewer trips. While that will result in fewer trips, it is offered as a compromise suggested. The chairman said the Urban Institute study recommended a fare of \$1.50.

Kranz asked how many providers will offer service in the Metropolitan Area. Ryan said 100 letters were sent to providers and 50 attended a meeting. Approximately 27 providers sent in pre-applications forms. Since that time, the subsidy rates were put on the table and they have a better understanding of the situation. Ryan expects no more than 20 providers in the program. Kranz asked for elaboration on the letter from DARTS regarding serving eight communities at a minimum. The suggested guideline was that providers commit to the Metro Mobility Program and the minimum number is based on what providers are serving now. Kranz said he thought the intent was to design service that would include MTC as a potential provider. Hollander said we have not heard from them. It might be affected by what happens in contract negotiations. Franklin said that is a problem for the other providers. If MTC will be a provider, it is more difficult for smaller companies to submit an application without knowing what they will have to do to compete. Fuhr said all the providers will have that problem. Franklin said MTC has the equipment already.

Haben asked that people living in nursing homes be considered. Caranicas said governments could provide subsidy much as they do now for housing. She does not see this as a major problem.

Vote was taken on the passenger fares amendment. Motion failed unanimously. Franklin moved the recommendation with the fare amended to \$1.25. Lefko seconded the motion. In response to Kranz question, Ryan estimated that keeping the fare at 60 cents would reduce the number of trips available by between 60,000 and 70,000 annually. There was discussion of keeping the service with MTC. Motion carried.

Lefko moved that the provider reimbursement rate be adjusted as shown in the recommendation quoted above. Fuhr seconded the motion. Motion carried.

Lefko moved approval of his amendment on trip scheduling; Fuhr seconded the motion. Lefko said users and providers must both be certified to qualify for reimbursement. Nothing that has been proposed precludes same-day service. The motion carried unanimously.

Lefko moved approval of his amendment regarding provider charges for additional mileage; Franklin seconded the motion. The motion carried unanimously.

Lefko moved approval of his amendment regarding evaluation of the Metro Mobility reorganization. Fuhr seconded the motion. There was discussion of whether the computer could handle people making reservations for special events farther in advance. The motion carried unanimously.

Lefko moved approval of his amendment regarding the role of existing transit programs serving the elderly and handicapped. Joyce seconded the motion. Fuhr questioned whether county providers are included; Lefko said they are. Skrebes said county operators are concerned about their territory being cut into. Lefko said the issue is whether, as the service area is expanded, people will choose Metro Mobility. If there is a charge for Metro Mobility, will people switch to programs supported by donations? There is a danger that some local systems will be dropped. The motion carried unanimously.

Lefko moved approval of the his amendment regarding agency trips; Fuhr seconded the motion. Lefko said the May 15 memo was not intended to mean that agencies would be paying for all the trips. The RTB should work to develop a relationship with the agencies and go with them to the Legislature. The motion carried unanimously.

Lefko moved approval of the Hardship Policy. Caranicas seconded the motion. The chairman said nursing home residents might help find other sources of trip subsidy and work with the people who determine the amount provided to them each month. Fuhr included a friendly amendment on exploration of income for the subsidy. Lefko accepted the amendment. Caranicas said this will be firmed up over the coming several months. The amendment is a move toward where we want to end up. Franklin asked that staff be directed to investigate the impact of standing requests on the hardship policy and consider other sources of funding. The motion carried unanimously.

Lefko moved approval of his amendment on legal review of the implementation plan. Caranicas seconded the motion. The motion carried unanimously.

Lefko moved approval of his amendment on the exemption to provider guidelines. Caranicas seconded the motion. The motion carried unanimously.

Fuhr commended Lefko for doing a masterful job.

Kranz said, based on the number of amendments, the board should consider the impact and delay action. There are additional questions on the Human Rights Act and he would like them resolved and would like information on the impacts on volunteer programs. We have a very good program and good union help and there is tremendous potential for serious problems down the road. He moved to retain the Administrative Service Centers as it exists now. If we change that part we should try to maintain MTC in running the call-in service. The chairman said the plan is for coordination to be manned under service contract with MTC. That is the biggest part of the change to the system and the biggest cost savings. Skrebes seconded the motion. He said that a lot of people are disillusioned with MTC but we are going too fast. We do not know what kind of providers will come in, nor should we cut off MTC, which is experienced. Lefko said the board is charged to expand the service and provide the best balance. When the original amendment to set up the study were passed, Kranz raised the question of whether MTC is cut out. It was stated that it is their choice.

Nothing will be done by the board to specifically exclude MTC, but they must meet some requirements. The basic issue is how to increase the number of rides. On some issues the outcome cannot be foreseen. We have come this far and should take action and build the best system possible.

Franklin agreed that MTC has done an excellent job in supplying service but would vote against the Kranz motion. Her area will never be able to expect service if the motion is approved. The hope is to cut cost of service and provide more rides in the Seven-County Metropolitan Area.

Bedeau said change comes hard, there are a lot of uncertainties; however, if there is no change we will stay where we are and look to nothing on the horizon. Joyce said he would also oppose the motion because we have tried for years to get service to outlying areas and, while we may not have all the answers, this is a good start that can be fine-tuned later. MTC provided good service, but it has been expensive. Without moving ahead, we cannot provide service to those people who need it. Skrebes said he did not intend MTC to go to White Bear or Anoka, but the fact remains, how will you transfer from MTC to a provider who has not had experience? Vote was taken; motion failed. (Kranz and Skrebes voted "aye.")

Vote was taken on the recommendations as amended (shown above). The motion carried, ~~unanimously~~. (Kranz and Skrebes voted "no.")

REPORT OF THE POLICY COMMITTEE

APPROVAL OF FINAL REPORT ON DEVELOPMENT OF FINANCIAL AND PERFORMANCE STANDARDS FOR METROPOLITAN TRANSIT COMMISSION REGULAR ROUTE TRANSIT SERVICES

Committee Chair Lefko moved:

That the Regional Transit Board adopt the recommendations set forth in the draft final report on development of financial and performance standards for Metropolitan Transit Commission regular route transit service including the establishment of an interim evaluation standard and the general work program for longer term performance and financial standards.

Franklin seconded the motion; the motion carried unanimously.

Lefko noted that the June 25 meeting of the committee has been cancelled.

REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE

FIRST QUARTER 1986 FINANCIAL STATEMENTS

Committee Chair Franklin reviewed the committee report dated June 10 and moved:

That the Regional Transit Board receive the first quarter 1986 financial statements and direct that they be placed on file.

Joyce seconded the motion; the motion carried unanimously.

CONTRACT FOR COMPUTER PROGRAMS MAINTENANCE

Committee Chair Franklin reviewed the committee report dated June 10 and moved:

That the Regional Transit Board authorize the executive director to enter into a maintenance contract with Albers Associates, Inc. for computer software maintenance services in an amount not to exceed \$9,450.

Joyce seconded the motion; the motion carried unanimously.

CONSULTING SERVICES - TAX LEVY/REVENUES

Committee Chair Franklin reviewed the committee report dated June 10 and moved:

That the Regional Transit Board authorize the executive director to enter into a contract with Robert A. Dildine for tax levy/revenue consulting services in an amount not to exceed \$2,400.

Skrebes seconded the motion; the motion carried unanimously.

STAFF MICROCOMPUTER SYSTEM UPGRADE

Committee Chair Franklin reviewed the committee report dated June 10 and moved:

That the Regional Transit Board approve the 1986 capital budget expenditure for the microcomputer system upgrade that includes the purchase of IBM ATs from Sears Computer Store in an amount not to exceed \$15,000.

Fuhr seconded the motion; the motion carried unanimously.

The next committee meeting is June 19; no quorum will be present. Kranz said the request for funding from Hastings for exurban service should be added to the committee agenda.

OTHER BUSINESS

The chairman said the board's retreat on June 26 at Riverwood Conference Center will start at noon and run through the evening.

Ghaleb Abdul-Rahman said interviews were completed on June 12 for the director of administration.

There being no further business, Caranicas moved the meeting be adjourned. Joyce seconded the motion; the motion carried unanimously. The meeting adjourned at 6:55 p.m., June 16, 1986.

Respectfully submitted,

Mary Fitzgerald
Secretary

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: July 7, 1986
TO: Regional Transit Board
FROM: Elliott Perovich, Chair
SUBJECT: Consent List

The following referral has been reviewed by staff and chair of the Regional Transit Board (RTB). In my opinion, the referral meets the standards of consent referrals adopted by the board in its bylaws.

Environmental Assessment Worksheet for Construction of a Two-Lane Highway from County Road 52/Radisson Road to County State Aid Highway 17/Lexington Avenue in Blaine

This Environmental Assessment Worksheet outlines the approach to be taken by the Anoka County Highway Department for the proposed 2.4 mile, two-lane highway addition. The RTB has been asked to comment on the Environmental Assessment Worksheet by the Anoka County Highway Department. Currently there are no transit routes in the immediate area and this project should not adversely impact future expansions.

The RTB has reviewed this worksheet in accordance with the Interim Implementation Plan and finds it to be consistent with the goals and policies of the Interim Implementation Plan.

OP018A

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: May 27, 1986
TO: Regional Transit Board
FROM: Katherine Turnbull, Planning Manager
SUBJECT: RTB Involvement in I-35W, I-494, I-94 and I-394 Corridor Studies

Action Requested:

No action is requested. This memorandum is for informational purposes only.

Background:

A number of major corridor studies are currently underway in the metropolitan area. These include the I-35W corridor south of Minneapolis, the I-494 corridor from Trunk Highway 5 on the east to County State Aid Highway 62 on the west, and the I-94 corridor between downtown St. Paul and downtown Minneapolis. In addition, activities associated with the I-394 corridor continue. Each of these projects is discussed in this memorandum, with emphasis on the purpose, participants, RTB role, process and timing.

1. I-35W Preliminary Design Studies, Phase I: Scoping

Purpose:

The purpose of the I-35W Preliminary Design Studies is to examine potential improvements to the I-35W corridor south of Minneapolis. The segment of I-35W under study extends approximately 17 miles from downtown Minneapolis, through Richfield, Bloomington and Burnsville.

The first portion of the study, Phase I: Scoping, will identify and evaluate all alternatives for improving transportation in the I-35W corridor. It has been stressed that no preconditions have been placed on the determination of the alternatives. The scoping phase will identify issues and alternatives, evaluate these and develop a final set of alternatives for consideration in the next step which is the Environmental Impact Statement (EIS). The Scoping Document will be submitted to the Federal Highway Administration (FHWA).

Study Participants:

The I-35W Preliminary Design Studies are being conducted by the Minnesota Department of Transportation (District 5) and the Metropolitan Council. Consultants on the project are Strgar-Roscoe-Fausch, Inc.

A Project Management Team (PMT) comprised of staff from Mn/DOT - District 5, Metropolitan Council, FHWA and the consultants, is responsible for management of the study. A Project Advisory Board (PAB) is also being utilized in an advisory capacity to the PMT. The PAB is comprised of staff from the following agencies and municipalities; Mn/DOT - District 5, Mn/DOT - Central Office, Metropolitan Council, FHWA, RTB, Dakota County, Hennepin County, Bloomington Public Works, Bloomington Community Development, Burnsville Public Works, Burnsville Community Development, Minneapolis Public Works, Minneapolis Planning Department, Richfield Community Services and Richfield Community Development.

The role of the PAB is to act as a liaison between the PMT and the organizations and communities, take a lead role in the public participation process, assist with identifying issues and alternatives, assist with the screening and evaluation process and selection of the alternatives to be included in the EIS, and review of reports.

RTB Role:

The RTB is included on the Project Advisory Board. Judith Hollander is the RTB's representative, with Katherine Turnbull the alternate. It is anticipated that RTB staff will be assisting the PMT and consultants in providing appropriate transit data for the I-35W corridor. It is also anticipated that the RTB will be involved in discussion of the transit components considered as alternatives during the scoping process.

Process and Timing:

The work program for the scoping phase, which is to be completed by February, 1987, contains nine major tasks. The first three of these, project management, public involvement program and technical support for local communities, are ongoing throughout the study.

Task four involves the collection of necessary data and completion of the physical inventory of the corridor. Task five will establish the planning framework to be used, while task six will identify the issues and alternatives to be considered. Task seven will include preparation of the travel forecasts for the corridor. Task eight includes the sketch level impact analysis for scoping. Finally, task nine will involve the development of the scoping document.

2. I-494 Corridor Study

Purpose:

The purpose of the I-494 Corridor Study is to develop a design concept for the transportation facilities in the I-494 corridor, supportive of orderly and economic development in the southern

not replace the environmental and final design work that will be necessary prior to the actual implementation of highway improvements in the corridor.

Major objectives of the I-494 study include the following; to produce a design concept for the metropolitan roadways in the corridor, to identify travel demand management strategies for the corridor, to identify development levels and land-use types compatible with the proposed transportation infrastructure and to recommend a strategy for implementing the proposed transportation improvements.

The primary impact area for the study is from CSAH 62 on the west to TH 5 on the east. The secondary impact area extends to I-394 on the west and I-35E on the east.

Study Participants:

The Metropolitan Council and Mn/DOT are the lead agencies for the I-494 Corridor Study. The RTB, Hennepin County, the Metropolitan Airports Commission and the communities of Bloomington, Eden Prairie, Edina, Richfield and Minnetonka are all contributing funding for the study. The consultant team of BRW, Inc. and Mundle and Associates has been selected by the Project Management Team and is anticipated to be approved by the Metropolitan Council soon.

A Project Management Team (PMT) is assisting the Metropolitan Council and Mn/DOT. The PMT is comprised of one policy representative and one staff representative from each of the agencies and organizations noted above. The role of the PMT is to provide direction to the core staff team and consultant. The core staff team is comprised of Mn/DOT, Metropolitan Council and RTB staff, with the council providing the project manager. The PMT will assist with identifying issues, defining alternatives, screening alternatives, providing liaison with participating municipalities and agencies and implementing the citizen participation process.

RTB Role:

The RTB is providing \$20,000 in funding for the I-494 Corridor Study. RTB staff are part of the core staff group working with the Metropolitan Council, Mn/DOT and consultants. The RTB is included on the PMT. Alison Fuhr is the RTB's policy representative and Judith Hollander is the RTB's staff representative, with Katherine Turnbull the alternate. RTB staff will be actively involved in many of the work tasks, especially those dealing with transit, and will be responsible for specific work tasks.

Process and Timing:

The I-494 Corridor Study, which is scheduled to be completed by May, 1987, is comprised of seven major work tasks. The first task, which will be conducted primarily by the Council and the municipalities, concerns analysis of existing and future land use in the corridor. The second task will focus on generating the travel forecasts for the corridor. The Council, RTB, Mn/DOT and consultants will be involved in this task.

Task three will examine the physical and operational constraints on highway and transit improvements. Mn/DOT, RTB and consultants will have the lead role in this task. Task four will examine the policy considerations to the alternatives. All of the study participants will be involved in this task.

Task five, which will develop and analyze alternative design concepts, is the responsibility of the consultants with major input from the core staff. Task six, which is the consultants responsibility, will involve the development of roadway design alternatives. The last task will be the development of a set of land use recommendations. This will be the responsibility of the Council and municipalities.

