



Minnesota Regional Transit
Board: Records.

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MEETING OF THE REGIONAL TRANSIT BOARD
Monday, March 16, 1987
Council Chambers
4:00 p.m.

AGENDA

1. Oath of Office for New Board Members
2. Call to Order and Roll Call
3. Approval of Agenda
4. Approval of Minutes of March 2, 1987, Board Meeting
5. Consent List
6. Louisiana Avenue Timed-Transfer Transit Station
7. Plymouth Avenue Timed-Transfer Transit Station
8. REPORT OF THE POLICY COMMITTEE
9. REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE
 - a. Hastings Commuter Express
 - b. City of Bloomington's Federal Aid Urban (FAU) Transit Project
Application to Assist in Funding of the Mega Mall Transit Station
 - c. Minnesota Rideshare and Metropolitan Transit Commission Federal
Aid-Urban Application
 - d. Financial Statements, December 1986
 - e. Office Lease Proposal
10. OTHER BUSINESS
 - a. Chairman's Report
 - b. Members' Reports
 - c. Staff Reports - *Motion on H. C. light rail*
11. PUBLIC COMMENT

McLaughlin
 Brunst
 Larry See

Werner
 de Vries
 Walter
 Sally
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J A
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 RR
 CH
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 CM
 E.K.
 JB

Blein

REGIONAL TRANSIT BOARD

ROLL CALL AND ATTENDANCE SHEET

DATE: 3/16/87

BOARD OR COMMITTEE RTB

MEMBER NAME	PRESENT	Subj. Motion VOTE	VOTE	VOTE
Chairman	✓	y		
Doris Caranicas (P)	✓	y		
Carole Faricy	✓	n		
Ruth Franklin (Chair, A & F)	✓	y		
Alison Fuhr (P)	✓	n		
Rochelle Graves (P)	✓	n		
Paul Joyce (A & F)	✓	y		
Edward Kranz (A & F)	✓	n		
Bernard Skrebes (A & F)	✓	y		

REGIONAL TRANSIT BOARD

270 Metro Square Building, St. Paul, Minnesota 55101

Minutes of the Meeting of the
REGIONAL TRANSIT BOARD
Metropolitan Council Chambers
February 17, 1987

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

MEMBERS ABSENT: Ken Bedeau and Todd Lefko

OTHERS PRESENT: Greg Andrews, Tom Beaver, Kathy Christopherson, Bob Dietrick, Mary Fitzgerald, Jan Hennings, Mike Kuehn, Ed Kouneski, Randy Rosvold, Katie Turnbull, Regional Transit Board Staff; Arnie Entzel, Amalgamated Transit Union; Karen Lyons, Emil Brandt and Dirk deVries, Metropolitan Council; Greg Failor, Metropolitan Transit Commission; Charles Weaver, legal counsel

The meeting was called to order at 4:00 p.m. and roll taken. The chairman noted that the agenda should be amended to include the 1987 legislative program. Fuhr moved approval of the agenda as amended; Joyce seconded the motion. The motion carried unanimously.

Skrebes moved approval of the minutes of the February 17, 1987, meeting; Caranicas seconded the motion. The motion carried unanimously.

REPORT OF THE POLICY COMMITTEE

Committee Vice Chair Fuhr said that at its February 25 meeting the committee reaffirmed its position on the Louisiana Transfer Station and discussed the Competitive Bidding Guidelines. The chairman said that on the following day he, Andrews and Turnbull met with the mayor, city manager and a council member from St. Louis Park. It is understood that this is a critical site and the RTB has promised to cooperate fully, but must move ahead with the station. The Minnesota Department of Transportation (MN/DOT) is known for developing excellent facilities. RTB staff will continue to participate. Perovich said in the future we must meet with local government units and outline who is responsible for various activities. In this case there was an assumption that RTB was responsible, but RTB expected information would be disseminated at the local level.

REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE

The committee met on February 26 and acted on the following items. Committee Chair Franklin reviewed the committee report dated March 2, 1987.

DISADVANTAGED BUSINESS ENTERPRISE/WOMEN BUSINESS ENTERPRISE (DBE/WBE) 1987 GOALS

Franklin moved:

That the Regional Transit Board approve amendment of Section VII, Parts A and B, of the Disadvantaged Business Enterprise Plan/Women's Business Enterprise Plan to set goals of ten percent DBE and two percent WBE participation for Urban Mass Transportation Administration funding for federal fiscal year 1987. In addition, the Board adopts goals of ten percent DBE and two percent WBE in the procurement of all goods and services for the agency in 1987.

Caranicas seconded the motion. Franklin noted that the goals were met in 1986. Vote was taken; motion carried unanimously.

METROPOLITAN TRANSIT COMMISSION NICOLLET GARAGE AND MIDDAY BUS STORAGE REQUEST

Franklin moved:

That the Regional Transit Board approve the Metropolitan Transit Commission's Nicollet Garage and Midday Bus Storage Facility request and direct the Metropolitan Transit Commission to include these items in their capital program and resubmit them to the Regional Transit Board. Further, the Regional Transit Board directs the Metropolitan Transit Commission, as part of this process, to develop these two facilities as metropolitan transit facilities and include in the application how other operator needs could be accommodated in the design and management of the facilities. This information will be reviewed prior to Regional Transit Board approval of the Metropolitan Transit Commission's budget amendment request.

Joyce seconded the motion. The motion carried unanimously.

CITY OF PLYMOUTH CONTRACT AMENDMENT

Franklin moved:

That the Regional Transit Board authorize the executive director to amend the 1986 contract with the City of Plymouth from \$355,200 to \$360,050 and to amend the 1987 contract with the City of Plymouth from \$369,200 to \$449,150.

Joyce seconded the motion; the motion carried unanimously.

RIDESHARE CONTRACT

Franklin moved:

That the Regional Transit Board authorize the executive director to negotiate a contract with the Metropolitan Transit Commission for the delivery of ridesharing services in the metropolitan area in an amount not to exceed \$683,026.

Joyce seconded the motion; the motion carried unanimously.

(Vice Chair Caranicas took the chair.)

1982 GENERAL OBLIGATION BOND REFUNDING, RESOLUTION NO. 87-03

Franklin noted that a memorandum, dated February 24, 1987, had been distributed before the meeting. She moved:

That the Regional Transit Board approve Resolution No. 87-03 for the issuance of \$5,750,000 of bonds by the Metropolitan Council advance refunding of bonds outstanding from the 1982 Certificates of Indebtedness issued by the Metropolitan Transit Commission.

Kranz seconded the motion. Roll call vote was taken; the resolution was unanimously approved.

METROPOLITAN TRANSIT COMMISSION AMENDED 1987 BUDGET APPROVAL, RESOLUTION NO. 87-01

Franklin moved:

That the Regional Transit Board approve Resolution No. 87-01 approving the 1987 Metropolitan Transit Commission budget. This new proposal is an overall decrease in both operational and capital funding requests. Fuhr seconded the motion. Roll call vote was taken; the resolution was unanimously approved.

METROPOLITAN TRANSIT COMMISSION 1987 FEDERAL AID URBAN AND URBAN MASS TRANSPORTATION ADMINISTRATION SECTION 9 GRANT REQUESTS, RESOLUTION NO. 87-02

Franklin moved:

That the Regional Transit Board approve the application of the Metropolitan Transit Commission for federal transit assistance as stated in Resolution No. 87-02.

Skrebes seconded the motion. Roll call vote was taken; the resolution was unanimously approved.

1987 LEGISLATIVE PROGRAM

Franklin moved:

That the Regional Transit Board approve the 1987 legislative program as presented in the proposed legislative bill language.

Skrebes seconded the motion. Joyce said the members had discussed taking a position on the board's resistance to expanding the Metropolitan Transit Commission from three to five members. (Perovich took chair.) Franklin said she recalled a discussion in July when the board decided to drop this as an initiative. The majority did not want to increase membership to five and it is not part of the legislative package. Kuehn said the Association of Metropolitan Municipalities (AMM) has a legislative program that includes a recommendation to increase MTC membership from three to five members. Kranz said he did not recall a vote, but AMM is probably the proper entity to initiate an amendment. Franklin agreed, but said she was not sure AMM has all the background. RTB has nine members, six of whom are from the suburbs. The RTB reviews the MTC's budgets and reports and does the planning. Caranicas said increasing the number of MTC commissioners would jeopardize what the board is trying to

accomplish in competitive bidding. There was discussion of when hearings will be scheduled and the board's status as a taxing authority. Vote was taken; the motion carried unanimously.

OTHER BUSINESS

CHAIRMAN'S REPORT

The chairman discussed his February 24 memorandum. Members were strongly encouraged by Metropolitan Council Member Carol Flynn to attend Metro Systems Committee meetings when transit issues are before the committee. deVries said he will arrange to have RTB members on the mailing list. He will assemble a set of the issues papers that have been prepared for the committee.

MEMBERS' REPORTS

Fuhr discussed a retreat she attended recently where the facilitator urged members to think about where they want to be in five years. She said it would be useful for board members to go through that process.

Caranicas said the Metropolitan Council will carry the legislative package on taxicabs. Perovich said the governor instructed Steve Keefe to assume the issue. The board must decide whether it needs to have a Taxicab Advisory Committee or deal with taxicabs as private providers. Franklin suggested that the advisory committee also come under the aegis of the Council. Joyce said the issue should be referred to the Policy Committee.

STAFF REPORTS

Andrews reported on the American Public Transit Association Management Conference that he and the chairman attended recently held in San Diego.