3. I-94 Corridor

Purpose:

There are two major purposes to the I-94 corridor process. The first is to review the proposed design plans for reconstruction of I-94 between downtown St. Paul and downtown Minneapolis, specifically those relating to transit. The second is to examine transit alternatives to assist with traffic flow during the reconstruction period. The end result of the second activity will be the implementation of an overall traffic management plan during reconstruction.

Participants:

To date, there have been two different groups working on the I-94 corridor. The first is a Task Force established by Mn/DOT-Central Office and the second is a working group requested by Mn/DOT-District 9. The Task Force is comprised of staff members from Mn/DOT-Central Office, District 5 and District 9, RTB and Metropolitan Council.

RTB Role:

RTB staff have been actively involved in the I-94 Task Force. Judith Hollander and Katherine Turnbull, alternate, represent the RTB on the Task Force. To date, both Districts have presented their proposed plans. The RTB scheduled an initial review of these in a working session with Metropolitan Council and MTC

The RTB has also presented and discussed information on existing transit services in the I-94 Corridor. Katherine Turnbull has been identified to work with the District 9 group. This group has not yet begun to meet.

Process and Timing:

The first responsibility of the Task Force, with is the review of the proposed design plans, will be completed in June. It is anticipated that work on the traffic management plan during reconstruction will then be initiated. Reconstruction is currently scheduled to begin in 1989. It is anticipated that the District 9 working group will focus on traffic management strategies during reconstruction.

4. I-394 Corridor

Purpose:

There are three major project management groups involved in the continued planning, implementation and coordination of the I-394 project. These are the Policy Committee, the Corridor Management Team and the Marketing Committee. In addition, a working group comprised of staff from the RTB, Mn/DOT, MTC and Medicine Lake Lines is also meeting regularly. The purpose of all these groups is to insure the successful implementation of all elements associated with I-394.

Participants:

Mn/DOT-District 5 is the lead organization on I-394. The I-394 Policy Committee is comprised of top staff representatives from organizations and municipalities, while the Corridor Management Team is comprised of staff actively involved in the process. The Marketing Committee is comprised of staff members from Mn/DOT, RTB, Minnesota Rideshare and the MTC.

Strgar-Roscoe-Fausch, Inc. is the major consultant assisting with the work of these groups. Colle and McVoy is the advertising firm responsible for the market research and marketing activities.

RTB Role:

The RTB is actively involved in the I-394 process and has the lead responsibility for the transit components. Ghaleb Abdul-Rahman is a member of the Policy Committee, while Katherine Turnbull is a member of the Project Management Team and the Marketing Committee. RTB staff have spent much time and effort working with the communities and agencies on the transit stations, implementing the timed-transfer system and various elements of the marketing activities.

Process and Timing:

It is anticipated that the RTB will continue to be actively involved with the I-394 activities outlined previously through 1990.

OP004A

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: July 1, 1986
TO: Regional Transit Board
FROM: Administration and Finance Committee
SUBJECT: Exurban Special Project Request From City of Hastings, TRAC

ACTION REQUESTED

The Administration and Finance Committee, at its June 19, 1986 meeting, approved the request to award 1986 Exurban Special Project funds to the City of Hastings, TRAC, for the purchase of a new vehicle plus miscellaneous costs necessary for their project in the amount of \$3,079.40. It has been further recommended that the funds for the Exurban Special Project request from the City of Hastings, TRAC, be awarded as a contract amendment to their original 1986 contract for Exurban funds.

RECOMMENDATION

That the Regional Transit Board recommend approval of authorization to the executive director to amend the City of Hastings, TRAC, contract to include the Exurban Special Project funds in the amount of \$3,079.40.

Paul Joyce
Vice Chair

BRD7/1
CM:jmo

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: June 19, 1986
TO: Administration and Finance Committee
FROM: Cynthia Mayer, Project Administrator
SUBJECT: Exurban Special Project Request from City of Hastings, TRAC

ACTION REQUESTED

That the Administration and Finance Committee approve the request from the City of Hastings--TRAC to have the Regional Transit Board assist in the purchase of a new vehicle plus miscellaneous costs using funds from the 1986 Exurban Special Project fund.

BACKGROUND

The City of Hastings, TRAC, recently submitted a letter of request to the Regional Transit Board for funding to assist in the purchase of a new vehicle plus miscellaneous costs. The City did receive approval from the State for 80 percent participation in the purchase of a new vehicle plus miscellaneous costs in the amount of \$23,995.20. The City 20 percent match share consisted of \$5,998.80.

The City awarded the purchase of a new vehicle to the low bidder, Minnesota Body and Equipment for an El Dorado Aerotech, in the amount of \$29,994. The bid price, however, does not include the logo, striping and transfer of radio and farebox costs. These miscellaneous costs are necessary to the City's operational needs of the project.

The City of Hastings is, therefore, requesting 50 percent assistance from the Regional Transit Board for the actual cost of the bus to the City plus miscellaneous costs totaling \$6,158.80. The City is requesting the Regional Transit Board split the City's 20 percent matching share of \$6,158.80 for a total assistance cost of \$3,079.40.

RECOMMENDATION

That the Administration and Finance Committee approve the request to award 1986 Exurban Special Project funds to the City of Hastings for the purchase of a new vehicle plus miscellaneous costs necessary for their project in the amount of \$3,079.40.

BRD7/1

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: June 30, 1986

TO: Regional Transit Board

SUBJECT: Authorization for the Executive Director to Enter into Agreement with the Minnesota Department of Transportation for the Transfer of Funds from the Minnesota Department of Transportation to the Regional Transit Board, Resolution No. 86-17

BACKGROUND

It is required that the Regional Transit Board take official action to give the authority to its executive director to execute a contract with the Minnesota Department of Transportation for the receipt of our Fiscal Year 1987 state funds that were appropriated in the 1985 legislative session.

The Office of the Attorney General requires such a resolution and will not approve the contract without the authority of the Regional Transit Board granted through official action. No funds can be transferred to the Regional Transit Board without such a contract approved.

RECOMMENDATION

1. That the Regional Transit Board approve attached Resolution No. 86-__, which authorizes the executive director to enter into agreement with the Minnesota Department of Transportation for the transfer of funds to the Regional Transit Board to cover contractual obligations made in the Metropolitan Area by the Regional Transit Board for Fiscal Year 1987 under Minnesota Statute 473.384, 473.386 and 473.388 and for the Regional Transit Board administrative budget under State of Minnesota Contract No. 63613.
2. That the total payments to the Regional Transit Board under this contract agreement will equal \$19,143,200.

Elliott Perovich
Chairman

RTBTX1
LASER

Regional Transit Board

Suite 270 Metro Square Building, St. Paul, Mn. 55101

RESOLUTION NO. 86-__

RESOLUTION

AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO AGREEMENT WITH THE MINNESOTA DEPARTMENT OF TRANSPORTATION FOR THE TRANSFER OF FUNDS FROM THE MINNESOTA DEPARTMENT OF TRANSPORTATION TO THE REGIONAL TRANSIT BOARD

- WHEREAS, the Regional Transit Board is responsible for the administration of contracts of eligible recipients for financial assistance to provide transit service within the metropolitan area; and
- WHEREAS, the Regional Transit Board is certified to administer such contracts in accordance with Minnesota Statute 473.384, Subd. 9; and
- WHEREAS, the Regional Transit Board wishes to receive funds from the Commissioner of Transportation to meet its contractual obligations and its administrative budget; and
- WHEREAS, the Department of Transportation, pursuant to Minnesota Laws 1985, First Special Session, Chapter 10, Sec. 2 is authorized to make payment of appropriated F.Y. 1987 funds to the Regional Transit Board.

NOW, THEREFORE, BE IT RESOLVED:

1. That the Regional Transit Board authorizes its Executive Director to enter into agreement with the Department of Transportation for the transfer of funds to the Regional Transit Board to cover contractual obligations made in the metropolitan area by the Regional Transit Board for F.Y. 1987 under Minnesota Statute 473.384, 473.386 and 473.388 and for the Regional Transit Board administrative budget under State of Minnesota Contract No. 63613.
2. That the total payments to the RTB under this contract agreement will equal \$19,143,200.00.

Adopted this 7th day of July, 1986.

Elliott Perovich, Chairman

Mary Fitzgerald, Secretary

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: July 1, 1986
TO: Regional Transit Board
SUBJECT: Metro Mobility Implementation Plan, Legal Opinion by
Holmes and Graven

At the board meeting on July 7, Timothy Marx of Holmes and Graven will present a legal opinion on the Metro Mobility Implementation Plan adopted by the Regional Transit Board and its compliance with the State's Human Rights Act. The opinion will be mailed by Holmes and Graven directly to you.

Mark Ryan
Project Administrator

HOLMES & GRAVEN

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July 3, 1986

Mr. Ghaleb Abdul-Rahman
Executive Director
Regional Transit Board
270 Metro Square Building
St. Paul, Minnesota 55101

Re: Legal Opinion No. 9
Compliance of the RTB Metro Mobility Implementation Plan with the
Minnesota Human Rights Act

Dear Mr. Abdul-Rahman:

You have asked our office to render an opinion concerning whether the Metro Mobility Implementation Plan (MMIP) adopted by the Regional Transit Board (RTB) on June 16, 1986, is in compliance with the public transit provisions of the Minnesota Human Rights Act (HRA) Minnesota Statutes, Chapter 363, specifically Minn. Stat. §363.04, subd. 4 par. 2 (1984), relating to public transit services.

This opinion letter is divided into four sections. The first is a review of the MMIP as it relates to the HRA. The second is a review and analysis of the HRA as it relates to public transit services. The third section sets forth our analysis concerning the compliance of the MMIP with the HRA. The fourth section sets forth our conclusion.

I THE METRO MOBILITY IMPLEMENTATION PLAN

On June 16, 1986, the RTB adopted a MMIP that will be effective beginning October, 1986. For the purposes of our opinion, we note the following characteristics of the MMIP:

1. Geographic Service Area. Currently, Metro Mobility service is provided to eligible persons in the two central cities, Minneapolis and St. Paul, and selected suburbs that are close to the central cities. See Regional Transit

Board, "Phase I Report Transit Service Needs Assessment" (March 1986) p. 36 ("Transit Service Needs Assessment"). As a part of the MMIP, Metro Mobility service will be expanded in two phases beginning in January, 1987. By January, 1988 Metro Mobility services will be provided to eligible persons in the entire transit taxing district as defined in Minn. Stat. §473.446, subd. 2 (1984). According to RTB staff, the phase-in of Metro Mobility service to other geographic areas not currently provided service was planned so that areas with relatively high populations of elderly persons, relatively high populations of handicapped persons, and those areas that are projected to have significant population increases receive priority for expanded service. The service expansion phase-in plan also considered the existence of current transportation services available for elderly and handicapped persons and the desirability of the service expansion to follow a continuous geographic pattern.

2. Hours of Operation. Under the MMIP Metro Mobility service will be available Monday through Friday from 6:00 AM to 11:00 PM, and on Saturdays and Sundays from 8:00 AM to 11:00 PM in the current Metro Mobility service area. In the areas to which Metro Mobility service will be expanded, the service hours will be from 6:00 AM to 6:00 PM Monday through Friday and from 8:00 AM to 6:00 PM on weekends and holidays.

Regular route bus service is available during varying hours in the transit taxing district depending on the route. In some areas, service is available between 6:00 AM and 8:00 PM. In the central cities, service is available from 5:00 AM to 1:00 AM.

3. Fares and Charges. Currently, Metro Mobility users are charged sixty cents (\$.60) for service during non-peak hours and seventy-five cents (\$.75) during peak hours. There is a fifteen cent (\$.15) transfer charge. These fares are identical to those charged for users of regular route bus service for a trip within one zone, except that regular route users are not charged for transfers. The fares for regular route service vary from sixty cents (\$.60) for local, off peak service within one zone to \$1.25 for peak, express service covering fare zones. Regular route fares currently pay, on average, approximately thirty-five percent (35%) of the cost of providing that service. The average trip length for a person using regular route service is 3.8 miles.

Under the MMIP, the base Metro Mobility fare will be \$1.25 for a trip of up to eight (8) miles. This will represent thirteen percent (13%) of the estimated total cost of providing Metro Mobility service. Currently, the average trip length for a Metro Mobility ride is 5.2 miles. For trips that exceed eight (8) miles, Metro Mobility providers will be allowed to charge "reasonable" additional amounts subject to limits set by the RTB, which will be negotiated with the RTB in its service contracts with providers. In addition, the MMIP establishes a hardship policy to assist users who will experience financial hardship because of the charges for miles travelled beyond eight (8) miles. Persons eligible for general assistance will be eligible for assistance under the Metro Mobility hardship policy.

Metro Mobility users will also be charged an annual fee of ten dollars (\$10) to be certified or registered as eligible to use Metro Mobility service. In addition, if Metro Mobility users would like to make a standing request for

Metro Mobility service that will automatically be placed with the provider at pre-arranged set times, they will be charged ten dollars (\$10) for the initial standing request and five dollars (\$5) for each change to the request.

4. Response Time. The MMIP calls for the allocation of a dollar amount of subsidy to be provided for Metro Mobility trips each day. As trips are scheduled, the daily allocation will be reduced accordingly. Once the daily allocation has been met, no additional trips will be authorized. Metro Mobility riders can request service by calling the provider of their choice the day before service is desired between the hours of 6:00 AM and 2:30 PM on weekdays and between 8:00 AM and 2:30 PM on weekends and holidays. Trip requests will be granted on a first come, first served basis. Therefore, until the daily subsidy has been allocated, Metro Mobility users can expect to be able to request service the day before service is desired.
5. Additional Trips. Under the current Metro Mobility program, a total of approximately 542,000 one-way trips are provided per year. RTB staff estimate that, as a result of the increased Metro Mobility fares and the establishment of user charges, the number of Metro Mobility trips provided per year will increase by 121,343 to 663,343.
6. Trip Purpose Restrictions. Under the MMIP no restrictions will be imposed on the purpose of the trips for which Metro Mobility service will be provided.

II THE MINNESOTA HUMAN RIGHTS ACT

Minnesota Statutes, Chapter 363 is the Minnesota Human Rights Act (HRA). The HRA makes it illegal for public and private individuals and entities to engage in various "unfair discriminatory practices." Minn. Stat. §363.03 (1984). Persons who allegedly have been a victim of an unfair discriminatory practice may bring a civil action in district court or file a charge with the Commissioner of the Minnesota Human Rights Department. Minn. Stat. §363.06, subd. 1 (1984). Actions before the district court are heard and determined by a judge sitting without a jury. Minn. Stat. §363.14, subd. 2 (1984). Complaints brought to the Commissioner of Human Rights are investigated by the Commissioner who then makes a determination whether there is probable cause that an unfair discriminatory practice has occurred. Minn. Stat. §363.06, subd. 4 (1984). If probable cause is found, the Commissioner issues a complaint and a hearing is conducted before a hearing examiner. Minn. Stat. §363.071, subd. 1 (1985 Supp.). The hearing examiner or the judge will determine whether a discriminatory practice has taken place and will issue an order directing the violator to cease and desist from engaging in the unfair discriminatory practice and take affirmative action to prevent further occurrences. Minn. Stat. §363.071, subd. 2 (1984) and §363.14, subd. 2 (1984). A civil penalty, payable to the state, will also be imposed if there is a violation. Id. Compensatory and punitive damages may also be ordered to be paid to the aggrieved party. Id. However, the total punitive damages that may be imposed against a political subdivision is six thousand dollars (\$6,000) and no member of the governing body of the political subdivision is personally liable for the payment of punitive damages. Id.

The provision of the HRA that is directly applicable to the MMIP is Minn. Stat. §363.03, subd. 4, par. (2) (1984), which makes it an unfair discriminatory practice:

For public transit services to discriminate in the access to, full utilization of, or benefit from service because of a person's disability. Public transit services may use any of a variety of methods to provide transportation for disabled people, provided that persons who are disabled are offered transportation that, in relation to the transportation offered nondisabled persons, is:

- (a) in a similar geographic area of operation. To the extent that the transportation provided disabled people is not provided in the same geographic area of operation as that provided nondisabled people, priority must be given to those areas which contain the largest percent of disabled riders. A public transit service may not fail to provide transportation to disabled persons in a geographic area for which it provides service to nondisabled persons if doing so will exclude a sizeable portion of the disabled ridership;
- (b) during similar hours of operation;
- (c) for comparable fares;
- (d) with similar or no restrictions as to trip purpose; and
- (e) with reasonable response time.

Public transit services must meet these five criteria for the provision of transit services within three years of the effective date of this section. (Emphasis added.)

This provision of the HRA was enacted in 1983 as a part of 1983 Minnesota Laws, Chapter 276, which became effective on June 7, 1983. Therefore, public transit services were to meet the five criteria listed above by June 7, 1986.

The public transit provisions of the HRA state specifically the criteria which public transit systems are to meet but do not provide specific guidelines to determine whether those criteria are met. The HRA provides that "in relation to transportation offered nondisabled persons" the transit service offered to disabled persons must be "similar", "comparable", and "reasonable." To determine the intent of the Legislature in using such terms as "similar" and "comparable" the legislative history and the policies sought to be advanced by the HRA must be analyzed. To assist in determining the legislative intent and policy of the public transit provisions of the HRA the following will be considered: (A) The statutory language and legislative history of the relevant provisions of the HRA; (B) related federal law; (C) the laws of selected other states on this issue.

A. Legislative Language and History. The public transit provisions of the HRA were introduced by Senator Spear (S.F. 529) and Representative Greenfield (H.F. 668) as a part of a number of proposed changes to the HRA during the 1983 Legislative session. The language as originally introduced in both the House and the Senate is the same as that enacted into law. Hearings on the legislation were conducted before the Civil Law Subcommittee of the Senate Judiciary Committee on March 16, 1983 and March 23, 1983. The full Senate Judiciary Committee heard the bill on March 29, 1983. The House Judiciary Committee conducted a hearing on the bill on April 18, 1983. Legislative hearings are taped and kept on file by the Legislative Reference Library in the State Office Building in St. Paul. The

materials that constitute legislative history are used by courts "to determine what the legislature intended by the language it used." Stearns - Hotzfield v. Farmers Ins. Exchange, 360 N.W.2d 384, 389 (Minn. App. 1985).

The public transit provisions of the HRA were discussed only cursorily during the House Judiciary Committee hearing, but a review of the tapes from the Senate hearings offer several insights. In summarizing the public transit provisions before the Senate Judiciary Subcommittee on Civil Law Senator Spear, the chief author of the bill, offered the following comments:

1. Handicapped accessibility of main line bus service is not required.
2. The legislation does not require the same accomodations, the same level of service, the same routes, or the same hours, because that would be too costly. Similarity is what is required. A decision how to make the service similar is left to the providers of public transit.

During the hearing before the full Senate Judiciary Committee Senator Spear stated that a great deal of flexibility was provided to public agencies in meeting the public transit criteria because he recognized that modifications could be very costly. He reiterated that, "transportation services for the disabled and non-disabled need not be the same, that the legislation contained a standard of similarity".

The comments of Senator Spear are borne out by the statutory language. By using the somewhat vague language of "comparable", "reasonable", and "similar" in relation to the five public transit criteria established by the HRA, the Legislature is giving a great deal of discretion and flexibility to providers of public transit to determine for their communities how the criteria should be met. If the Legislature had intended to be more specific, it would have used words such as "same" or "identical" in describing the criteria, or it would have set more specific standards. The transit service offered under the MMIP, then, must not be the "same" or "identical" to that offered to nondisabled persons, but may, within the reasonable discretion of the RTB, be something more or less than the service offered to nondisabled persons.

B. Federal Law. In the last several years there have been federal statutes, regulations, and cases relating to public transportation service for disabled persons. Although federal law cannot provide a definitive interpretation of the HRA, Minnesota courts have looked to principals developed under federal law in interpreting provisions of the HRA. Contintental Can Company, Inc. v. State, 297 N.W. 2d 241, 246 (Minn. 1980); Danz v. Jones, 263 N.W.2d 395, 398-399 (Minn. 1978).

There are several federal statutes that relate directly to the provision of transit services to the handicapped. They include:

1. Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), ("Section 504") which prohibits handicapped persons from being "excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving capital or federal financial assistance. . ."

2. Section 16 of the Urban Mass Transportation Act of 1964 as amended (49 U.S.C. 1612(a) ("Section 16"), which declares it national policy that the elderly and handicapped persons have the same right as other persons to utilize mass transportation facilities and services. It requires that "special efforts" be made in the planning and design of mass transportation facilities to be available to elderly and handicapped persons.
3. Section 317(c) of the Surface Transportation Assistance Act of 1982 (49 U.S.C. 1612(d)) ("Section 317(c)") under which the Secretary of Transportation is required to adopt regulations that establish minimum criteria for the provision of transportation services to handicapped individuals that must be complied with by programs that receive federal financial assistance. The Act, which was adopted in 1983, requires that the regulations monitor recipients' compliance with the criteria established by the regulations.

The regulations promulgated under the authority of these statutes and their case law interpretations are instructive. One of the first cases involving interpretation of the federal statutes arose out of a challenge to the purchase by the MTC of buses that were not equipped to transport passengers confined to wheelchairs. The MTC, as a part of the same purchase, was ordering ten (10) small buses that were equipped to transport handicapped persons confined to wheelchairs. The federal district court, in United Handicapped Federation v. Andre, 408 F.Supp. 1297 (D. Minn. 1976), rejected the claim that all MTC buses had to be equipped to transport passengers confined to wheelchairs. The court determined that under Section 16 "special efforts" were being made by the MTC to provide transportation services because ten small buses equipped to transport handicapped persons confined to wheelchairs were being purchased. The court also determined that Section 504 was not violated because the MTC was not discriminating against handicap persons. It reasoned that Section 504 only prohibits discrimination--it does not require affirmative action to ensure accessibility. The court also rejected the claims that the constitutional rights of the plaintiffs to equal protection of the laws and the right of travel were violated.

While this case was on appeal, the Urban Mass Transit Administration (UMTA) promulgated regulations under Section 504 which became effective on May 31, 1976. On the basis of these regulations, the Circuit Court in United Handicapped Federation v. Andre, 558 F. 2d 413 (8th Cir. 1977) returned the case to district court for further proceedings consistent with the regulations. The regulations required that "special efforts" take place in planning mass transportation facilities so that they can be utilized by elderly and handicapped persons, but full accessibility of fixed route, main-line service was not required.

The major issues in the suit against the MTC were eventually settled out of court after the MTC adopted Resolution 77-115 which called for effective transportation service to be provided to the handicapped with one hundred percent (100%) availability being reached in February, 1981. See United Handicapped Federation v. Andre, 489 F.Supp. 1040, 1045-1046 (D. Minn. 1980).

The history of federal law in this area subsequent to the MTC case and up to the present can be summarized as follows:

1. As mentioned, in 1976 regulations were adopted to implement Section 504 and Section 16. These regulations required state and local governments to

make "special efforts" in planning public transit systems for use by the elderly and handicapped. Approval of federal grants was conditional upon these special efforts being undertaken. Accessibility of fixed-route, main-line transit was not required. Local governments were allowed to choose a plan that fit local needs. See American Public Transit Association v. Lewis, 655 F.2d 1272, 1275 (D.C. Cir. 1981.)

2. In 1979, the Department of Transportation issued a second set of regulations in order to implement an executive order and guidelines issued by the Department of Health, Education, and Welfare. These new regulations superseded the 1976 regulations. See Lloyd v. Illinois Regional Transportation Authority, 548 F. Supp. 575, 580 (N.D. Illinois, 1982). The 1979 regulations required handicapped accessibility for main-line bus systems. Buses purchased after July 2, 1979 were to have wheelchair lifts, and within ten years fifty percent (50%) of the buses in any system were to be accessible to the handicapped. See 44 Fed. Reg. 31, 442 (1979); American Public Transit Association v. Lewis, 655 F.2d 1272, 1276-1277 (D.C. Cir. 1981).
3. The 1979 regulations concerning accessibility, however, were struck down as exceeding the statutory authority granted by Section 504. American Public Transit Association v. Lewis, *supra*.
4. In response to American Public Transit Association v. Lewis, and a policy review at the federal level, the Department of Transportation adopted an interim final rule "as a temporary measure to remain in effect until a permanent regulation could be adopted." 48 Fed. Reg. 40,684 (1983). The interim final rule required certification that "special efforts are being made in their service area to provide transportation that handicapped persons including wheelchair users and semi-ambulatory persons, can use." 49 C.F.R. §27.77(a).
5. In 1983, as previously mentioned, Congress adopted Section 317(c) which required the Secretary of Transportation to promulgate regulations establishing "minimum criteria for the provision of transportation services to handicapped and elderly individuals for recipients of federal financial assistance . . ." 49 U.S.C. 1612(d). Pursuant to Section 317(c), the Department of Transportation issued a notice of proposed rule making on September 8, 1983, 48 Fed. Reg. 40,684 (1983), and issued final rules that became effective June 23, 1986 on May 23, 1986. 51 Fed. Reg. 18,994 (1986).

The recently adopted federal regulations merit close analysis. They establish standards and criteria for the provision of transit services to the handicapped and disabled that are very similar to those established by the HRA.

The new rules provide that recipients of financial assistance from the Urban Mass Transit Administration (UMTA) must provide transportation service to handicapped persons either through a special service system such as Metro Mobility or by making buses accessible to the handicapped. Under each method, certain criteria must be met. The criteria for special services such as Metro Mobility are as follows:

1. Eligibility. All persons who, by reason of handicap, are physically unable to use the recipient's bus service for the general public shall be eligible to use the recipient's special service.
2. Response Time. The recipient shall ensure that services provided to a handicapped person who requests it within 24 hours of the request.
3. Restrictions or Priorities Based on Trip Purpose. The recipient shall not impose priorities or restrictions based on trip purpose or users of the special service.
4. Fares. The fare for a trip charged to a user of the special service system shall be comparable to the fare for a trip of similar length, at a similar time of day, charged to a user of the recipient's bus service for the general public.
5. Hours and Days of Service. The special service shall be available throughout the same hours of days as the recipient's bus service for the general public.
6. Service Area. The special services shall be available throughout the circumferential service area in which the recipient provides bus service (exclusive of extended express or commuter bus service) to the general public. The recipient shall also ensure that service to points outside the service area served by the recipient's extended express or commuter bus service shall be available to handicapped persons.
51 Fed. Reg. 19,020 (1986) to be codified at 49 C.F.R. §27.95(b).

Another provision in the new regulations provides that a recipient is required to spend no more than three percent (3%) of its total annual average operating costs over three years for the provision of transportation services to the handicapped "even if, as a result, the recipient cannot provide service to handicapped persons that fully meets the service criteria" specified above. 51 Fed. Reg. 19,020 (1986) to be codified at 49 C.F.R. §27.97.

The Department of Transportation provided extensive background material that sets forth its rationale for and provides guidance in interpreting the criteria in the new rules. In promulgating the rules the department stated, ". . . that the minimum criteria required by this statute [Section 317(c)] do not have to result in service for handicapped persons that is the same as or comparable to that provided to the general public. However, it is not reasonable to read the statute as saying that the Department is prohibited from establishing criteria that, to some degree, approach having that effect. . ." 51 Fed. Reg. 18, 997 (1986). The Department's philosophy, then, in establishing the rules was to require transit systems for the handicapped to approach comparability with transit systems provided for the general public.

What follows are the highlights of the background material provided by the Department concerning the criteria in the new rules that are similar to those in the HRA:

1. Response Time. In its proposed rules, the Department suggested a criterion that would have required handicapped persons to wait for service for no more than a "reasonable time." 51 Fed. Reg. 19,006 (1986). The Department

explained that it imposed the more specific 24 hour maximum wait requirement in the final rules because it would be easier to understand and enforce. The Department noted that "In a special service system, 24 hours seems a reasonable time for providers to schedule and package trips in an efficient manner." 51 Fed. Reg. 19,007 (1986).

In the Appendix to the rules the Department states that it intends to administer a 24 hour response time requirement with reasonable administrative flexibility. The 24 hour criterion means that service should be provided when a request has been made within a "reasonable time on the previous business day." 51 Fed. Reg. 19,027 (1986).

2. Restrictions or Priorities Based on Trip Purpose. The Appendix to the rules provides that the intent of this criterion is to prohibit providers from putting priorities on those trips that will be provided but not to prohibit subscription services for work or for medical purposes. 51 Fed. Reg. 19,027 (1986).
3. Fares. In promulgating the "comparable fare" criterion the Department stated that:

This approach recognizes the need to keep service fares within reasonable bounds, compared to regular transit fares. It also recognizes, however, that special service is different from bus service in a number of respects, including convenience of service and cost. Recipients should not have to charge exactly the same prices for different services. . . " 51 Fed. Reg. 19,007 (1986).

In the Appendix to the rules, the Department states the following:

The fare charged for a trip to a user of the special service is required to be comparable to a trip of similar length, at a similar time of day, on the recipient's bus system. . .

The key to determining an appropriate fare for the special service trip would be to calculate the cost of a similar trip on the regular bus system that the individual would take to get from his origin to his destination if he or she were not handicapped, including the cost of transfers, . . . etc. . .

Determining comparability between the bus fare for a similar trip and the special service fare is not an exact science. Decisions must be made on a case-by-case basis, taking into account such factors as the relative costs of providing the service, the time and convenience factors affecting users, and the Departments' policy against pricing service out of the reach of users. It is likely, for example, that \$1.50 fare for special service would not be out of line, compared to a basic 80 cent fare for a similar bus trip, in most cases. At the other end of the scale, charging a special service user \$20 for the same trip would be far removed from 'comparability,' . . .

While determinations are case-by-case, it is likely that UMTA would question fare levels that rose above two or three times the bus fare for a similar trip at a similar time of day . . .
51 Fed. Reg. 19,027 (1986).

4. Hours and Days of Service. In setting forth this criterion, the Department indicated that it seriously considered eliminating or modifying it because of cost considerations. It retained it because of the limit on the expenditures that agencies are required to make to meet all of the criteria. The Department noted that this was one of the criteria that is subject to "trade-off" in a situation where all of the service criteria cannot be met without exceeding the expenditure limit." 51 Fed. Reg. 19,027 (1986).
5. Service Area. In establishing this specific criterion, the Department also noted that it is subject to "trade-off" if all criterion could not be met within the expenditure limit. In addition, the department made clear that the service is to be provided "throughout" the areas in which regular bus services is provided. 51 Fed. Reg. 19,028-29 (1986).