Kathy Christopherson is developing a performance appraisal system for the staff. The supervisory staff will be trained on March 6 to use the system. Kranz said pay and performance must be tied together or program activities will be undermined.

Andrews expects to have a signed lease agreement for the new space by March 6. It is will be presented to the board for approval on March 16.

PUBLIC COMMENT

Entzel responded to the comments from the APTA conference; the reason random testing should not be done anywhere is that certain foods, eaten the day of testing, will cause a positive result and identify the person as a potential drug abuser. A "probable cause" clause should be included in any drug testing legislation.

There being no further business, Kranz moved and Franklin seconded a motion to adjourn. The motion carried unanimously. The meeting adjourned at 5:35 p.m.

Respectfully submitted,

Mary Fitzgerald
Secretary

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: February 18, 1987
TO: Regional Transit Board
FROM: Elliott Perovich
SUBJECT: Project Path Report and Environmental Assessment Trunk Highway
169 Minnesota River Crossing/Downtown Shakopee Approach

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

Project Path Report and Environmental Assessment Trunk Highway 169 Minnesota River Crossing/Downtown Shakopee Approach describes the nature of the proposed improvements to Trunk Highway 169 and Trunk Highway 101, identifies the need for such improvements and documents alternatives to be examined. The report also presents how the impacts of the alternatives will be analyzed and establishes the basis for the decision on whether there is a need for an Environmental Impact Statement.

The RTB has been asked to comment on the Project Path Report and Environmental Assessment by the Minnesota Department of Transportation. Review of this document has been completed and the RTB finds that no significant impact on transit will occur by the construction of the Highway 169 Minnesota River crossing.

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: March 10, 1987
TO: Regional Transit Board
FROM: Administration and Finance Committee
SUBJECT: Report of the Administration and Finance Committee

At its meeting March 5, 1987, the Administration and Finance Committee reviewed, discussed and moved the following:

SUBJECT: HASTINGS COMMUTER EXPRESS

Recommendation:

That the Regional Transit Board not renew or extend the contract for operation of the Hastings Commuter Express service.

SUBJECT: CITY OF BLOOMINGTON'S FEDERAL AID URBAN (FAU) TRANSIT PROJECT APPLICATION TO ASSIST IN FUNDING OF THE MEGA MALL TRANSIT STATION

Recommendation:

That the Regional Transit Board support the City of Bloomington's Federal Aid Urban Transit Project Application to assist in funding the Mega Mall transit station.

SUBJECT: MINNESOTA RIDESHARE AND METROPOLITAN TRANSIT COMMISSION FEDERAL AID URBAN APPLICATIONS

Recommendation:

That the Regional Transit Board authorize the executive director to submit an application for 1989-1991 Federal Aid Urban funding for the Minnesota Rideshare program in the amount of \$750,000 as well as two Metropolitan Transit Commission applications; one for 48 forty-foot buses in the amount of \$5,500,000; and another application for computer hardware and software equipment in the amount of \$250,000.

SUBJECT: FINANCIAL STATEMENTS - DECEMBER 1986

Recommendation:

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

Report of the Administration and Finance Committee
March 10, 1986
Page Two

SUBJECT: OFFICE LEASE PROPOSAL

See the enclosed memorandum.

SUBJECT: UPDATE ON FARE POLICY DEVELOPMENT AND IMPLEMENTATION
& FINANCIAL PLAN REVISIONS

Katie Turnbull presented at update on the status of the fare policy development and the revisions requested by the Metropolitan Council on the Implementation and Financial Plan.

Ruth Franklin
Chair

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: February 26, 1987
TO: Administration and Finance Committee
FROM: Katherine Turnbull, Planning Manager *KAT*
SUBJECT: City of Bloomington's Federal Aid Urban (FAU) Transit Project
Application to Assist in Funding of the Mega Mall Transit Station

Action Requested

That the Regional Transit Board (RTB) support the City of Bloomington's Federal Aid Urban (FAU) Transit Project Application to assist in funding the Mega Mall transit station.

Background

The City of Bloomington is applying for Federal Aid Urban (FAU) funding in the FAU Transit Project category to assist in the development of a transit station at the Mega Mall. Representatives of the City previously presented the transit station concept and preliminary design to the RTB's Committee of the whole in the fall of 1986. At that time the City was exploring different funding alternatives. One of the alternatives examined was the FAU Transit project category. The Minnesota Department of Transportation (Mn/DOT) has indicated that the proposed project is eligible for FAU funding. Based on this the City of Bloomington has indicated its intent to apply for approximately \$2 million in FAU funding and has requested RTB support of their application. A copy of the letter from the City of Bloomington requesting this support is attached.

The Mega Mall was identified in the Transit Service Needs Assessment as a potential transit hub for services in Bloomington and the surrounding area. Currently seven routes provide service in the airport south area and would utilize a transit station at the Mega Mall. An additional four routes have been identified in the Transit Service Needs Assessment and the current I-35W and I-494 studies which would provide service to the Mega Mall. This would bring the total number of routes serving the Mega Mall transit station to eleven.

The capital program outlined in the Implementation and Financial Plan does not currently include the Mega Mall transit station. However, it is listed as one of four capital projects under consideration by the RTB. The Implementation and Financial Plan has been approved by the Metropolitan Council with some additional information requested by the Council by April 22. The RTB is currently revising the Implementation and Financial Plan and, as noted in the document, the Mega Mall transit station could be amended into the capital plan at that time.

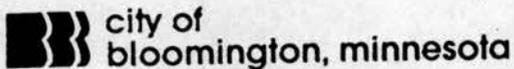
Findings and Conclusions

- o The City of Bloomington has indicated to the RTB that they will be applying for approximately \$2 million in FAU funding through the Transit Project category and has requested the RTB support this application.
- o The Mega Mall was identified in the Transit Service Needs Assessment as a potential transit hub for the area.
- o Currently seven routes service the airport south area and would serve the Mega Mall transit station. An additional four routes have been identified in the Transit Service Needs Assessment and the I-35W and I-494 studies, bringing the future number of routes servicing the station to eleven.
- o The Mega Mall transit station was identified in the Implementation and Financial Plan as under consideration by the RTB but was not included in the Capital Plan.

Recommendation

That the Regional Transit Board (RTB) support the City of Bloomington's Federal Aid Urban (FAU) Transit Project Application to assist in funding the Mega Mall transit station.

DBMEMO/2



Municipal Building • 2215 West Old Shakopee Road • Bloomington, Minnesota 55431 • (612) 881-5811

James H. Lindau
Mayor

John G. Pidgeon
Manager

February 23, 1987

Ruth Franklin, Chair
Administration and Finance Committee
REGIONAL TRANSIT BOARD
270 Metro Square Building
St Paul MN 55101

Dear Ms. Franklin:

In October 1986, I appeared before the Regional Transit Board's Committee-of-the-Whole to talk about the concept of a transit center incorporated in the Mall of America. One of the items discussed at that meeting was availability of federal or state funds to offset part of the capital costs of such a center.

Subsequently, the City of Bloomington met with representatives of the Transportation Advisory Board, Regional Transit Board, Metropolitan Council, Minnesota Department of Transportation and Federal Highway Administration to identify an appropriate capital funding source. This consultation process resulted in a letter from the MnDOT Office of State Aid (attached) which indicates that the proposed transit station can meet Federal Aid Urban (FAU) funding requirements.

The City of Bloomington intends to apply for FAU Transit Project funding for an approximately 30,000 square-foot enclosed station having space for 10 to 15 transit vehicles. The project will be defined as the cost of finishing "shell space" within the mall including costs of pavement, platforms, sidewalks, passenger waiting areas and shelters, furniture (seats, waste recepticals, etc.), lighting, signs and displays, elevators, escalators and traffic control devices.

The estimated total cost of \$2.6 million would result in a FAU application for about \$2 million. The FAU application is not yet completed, but will be available in draft form in time for the Administration and Finance Committee's March 5 meeting.

The Regional Transit Board's support of this application will be a critical element in its eventual success or failure. Therefore, I request the Administration and Finance Committee's careful consideration of Bloomington's application.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Larry Lee', written over a printed name.

Larry Lee
Assistant City Manager

Enclosure



Minnesota Department of Transportation
Transportation Building, St. Paul, MN 55155

February 3, 1987

Phone 612-296-9872

Larry Lee
Assistant City Manager
City of Bloomington
Municipal Building
2215 West Old Shakopee Road
Bloomington, Minnesota 55431-3096

In reply refer to:
Megamall Transit Station

Dear Mr. Lee:

This is in response to your letter of January 21, 1987, requesting advice on the eligibility of a proposed Transit Station in the Megamall.

In general, we believe that such a facility could be eligible for FAU funding subject to certain requirements to satisfy federal regulations.

An important item would be that a public agency have jurisdiction over the facility including access and egress areas and be responsible for maintenance. This could be covered by a long term or permanent easement to the public agency. Maintenance activities could be delegated by agreement to another party, however, the public agency would be responsible for insuring that satisfactory maintenance was performed.

There could also be certain restrictions regarding the location of private enterprise facilities within a transit station. This could affect FAU eligibility in whole or in part.

As I am sure you are aware, the project would need to be in the approved Metro Area Transportation Improvement Program. In addition, the paperwork process would have to follow, i.e., Project Development Report, Location/Design Study Report.

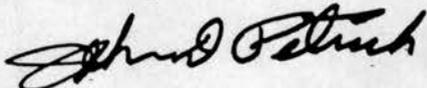
We recommend that if the project is developed with the intent of using FAU funds any proposed easement and maintenance documents be submitted in draft form for a review and approval by MN/DOT and FHWA.

We believe the proposed letting and construction process possibly raise more significant questions. Where Federal Highway funds are involved there are certain inspection, testing, and reporting requirements. Under our normal agency agreement process with cities and counties, bids are opened at the City or County offices by the District State Aid Engineer and the City or County is responsible for the inspection, testing and reporting. If a different procedure is proposed, this would be an issue needing resolution prior to FHWA authorization to advertise for bids.

Page 2
Larry Lee
February 3, 1987

We hope this provides the information you need. If you have any questions, please contact John Petrich at this office for assistance (Tel. 296-9973).

Sincerely,



GMF Gordon M. Fay
Director, Office of State Aid

cc:
C. E. Weichselbaum, DSAE, Dist.5
John Petrich - 420
Al Friesen - FHWA
Fred Tanzer/Mike Kromminga - 807
Bloomington City File - 420

GMF:jmm
John Petrich

January 21, 1987

Gordon Fay
State Aid Engineer
Minnesota Department of Transportation
Room 420
Transportation Building
St. Paul, MN 55155
ATTN: John Petrich

Dear Gordon,

The City of Bloomington is investigating the feasibility of using Federal Aid Urban funding for constructing a transit station in the Mall of America (Megamall). We would like your advice on how the application can be structured to be eligible for FAU funding.

While the project seems to fit all the requirements for a FAU project, it seems to raise unique questions of ownership. The City, Triple Five Corporation and Regional Transit Board want the transit station to be incorporated in the mall structure so that climate control and mall access will be ideal for passengers. This would mean that FAU funds would be expended on private property. My research indicates that while there is no prohibition on expending FAU funding for a project located on private property, there is also no precedent for doing so, at least in Minnesota.

Our discussions with the developer and Emil Brandt, Transportation Coordinator for the Transportation Advisory Board, have identified three ways to structure the legal arrangement with Triple Five Corporation:

- an agreement whereby Triple Five Corporation provides access to the transit station for public transit vehicles and maintains the transit station.
- an easement to the City of Bloomington for the transit station; Triple Five Corporation maintains the transit station.
- a lease to the City of Bloomington for the transit station; Triple Five Corporation maintains the transit station.

Gordon Fay
January 21, 1987
Page 2

The proposed facility would be a weather-protected station serving private and public transit vehicles. Based on our discussions with the Regional Transit Board, it should have space for about 12 vehicles and occupy a central location in the proposed development. This location will probably be adjacent to 24th Avenue which is on the FAU system.

Triple Five Corporation would assume responsibility for engineering, operation, maintenance and capital cost not paid by FAU funding.

The environmental impact statement for the Mall of America indicates that a transit station in the project would experience high use:

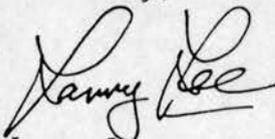
- 1.4 million annual visitors traveling by bus and plane
 - * 1,900 average weekday visitors traveling by bus
 - * 900 average weekday visitors traveling by air
 - * 3,750 average weekend visitors traveling by bus
 - * 1,700 average weekend visitors traveling by air

- 0.5 million annual employee-trips on transit
 - * 700 average day employees using transit

The Minnesota Pollution Control Agency has made provision of a transit station a requirement of the Indirect Source Permit for the project.

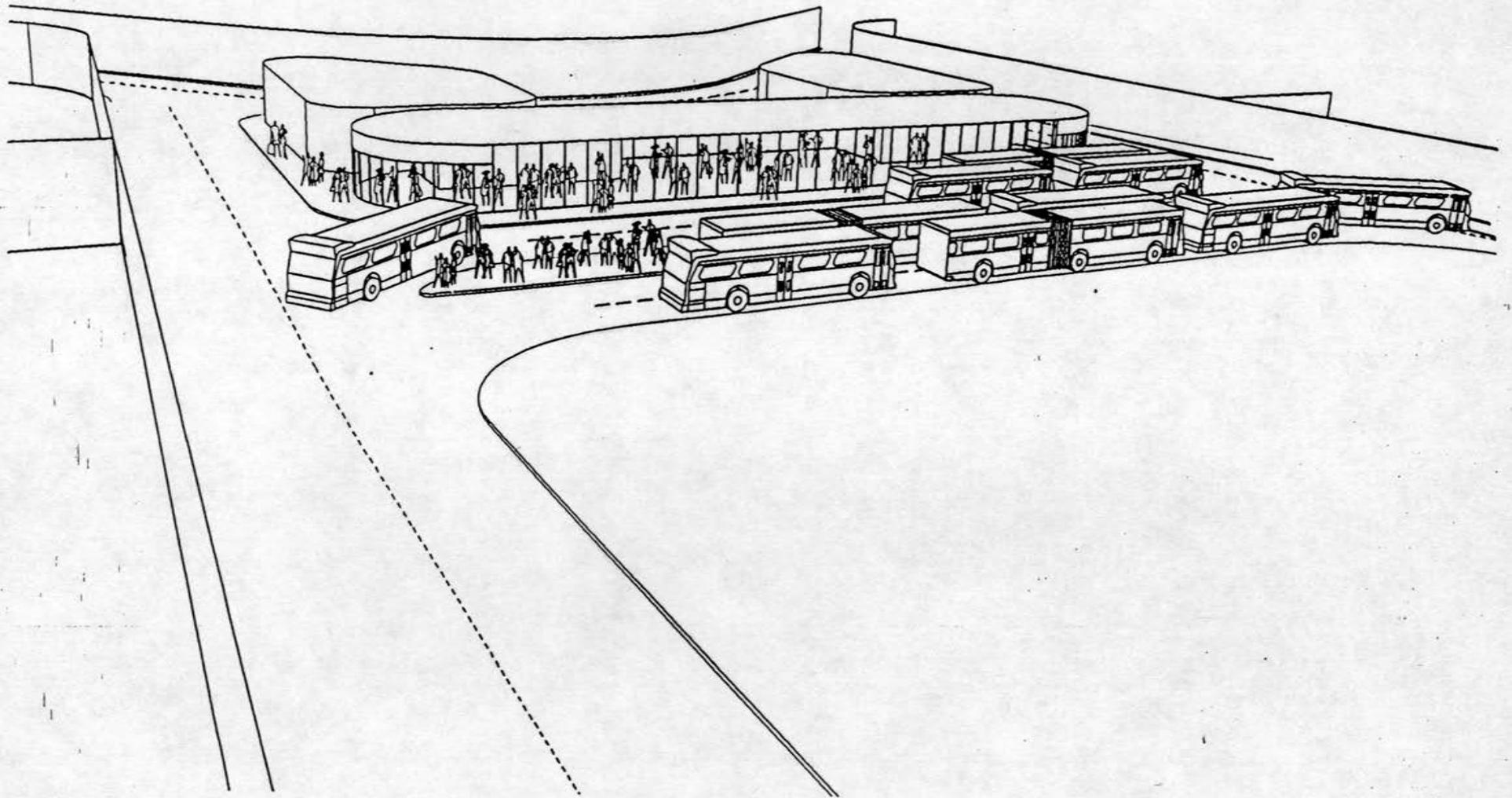
I have attached a concept rendering of the transit station. This rendering is a "slice" out of the mall structure with direct elevator access into the building above.