The principal comparison that can be made between the federal regulations and the HRA is that each set of requirements provide a great deal of flexibility to providers of transit. However, the federal rules and the HRA provide that flexibility by two different means. In general, the federal criteria are more specific than the HRA criteria. Under the federal rules, the response time must be twenty-four (24) hours, the service area must be the same as that for general bus transportation, and the hours and days of service must be the same, while the HRA criteria are, respectively, "reasonable", "similar", and "comparable." However, the federal rules also set a maximum on the amount of funds which a provider must use to provide transportation services to the handicapped. If the criteria cannot be met within the funding limitation, the compliance with criteria will be enforced more flexibly. The HRA, on the other hand, uses the statutory language itself to provide the flexibility to transit providers. In setting its fare criteria, however, both the federal rules and the HRA provide flexibility in the language used with the term "comparable." Although the federal rules do provide some rather specific guidelines concerning the meaning of "comparable", it is made clear that each situation will be handled on a case-by-case basis.

C. Other States. Our research has found no case in which there was a dispute involving a statute with specific public transportation criteria similar to those in the HRA. However, the New York Human Rights Law, which prohibits discrimination against disabled persons in places of public accommodation, has been held to prohibit discrimination, but not to require affirmative action to equip buses so that they were accessible to persons who used wheelchairs. Eastern Paralyzed Veterans Association, Inc. v. Metropolitan Transportation Authority, 433 N.Y.S.2d 461 (App. Div. 1980), appeal dismissed, 437 N.Y.S.2d 305. (Ct. of App. 1981) In a California case, a group of elderly and disabled persons brought an action to prohibit funds under California's Transportation Development Act to be disbursed to certain local units of government that had allegedly not done enough to provide transportation service to the elderly and handicapped. The dispute was based upon legislative findings that transportation was an essential public service and should be operated so that the handicapped and elderly could freely utilize those services. The dispute was eventually settled out of court after the governmental units involved implemented systems to establish transit systems for the elderly and the handicapped. Folsom v. Butte County Association of Governments, 652 P.2d 437 (Cal. 1982).

III MMIP COMPLIANCE WITH THE HRA

Based upon the facts and legal background set forth above, the compliance of the MMIP with the HRA can be considered. It should be noted at the outset that the focus of comparison under the HRA is the transportation provided to nondisabled persons. Therefore, the regular route transit service provided principally by the MTC in the metropolitan area will be compared with the MMIP. In addition, unlike the federal criteria, there are no trade-offs available. Each of the criteria established by the HRA must be met. Therefore, the compliance of the MMIP with each of the five criteria established by the HRA will be analyzed.

1. Similar Geographic Area. The first criterion in the HRA requires that public transit services" be provided in a "similar geographic area of operation" to the transportation offered to nondisabled persons. The statute goes on, however, to provide guidelines if services are not provided in the "same" geographic area of operation. If the geographic area of operation is not the same, "priority must be given to those areas which contain the largest percent of disabled riders." The discretion granted in setting priorities, however, is limited in that "a public transit service may not fail to provide transportation to disabled persons in a geographic area which provides service to nondisabled persons if doing so will exclude a sizeable portion of the disabled ridership." Minn. Stat. §363.03, subd. 4, par. (2) and 2(a) (1984).

To determine whether the MMIP is in compliance with this criterion, it must be determined what geographic area serves as a point of reference. That is, what is the geographic area within which the public transit services provided to the disabled must be "similar." Various transportation services are offered throughout the seven-county metropolitan area as defined in Minn. Stat. §473.121, subd. 2 (1984). However, it must be determined whether these services are "public transit" services within the meaning of the HRA. The HRA itself does not define "public transit" services. However, Minnesota Statutes, Chapter 473, the metropolitan governance chapter, which contains the authorizing legislation of the RTB and the MTC, does contain a definition. Minn. Stat. §473.121, subd. 19 (1984) defines "public transit' or 'transit' to have the meaning given in section 174.22, subd. 7." Minn. Stat. §174.22, subd. 7 (1984) provides as follows:

'Public transit' or 'transit' means general or specific transportation service provided to the public on a regular and continuing basis. 'Public transit' or 'transit' includes paratransit and regular route transit."

The definitions of "paratransit" and "regular route transit" provided in Minnesota Statutes, Chapter 174 are also incorporated by reference into the metropolitan governance chapter. Minn. Stat. §473.121, subd. 18 (1984) and subd. 20(a) (1984). Minn. Stat. §174.22, subd. 6 (1984) provides that:

'Paratransit' means the transportation of passengers by motor vehicle or other means of conveyance by persons operating on a regular and continuing basis and the transportation or delivery of packages in conjunction with an operation having the transportation of passengers as its primary and predominant purpose and activity, but excluding regular route transit. 'Paratransit' includes transportation by car pool and commuter van, point deviation and route deviation services, shared-ride taxi service, dial-a-ride service, and other similar services.

Minn. Stat. §174.22, subd. 8 (1984) provides that:

'Regular route transit' means transportation of passengers for hire by a motor vehicle or other means of conveyance by any person operating on a regular and continuing basis as a common carrier on fixed routes and schedules. 'Regular route transit' does not include transportation of children to or from school or of passengers between a common carrier terminal station and a hotel or motel, transportation by common carrier, railroad or common carrier, railroads or by taxi, transportation furnished by a person solely for that person's employees or customers, or paratransit.

On the basis of these statutes, then, "public transit" includes a wide variety of transit services. The public transit services offered within the metropolitan area are detailed in the "Transit Service Needs Assessment", pp. 19-44. Although most of the regular route bus services are centered in Minneapolis and St. Paul and other areas within the transit taxing district as defined in Minn. Stat. §473.446, subd. 2 (1984), there are, for example, park and ride lots in such areas as Watertown, Lakeville, Stillwater, Lakeland, Columbus, and East Bethel, all of which are outside of the transit taxing district. See "Transit Service Needs Assessment," p. 30. In addition, there are several county and community programs that offer paratransit services in the fringe areas of the metropolitan area. See "Transit Service Needs Assessment," p. 42. Therefore, there are "public transit" services offered to nondisabled people to some extent in almost all areas of the metropolitan area.

In addition, the authorizing legislation of the RTB requires that the RTB "implement a project to coordinate special transportation services in the metropolitan area" an objective of which is "to provide greater access to transportation for the elderly, handicapped, and others with special transportation needs in the metropolitan area." (Emphasis added). Minn. Stat. §473.386, subd. 1 (1984). It is also the power of the RTB to "coordinate transit operations within the metropolitan area . . ." Minn. Stat. §473.377, subd. 14 (1984).

It should be noted that the new federal rules would likely not require the entire metropolitan area to be the geographic frame of reference. The Appendix to the new rules states that the area in which service must be offered to the handicapped would include the area in which "regular bus routes operate." The Appendix goes on to state that the service area "need not encompass extended commuter or express bus routes." 51 Fed. Reg. 19,027-28 (1986).

We are of the opinion that the broad definition of "public transit" provided in Minnesota law and the broad duty and power of the RTB to coordinate transportation services for the elderly and handicapped in the entire metropolitan area, requires that the metropolitan area be the geographic frame of reference for purposes of the public transit provisions of the HRA.

This does not mean, however, that Metro Mobility-like service must be provided throughout the entire metropolitan area. The HRA requires that public transit service offered to disabled people be similar, based upon the statutory criteria, to that offered to nondisabled persons. The public transit services offered in many areas of the metropolitan area are not as intense or extensive as the regular route bus services offered in the central cities and other areas of the transit taxing district. Therefore, Metro Mobility service need only be available in areas where

services similar to Metro Mobility are available to nondisabled persons. The obvious analogy to Metro Mobility service for nondisabled persons is the regular route bus service provided by the MTC and other providers. This service is provided exclusively to areas included within the transit taxing district. See "Transit Service Needs Assessment," "Twin Cities Area Transit System," attachment.

The current Metro Mobility service area includes the geographic area offered the most intense regular route services. See "Transit Service Needs Assessment," "Twin Cities Area Transit System Map," attachment. This service area also includes those portions of the metropolitan area with the densest population of handicapped persons. According to 1980 census data, there are currently only two communities within the metropolitan area that have a handicapped person population of over seventy-five (75) persons per square mile in which Metro Mobility service is not available. These communities are Osseo and Excelsior. There are two additional communities--Cottonwood and Spring Park--that have handicapped density populations of fifty-one (51) to seventy-five (75) persons per square mile that are excluded from current Metro Mobility service. Other communities in the Lake Minnetonka area, and Anoka, Lexington, White Bear Lake, Stillwater, St. Bonifacius, Mayer, Young America, and New Germany have handicapped populations of from twenty-six (26) to fifty (50) persons per square mile and are not currently offered Metro Mobility service. See "Transit Service Needs Assessment," p. 36, 87.

Under the MMIP, Metro Mobility service will be expanded in two phases so that it will be offered in the entire transit taxing district beginning in January, 1988. Under the MMIP, all communities with a handicapped population density of over fifty (50) persons per square mile will be offered Metro Mobility service, and only four communities -- St. Bonifacius, Mayer, New Germany, and Young America -- that have handicapped populations between twenty-six (26) and fifty (50) persons per square mile will not have Metro Mobility service available under the MMIP. See "Transit Service Needs Assessment," p. 87.

Therefore, because the MMIP calls for the provision of Metro Mobility service to all areas within the metropolitan area to which extensive regular route bus transit is provided and because the expansion of the Metro Mobility service area will exclude very few communities that exhibit any handicap population density at all, it is our opinion that the MMIP will be offering transportation service to the disabled in a "similar geographic area of operation" to that offered nondisabled people and will not "exclude a sizeable portion of the disabled ridership" within the meaning of the HRA.

2. Similar Hours of Operation. The HRA requires that public transit services available to disabled people be provided during "similar hours of operation" to the transit services offered to nondisabled people. There is very little variance between the hours of operation that are planned under the MMIP and those available through regular route bus service. In the central cities, service is available on many routes for twenty (20) hours a day. In the current Metro Mobility service area, service will be available for seventeen (17) hours during the weekdays. On weekends regular route service in the central cities operates for nineteen (19) hours while Metro Mobility will operate for fifteen (15) hours in the current service area. In the areas to which Metro Mobility service will be expanded, service will be available for twelve (12) hours on weekdays and for ten

(10) hours on weekends and holidays. Regular route MTC service operates during various hours in areas outside of the central cities.

According to RTB staff, the hours of service in the MMIP were established under the assumption that greatly expanded Metro Mobility service hours would not result in corresponding increases in demand for service. This potential gap between service availability and demand, it was reasoned, could have discouraged some providers from agreeing to provide Metro Mobility service.

Because there is little disparity in the hours of operation between regular route bus service and that to be offered by Metro Mobility under the MMIP, we are of the opinion that the hours of operation planned under the MMIP are "similar" to those offered nondisabled persons within the meaning of the HRA.

3. Comparable Fares. The HRA requires public transit services for disabled persons to have "comparable fares" to public transit services offered nondisabled persons. The fares charged by the MTC for its regular route service are those which are most closely analogous to the fares and charges that are to be established under the MMIP. The MTC fares, then, should serve as the standard of comparison under the HRA.

Under the MMIP there will be three types of fees that will be charged to users of the service. First, there will be the basic Metro Mobility fare of \$1.25 for a trip of up to eight (8) miles. Second, there will be a ten dollar (\$10) annual certification fee to certify persons as eligible to use Metro Mobility. Third, there will be a ten dollar (\$10) charge for a pre-arranged, standing request and a five dollar (\$5) charge for each change to that request.

The first issue to be addressed is what constitutes "fares" for the sake of comparison under the HRA. It seems clear that the basic \$1.25 charge for eight miles of transportation services is a fare under the HRA. It is less clear whether the certification fee and the standing request fees are "fares" for the purposes of the HRA.

The certification fee is, in effect, an access charge to use Metro Mobility service. Under Minn. Stat. §473.386, subd. 3(a) (1984) the RTB is to determine eligibility criteria for the use of special transportation services such as Metro Mobility. According to RTB staff, the purpose of the access or certification fee is to defray the cost of providing such certification so that more resources can be available to provide additional Metro Mobility trips. The same rationale applies to the standing request fees.

In spite of these rationale, when the Legislature uses the term "fares" it likely meant all charges assessed against disabled people for the provision of transportation services. In fact, the certification fee and the standing request fees can be viewed as a part of the fare structure under the MMIP. In addition, the federal rules refer to "cost" as a measure and include "zone change charges, express bus fares, etc." within the meaning of cost. 51 Fed. Reg. 19,027 (1986). It is also appropriate to look at the total cost because of the potential for a provider to reduce regular fares by gaining revenue through access, standing requests, and other charges. Therefore, we are of the opinion that the certification fee and the standing request fees must be calculated in determining whether or not fares for disabled and nondisabled persons are "comparable" within the meaning of the HRA.

It should be noted that the cost per ride of the certification and standing request fees will decrease as the number of rides increases. For example, an individual who pays a ten dollar (\$10) certification fee and a ten dollar (\$10) standing request fee will have an additional two dollar (\$2) per ride cost if ten (10) rides are taken per year, an additional twenty cents (\$.20) per ride if one-hundred (100) rides are taken per year, and an additional ten cents (\$.10) per ride if two-hundred (200) trips are taken per year. According to RTB staff, currently there are approximately 6,500 "active" Metro Mobility users. The estimated number of one-way trips provided per year totals approximately 542,000. This means that an active Metro Mobility user takes an average eighty-three (83) trips per year. The charge per ride from the additional fees is, therefore, twenty-five cents (\$.25) for this active Metro Mobility user, which brings the total per ride fare or charge to \$1.50.

There are several differences between the charges and type of service offered by the MTC regular route service and service that will be offered under the MMIP to handicapped persons. These differences can be summarized as follows:

- a. Fares. The basic Metro Mobility fare is \$1.25 for eight (8) miles with an additional certification of ten dollars (\$10) and a standing request fee of ten dollars (\$10) with a five dollar (\$5) charge for any changes. The MTC basic fare varies from sixty cents (\$.60) to \$1.25 depending on how many travel zones are crossed.
- b. Distance. The basic Metro Mobility fare entitles the user to an eight (8) mile ride. Fares for distances beyond the eight miles will be negotiated with providers in the contracts that are to be negotiated with the RTB and will be, according to the MMIP, "reasonable." The distances that can be travelled with the MTC fare of \$1.25 are much greater than that under Metro Mobility. For example, an individual could travel from Columbia Heights to South St. Paul for a fare of sixty cents (\$.60) or seventy-five cents (\$.75), depending on whether it was peak or off-peak hours. And a person could travel from St. Louis Park to Mahtomedi for amounts varying from \$1.00 to \$1.25.
- c. Type of Service. The MTC regular route service is based upon fixed routes with designated pickup and drop-off points. A user of the MTC service is responsible for being at the pickup point at the time the bus is to arrive. In contrast, Metro Mobility service is demand responsive and provides door-to-door service to users.

Based upon these factors and differences it can be determined whether the fares charged for Metro Mobility are "comparable" to those charged for regular route service within the meaning of the HRA. It is apparent that the intent of the Legislature in adopting the public transit provisions of the HRA was to ensure that disabled persons had transit services available to them that were generally comparable to those offered nondisabled people. The standard appears to be one of reasonableness. The federal rules set forth more specific criteria and give more guidance to help determine what is comparable. They suggest that the factors to be included are "the relative cost of providing the service, the time and convenience factors affecting users, and the Department's policy against pricing service out of reach of users." 51 Fed. Reg. 19,027 (1986). Applying these factors to the differences in fares between Metro Mobility and the MTC regular route service are instructive.