Sincerely,

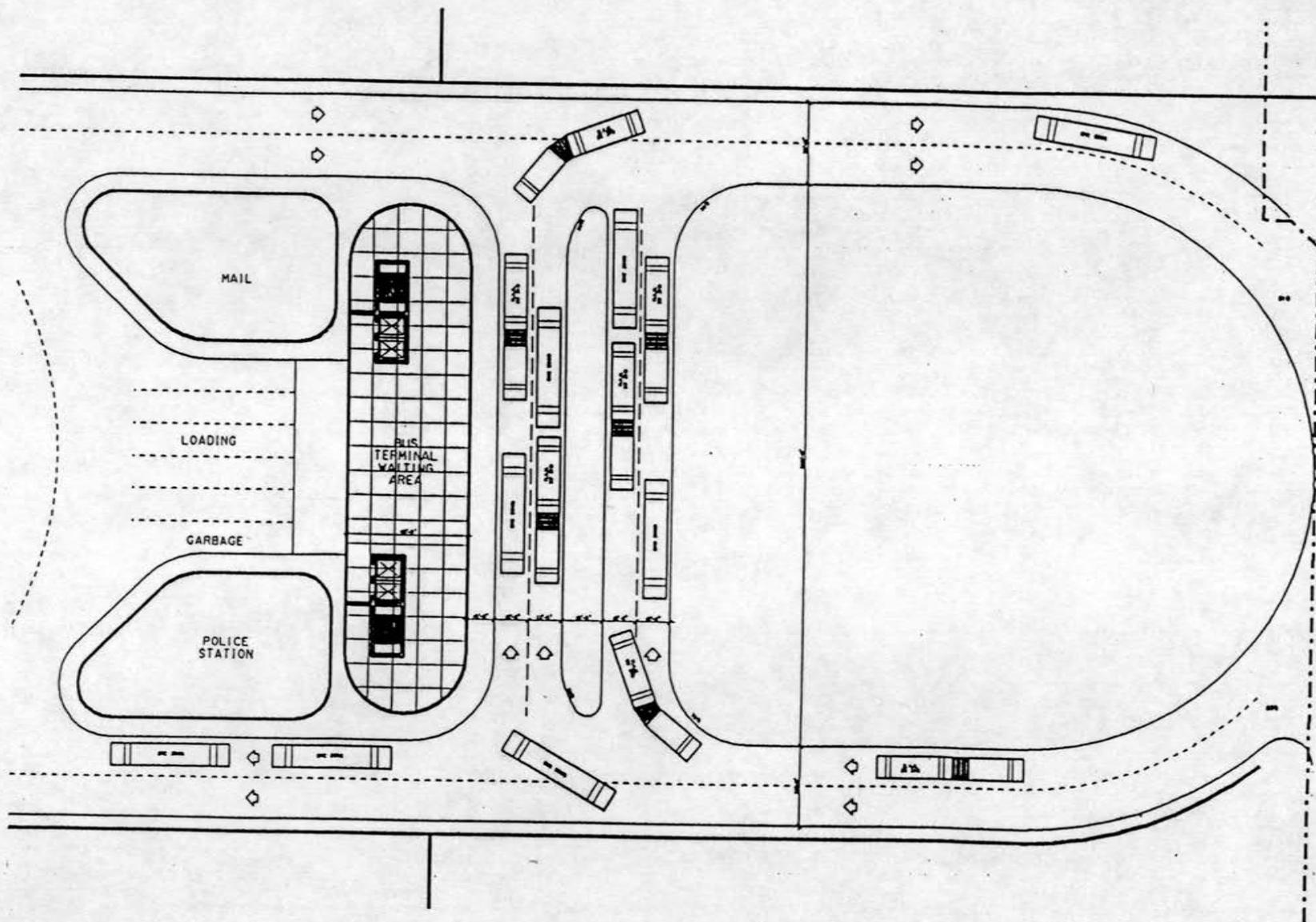


Larry Lee
Assistant City Manager

enclosure



	MALRICE SUNDERLAND ARCHITECTURE P. ARCHITECTS INTERIOR DESIGNERS COMPUTER GRAPHICS
	PROJECT NO. 11111111
	DATE 7.11.88
	SCALE 1:500
	VIEW BUS STOP PERSPECTIVE
	MALL OF AMI



	MAURICE SUNDERLAND ARCHITECTURE INC.
	PROJECTS HYPER DESIGNERS GRAPHIC SERVICES
	DATE: 11/11/87
	PROJECT: METROPOLITAN TRANSIT CENTER
	FILE NO: 7143
	MALL OF AMERICA

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: March 5, 1987
TO: Administration and Finance Committee
FROM: Edward Kouneski, ^{EK} Programs Manager
SUBJECT: Hastings Commuter Express Service Recommendation

ACTION REQUESTED

That the Administration and Finance Committee recommend the Regional Transit Board not renew or extend the contract for operation of the Hastings Commuter Express service.

BACKGROUND

The contract with Commuter Express, Inc. to operate daily subscription bus service between Hastings and downtown St. Paul expires on March 31, 1987. Since April 1986, this service has been funded as a demonstration project through the exurban program. The exurban guidelines adopted by the RTB require that the operating deficit be matched 50-percent with local funds. In January 1987, the RTB began subsidizing 100-percent of the operating deficit to enable the program to complete a 12-month demonstration period.

Alternatives for continued funding of this program were presented by staff and discussed at length during the February 26 meeting of the Administration and Finance Committee.

DISCUSSION

As this action is considered, it is important to note that in the exurban area, five new paratransit projects have been identified for implementation based on a ranking of regional needs identified in the Transit Service Needs Assessment study completed by the RTB. Travel desires from Hastings to downtown St. Paul did not surface as a significant consideration during this study.

Preliminary information for the top-ranked potential new exurban programs is as follows:

<u>Rural Area</u>	<u>Service Strategy</u>	<u>Estimated Cost</u>
Anoka County	Alternate day circulator	\$ 40,000 - 80,000
Carver County	Alternate day circulator	\$ 40,000 - 80,000
Forest Lake/ Columbus Township	General public dial-a-ride	\$100,000 - 180,000
Hastings/South South Dakota County	Alternate day circulator	\$ 40,000 - 80,000
Lakeville/Farmington	General public dial-a-ride	\$100,000 - 180,000

The first implementation is likely to occur in Anoka County in late 1987 with some others to follow in 1988. Specific implementation dates however, have not yet been set since, with the exception of Anoka County, the communities have not been involved in discussing the proposed service strategies.

As this action requested by staff is considered, other factors should be recognized as well, including the fact that continued funding of the Hastings Commuter Express service would be contrary to an existing Metropolitan Council policy which discourages subsidizing fixed-route bus service from freestanding growth centers. The Council is currently in the process of updating its policies and has encouraged the RTB to provide input and suggest any necessary revisions.

Finally, and perhaps most important, the exurban legislation specifically states that the proceeds of the exurban tax "shall be used only for paratransit services or ridesharing programs." (Emphasis added.)

Subscription bus service, if it is not subsidized, may be considered a form of ridesharing. Subsidized subscription service, however, cannot be defined as ridesharing.

The service was funded by the RTB for 12 months as a demonstration service with the intent that it would eventually become self-sufficient. During this demonstration period, RTB exurban funds have enabled the Hastings commuter service to attract a stable number of riders.

The staff conclusion presented in the previous report to the Administration and Finance Committee is consistent with this recommendation. The 12-month demonstration period has been completed and steps should now be taken by the private operator to either restructure the service as a self-sufficient subscription service or seek funding support from the City of Hastings for continued subsidization of the service.

The City of Hastings should review the availability of its own transportation funds and in discussions with Commuter Express, Inc. determine whether this service meets a local priority or need. Otherwise, like the RTB, the City of Hastings should encourage restructuring of the subscription bus service to become self-sufficient.

Exurban Funding Guidelines

As a follow-up to the discussion that took place at the last Administration and Finance Committee meeting, at future Board committee meetings staff will be presenting more detailed information on the exurban funding program including:

- o Taxes collected by community in the exurban area compared with funds expended.
- o Target implementation dates and revised cost estimates for the TSNA identified projects.
- o Impact of revising the exurban guidelines for existing programs to include fares as part of the local match.

Analysis of this information, in staff's view, would not affect the conclusions or recommendation stated here for continued funding of the Hastings commuter express service.

FINDINGS AND CONCLUSIONS

- o The Hastings commuter express service contract expires on March 31, when it will have completed a 12-month demonstration period with funding support from the RTB. The City of Hastings provided funding support only during the first nine months of the program.
- o It was originally intended that the Hastings commuter express service would become a self-sufficient subscription bus service.
- o Legislation requires that exurban tax proceeds be used for paratransit and ridesharing programs. A subscription bus service, if it is not subsidized, would qualify as a form of ridesharing. If the Hastings commuter express service continues to be subsidized by the RTB beyond its demonstration period, the legislative requirement would not be met.
- o At the same time, subsidizing bus service from a freestanding growth center is discouraged by an existing Metropolitan Council policy.
- o Furthermore, there have been regional needs identified and specific paratransit projects proposed for implementation in the exurban area, as part of the Transit Service Needs Assessment. Travel desires for trips from Hastings to downtown St. Paul did not rank highly. Given that there are five major new exurban projects identified for implementation, it is staff's view that exurban funding priorities should be focused on these identified regional needs.
- o In summary, the staff recommendation to not extend or renew the contract with Commuter Express, Inc. for operation of express service from Hastings to downtown St. Paul would achieve the following:
 - consistency with the legislative requirement for RTB funding of programs in the exurban area;
 - compliance with the existing Metropolitan Council policy which discourages subsidized bus service from freestanding growth centers; and
 - greater focus on the needs and new services identified for implementation in the Transit Service Needs Assessment study.
- o RTB funding during the demonstration period has successfully enabled the service to attract a stable ridership base. The private operator now has the option to either restructure the service to become self-sufficient or seek additional subsidies from the City of Hastings.

RECOMMENDATION

That the Administration and Finance Committee recommend the Regional Transit Board not renew or extend the contract for operation of the Hastings Commuter Express service.

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: March 16, 1987
TO: Administration and Finance Committee
FROM: Cynthia M. Mayer, Project Administrator
SUBJECT: 1989-1991 Federal Aid Urban Project Applications

ACTION REQUESTED

That the Regional Transit Board authorize the executive director to submit an application for 1989-1991 Federal Aid Urban funding for the Minnesota Rideshare program in the amount of \$750,000 as well as two Metropolitan Transit Commission applications; one for 48 forth-foot buses in the amount of \$5,500,000 and another application for the Transit Information Center's computer hardware and software equipment in the amount of \$250,000.

BACKGROUND

At the March 5, 1987, Administration and Finance Committee meeting a request was recommended to submit an application for FAU funding for the Minnesota Rideshare program and two Metropolitan Transit Commission programs. The RTB has the responsibility to submit the FAU funding project applications for the Minnesota Rideshare program. The MTC has the responsibility for the submittal of two other project applications to the Transportation Advisory Board for FAU funds. In accordance with Minnesota Statutes, Section 473.375, subdivision 8, the Regional Transit Board must approve all applications for federal transit assistance. The following three projects are will be submitted to the Transportation Advisory Board for inclusion in the 1989-1991 Federal Aid Urban Program pending review and approval of the Regional Transit Board.

1. Purchase of Minnesota Rideshare Comprehensive Program	1989 - \$ 365,000 1991 - \$ 385,000
2. Purchase of Buses	1989 - \$ 2,750,000 1991 - \$ 2,750,000
3. Purchase of TIC's Computer Hardware and Software	1989 - \$ 93,750 1991 - \$ 93,750

Attached are the project applications for the three Federal Aid Urban project submittal.



March 16, 1987

Emil Brandt, Transportation Coordinator
Transportation Advisory Board
276 Metro Square Building
St. Paul, MN 55101

RE: Submittal of 1989-1991 Federal Aid Urban Project Applications

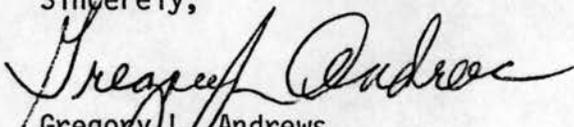
Dear Mr. Brandt:

At its meeting of March 16, 1987, the Regional Transit Board authorized the executive director to submit the following three projects to the Transportation Advisory Board for inclusion in the 1989-1991 Federal Aid Urban Program:

1. Purchase of Minnesota Rideshare Comprehensive Program	1989 - \$ 365,000 1991 - \$ 385,000
2. Purchase of Buses	1989 - \$2,750,000 1991 - \$2,750,000
3. Purchase of TIC's Computer Hardware and Software	1989 - \$ 93,750 1991 - \$ 93,750

Enclosed for the Transportation Advisory Board's review are the required documents for this submittal of the above mentioned projects.

Sincerely,



Gregory L. Andrews
Executive Director

Please Type

Enclosure C (Page 1 of 2)

1989-1991 FEDERAL AID URBAN PROJECT SUBMITTAL FORM

Project Type	Please Check One	Roadway Construction (5.5 million or less)	Capacity	Bikeway/Walkway		
		Safety	Transit X	Roadway Construction (non-staged) 2.5 million or less		
Location	Street Name & Road # _____ N/A		Project Length _____ N/A			
	Termini or Intersection _____ N/A					
	County	N/A	Municipality	N/A		
Project Description (specify improvement typical section, design requirements)	MINNESOTA RIDESHARE Minnesota Rideshare is a non-profit comprehensive program which provides rideshare services, information and marketing to and for commuters, employers and public and private transportation agencies and organizations in the seven county metropolitan area of the Twin Cities. The Regional Transit Board gives policy and planning direction to ridesharing in this area and the MTC contracts with the RTB to provide rideshare services in the form of Minnesota Rideshare.					
Project Development Path and FAU Financial Staging Requirements						
Cost Estimate (1987 Prices)	Cal. Year	\$ R/W	\$ Design	\$ Const. Eng.	Construc.	\$ Total
	1989	N/A	N/A	N/A	N/A	475,000
	1990	N/A	N/A	N/A	N/A	502,000
	1991	N/A	N/A	N/A	N/A	
Traffic	Source of Local Funds _____ Project Total-\$ _____					
	For intersection projects, list info requested for all legs.					
	Current AADT	Year	Current Level of Service		N/A	
Design AADT	Year	List Signal Warrants Met		N/A		
Accident History	Year _____					
	# of Fatal Accidents		N/A	N/A	N/A	
	# of PI Accidents		N/A	N/A	N/A	
	# of PD Accidents		N/A	N/A	N/A	
	Estimated % Reduction of Total Accidents if Improvement is Made. N/A					

NARRATIVE:

Respond directly to qualifying and priority criteria in Enc. B for specific type of project. Provide concise and specific answers to the project description and each criterion listed. Identify answer by number and letter of criterion. Do not skip any items. Failure to properly address each item may result in disqualification for consideration. Use additional plain, 8-1/2 x 11 sheet for response on criteria and any additional comments, type single space. Attach 8-1/2 x 11 black and white reproducible map showing general project location. Application including attachments must be limited to four additional sheets, one or two sides, with non-reduced type.

COMPLETE THE INFORMATION REQUESTED ON REVERSE SIDE.

Submitted by [Signature] Agency Regional Transit Board Phone # 292-8789 Date 3/16/87

MINNESOTA RIDESHARE

Project Overview and Description

Minnesota Rideshare (MnRS) is a non-profit program which provides ridesharing information and marketing services which focus on commuters traveling regularly to and from work during peak travel times (6-10 a.m. and 2-7 p.m., Monday through Friday) in the seven county metropolitan area of the Twin Cities. Specific services which MnRS provides are:

1. Computer matching of applicants to the centralized and current data base with on-line capabilities.
2. Rematching services as needed to maintain existing car and vanpools.
3. Supplying information to applicants on existing bus service where appropriate.
4. Making presentations and assisting in creating ridesharing programs within individual companies and organizations; specifically tailoring that program to the organization's needs, as with the University of Minnesota.
5. Creation and maintenance of a pool register (car and van) to track compliance and use of service.
6. Creation and maintenance of an employer resource file for coordinated employer rideshare efforts and target marketing specific geographic areas.
7. Providing rideshare strategies for business relocation and new development.
8. Providing rideshare strategies in cooperation with public transportation agencies (e.g., MnDOT, RTB) for roadway construction and changes, e.g., I-394, 35E, 35W.
9. Providing rideshare resource to local communities to solve commuter transportation problems.
10. Providing research and evaluation tools and resource on ridesharing in this area.

These services are provided to reach the ultimate goal of increasing the peak hour vehicle occupancy rate to 1.6 persons on the commute trip in this metropolitan area.

The Minnesota Rideshare program began in 1977 as a pilot ridesharing project in southern Hennepin County and has become a comprehensive rideshare program. The Regional Transit Board (RTB) provides program direction and has policy responsibility for area rideshare programs, with the MTC providing rideshare services through Minnesota Rideshare on a contractual agreement with the RTB.

Specifically through an aggressive marketing effort and interagency cooperation Minnesota Rideshare showed significant increases in activity in 1986. The number of applications received increased by 47 percent when compared to 1985. The number of carpools registered for free parking increased by 115.4 percent.

While the percentages of change are impressive from 1985 to 1986, it is important to note that even though Minnesota Rideshare will continue to aggressively market, the return in terms of increase, may not be as significant as in 1986. The start up activity around the I-394 project had considerable but expected "spill over" effects on the total rideshare market. Minnesota Rideshare intends to be alert for and use all 'windows of opportunity' to capitalize on situations where ridesharing strategies will apply, (e.g., I-494). The projected growth of the system will be commensurate with the change in the funding request. That change being a 7% increase over the two year period.

The number of people on the data base that informed Minnesota Rideshare that they joined pools increased by 55.4 percent. The amount of bus transit information given out by rideshare increased by 112.4 percent. A comparison of 1985 and 1986 is summarized below:

The Federal Aid Urban funding proposed for this project represents only a portion of the total funds needed for the Minnesota Rideshare program. The following table summarizes the proposed total budget for the Minnesota Rideshare program.

	<u>Total Projected Budget</u>	<u>FAU Match/Total</u>	
1987	\$594,700	\$338,000	\$440,000
1988	\$618,500	\$363,000	\$473,026
1989	\$643,200	\$365,000	\$475,000
1990	\$668,900	\$385,000	\$502,000

It is anticipated that the balance of the funding required will be provided by local operating funds, UMTA and other funding.

QUALIFYING CRITERIA

1. The project must be consistent with policies of the Metropolitan Council's officially adopted Metropolitan Development Guide:

The Minnesota Rideshare program is consistent with the Metropolitan Council's Transportation Guide/Policy Plan, including the following policies:

Policy 3:

Transportation systems should be developed and managed to utilize existing investments more efficiently.

Policy 11:

Demonstration projects should test new service, pricing/financing concepts or strategies, and contain an evaluation program sufficient to assess the performance and further applicability of the project objectives.

Policy 14:

The transportation system should be planned, designed and operated to encourage higher vehicle occupancies. Major travel segments of the metropolitan highway system should be designed for 1.6 persons per auto and 35 percent of the peak hour person travel from the suburban subregions to the metro center on fixed-route transit.

Policy 20:

Transit services should be provided that achieve the most efficient, productive, and effective use of public resources and investments.

Policy 22:

The public and private sectors are both important suppliers of transit services; whichever can provide the most cost-effective service should be encouraged to do so.

Policy 31:

Multi-passenger strategies should be generally promoted at the regional level and specifically encouraged at the subregional/local level by:

- establishing ongoing ridership programs that are cost-effective
- fostering a close relationship between the public and private sectors in the provision of ridesharing services
- targeting selected problem areas, congested corridors or subregions

Policy 38:

Commuter trips from freestanding growth centers to the urban service area should be served by rideshare strategies rather than by expanding metropolitan highways and fixed-route transit services.

2. The total cost of the project must exceed \$50,000...

The total project cost is \$2.84 million over the period of 1989-90. The proposed FAU share is \$977,000; the RTB will fund the remaining portions with local funds, UMTA and other funding sources.

3. Projects must be coordinated with all affected communities, RTB and other levels of government.

Policy and program direction for Minnesota Rideshare is provided by the Regional Transit Board. The Rideshare Advisory Committee (RAC) is the specific advisory body to rideshare and is comprised of the membership from the private and public sector to give coordination and continuity to rideshare service need in the metropolitan area.

The Minnesota Rideshare staff is an active rideshare resource to communities, organizations and local governments in the Metropolitan Area.

4. The Project must be under the jurisdiction of the submitting agency.

As previously stated, Minnesota Rideshare services are provided by the MTC under contract to the RTB which is responsible for rideshare policy direction and planning in this area.

5. Projects such as exclusive or preferential lanes...traffic control devices, bus passenger loading areas...must be on or near FAU routes.