- (i) Relative Cost. RTB staff has estimated that, on average, Metro Mobility service for eight miles will cost a provider \$9.54 per ride. With a \$1.25 fare, the average subsidy per ride provided by the RTB will total \$8.29. Therefore, the Metro Mobility users will be paying thirteen percent (13%) of the cost of the service provided to them. MTC fares, on the average, pay approximately thirty-five percent (35%) of the cost of providing service. Therefore, users of the MTC system pay far more of the cost of the service they use than will users of the Metro Mobility service under the MMIP.
- (ii) Time and Convenience Factors Affecting Users. Metro Mobility offers much more intensive service than does MTC regular route service. It is a door-to-door service that a user can call on one day and reasonably expect service to be provided on the next day.
- (iii) Affordability. The Appendix to the federal rules states as an example that \$1.50 fare for a special service would not be out of line compared to a basic eighty cent (\$.80) fare for a similar bus trip. It also states that it is unlikely that fares that were no more than two or three times the bus fare for a similar trip at a similar time of the day would be questioned as not comparable. 51 Fed. Reg. 19,027 (1986). Regular route MTC fares vary from sixty cents (\$.60) to \$1.25. Three times these amounts are \$1.80 and \$3.75. Using the "three times" standard in the federal rules, the basic Metro Mobility fare, even including the average cost of the certification and standing request fees per ride, would likely meet this federal standard. In addition, if one of the objectives of the HRA, as it is for the federal rules, is to make sure that the transportation service is affordable to handicapped persons, it should be noted that the MMIP contains a "hardship" policy to assist those for whom the fares for trips longer than eight miles will be a financial hardship.

Based upon these factors, it is our opinion that the fares to be charged under the MMIP are "comparable" to those charged nondisabled persons within the meaning of the HRA. We do, however, wish to note one concern. The total charge to a Metro Mobility user for trips that will extend beyond the eight mile limit remains unknown. The fares that are charged for trips beyond eight miles will also have to be "comparable" with those charged to nondisabled persons. Since we do not now know what those fares will be, we express no opinion concerning their compliance with the HRA.

4. Similar or no restrictions as to trip purpose. Under the MMIP, as with the current Metro Mobility service and as with MTC service, no restrictions will be imposed on trip purpose. Therefore, the MMIP is clearly in compliance with this criterion of the public transit provisions of the HRA.

5. Reasonable Response Time. Under the MMIP, service will be available on the day after a request is made if the daily allocation has not been met. In addition, the MMIP calls for an investigation of the feasibility of same-day service. The response time adopted by the MMIP is consistent with that adopted by the federal rules which provide for a 24 hour response time which will be interpreted to mean "a reasonable time on the previous business day." 51 Fed. Reg. 19,027 (1986). Due to the nature of Metro Mobility service, which requires a great deal of

advance planning and coordination among providers and the Metro Mobility administrative center, a twenty-four (24) hour or "previous day" response time appears reasonable. We are, therefore, of the opinion that the response time planned under the MMIP for Metro Mobility is "reasonable" within the meaning of the HRA.

The amount of financial resources that are allocated to Metro Mobility also merits noting. Although the HRA does not impose a financial criterion, the resources devoted to Metro Mobility demonstrate a commitment to provide service. Under the new federal rules a public provider of transit services is required to spend no more than 3% of its operating costs for transportation services to the handicapped. 51. Fed. Reg. 19,020 (1986) (to be codified at 49 C.F.R. §27.97.) For the current biennium (July 1, 1985 to June 30, 1987) \$11 million or \$5.5 million per year was appropriated by the Legislature for the provision of Metro Mobility service. 1985 Minnesota Laws, 1st Spec. Sess., Chapter 10, Section 2, subd. 5(b). The operating budgets of the MTC and the other private providers of regular route service in the metropolitan area are approximately \$100 million. See Minnesota Department of Transportation, The 1985 Minnesota Transit Report, (January 1986) pp. 25-27. Therefore, the resources allocated for Metro Mobility service per year total approximately 5.5% of the operating budget for regular route service in the metropolitan area, which is significantly higher than what the new federal rules require.

IV CONCLUSION

In conclusion, other than the concern raised concerning the fares to be charged for trips beyond the eight mile limit for Metro Mobility service, we are of the opinion that the MMIP adopted by the RTB on June 16, 1986 is in full compliance with the public transit provisions of the HRA. It will be necessary, of course, for the RTB to monitor closely the providers that will be providing Metro Mobility service to ensure that the MMIP is followed and that compliance with the HRA is maintained.

Sincerely yours,

Holmes & Graven

By


Larry M. Wertheim

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: June 30, 1986

TO: Regional Transit Board

FROM: Ghaleb Abdul-Rahman, Executive Director
Judith Hollander, Director of Planning and Programs
Katherine Turnbull, Planning Manager

SUBJECT: Regional Transit Board Implementation Plan

ACTION REQUESTED:

That the Regional Transit Board approve the revised timeline for completion and submission of the Implementation Plan to the Metropolitan Council and that the board direct staff to transmit, discuss and coordinate this timeline and completion of the Implementation Plan with the Metropolitan Council. The Regional Transit Board further directs staff to communicate this revision to key members of the Legislature.

BACKGROUND:

The purpose of this memorandum is to review the proposed timeline, process and scope for completion of the Regional Transit Board's (RTB) Implementation Plan. As you are aware, the legislation identifies August 1, 1986, as the date for submission of the Implementation Plan to the Metropolitan Council. Due to a number of reasons, this date could not be met. Instead, the proposed timeline identifies November 1, 1986, as the new submission date.

A number of elements have contributed to the need to delay the submission of the RTB's Implementation Plan. These revolve around the timing of other activities that form the basis for key portions of the Implementation Plan and the fact that the Implementation Plan is a major effort of the RTB and needs to be completed in an accurate and high quality fashion. Many of the major elements are dependent on the completion of other activities such as the Transit Service Needs Assessment. The Transit Service Needs Assessment will be completed by August 29, allowing the key elements to be included in the Implementation Plan.

The Implementation Plan requirements include the budget and financial information for projected capital and operating costs. Some of these will depend on the outcome of the Transit Service Needs Assessment, while others will be based on the results of activities currently underway. These activities will not be completed and accepted by the board by the August 1 deadline.

The Implementation Plan, which will outline the RTB's development program and priorities for the next five years, represents a major undertaking and a very important document for the future of transit in the metropolitan area. The major elements of the Implementation Plan, which were reviewed in a March 1986 memorandum, include:

- o Detailed development program;
- o Description of the needs for services;
- o Statement of service objectives, including service areas, markets, changes in existing services, deployment of new services, and distribution and coordination of services;
- o Description of services and facilities planned to meet the needs and service priorities, including a statement of priorities, timing, proposed delivery methods, providers and performance standards; and
- o Schedule of expected levels of public expenditures for both capital and operating, a schedule of expected sources of funds, and a schedule showing the distribution of funds among various services, service areas, markets and providers.

The additional time is needed to insure that all these elements are addressed in an accurate and complete fashion.

The scope of the Implementation Plan will reflect the major elements identified above. The Transit Service Needs Assessment and supporting financial information form the basis for the Implementation Plan. Discussions have been initiated with staff from the Metropolitan Council on the form and approach for the Implementation Plan. These discussions will continue to insure that the Implementation Plan meets the expectations of all parties. One area of concern is that the Implementation Plan is to be based on the council's Transportation Policy Plan. The current Policy Plan is outdated in many respects and the council will be updating it in 1987.

The timeline presented below identifies the major activities, dates and responsibilities for completion of both the Transit Service Needs Assessment and the Implementation Plan. The key dates in the schedule are the completion of the outline of the Implementation Plan and submission to the Metropolitan Council by August 1, the completion of the draft Phase II Transit Service Needs Assessment by August 29, the review and adoption of the Transit Service Needs Assessment by the board by September 30, the completion of the draft Implementation Plan for Board review by October 13, and the adoption and submission of the Implementation Plan to the Metropolitan Council by November 3.

<u>Activity</u>	<u>Date</u>
Memorandum for board on schedule for Implementation Plan, content, and explanation on not meeting August 1 date	June 30, 1986
Adoption of memorandum at board meeting	July 7, 1986

<u>Activity</u>	<u>Date</u>
Transmit board action to Metropolitan Council, Legislature and other interested agencies	July 8, 1986
Conversations and communications with Metropolitan Council on not meeting August 1 date	July 7-25, 1986
Draft outline of Implementation Plan	July 11, 1986
Review of outline with RTB and MC staff	July 14-18, 1986
Present outline to board	July 21, 1986
Transmit outline and letter to MC	August 1, 1986
Transmit board action to Metropolitan Council, Legislature and other interested agencies	August 2, 1986
Draft of Transit Service Needs Assessment-- Phase II final report completed	August 29, 1986
Present, review and adopt Phase II report by RTB	Sept. 1-30, 1986
Draft Implementation Plan for RTB and MC staff review	Sept. 30, 1986
Draft Implementation Plan for RTB review and adoption	Oct. 13-31, 1986
Adoption by board and submission of Implementation Plan to Met Council	November 3, 1986
Transmit board action to Metropolitan Council, Legislature and other interested agencies	November 4, 1986

FINDINGS AND CONCLUSIONS:

- The legislation identifies August 1 as the date for submission of the Implementation Plan to the Metropolitan Council.
- Due to the complexity and timing of activities, such as completion of the Transit Service Needs Assessment, which form the basis for key portions of the Implementation Plan, and the importance of the Implementation Plan being completed in an accurate and complete fashion, this date will not be met.
- The Implementation Plan will be completed and submitted to the Metropolitan Council by November 3, 1986.

RECOMMENDATION:

That the Regional Transit Board approve the revised timeline for completion and submission of the Regional Transit Board Implementation Plan to the Metropolitan Council and that the Board direct staff to transmit, discuss and coordinate this timeline and completion of the Implementation Plan with the Metropolitan Council. The Regional Transit Board further directs staff to communicate this revision with key members of the legislature.

KT:jmo
MF1114

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: July 1, 1986
TO: Regional Transit Board
FROM: Administration and Finance Committee
SUBJECT: Request for Proposal for Consultant Services for
I-394 Timed-Transfer Detailed Service Design

At the Administration and Finance Committee meeting held June 19, 1986, the Administration and Finance Committee moved the following:

RECOMMENDATION

That the Regional Transit Board authorize the executive director to issue a Request for Proposal (RFP) for consultant services for the I-394 Timed-Transfer Detailed Service Design in an amount not to exceed \$50,000.

Paul Joyce
Acting Chair

BRD7/1

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: June 13, 1986
TO: Administration and Finance Committee
FROM: Katherine F. Turnbull, Planning Manager
SUBJECT: Authorization to Issue a Request for Proposal (RFP) for
Consultant Services for the I-394 Timed-Transfer Detailed
Service Design

Action Requested:

That the Administration and Finance Committee authorize the executive director to issue a Request for Proposal (RFP) for consultant services for the I-394 Timed-Transfer Detailed Service Design in an amount not to exceed \$50,000.

Background:

In 1984 the Metropolitan Transit Commission (MTC) initiated a study in conjunction with the Urban Mass Transportation Administration (UMTA) and the Minnesota Department of Transportation (Mn/DOT) to examine transit alternatives for the I-394 Corridor. Alternative bus service concepts were developed and evaluated for the I-394 facility, which includes the first application of High Occupancy Vehicle (HOV) lanes in the state and the Third Avenue Distributor garages.

The "I-394 Bus Service and Facilities Plan" recommended the implementation of a timed-transfer bus service concept for the corridor. The proposed timed-transfer system included the identification of major timed-transfer stations, including two new major facilities along the corridor, and the generalized routes for the corridor.

The recommendations were adopted by the MTC. The Regional Transit Board (RTB) also adopted the recommendations in the spring of 1985. The report and recommendations have formed the basis for subsequent work by the RTB to implement the timed-transfer system. This includes additional work on both the major timed-transfer stations and the implementation of new service.

Analysis:

The "I-394 Bus Service and Facilities Plan" provided the general outline for service parameters for the timed-transfer system and recommended locations for the major fixed facilities. The report did not, however, provide a detailed level of service design. This additional step is necessary before the timed-transfer service can be implemented.

June 13, 1986
Page Two

The purpose of the I-394 Timed-Transfer Detailed Service Design is to conduct the detailed service planning necessary to identify the specific service elements to be implemented in the I-394 corridor. The service design will focus on three major areas. These are: analysis of park-and-ride lot demand in the corridor, identification of the appropriate type of transit services in different parts of the corridor, and the detailed service design for these elements. Transit services to be incorporated into the timed-transfer system include both regular route and paratransit services.

Staff have identified the need for consultant assistance on this project. Expertise in the field of service planning and scheduling are desired. A Request for Proposal (RFP) has been developed. A copy of the draft scope of services section of the RFP is attached. The consultant will work with the RTB and a working group comprised of RTB, MTC, MLL and Mn/DOT staff to complete the outlined tasks.

Findings and Conclusions

- The MTC conducted a major study of transit service alternatives for the I-394 corridor.
- The "I-394 Bus Service and Facilities Plan" recommended the implementation of a timed-transfer system for the I-394 corridor.
- The recommendations from the "I-394 Bus Service and Facilities Plan" were adopted by the MTC and RTB in 1985.
- The RTB has been working with Mn/DOT, the MTC, MLL and communities in the corridor to implement the timed-transfer system.
- The "I-394 Bus Service and Facilities Plan" provided the general service parameters for the timed-transfer system but did not provide the detailed service design necessary to implement the timed-transfer system.
- A Request for Proposal (RFP) has been developed for the I-394 Timed-Transfer Detailed Service Design. Consultant expertise in the field of service planning and scheduling is desired to assist the RTB in developing the specific services to be implemented in the I-394 corridor.

Recommendation

That the Administration and Finance Committee authorize the executive director to issue a Request for Proposal (RFP) for consultant services for the I-394 Timed-Transfer Detailed Service Design in an amount not to exceed \$50,000.

KT:jmo
RFP394-TX2

DRAFT
REQUEST FOR PROPOSAL
for
Consultant Services
on the
I-394 Timed-Transfer Detailed Service Design

I. Introduction

Background

The Regional Transit Board (RTB), which was created by the Minnesota Legislature in 1984, is responsible for transit planning, policy making and administration in the seven-county Twin Cities Metropolitan Area. The RTB works with the Metropolitan Council, Minnesota Department of Transportation, the Metropolitan Transit Commission, other providers and local communities in carrying out these charges.

In 1984 the Metropolitan Transit Commission (MTC) initiated a study in conjunction with the Minnesota Department of Transportation (Mn/DOT) and the Urban Mass Transportation Administration (UMTA) to examine transit alternatives for the I-394 corridor. I-394 is a major highway facility being constructed in the current Highway 12 corridor, which stretches 11 miles from Wayzata to the western boundary of the Minneapolis Central Business District. The final design for I-394 includes the first application of High Occupancy Vehicle (HOV) lanes in the state. The Third Avenue Distributor garages, which are major parking garages with transit facilities, are also an important element of the overall plan.

The limited capacity of the completed I-394 facility makes the transit elements of critical importance to the success of the facility. Realizing this, the MTC undertook a major study in 1984 to examine alternative transit concepts in the corridor and recommend the most feasible solution. The transit system recommended by the "I-394 Bus Service and Facility" report was a "timed-transfer" system.

The timed-transfer system would improve transit services into downtown Minneapolis and within and between communities in the corridor. The system, which is based on spacing the timed-transfer stations in 15-minute pulses, includes the construction of major transit stations along the I-394 corridor. Smaller facilities are being planned for locations off the main corridor.

The "I-394 Bus Service and Facility Plan" outlined the general service parameters for the timed-transfer system, provided recommended locations for the major fixed facilities and provided a general outline of future service. The report did not, however, go to the detailed level of service design and scheduling. The purpose of the current effort and the request for consultant assistance will focus on this next step, which is necessary before service can be implemented.

Purpose and Approach

The purpose of the I-394 Timed-Transfer Detailed Service Design is to conduct the detailed service design necessary to identify the specific service elements to be implemented in the I-394 corridor. This will be accomplished through the analysis of park-and-ride lot demand in the corridor, identification of the appropriate type of transit services for different parts of the corridor and the detailed service design necessary to implement these.

The Timed-Transfer Detailed Service Design will build on the past efforts of the RTB, MTC, Mn/DOT and Medicine Lake Lines (MLL). The results of this detailed service design will lead to the implementation of the transit service changes in the corridor.

Organization and Responsibility

The Regional Transit Board (RTB) will be responsible for the overall management of the I-394 Timed-Transfer Detailed Service Design and will assist with specific work tasks. A private consulting firm, with expertise in the area of service planning and scheduling, will be employed by the RTB to conduct the specific work activities. It is anticipated that the consultant will develop a strong working relationship with the RTB and work in a team approach.

A working staff group of representatives from the RTB, MTC, MLL and Mn/DOT will also be actively involved in the process. This group will be actively involved in all phases of the project and will provide input and review as appropriate. The I-394 Timed-Transfer Detailed Service Design will also be coordinated with the RTB's Competitive Transit Demonstration project, to be funded by UMTA. The service design will identify the types of services and system design, while the UMTA demonstration will focus on competitively bidding the different services to implement the system.

II. Work Program and Products

Task 1: Project Initiation

This task will include completion of the consultant selection process, finalizing the work program and negotiating the contract with the selected consultant, identifying data needs and initiating project coordination. The Regional Transit Board will be the lead agency, with assistance from the selected consultant.

PRODUCTS:

- Executed contract with selected consultant
- Final Work Program
- Identification of data needs

RESPONSIBILITIES:

RTB:

- Negotiate and execute contract with selected consultant
- Work with consultant to finalize work program
- Identify data needs with consultant

Consultant:

- Negotiate contract
- Finalize work program with RTB assistance
- Identify data needs with RTB

Task 2: Park-and-Ride Lot Demand Estimation

This task will focus on estimating the demand in the I-394 corridor for park-and-ride facilities. This analysis will include examination and demand estimation for car- and van-pool use of park-and-ride facilities, bus patrons use of park-and-ride lots and use of kiss-and-ride facilities. This work element will be the responsibility of the consultant.

PRODUCTS:

- Memorandum on analysis of the demand for park-and-ride facilities in the I-394 corridor

RESPONSIBILITIES:

RTB:

- Assist consultant with demand analysis
- Review memorandum
- Organize staff working group assistance and review

Consultant:

- Conduct demand analysis
- Prepare memorandum on demand analysis

Task 3: Identification of the Appropriate Types of Transit Services for the I-394 Corridor

This task will focus on the identification of the appropriate types of transit services for different parts of the I-394 corridor. The recommendations included in the "I-394 Bus Service and Facilities Plan" focused on regular route service. There is a need to also examine the role for paratransit services, including the use of dial-a-ride service and shared ride taxis, in some portions of the corridor. The results of this task, which will be the responsibility of the consultant, will be the identification of the appropriate type of transit service for specific areas of the I-394 corridor.

PRODUCTS:

- Memorandum on the appropriate types of transit services

RESPONSIBILITIES:

RTB:

- Assist consultant with identification and analysis of appropriate transit services
- Review memorandum
- Organize staff working group assistance and review

Consultant:

- Identify and analyze appropriate transit services for areas of the corridor.
- Prepare memorandum on appropriate transit services.

Task 4: Detailed Service Design

The purpose of this task will be to develop the detailed service design plans for transit services in the I-394 corridor. The detailed service design plans will be based on the timed-transfer concept and the most appropriate transit services identified in Task 3. This task will be the responsibility of the consultant. The RTB will utilize the results of this task in developing the service specifications for competitively bidding transit services in the I-394 corridor.

PRODUCTS:

- Memorandum on the Detailed Service Design

RESPONSIBILITIES:

RTB:

- Assist consultant in the detailed service design
- Review memorandum
- Organize staff working group assistance and review

Consultant:

- Conduct detailed service design
- Prepare memorandum on detailed service design

RFP394/TX2

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: July 7, 1986
TO: Regional Transit Board
SUBJECT: Amendment of Capital Budget for Metro Mobility Computer Upgrade

BACKGROUND

At the Administration and Finance Committee meeting of June 19, 1986, the Committee approved a recommendation that the Regional Transit Board adopt the Metro Mobility computer report and direct staff to proceed with the steps to make the necessary changes in the Metro Mobility computer system that will ensure a successful implementation of the Metro Mobility reorganization in October, 1986.

As staff began to investigate what would have to be done to ensure implementation by October, 1986, it became clear that one of the key steps was to amend the MTC's 1986 capital budget in order that they are able to purchase the equipment as outlined in the computer consultant report. Because timing is so critical, staff is now asking the RTB to supplement the recommendation adopted at the A & F Committee by also approving an amendment to the MTC's 1986 capital budget.

At their June 16, 1986, meeting, the MTC did amend its 1986 budget to authorize and to fund Project 3670, Metro Mobility Computer Equipment. The MTC estimated that the Metro Mobility computer equipment will cost \$115,011. Their approved budget for capital project 3320 already contains \$25,800 for Metro Mobility computer equipment. The MTC originally proposed to the RTB that it authorize them to use \$89,211 in operating funds to make up the difference in order that the purchase could be made immediately. RTB staff has suggested to the MTC that it would be more appropriate to modify its 1986 capital budget to provide the \$89,211 rather than use operating funds. The MTC staff has passed on this suggestion to its board who will consider it at their next meeting.

RECOMMENDATION

That the Regional Transit Board adopt the Metro Mobility computer report, direct staff to proceed with the steps to make the necessary changes in the Metro Mobility computer system that will ensure a successful implementation of the Metro Mobility reorganization in October, 1986, and approve an amendment to the MTC's 1986 capital budget of \$89,211 that will allow the Metro Mobility computer equipment to be purchased. This recommendation is contingent upon MTC approval and will be sent to the Metropolitan Council for their review and approval following RTB action.

Judith G. Hollander

115,000

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: July 1, 1986
TO: Regional Transit Board
FROM: Administration and Finance Committee
SUBJECT: Metro Mobility Computer Consultant Report

At the Administration and Finance Committee meeting held June 19, 1986, the Administration and Finance Committee moved the following:

RECOMMENDATION

That the Regional Transit Board adopt the Metro Mobility computer report and direct staff to proceed with the steps to make the necessary changes in the Metro Mobility computer system that will ensure a successful implementation of the Metro Mobility reorganization in October, 1986.

Paul Joyce
Acting Chair

BRD7/1

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: June 16, 1986
TO: Administration and Finance Committee
FROM: Mark Ryan
SUBJECT: Metro Mobility Computer Consultant Report

ACTION REQUESTED

That the Administration and Finance Committee adopt the Metro Mobility computer report and direct staff to proceed with the steps to make the necessary changes in the Metro Mobility computer system that will ensure a successful implementation of the Metro Mobility reorganization in October, 1986.

BACKGROUND

The proposed reorganization of Metro Mobility and the continued growth in ridership will require modifications to the present computer system. Both RTB and Metro Mobility staff analyzed the need to upgrade the computer system and identified specific functions that will be required under the proposed reorganization. Upon completion of the preliminary analysis, staff identified the need for further technical assistance.

At the Regional Transit Board Meeting on April 7, 1986, the executive director was authorized to enter into a contract for consulting services with the firm of Arthur Young. The purpose of the consulting services was to assist staff with a review of the Metro Mobility computer system and to assess options for upgrading the present system as part of the reorganization of Metro Mobility.

DISCUSSION

The Metro Mobility program acquired the present computer system in 1983. As a result, many functions became automated that had been previously completed manually. When the system was installed, monthly ridership was expected not to exceed 33,000 rides per month. Under the present system, Metro Mobility provides about 45,000 trips each month. Under the proposed reorganization of Metro Mobility, it is estimated that 57,000 trips will be provided each month beginning in October, 1986. The current computer system is at or near capacity and it is clear that additional ridership will substantially tax the system.

Another factor that requires an upgrade in the present system is the need for expanding the terminal capacity. The current system is able to support up to six terminals operating at one time. Due to the decentralization of trip scheduling activities and the anticipated increase in the number of providers, the present terminal capacity will be inadequate. It is anticipated that at least twenty terminals will be needed to carry out the Metro Mobility reorganization in October, 1986.

The consultant's report has recommended that several hardware and software changes be made in order to carry out a successful implementation of the Metro Mobility reorganization in October, 1986. A copy of the report has been distributed for your review.

To meet the anticipated needs of the Metro Mobility reorganization, an upgrade to a Wicat System 2220 will be necessary. With twelve megabytes of memory the system will support twenty-two terminals plus two central printers. It will also be necessary to acquire fifteen to twenty additional terminals, depending on the number of providers.

While significant changes to the hardware will be necessary for the reorganization, only minor changes will be necessary to the software for implementation in October. Once the system is operational, staff will be able to consider phasing in additional changes to the software.

Another element to the timely installation of the computer system is funding. In preliminary discussions with Wicat, it has been estimated that the cost for the upgrade will be \$110,000 - \$120,000. In reviewing the limited alternatives to fund the equipment, an implementation date of October, 1986 and considering the role of the MTC as operators of the Metro Mobility Administrative Center, an amendment to the MTC's 1986 budget has been suggested. Currently, the Metropolitan Transit Commission is considering an amendment to their 1986 budget that would fund the upgrade of the Metro Mobility computer system.

Once the MTC acts on the budget amendment, it will be necessary to act quickly to ensure adequate installation and training can be completed for an implementation in October, 1986. Wicat has indicated that ordering the equipment in June will permit adequate time for an October, 1986 start-up.

To properly oversee the ordering, installation and testing of the computer system, staff has identified the need for further technical assistance. The firm of Arthur Young has been contacted because of their knowledge of computer system applications and their familiarity with the proposed upgrade of the Metro Mobility computer system. The consultant responsible for the review of the Metro Mobility computer system is available to assist the RTB with the acquisition and installation of the computer system.

At the meeting on Thursday, James Mirick from the firm of Arthur Young will be present to review their report and answer any questions you may have.

FINDINGS AND CONCLUSIONS

- An increase in the number of providers and a rise in Metro Mobility ridership will require an upgrade of the present Metro Mobility computer system.
- Modifications to the computer system need to be in place to meet the October, 1986 target date for implementation of the Metro Mobility reorganization.
- Significant modifications to the existing hardware will be necessary to meet the RTB's target date for implementation.
- Minor modifications to the existing software will be necessary to meet the RTB's target date for implementation.
- The manufacturers of the hardware have indicated that ordering the equipment in June will allow the RTB to meet the target date for implementation.
- The MTC is considering an amendment to their 1986 budget to fund the upgrade of the Metro Mobility computer system.
- RTB staff has identified a need for further technical assistance with the timely acquisition and installation of the Metro Mobility computer system.

RECOMMENDATION

That the Administration and Finance Committee adopt the Metro Mobility computer report and direct staff to proceed with the steps to make the necessary changes in the Metro Mobility computer system that will ensure a successful implementation of the Metro Mobility reorganization in October, 1986.

BRD7/1

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

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June 16, 1986

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- RTB staff has identified a need for further technical assistance with the timely acquisition and installation of the Metro Mobility computer system.

RECOMMENDATION

That the Administration and Finance Committee adopt the Metro Mobility computer report and direct staff to proceed with the steps to make the necessary changes in the Metro Mobility computer system that will ensure a successful implementation of the Metro Mobility reorganization in October, 1986.

MMCOMP/RTBTX1

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: June 13, 1986
TO: Administration and Finance Committee
FROM: Mark Ryan
SUBJECT: Metro Mobility Computer Consultant Report

The staff memorandum for this agenda item will be presented at the meeting on Thursday. The final draft report as submitted by the consultant is attached for your review prior to the meeting.

Attachment



A MEMBER OF ARTHUR YOUNG INTERNATIONAL

Arthur Young

1000 Pillsbury Center
Minneapolis, Minnesota 55402
Telephone: (612) 343-1000

June 11, 1986

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

Dear Ms. McCourt:

This letter is a report of our study of the Regional Transit Board's (RTB) computer plans for inclusion in a reorganized Project Mobility plan. Our scope has been to review RTB and MTC staff work in this area, perform our own data-gathering effort, and advise you on the adequacy of the staff recommendation to enhance the current WICAT minicomputer. To do this, we focused on several key issues:

- Will the computer hardware and software be able to meet the demands of the decentralized organization?
- Can the computer be expanded in the future to meet increased system volume? Could the system be implemented on other hardware?
- Are there alternatives to the current Transmax software which would meet your requirements, including the projected implementation schedule?

During the course of our study, we worked extensively with Mr. Mark Ryan and Mr. David Naiditch, and we appreciate their participation and cooperation. We also met with system operators and representatives of the ride providers to obtain their input on the projected changes in both operation and system features. This focus group was very helpful to us in understanding the provider's outlook, goals, and intentions. We have incorporated some of their suggestions into this report. We were also in contact with representatives of Wicat and Transmax.

For the purposes of this report, we are considering that the life of this hardware/software configuration is the end of 1988. It is likely that the system will "last" longer than that, but by then computer technology will have changed enough that you would probably consider replacing the current configuration. It is

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also likely that your needs will change significantly by then because of changes in funding, public policy, ridership volume, and so on.

This report is organized into five sections. First, we discuss the changes in the system's functions to accommodate the proposed distributed environment. Next, we examine the proposed new computer configuration in the light of these changed functions and the projected growth in volume. Third, we discuss the question of ultimate hardware expansion based on the Transmax software. Fourth we look at the question of other software which might replace the Transmax system, and finally, we make some general recommendations for the conversion to the new operating environment.

A. Likely changes in system functions

RTB staff has identified two major usage modes for the computer system: one based on a simple extension of the system into a distributed environment, and the other based on substantive changes in the software functions. In this section, we list the likely changes which will have to be made to the Transmax software to make it fulfill these needs.

To meet the basic distributed operation needs, you will have to modify the software in the following ways:

1. Revising the system security to prevent inadvertent or deliberate modification of records or fields. Currently there is little security, since access to the system is limited to MTC employees. But providers should not be able to delete or modify certification data, only access it.
2. The trip ticket formats will have to change slightly to accommodate their use as charge tickets and to hold a "miscellaneous comments" field.
3. Billing and reimbursement formulae will have to be changed, depending on the reimbursement mode that is approved.