Minnesota Rideshare will continue to be actively involved in the promotion of usage of the interim HOV lane on Highway 12/I-394 to completion of the project. Minnesota Rideshare is available as the rideshare strategy resource for any and all proposed access and egress and traffic flow changes and parking accommodations on or near FAU routes as proposed in studies now underway and in future projections of plans.

PRIORITY CRITERIA

1. a. Implementation of the Metropolitan Council's officially adopted Transportation Policy Plan Chapter of the Metropolitan Development Guide:

The Minnesota Rideshare program aids in the implementation of the following policies included in the Transportation Policy Plan Chapter of the Metropolitan Development Guide:

Policy 3:

Transportation systems should be developed and managed to utilize existing investments more efficiently.

Policy 11:

Demonstration projects should test new service, pricing/financing concepts or strategies, and contain an evaluation program sufficient to assess the performance and further applicability of the project objectives.

Policy 14:

The transportation system should be planned, designed and operated to encourage higher vehicle occupancies. Major travel segments of the metropolitan highway system should be designed for 1.6 persons per auto and 35 percent of the peak hour person travel from the suburban subregions to the metro center on fixed-route transit.

Policy 20:

Transit services should be provided that achieve the most efficient, productive and effective use of public resources and investments.

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Policy 31:

Multi-passenger strategies should be generally promoted at the regional level and specifically encouraged at the subregional/local level by:

- establishing ongoing ridership programs that are cost-effective
- fostering a close relationship between the public and private sectors in the provision of ridesharing services
- targeting selected problem areas, congested corridors or subregions

Policy 38:

Commuter trips from freestanding growth centers to the urban service area should be served by rideshare strategies rather than by expanding metropolitan highways and fixed-route transit services.

- b. Implementation of a Capital Improvements Program...and consistent with the local comprehensive plan.

Because of the nature of the Minnesota Rideshare program, it is considered an operating program rather than a capital program. Therefore, it does not appear in the MTC or RTB capital budgets, however ridesharing is included in the RTB's IMPLEMENTATION PLAN.

- c. The major recommendations of applicable regional, subarea, or corridor transportation studies.

Ridesharing strategies are considered and/or recommended in the following studies:

- Airport South Study
- I-394 Study
- Transportation Control Plan Amendment for Air Quality
- I-494 Study
- Long Range Transit Study
- RTB Service Needs Assessment
- RTB Implementation and Financial Plan

- d. The specific recommendations of applicable route-ridership studies or other transit studies.

The following are strategy applications in general for the Twin Cities and then specific areas as listed in the RTB's Transit Service Needs Assessment.

Strategy Application in the Twin Cities:

1. Ridesharing should continue to be an integral part of the overall transit services offered in the metropolitan area. Ridesharing is appropriate to all portions of the metropolitan area; however, it should be concentrated in specific areas which have the highest need indicators appropriate to rideshare services. These include areas with high levels of highway congestion and destinations with high parking costs and limited parking.
2. The ridesharing program should focus on congested corridors by providing carpool and vanpool matching and other marketing services targeted to these areas. Large activity generators and employment concentrations should be targeted in this effort.
3. The ridesharing program should be enhanced by the development of fixed facilities such as park-and-ride lots and priority treatments, to support ridesharing throughout the region.
4. Ridesharing should focus on identifying and supporting user incentive programs.
5. Expanded use of subsidized vanpool programs, following the models used effectively in other areas, should be examined.
6. Ridesharing should continue to be a coordinated effort between the public and private sector. Private sector participation should continue to be actively supported and encouraged.

CENTRAL CITY

- o The rideshare program should also focus on (reverse commute) trips, especially in working with transit dependent populations looking for employment opportunities in suburban areas.

FIRST RING SUBURBS

- o Major concentrated rideshare marketing, including carpooling and vanpooling, should be conducted focusing on the most congested areas and on major employment centers. This should include assisting with reverse commute needs, especially those of transit dependent populations from the central cities.

SECOND RING SUBURBS

- o Major concentrated rideshare marketing, including carpooling and vanpooling, should be focused on congested travel areas and major employment centers. This should include assisting with reverse commute needs, especially those of transit dependent populations from the central cities.

THIRD RING SUBURBS

- o Based on the characteristics of third ring communities, several strategies are appropriate. Paratransit services such as dial-a-ride, point/route deviation or shared-ride taxi are applicable programs which should be centered around freestanding growth areas. Rural alternate day service, with connections to second ring generators, is also appropriate to serve the basic, but not daily, needs of transit dependent populations. Ridesharing, including carpooling and vanpooling, should be actively promoted to major generators and both CBDs.

- o Design provision when warranted for coordination with other modes.

Minnesota Rideshare service, information and marketing efforts include all transit modes. Bus information, in addition to carpooling and vanpooling, is available. Additionally, Minnesota Rideshare utilizes its unique data base to identify commuters to market specific bus routes or to offer a transportation alternative when a bus route is terminated.

Additionally, special efforts to coordinate marketing and advertising are made by the RTB, MTC and Mn/DOT for I-394 interim and permanent HOV lanes.

- o The number of people served.

Source: Minnesota Rideshare Database: 1986

Minnesota Rideshare projects for the years 1989 and 1990 that 25,000 to 30,000 commuters will apply for matching services. Minnesota Rideshare will be able to track 7,000 to 8,000 people in pools through parking and pool registrations in each year which accounts for 3.6 to 4 million passenger trips per year. Minnesota Rideshare makes over 6,000 contacts with companies, organizations and agencies each year and projects making 100 to 150 program presentations on site to companies each year.

Ridesharing is a cost-effective strategy to increase vehicle occupancy ratios on existing roadways. No capital outlay is required. The "empty seat" availability for transit are the existing automobiles and HOV in this area. In 1983, the public subsidy for MTC buses was 69 cents per passenger trip and the corresponding public subsidy for carpools and vanpool passenger trips was 5 cents. In 1986, the subsidy was 83 cents for buses, 3 cents for carpools and vanpools based on 3.5 million passenger trips.

1. Improve direct access to, or circulation within, the Metro Center...and unique facilities of metropolitan scale...

- o Minnesota Rideshare has actively promoted its ridesharing services in both downtown Minneapolis and downtown St. Paul, and at the University of Minnesota, with success.
- o Minnesota Rideshare has been and will continue to be instrumental in creating preferential parking for pooler strategies in and around major generators.
- o Minnesota Rideshare has researched and recommended and been successful in acquiring additional rideshare roadway signage and vanpool loading areas particularly in downtown St. Paul and downtown Minneapolis.

2. Provide new types of service or innovative solutions to transportation problems.

Minnesota Rideshare continues to implement new and innovative strategies to constantly increase the level of ridesharing in this metropolitan area with the 1.6 peak-hour vehicle occupancy level continually the goal. Projected major energy shortage crises for 1990 and beyond cannot be ignored from recent past experience. Minnesota Rideshare intends to meet this impending challenge within an effective efficient rideshare program which specifically deals with increasing the vehicle occupancy during peak travel times in the Twin Cities Metropolitan Area by providing improved computer matching operations, pool maintenance services, pool registration incentives and coordinated rideshare strategies for public and private agencies.



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

March 13, 1987

Mr. Elliot Perovich
Chair, Regional Transit Board
Metropolitan Building
7th & Robert Streets
St. Paul, MN
Attn: Cyndie Mayer

RE: MTC's 1989-1991 FAU Projects to TAB

Dear Mr. Perovich:

As a part of requirements concerning those qualifying and priority criteria for 1989-1991 Federal Aid Urban (FAU) projects, MTC hereby transmits copies of MTC resolution and FAU applications, and requests your review and approval to the Transportation Advisory Board.

According to TAB's criteria, your reviews and approval should be based on the implementations of those major and specific recommendations of such study as Transit Service Needs Assessment Study.

1989-1991 FAU Projects

1. Purchase of Buses:

This is a part of continuing fleet replacement plan of 125 buses identified in and adopted by Metropolitan Council's 1987-1989 TIP. The requested amount of FAU share is \$5,500,000.

2. Purchase of Computer Hardware and Software System for Transit Information Center:

This project will upgrade, improve and enhance the Transit Information Center's automated system in storing, processing, disseminating transit informations such that a better and efficient service system to meet transit information needs of present and future users of MTC service can be accomplished.

The requested amount of FAU share is \$187,500.

Please call Hank Imm, Grants Administrator, at 349-7728 if you have any questions.

Sincerely,



John J. Capell
Chief Administrator

JJC/HI/crf/2859

METROPOLITAN TRANSIT COMMISSION

RESOLUTION NO. 87-21

RESOLUTION AUTHORIZING APPLICATION FOR
FEDERAL AID URBAN FUNDS TO TRANSPORTATION ADVISORY BOARD

WHEREAS the Transportation Advisory Board of the Metropolitan Council has requested the submission of projects for inclusion in the 1989-1991 Federal Aid Urban Program being prepared for the metropolitan area; and

WHEREAS under the provisions of the Federal Aid Highway Act of 1973, certain non-highway public mass transit projects are eligible for consideration as federal aid urban system projects; and

WHEREAS the Metropolitan Transit Commission wishes to continue to provide various types of transit and paratransit service and to implement the development of transit service related improvements; and

WHEREAS programs have been developed by the MTC to help carry on these activities during the calendar years 1989-1991, all of which are eligible for federal aid urban funding; and

WHEREAS as set forth in Minnesota Statutes, Section 473.375, subdivision 8, the Regional Transit Board must approve all applications for federal transit assistance;

BE IT THEREFORE RESOLVED by the Metropolitan Transit Commission:

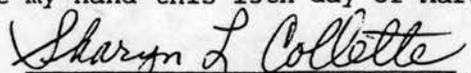
1. That the chief administrator is authorized to submit to the Transportation Advisory Board of the Metropolitan Council, subject to the Regional Transit Board approval, a request for inclusion of the following projects in the 1989-1991 Federal Aid Urban Program now being prepared:

<u>Project</u>	<u>FAU Funds</u>	<u>Total Project Cost</u>
Purchase of Buses - 1989	\$2,750,000	\$21,000,000
Purchase of Buses - 1990	\$2,750,000	\$22,000,000
TIC Computer System - 1989	\$ 93,750	\$ 125,000
TIC Computer System 1990	\$ 93,750	\$ 125,000

2. That the chief administrator is authorized to furnish such additional information as the U. S. Department of Transportation, Metropolitan Council, Regional Transit Board, and Transportation Advisory Board may require in connection with these applications.

I, the undersigned, secretary of the Metropolitan Transit Commission, do hereby certify that the foregoing resolution 87-21 is a true and correct copy of a resolution of the Metropolitan Transit Commission adopted at a meeting of the said commission duly convened and held on March 12, 1987, at which a quorum was present and voting; and the action taken has not been in any manner rescinded or modified.

In witness whereof, I have hereunto set my hand this 13th day of March, 1987.


Sharyn L. Collette, Secretary



METROPOLITAN TRANSIT COMMISSION

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

March 13, 1987

Mr. Emil Brandt
Transportation Coordinator
Transportation Advisory Board
276 Metro Square Building
St. Paul, MN 55101

Re: Federal Aid Urban Program - Submittal of 1989-1991 Projects

Dear Mr. Brandt:

At its meeting of March 12, 1987, the Commission adopted the attached resolution approving, and authorizing the Chief Administrator for, the submittal of the following two projects to the Transportation Advisory Board for inclusion in the 1989-1991 Federal Aid Urban Program:

- | | |
|---|--------------------|
| 1. Purchase of Buses: | 1989 - \$2,750,000 |
| | 1990 - \$2,750,000 |
| 2. Purchase of TIC's computer hardware
and software: | 1989 - \$ 93,750 |
| | 1990 - \$ 93,750 |

Note: The dollar amount shown is FAU portion only, based on 1987 dollars.

Enclosed for TAB's review and inclusion are the required documents for this submittal of the above projects.

In accordance with Minnesota Statutes, Section 473.375, Subdivision 8, this submittal of projects is being transmitted to the RTB for review and approval.

Please contact Hank Imm, Grants Administrator, at 349-7728 if you have questions.

Sincerely,



John J. Capell
Chief Administrator

JJC/HI/crf/2859
Encl.

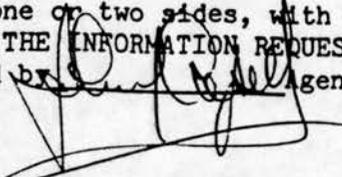
1989-1991 FEDERAL AID URBAN PROJECT SUBMITTAL FORM

Project Type	Please Check One	Roadway Construction (5.5 million or less)	Capacity	Bikeway/Walkway		
		Safety	Transit X	Roadway Construction (non-staged) 2.5 million or less		
Location	Street Name & Road # N/A		Project Length N/A			
	Termini or Intersection N/A					
	County Seven County Area		Municipality N/A			
Project Description (specify improvement typical section, design requirements)	1. Purchase of buses during 1989 and 1990. 2. Purchase of TIC computer system during 1989 and 1990.					
Project Development Path and FAU Financial Staging Requirements						
Cost Estimate (1987 Prices)	Cal. Year	\$ R/W	\$ Design	\$ Const. Eng.	Construc.	\$ Total
	1989					3,791,500
	1990					3,791,500
Traffic	1991		long-term			
	Source of Local Funds indebtedness Project Total-\$					7,583,000
Accident History	For intersection projects, list info requested for all legs.					
	Current AADT		Year	Current Level of Service		
	Design AADT		Year	List Signal Warrants Met		
	Year					
	# of Fatal Accidents		N/A	N/A		N/A
	# of PI Accidents		N/A	N/A		N/A
	# of PD Accidents		N/A	N/A		N/A
Estimated % Reduction of Total Accidents if Improvement is Made.						

NARRATIVE:

Respond directly to qualifying and priority criteria in Enc. B for specific type of project. Provide concise and specific answers to the project description and each criterion listed. Identify answer by number and letter of criterion. Do not skip any items. Failure to properly address each item may result in disqualification for consideration. Use additional plain, 8-1/2 x 11 sheet for response on criteria and any additional comments, type single space. Attach 8-1/2 x 11 black and white reproducible map showing general project location. Application including attachments must be limited to four additional sheets, one on two sides, with non-reduced type.

COMPLETE THE INFORMATION REQUESTED ON REVERSE SIDE.

Submitted by  Agency MTC Phone # 349-7728 Date March 13, 1987

PROJECT DESCRIPTION: Bus Purchase

This project is to acquire transit buses as a part of continuing replacement plan for the old retiring buses.

The MTC must maintain fleet quality for efficient and dependable transit services in the Twin Cities metropolitan region. The replacement plan will ensure such service by avoiding major problems of bus breakdown, maintenance, repair and operating costs.

1987-1989 TIP identifies the bus fleet replacement needs, scope and financial extent from 1988 through 1991. Due to the bidding procedures, manufacturer's delivery schedules and associated time-consuming processes the actual delivery of the buses will probably take place during 1989 and 1990. At this time, it is premature to decide if these buses will be standard 40-foot or articulated buses.

This project will, however, be a part of either 2nd or 3rd - 125 bus purchase plan identified in page 107 of 1987-1989 TIP. The balance of the funding needed will be secured through UMTA's matching grants.

Qualifying Criteria - Bus Purchase

1. This project is consistent with those policies (dated December 1984) of Metropolitan Council's officially adopted Metropolitan Development Guide, as it will help ensure that the buses will provide public transportation services throughout the Twin Cities metropolitan region.
2. The total cost of this project is estimated at \$7,330,000 based on 1987 dollar for 1989-1991.
3. The major coordination and cooperation have been and will be made with the Regional Transit Board; a letter for such coordination is enclosed for reference. Coordination with the affected communities has been and will continue to be made to the fullest extent.
4. This project is and will be under the jurisdiction of the Metropolitan Transit Commission, the submitting agency.
5. Although the purchase of buses is not applicable to this item of the criteria, the buses purchased through FAU program will be used throughout the MTC system. Therefore, in many cases, buses will be operating on and/or near FAU routes, which results in increasing the ridership capacity and in helping to reduce congestions.

Priority Criteria - Bus Purchase

1. a. This project will implement, in part, the Transportation policy plan of Metropolitan Council's Development Guide adopted on December 1984. Replacement of bus fleet will assist, directly and indirectly, in the implementation of a number of policies, including policies #1, 2, 3, 4, 5, 6, 12, 14, 16, 17, 19, 20 & 22.
 - b. This project is anticipated to be included in the MTC's Capital Improvement Program for 1988 and 1989 that will be prepared, reviewed and adopted in 1987 and 1988 respectively. Meanwhile, it is included in the 1987-1989 Transportation Improvement Program and the MTC's Bus Fleet Modernization Plan; 1986 through 2000.
 - c. & d. The major and specific recommendations of such applicable transportation and transit studies as shown in Appendix III, particularly Long-Range Transit Study, RTB's Service Needs Assessment Study and others will be implemented.
2. Design provision of the buses purchased will be made, when and if warranted and necessary, for applicable coordination with other modes.
 3. The MTC serves with scheduled bus service the population of seven-county metropolitan area within the transit taxing district. During 1986, the MTC provided approximately 72,870,000 unlinked passenger trips. Based upon a current fleet of approximately 1,000 buses, each new bus can be anticipated to annually carry approximately 72,870 persons or more.
4. a. The operation of the purchased new buses will make the existing facilities for maintenance, repair, storage and other operational needs to be used more efficiently, economically and productively.
 - b. The purchased buses will contribute their shares to improve direct access to and/or circulation with the Metro Centers, and various unique facilities of metropolitan scale as well as subregional centers as identified in the Metropolitan Development Guide.
 - c. Buses will be used throughout the MTC system. To the extent that these buses will be used in the implementation of the I-394 corridor service plan, or to complement light rail transit system, if it becomes a reality, or time-transfer concept, they will be able to contribute new types of service or innovative approach to the current as well as future transportation problems.

Project Description: TIC Computer System

This project is concerned with the acquisition of computer hardware and/or software for the Metropolitan Transit Commission's Transit Information Center.

The Transit Information Center provides route and schedule information to approximately one million callers per year. In addition to information on MTC bus service, information on service provided by private operators is available through the center. The center is staffed by 28 information representatives, who retrieve schedule information from a computer system that was installed approximately nine years ago.

The TIC's computer system produced substantial increases in the center's productivity. However, the equipment is becoming obsolete, and a failure of the system is possible at any time. In addition, the system's software does not allow for a number of refinements that could improve the service and productivity of the center.

The MTC proposes to study the computer needs of the TIC to determine whether they would be better served by utilizing the MTC's mainframe, or by acquiring a separate computer system. As part of this project, the MTC would then acquire the necessary hardware/software to replace the current TIC system. The estimated cost of this project is \$250,000.