Staff is also considering adding the following operational features into the computer system. All these would represent modifications to the current software:

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4. Additional reports on currently-scheduled activity based on trip files.
5. Ability to track current daily budget status and to cut off providers who are at some percentage of their current allocation (say 95%). This would be continuously monitored during the scheduling period.
6. Ability to print the trip cards directly at the provider's site on a printer attached to the central computer.
7. Touring (routing) of provider vehicles. This capability is now in the system, but you do not use it in "real time" because it consumes so much computer resource.
8. Detection of multiple bookings with different providers.
9. Automatic generation of reimbursement based on the trip file, which is then only audited by the manual trip cards.

Making the first set (1 through 3) of basic modifications would not increase the computer demand, since these are changes to functions which are already being performed. The second set would likely add about 30%-50% to the current execution load on the computer.

The software changes would be made by Transmax programmers, since neither the RTB nor the MTC would be able to acquire and train programmers in the software in a reasonable time. We have discussed the proposed system changes with Transmax to determine the general extent to which the software would have to be modified to accommodate them. Although they cannot estimate the level of effort precisely without a more detailed specification, we were able to reach the following general conclusions:

1. System security. It is relatively easy to provide file-level security on the system. This means, for example, that you could allow providers to access the ridership file for eligibility verification purposes, but they would not be allowed to change it - that would be reserved for Administrative Center personnel with a different password. This level of security is built into the operating system and virtually all you would need to do is turn it on.

Ms. Judith McCourt
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What would be more difficult would be to provide record-level security within files. An example of this would be to secure one provider's records from being visible to another. These records, which are on, are in one single computer file, the trip file. You would have to design programs which would provide this kind of selective security, since it is not intrinsic within the system. Transmax was unwilling to estimate the time or cost of this level of security without more detailed specifications, but felt that it was at least a medium-level effort - that is, at least several person-months of programming.

2. Trip ticket formats. Changes in the format of the trip tickets would be minor as long as the major elements of the ticket, such as its physical size and spacing on the page, remained the same, and as long as there would be no additional data elements which are not now on the data base.
3. Billing formulae. This would involve changing only those lines of the programs which calculate the reimbursement, and so long as the data for the new calculations is already in the system. If this is not so, and new data elements have to go into the system, then the effort will be larger.
4. Additional reports. Providers would like to have access to data which is in the system, such as planned trips for the future, for the last day, for the last thirty days, who their recurring riders are, where they live, and so on. Providing reports is no particular problem, so long as staff can identify just what these reports are and their exact format. Each report will have to be a separate program. Unfortunately, the Wicat system does not have a user-friendly report writer that would ease the cost of generating and modifying these reports.

The distributed, provider-based system would require different management tools and techniques from the current system. Just what these are is not obvious now, and probably will not be until the system is in operation. At that time, you will probably need to implement some kind of central reporting or screen inquiry capability to examine activity and answer consumer inquiries.

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5. Budget management. This capability would require four functional modifications to the system: first, to calculate the reimbursement for each trip as it is entered into the computer; second, to subtract the estimated reimbursement from the system's allocation; third, to cut off the providers as the daily allocation approaches some predetermined level, say 90% or 95% of total allocation, and fourth, the capability to enter and modify the allocations.

Transmax feels this would be a medium-complexity project, at least several person-months. They would need to add at least one file to the system, modify several programs, and write several new ones.

6. Remote trip ticket printing. Adding this capability would involve modifying the ticket print program and making provision for the phone lines to the printers. The software modifications would not be complex, but the hardware and line costs might be prohibitive.

Each device connected to this system has to be on its own line, with its own modems and connection into the computer. To have remote terminals at the providers, you will need to have a line to each one and a pair of modems to connect the line. To place a printer on-site also, you would need another line and modem set.

7. Touring of provider vehicles. The current software can develop least-distance routing of provider vehicles, but it has two problems: first, it is highly consumptive of computer power, so it is only run at night, and second, it can only handle three route-segments per tour. The reason for this limitation is that the file sizes and resource requirements for the programs rise exponentially with increases in the number of segments. This means that if two route-segments take four increments of resource, three would take nine, and four would take 16. As a result, it is currently practical only for taxi routing.

It appears that there are several issues regarding this capability:

- ° Should the computer be large enough to handle touring functions as they are booked, rather than just at night?

Ms. Judith McCourt
June 11, 1986
Page 6

- Should the three route-segment limit be lifted so that longer tours could be constructed?
- Should Metro Mobility charge users for this service? or provide it free of charge?

If you are going to support remote printing of the trip tickets, you will need extra computer capacity to support real-time touring, since the touring should be done prior to printing the tickets. Either that or you will have to print them touring reports and have them rearrange their tickets later.

The question of charging and the three-route-segment limit is a policy issue beyond the scope of this analysis. However, it seems that if you would lift the limit and also charge the users (and therefore presumably have more users of the service), you could possibly support a separate computer system just to do the touring function - and you would probably need it.

8. Multiple-booking detection. This not now a problem, and dealing with it is not currently a staff concern. Based on how we see the system growing, we believe it could become one in the future. With many providers, riders could conceivably "shop around" for more favorable schedules, etc., and then forget to cancel the ones they do not want.

Should this condition arise, it would not be a great problem to deal with it. The program which enters the ride into the system would check the existing trip files and notify the operator if the same person had booked a similar ride with another provider. All this data is in the system, and the additional computational resource would be minimal.

9. Automated reimbursement calculation. Assuming that the reimbursement rates are in the system, all of the data is there to support automated generation of provider invoices. The providers would not have to submit a formal invoice to Project Mobility - the system would generate them automatically. These could be generated daily, weekly, or on another schedule. These invoices could be audited by checking them with the trip tickets which the

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providers turn in. Presumably, a less than 100% audit of the trip reports would be sufficient, since the data is from your own files. Taking this approach would seem to be desirable because it should decrease the paper-handling clerical activities by both the provider and RTB.

The complexity of supporting this function depends to some extent on the reimbursement formula the RTB decides on. A flat-rate charge would be easier to deal with than a mileage- or zone-based system. You would probably have to increase the transaction audit trail if you do this.

In summary, any practical use in a provider-operated environment will require some modification of the software. Transmax considers that the software was made to operate in a distributed environment, so these changes are not significant in terms of the overall architecture of the system.

DRAFT COPY

B. Analysis of the Proposed Hardware Upgrade

One problem with estimating the computer's capacity is that the WICAT is designed to be a scientific and engineering-oriented minicomputer. You are using it as a commercial, transaction-oriented system. This is certainly not impossible, but many of the features in the system are irrelevant to your needs, and some of the power of the computer is in effect not used in your application. Features which increase the computer's power from a calculation viewpoint do not necessarily yield the same increases in transaction-handling capacity.

In order to determine the hardware requirements, we must first analyze the projected transaction volumes. The key elements of volume include the number of providers (which dictates the number of computer terminals), the number of certified riders (which impacts data file sizes and ultimately the number of trips), and the number of trips taken. RTB staff projects the following volumes:

Providers:	Now	9
	1986	20
	1987	23
	1988	27
	1989	30

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Certified riders:	Now	13,000
	1986	18,000
	1987	25,000
	1988	28,000
	1989	35,000
Trips:	Now	500,000
	1986	532,000
	1987	684,000
	1988	859,000
	1989	875,000

The proposed system upgrade, from a Wicat System 200 to a Wicat System 2220, would entail the following increases in capacity:

- 267% increase in main memory, to 8 MB. This primarily determines the number of provider terminals the system can support. Each terminal requires approximately 0.5 MB of main memory.
- 296% increase in disk capacity, to 474 MB, and an 80% increase in operating speed. This is the primary determinant of how many riders and trips the system can store.
- 50% increase in basic processor speed, due to the greater size of the central processor.
- 200% increase in terminal handling capacity due to the intelligent communication line controllers. This is also a critical resource in determining how many terminal users can be on the system now.
- 10% increase in throughput due to the installation of a more advanced UNIX operating system version.

The question is, would this increase in capacity be sufficient to process the loans for the next several years, under either a basic or enhanced processing scenario? This is not an easy question, because computer "horsepower" does not necessarily translate directly into throughput - the ability to get things done on the machine. Let us look at each potential bottleneck in the system and see if it will be a problem in the end-of-1988 time window.

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The number of users is determined both by main memory and terminal input-output control capacity in the computer. The number of users on the future system is uncertain. Now there are five order takers serving nine providers, centrally. In a decentralized system, each provider would require at least one terminal (note that several providers think they would want more than one terminal, one thinking it would want as many as seven). If tickets are going to be printed at the providers, each would require a printer port, which counts as another terminal. The current projections for 1988 imply that there will be 25 providers by then, although we are not sure that the ridership population will support this many providers.

The current 3 megabyte computer is saturated at four users plus two printers, or five users and one printer. If the 0.5 megabyte memory per user formula is correct (and it is in this case), the 8 MB proposed computer will be able to handle 14 terminals plus two printers, clearly less than the 1988 projections. The system can be expanded to 12 MB of memory, which would support 22 terminals plus the two central printers.

Another key determinate of system throughput is central processor speed and terminal I/O handling capacity. The current processor is approximately 50% faster, and will have over 200% greater terminal I/O capacity. Transmax, which has done preliminary benchmarking on the system, feels that the proposed processor has about twice the overall throughput of the current computer. The changes in demand come from two sources:

- ° Incremental increases in ridership, which generate transactions into the system. Ridership is projected to grow 37% by 1988, and this should translate into a 37% increase in throughput requirement.
- ° Increases due to changes in the functions of the system. Our estimate for additional functional load if all the projected enhancements take place is in the range of 35% to 40%.

Under these assumptions, it would appear that the central processor capacity will not be a constraint through 1988. This assumes a linear response of the system to increased loads, which may, in fact, not be the case. Typically, systems become less efficient the more highly they are loaded.

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The number of certified riders and number of trips is governed by the size of the disk file space. Staff projections show that at the current ridership level, the proposed disk will be 18% utilized. This implies that by 1988 the disk will be approximately 31% utilized, so disk space is not a constraint.

In summary then, based on the information we have received from both Transmax and Wicat, we believe that the system will be able to handle the projected load through 1988 except for the number of terminals. We suspect, on no hard evidence, but based on experience with similar equipment, that the number of terminals it can handle under this load will be approximately 16. It does not appear that you will be able to support remote printing of the tickets, just from a main-memory limitation. The question is, how many providers will the ridership be able to support, and, therefore, will this become a limitation to use of the system?

C. Future Expansion

Will the computer be able to be expanded in the future to meet the needs of the future? We believe, based on your staff projections, that by 1988 the system will be near saturation. This assumes that you do not add many further functions to the current projected system. There are three ways out of this performance bind.

First, it is likely that Wicat will have developed higher performance computers which will enable you to use them to meet your increased demand. History demonstrates that over this two-and-one-half-year period we might expect a three-fold increase in power for the same cost. The only serious restriction on this is whether or not Wicat sees the need to develop this level of processor, or just to sophisticate and lower the price on the equipment which bears on this market segment.

Second, you could partition the system to run in more than one processor. For example, you could put certain providers on one computer, and others on another. You would need to duplicate the rider files on each machine, and there would be some operational complexities, but with this scenerio you could expand your system significantly.

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Third, you could convert the system to another manufacturer's machine, one with more power. The UNIX operating system that supports your programs on the Wicat provides a commonality with other UNIX systems, and this conversion would, in theory, not be difficult. And there are UNIX-based computers which have two orders of magnitude more power than the Wicat.

So there are both short-term and long-term options open to you. But we believe it is likely that by 1988 your needs will change and you will need to rewrite or enhance the software to meet these needs, and at that time you could choose to develop the system on different hardware to begin with.

D. Other Software

We were not able, given this project's schedule, to conduct an exhaustive search for new software. Our survey of the standard reference materials did not show any software which appeared to meet your requirements. There were standalone routing packages, but they are meant for bus routing. There were taxi management systems, but they are meant for private, fee-for-service companies and do not handle rider certification, budget cutoffs, and so on. Your staff has also looked into both the private and public sectors and could find nothing which meets your needs.

E. Recommendations

Our primary recommendation is that you solidify the new system parameters and functions and begin to deal with Transmax as soon as possible so that they have maximum lead time on the changes you require. That is likely to be one of the key potential delays in the installation timetable.

You need to determine the actual number of terminals which will be located at each provider and determine if you have a problem with the main memory constraint. If this is the case, you will either have to increase the main memory or go to a partitioned, multiprocessor configuration. We suggest that you order the computer with the full 12-MB of disk space. This is inexpensive insurance that the system will operate as you need it to when it comes live in the new environment.

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You should consider phasing in any significant changes after the October conversion date, if this is possible. This would remove program changes from the list of things which could disrupt the training/conversion process in August and September.

One of the key points you should consider during the conversion planning process is that the nature of the operation is going to change dramatically. Where you have been running a data center, you will now be providing a service to the providers. You will need to have some support personnel who can handle incoming phone calls when they have trouble, and be prepared to assist these people if there is a line problem, a program error, or if they have forgotten how to do something. If there is trouble in the system, you must have contingency plans both for operating the system and for notifying the users of your plans. You will have to monitor their performance and use of the system and be prepared to assist them if one of their key people quits.

* * * *

It has been a pleasure working with you and your staff at the Regional Transit Board. If you have any questions or wish clarification of this material, do not hesitate to call Mr. James R. Mirick at 343-1000.

Very truly yours,

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

Rev. 86-18

DATE: July 1, 1986
TO: Regional Transit Board
FROM: Administration and Finance Committee
SUBJECT: Development of Policy for Providing Financial Assistance
to the Metropolitan Transit Commission

At the Administration and Finance Committee meeting held June 19, 1986, the Administration and Finance Committee moved the following:

RECOMMENDATION

That the Regional Transit Board adopt the attached resolution authorizing the executive director to develop policies and procedures that will set forth the terms and conditions according to which the RTB will provide financial assistance to the MTC.

Paul Joyce
Acting Chair

BRD7/1

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, St. Paul, MN 55101

RESOLUTION NO. 86-____

RESOLUTION
SETTING FORTH THE POLICIES AND PROCEDURES TO PROVIDE
FINANCIAL ASSISTANCE TO THE METROPOLITAN TRANSIT COMMISSION

WHEREAS, The Regional Transit Board (RTB) is authorized by Minnesota Statutes 473.446, Subd. 1 and Subd. 1(a) to levy a transit tax, the proceeds of which are, in part, to be used for purposes of operating transit and paratransit services in the metropolitan area;

WHEREAS, the RTB is the recipient of state appropriated funds to be used for metropolitan transit assistance;

WHEREAS, according to Minnesota Statutes 473.371, Subd. 2(c) it is a legislatively mandated goal of the RTB to "cooperate with private and public transit providers to assure the most efficient and coordinated use of existing and planning transit resources";

WHEREAS, under Minnesota Statutes 473.374, Subd. 13 and Minnesota Statutes 473.384, the RTB is authorized to provide financial assistance to the Metropolitan Transit Commission (MTC) and to other providers of transit services;

WHEREAS, under Minnesota Statutes 473.375, Subd. 15, the RTB may establish performance standards for recipients of financial assistance;

WHEREAS, the MTC is among the providers of transit services to which the RTB desires to provide financial assistance; and

WHEREAS, the RTB desires to establish policies and procedures that set forth the terms and conditions according to which the RTB will provide financial assistance to the MTC.

NOW, THEREFORE, BE IT RESOLVED:

1. THAT the executive director develop and implement policies and procedures that will set forth the terms and conditions according to which the RTB will provide financial assistance to the MTC.
2. THAT the goals of the policies and procedures developed by the executive director should be as follows:
 - a) To assist the MTC in the development of a system of financial reporting and management that will allow the RTB to be informed of the MTC's financial needs and to be able to plan and budget for the amount and types of assistance to be provided to the MTC.

- b) To assist the MTC in the development of a system of program reporting and management that will allow the RTB and the MTC to monitor jointly the relationship between the financial assistance provided to the MTC and the efficiency and effectiveness of the programs operated and implemented with that financial assistance.
 - c) To develop policies and procedures for the MTC that, to the extent possible, will be consistent with those developed for other recipients of RTB transit assistance funds.
3. THAT the policies and procedures developed by the executive director must provide for the following:
- a) That the disbursement of all funds available to the RTB for provision of transit assistance are funds of the RTB subject to disbursement to the MTC and other transit providers only in accordance with the adopted policies and procedures.
 - b) That the MTC be required to adopt a management plan which shall be in general conformance with the management plans required of other recipients of transit assistance from the RTB.
 - c) That, as a condition of receiving financial assistance from the RTB, the MTC will provide transit services and manage its affairs in conformance with all applicable RTB regulations, policies and procedures.
 - d) That the RTB will, to the extent possible, seek to provide a stable and predictable amount of transit assistance to the MTC in order to assist the MTC in its financial planning and the provision of transit services.
4. THAT the executive director shall consult extensively and regularly with the MTC in the development of and any modifications to the policies and procedures adopted under the authority of this resolution.

Adopted this 7th day of July, 1986.

Elliott Perovich, Chairman

Mary Fitzgerald, Secretary

BRD7/1

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: June 19, 1986
TO: Regional Transit Board
FROM: Administration and Finance Committee
SUBJECT: Development of Policy for Providing Financial Assistance
to the Metropolitan Transit Commission

ACTION REQUESTED

That the Administration and Finance Committee recommend that the RTB adopt the attached resolution authorizing the executive director to develop policies and procedures that will set forth the terms and conditions according to which the RTB will provide financial assistance to the MTC.

BACKGROUND

Last year the RTB and the MTC entered into an agreement under which the RTB transferred revenues from the 1984 tax levy to the MTC. The agreement provided for a pass-through of these tax revenues to the MTC without the RTB asking for detailed financial or program reporting.

We are in the process of determining how and under what terms the MTC should receive transit assistance funds from the RTB for 1986 and subsequent years. Initial discussions have occurred between the RTB and the MTC staff. After consultation among RTB staff, it was agreed that the MTC should be subject to more detailed financial and operational planning and reporting requirements as a condition to receiving transit assistance funds from the RTB. This would assist the RTB in transit planning and coordination, put the MTC on a more equal footing with other existing and potential recipients of transit assistance from the RTB, and help the RTB meet its legislatively imposed goal to "cooperate with private and public transit providers to assure the most efficient and coordinated use of existing and planning transit resources".

Legal Issues

We sought the advice of legal counsel on two issues. The first was whether the RTB has authority to impose conditions on the provision of transit assistance to the MTC. We have been advised that the RTB does have the legal authority to impose conditions on the MTC for receipt of financial assistance either from state appropriations or from the RTB tax levy. The second issue is whether it was more appropriate to enter into a formal agreement with the MTC or for the RTB to establish policies and procedures to which the MTC must adhere. We were advised that the RTB, by law, could either enter into an agreement or establish

June 19, 1986

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policies and procedures. We were further advised that the adoption of policies and procedures would provide the RTB with greater flexibility should changes and modifications to the policies be necessary or desired. If a formal agreement was established, both parties would have to agree to any amendments. For this reason, we are recommending that policies and procedures be established by the RTB.

Goals and Objectives of the Policy

The primary goal of establishing the policies and procedures is to enable the RTB to manage effectively the available funds for transit assistance in the metropolitan area and to have the ability to make the policy decisions concerning how these funds are to be disbursed--either to the MTC or to other public and private providers of transit services.

To have the information and flexibility necessary to make these decisions, the objectives of the policies and procedures will be as follows:

- a. To assist the MTC in the development of a system of financial reporting and management that will provide the RTB the information necessary to better plan for and meet the financial needs of the MTC.
- b. To assist the MTC in the development of a system of management and program reporting that will allow the RTB to be informed of and better monitor MTC programs and finances.
- c. To the extent possible, place the MTC on a more equal footing with other existing and potential recipients of transit assistance from the RTB.

Policy Development and Implementation

The resolution requires that the RTB work closely with the MTC in the development of and any modifications to the policies and procedures. It is important to ensure that the MTC remain a financially sound organization and have stable and predictable revenue sources. Therefore, the development of policies and procedures such as those recommended should assist the MTC in the management of its organization and allow the RTB to better plan, coordinate and fund the broader transit needs of the metropolitan area.

RECOMMENDATION

That the Administration and Finance Committee recommend that the RTB adopt the attached resolution authorizing the executive director to develop policies and procedures that will set forth the terms and conditions according to which the RTB will provide financial assistance to the MTC.

Attachment
BRD7/1

DELIVERY BY MESSENGER

MEMORANDUM

TO: Gerald Brechlin
Judy Hollander
Mark Ryan

FROM: Tim Marx

DATE: June 18, 1986

RE: Resolution authorizing establishment of the policy on financial assistance to the MTC.

Attached are a draft resolution authorizing the establishment of a policy providing financial assistance to the MTC and an explanatory memo to accompany the resolution.

I will be available Wednesday afternoon and all day Thursday to assist you in getting this in shape for the meeting of the Administration and Finance Committee.

cc: David Graven
Charles Weaver
Larry Wertheim

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

DATE: June 17, 1986
TO: Administration and Finance Committee
FROM:
SUBJECT: Development of policy for providing financial assistance to the
Metropolitan Transit Commission (MTC).

Action Requested:

That the Administration and Finance Committee recommend that the RTB adopt the attached resolution authorizing the Executive Director to develop policies and procedures that will set forth the terms and conditions according to which the RTB will provide financial assistance to the MTC.

Background:

Last year the RTB and the MTC entered into an agreement under which the RTB transferred revenues from the 1984 tax levy to the MTC. The agreement provided for a pass-through of these tax revenues to the MTC without the RTB asking for detailed financial or program reporting.

We are in the process of determining how and under what terms the MTC should receive transit assistance funds from the RTB for 1986 and subsequent years. Initial discussions have occurred between the RTB and the MTC staff. After consultation among RTB staff, it was agreed that the MTC should be subject to more detailed financial and operational planning and reporting requirements as a condition to receiving transit assistance funds from the RTB. This would assist the RTB in transit planning and coordination, put the MTC on a more equal footing with other existing and potential recipients of transit assistance from the RTB, and

help the RTB meet its legislatively imposed goal to "cooperate with private and public transit providers to assure the most efficient and coordinated use of existing and planned transit-resources."

Legal Issues:

We sought the advice of legal counsel on two issues. The first was whether the RTB has authority to impose conditions on the provision of transit assistance to the MTC. We have been advised that the RTB does have the legal authority to impose conditions on the MTC for receipt of financial assistance either from state appropriations or from the RTB tax levy. The second issue is whether it was more appropriate to enter into a formal agreement with the MTC or for the RTB to establish policies and procedures to which the MTC must adhere. We were advised that the RTB, by law, could either enter into an agreement or establish policies and procedures. We were further advised that the adoption of policies and procedures would provide the RTB with greater flexibility should changes and modifications to the policies be necessary or desired. If a formal agreement was established, both parties would have to agree to any amendments. For this reason, we are recommending that policies and procedures be established by the RTB.

Goals and Objectives of the Policy:

The primary goal of establishing the policies and procedures is to enable the RTB to manage effectively the available funds for transit assistance in the metropolitan area and to have the ability to make the policy decisions concerning how these funds are to be disbursed—either to the MTC or to other public and private providers of transit services.

To have the information and flexibility necessary to make these decisions, the objectives of the policies and procedures will be as follows:

- a. To assist the MTC in the development of a system of financial reporting and management that will provide the RTB the information necessary to better plan for and meet the financial needs of the MTC.
- b. To assist the MTC in the development of a system of management and program reporting that will allow the RTB to be informed of and better monitor MTC programs and finances.
- c. To the extent possible, place the MTC on a more equal footing with other existing and potential recipients of transit assistance from the RTB.

Policy Development and Implementation:

The Resolution requires that the RTB work closely with the MTC in the development of and any modifications to the policies and procedures. It is important to ensure that the MTC remain a financially sound organization and have stable and predictable revenue sources. Therefore, the development of policies and procedures such as those recommended should assist the MTC in the management of its organization and allow the RTB to better plan, coordinate, and fund the broader transit needs of the metropolitan area.



Sid Inman
Gove Thering

Capell

METROPOLITAN TRANSIT COMMISSION
560-6th Avenue North, Minneapolis, Minnesota 55411-4398 612/349-7400

Memorandum

TO Chairman and Members of the
Metropolitan Transit Commission

FROM John J Capell *JJC*
Chief Administrator

DATE May 16, 1986

SUBJECT DISCUSSION OF PROPOSED CONTRACT BETWEEN THE REGIONAL
TRANSIT BOARD AND THE METROPOLITAN TRANSIT COMMISSION
REGARDING THE TRANSFER OF SUBSIDY PAYMENTS

On Wednesday, May 14th, I, along with several other staff, met with the chairman and members of the RTB staff. The purpose of this meeting was to discuss the establishment of a formal contract agreement that would provide for the transfer of subsidy payments which include property taxes and state general funds from the RTB to the MTC during 1986.

The RTB is responsible for the levying and collection of the property taxes and is the direct recipient of the state general funds which are used for metropolitan transit purposes. The RTB, until recently, has passed through to the MTC the property tax proceeds, as well as the MTC's general fund appropriations.

In the recent short term bond sale and the resulting escrow agreement difficulties, it became apparent that the RTB staff was considering some other arrangement other than passing through those funds directly to the MTC. Therefore, we requested to meet with the RTB for purposes of discussing how they planned to transfer future subsidy payments to the MTC.

Attached, for your information, is a memorandum which was given to us and discussed at the meeting. In summary, the memorandum presents the RTB staff's position with regard to considerations in the development of a contract covering calendar year 1986. They have requested that we meet with them for purposes of further discussing the contractual conditions or any other issues related to the proposed contractual relationship.

We will be meeting with the RTB staff for the purposes as described above and we will keep the Finance & Administration Committee informed.

Staff will be in attendance at the May 22nd Finance & Administration Committee meeting to discuss this item.

JJC:jw/M01

Attachment

cc B Auld
J Farrell
G Andrews
R Thompson

Q

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: May 14, 1986

TO: Leslie M. Johnson, Director of Administration

FROM:  Gerald Brechlin, Manager of Accounting Operations & Treasury

SUBJECT: MTC Contract for Provider Assistance

In early 1985, the Regional Transit Board (RTB) entered into an agreement with the Metropolitan Transit Commission (MTC) to provide for the transfer of revenues from the 1984 tax levy and the 1985 tax anticipation note.

The 1985 agreement provided that the 1984 tax levy collectible in 1985 be paid to the MTC. Actually, there were four (4) categories into which the tax funds were identified. These were: 1) specific tax revenues levied for payment of MTC's debt service obligations; 2) tax revenues for transit and paratransit operating assistance; 3) tax revenues for an escrow fund for the payment of the tax anticipation note; and 4) tax revenues from the ten-percent transit area tax used for exurban and rideshare transit assistance.

The agreement provided for a pass-through of these tax revenues collectible in 1985. The RTB, in accordance with accepted accounting procedures and the auditor's--Deloitte Haskins & Sells--method of accrual, recognizes revenues of the subsequent sixty days of the following year as revenues being available to pay current obligations. Primarily, these are funds collected by the counties through December and remitted to the RTB in January and February. All other revenues are not considered current year revenues. These pending revenues are recorded as deferred revenue. The deferred revenues are recorded as delinquent tax revenues when received and are not identified as funds designated to the MTC. The exception is the delinquent revenues identified to that portion of the levy for debt service. These funds are payable to MTC subsequent to receipt.

We have supplied the MTC auditors with the financial information necessary to record the RTB amounts on MTC's 1985 audited statements. Except for debt service payments continuing in 1986 and a final audited 1985 payment, the RTB has completed the 1985 transit funding year.

For the year 1986 and subsequent years, the position of staff is to develop, to the extent possible and practical, uniformity of contracts for transit providers. However, by sheer size and uncertainty of funding, etc., contracts with the MTC will require special consideration and provisions.

Further contracts with the MTC would consider the following:

- 1) That pass-through funding as occurred in 1985 would not continue in 1986.
- 2) That transit assistance funds, with the exception of tax revenues for MTC debt service, are not identified by source of revenues in so far as the transit provider is concerned. They remain a matter of internal control of the RTB and available for financial statements and audits.
- 3) The funds are not considered as a "subsidy required" by a transit operator to fund an operating deficiency or balance a proposed operating budget. They are, however, a plan of funding for a schedule of operations.
- 4) The funding of transit providers is considered transit and paratransit provider assistance with further designations to operating or capital applications and debt service.
- 5) Each contract for transit and paratransit assistance is negotiated and/or coordinated by RTB's contract program administration.
- 6) Each contract would include provisions that the RTB reserves the right to modify the contract including the contract amount and the schedule of payment periods. No such modification would be arbitrary or prejudicial to any provider. That relevant facts and data would be included into each such consideration.
- 7) In so far as the MTC is concerned, the objective of transit assistance at this time is predicated on the following:
 - a) The amount of RTB's transit assistance funds and the availability of these funds to the RTB, coupled with the RTB's position of maintaining a fund reserve.
 - b) MTC's policy position of maintaining a working capital of not less than \$15,000,000 and in accordance with their now existing standard accounting procedures.
 - c) A third factor is MTC's cash position. There may be periods where the working capital may approximate \$15,000,000, but cash reserves are not adequate for current expenses. This could be the case where large accounts receivable have been recorded. This may require transit advances by the RTB. This does not, however, preclude the issuance of funding (tax) anticipation notes.
- 8) Terms and conditions of the contract would involve forecasting, reporting and payment request procedures.
 - a) RTB would request that the MTC re-evaluate the trends and relationships of operating expense, working capital and cash availability starting with the period of Deloitte Haskins & Sells August 1982 comment letter regarding the same. This, along with projections of present funding concepts, would be a guide for future funding requests and alternatives to existing practice. In the process of cash flow projections and in order to present a total picture cash flow of all funds would be requested.

- b) That MTC submit a form of request on which they will base each payment request. The method would be in agreement or reconcilable to current monthly standard financial statements. Regularly scheduled payments would be made through October of each year based on fund availability of RTB reserves.
 - c) At the end of October, the MTC would project its financial statements through year-end and with receipt of this projection, the RTB would make payment of up to 85-percent of the total projected shortfall in fund balance. Final payment would be made after receipt of the December audited statements.
 - d) While the \$15,000,000 working fund balance is an index or base on which to provide transit assistance to the MTC, it should not be construed that the RTB would guarantee the balancing amount. An analysis of the make-up of the fund balance and RTB fund reserves would be considered.
- 9) With these factors in mind, the RTB would negotiate a contract with the MTC for transit assistance payments. The contract would incorporate these elements of consideration (1 through 8 above) into the terms and conditions of the contract.