Qualifying Criteria - Purchase of TIC Computer System

1. This project is consistent with those policies (dated December, 1984) of Metropolitan Council's officially adopted Metropolitan Development Guide, as it will help ensure that transit information will be available to the public throughout the Twin Cities metropolitan region.
2. The total cost of this project is estimated at \$250,000 based on 1987 dollar for 1989-1991.
3. The major coordination and cooperation have been and will be made with the Regional Transit Board; a letter for such coordination is enclosed for reference. Coordination with the affected communities has been and will continue to be made to the fullest extent.
4. This project is and will be under the jurisdiction of the Metropolitan Transit Commission, the submitting agency.
5. Although the purchase of a TIC computer system is not applicable to this item of the criteria, the computer system purchased through FAU program will be used throughout the MTC system.

Priority Criteria

- 1a. The project implements a number of policies in the Transportation Policy Plan Chapter of the Metropolitan Development Guide. They include the following:

Policy 1: The transit system operated by the MTC and private carriers serves and promotes development within the MUSA boundary and to the major activity centers.

Policy 3: The project would enable the MTC to more efficiently and effectively utilize its investment in the physical facilities of the TIC and staff. Serving the needs of private operators, as well as the MTC, will discourage duplication of facilities and services.

Policy 5: The transit system serves the needs of large numbers of young, disabled and economically handicapped living in the Metropolitan area. Approximately half of the MTC's riders use the transit system because they do not drive or do not have a car available. The TIC makes transit information readily available to persons who are unable to read printed timetables, and the center includes TDD equipment for the hearing impaired.

Policy 14: The availability of route and schedule information promotes transit usage, and thus, encourages higher vehicle occupancies.

Policy 20: The availability of information through the TIC promotes productivity in the transit system by increasing ridership.

Policy 22: The availability of transit information from a central source encourages the private sector to provide transit service by eliminating the need for private operators to establish their own information system. The TIC makes it convenient for the transit consumer to use a system that includes several private operators in addition to the MTC.

Policy 30: The TIC improves the quality and convenience of transit service to the major activity centers. Without a telephone information center, using the transit system would be difficult and inconvenient for many riders.

- 1b. This project is anticipated to be included in the MTC's Capital Budget for 1988. Computer equipment for the TIC was also included in the 1984 Transit Development Program.
- 1c. The provision of transit information is a support service that is required for the implementation of transportation studies that include a transit element.
- 1d. All major transit studies implicitly require transit information services for implementation of their recommendations. State statute requires the Regional Transit Board to develop a coordinated transit information program for the metropolitan area, and, in its implementation plan, the RTB has identified transit information as an issue for further study.
2. Information will be provided on both public and private transit systems in the metropolitan area. Information will also be provided on park-and-ride lots, and dime zone service from fringe parking ramps. This information will facilitate intermodal trips.
3. Statistics collected in the TIC show that it handles approximately one million calls per year. The center currently loses approximately 15 percent of its incoming calls, because callers hang up while on hold. An improved computer system might increase the center's capacity.
- 4a. A new computer system would permit more efficient use of the existing TIC facilities, including the telephone system, work stations and office space. Without a new system, the efficiency of these facilities will deteriorate.
- 4b. At present, the transit service of the MTC and other providers is focused on the two downtown areas and the University of Minnesota, although increasing service is being provided to major activity centers, such as the subregional shopping centers. Transit information is available for service to virtually all unique facilities and subregional centers. The service provides access to these facilities for persons who do not have an automobile available, or who choose to ride the bus. The MTC's dime zone service provides circulator service within the Metro Centers.
- 4c. The new computer system will be designed to accommodate information on a wide variety of transit service concepts and facilities. It will particularly facilitate the contracting of service by the Regional Transit Board by improving consumer access to a multi-provider transit system.

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: February 27, 1987
TO: Administration and Finance Committee
FROM: Cynthia Mayer, Project Administrator
SUBJECT: Minnesota Rideshare - FAU Application

ACTION REQUESTED

That the Administration and Finance Committee recommend the Regional Transit Board (RTB) authorize the Executive Director to submit an application for Federal Aid Urban (FAU) funding for the Minnesota Rideshare program for consideration in the 1989-91 FAU Program.

BACKGROUND

The RTB assumed responsibility for ridesharing programs August 1, 1985 in the Twin Cities Metropolitan Area as specified in Minnesota Statute 473.375, Section 117, Subdivision 11. The RTB provided funding for Minnesota Rideshare in 1986, which included 1984-86 FAU funds.

DISCUSSION

The Twin Cities Metropolitan Area annually receives approximately \$8.2 million to fund roadway projects on the FAU system as well as transit improvements and bikeway-walkway projects. The federal share for approved projects is approximately 76% of the eligible costs. In past years, demands for these funds have far exceeded the allocation. Therefore, a system for developing priorities among the projects was established. Projects submitted for priority evaluation will compete for FAU funds with projects submitted by MN/DOT, MTC, RTB, the seven counties, and municipalities within the FAU boundary. The submittal date is March 16, 1987. Final approval of the 1989-91 program is anticipated by July of 1987.

FINDINGS AND CONCLUSIONS

- o Minnesota Rideshare is an eligible project for FAU funds. This source of funding has been used for Minnesota Rideshare for several years. The MTC is now in the process of estimating their FAU funding requirements for Minnesota Rideshare. A specific dollar amount will be presented at the Administration and Finance Committee meeting.
- o The submittal of FAU projects for the calendar years 1989-91 program is due March 16, 1987.

RECOMMENDATION

That the Administration and Finance Committee recommend the Regional Transit Board authorize the Executive Director to submit an application for Federal Aid Urban (FAU) funding for the Minnesota Rideshare program for consideration in the 1989-91 FAU Program.

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: March 10, 1987
TO: Regional Transit Board
FROM: Gregory L. Andrews, Executive Director
SUBJECT: Office Space Lease

BACKGROUND

On June 1, 1986, the Metropolitan Council, the Metropolitan Waste Control Commission, and the Regional Transit Board (hereinafter "Agencies") issued a Request for Office Space Lease Proposals. The Agencies received six proposals in response (the World Trade Center proposal later withdrew). A financial analysis of the five remaining proposals was completed by Laventhol and Horwath in early November 1986. Based on the financial analysis, the Interagency Policy-Makers Committee narrowed the field to three finalists. The three finalists were interviewed and asked to respond in writing to a "Lease Digest," the purpose of which was to obtain a commitment on certain lease provisions and to clarify any ambiguities in the proposals. This process results in the signing of a letter of intent with Ameritas, Inc., on December 23, 1986. We have now completed lease negotiations.

At the Administration and Finance Committee meeting, our legal counsel, Charles Weaver of Holmes and Graven, reviewed the lease provisions that are briefly summarized below. We do not expect any substantial changes in the draft. Ameritas has promised to deliver a signed copy of the lease as soon as possible.

FINANCING FOR THE PROJECT

The St. Paul Port Authority has given its final approval to sell \$10,500,000 in taxable revenue bonds to finance the project. The proceeds will be available by late March. As a condition of this financing, Ameritas, Inc., is required to provide \$2,700,000 in developer equity. Based on the fact that Ameritas has its debt financing in place and based on the strength of the leases with the Agencies, it is not envisioned that Ameritas will have any difficulty in raising the equity capital by the date required by the lease (April 20, 1987).

LEASE SUMMARY

The following is a brief summary of key provisions of the lease:

Section 1.05, Premises

The Board is leasing 11,150 square feet of usable office space and 744 square feet of usable storage space. This is subject to certain rights of expansion and reduction (Article 19.00).

Section 3.02, Construction Progress Milestone Dates

This section contains several milestone dates that the Landlord must meet. The Agencies have the right to terminate the Lease if:

- 1) Landlord does not obtain necessary equity and debt financing by April 20, 1987;
- 2) Landlord does not provide evidence of ownership of the property by April 20, 1987 (Landlord currently has an option to purchase):
- 3) Landlord does not provide the Agencies with plans and specifications for construction and renovation of the Building by no later than May 20, 1987; or
- 4) Landlord does not provide evidence of a binding construction contract showing a project completion date consistent with the timeframe for occupancy set forth in the Lease, by no later than May 20, 1987.

Section 3.04, Tenant Finish Allowance

This section provides a Tenant Finish Allowance of \$16.00 per square foot of usable office space ($\$16 \times 11,150 = \$178,400$ total allowance). This money is to be used for such things as carpet, lighting, etc., necessary to finish the premises. The Board's design consultant has indicated that the amount of the allowance is adequate to finish the premises.

Section 3.05, Consultant and Moving Allowances

This section lists additional allowances to be paid by Landlord to Tenant. The Board will receive \$4,800 for moving expenses, \$11,150 to pay design consultant expenses and \$11,150 to pay engineers, attorneys and other professional fees associated with the project.

Article 4.00, Rent and Operating Costs

This Article specifies the rent payable under the lease. The rental rate for office space gradually escalates from \$12.00 per square foot in year one to \$18.00 per square foot in year ten. During the first three years of the term, the lease is a gross lease, i.e., the Landlord pays all taxes, operating leases and the like. During years four through ten, the lease is a modified net lease, i.e., the Board will pay the specified base rent plus its pro rata share of the operating costs for the building to the extent such costs exceed \$6.00 per square foot. In addition, there is a limit on the amount by which operating costs may increase in any given year. The Landlord may not, in calculating Tenant's pro rata share of operating costs, include any increase in operating costs that exceed 4% over the previous year's costs.

Article 5.00, Term and Occupancy

This Article provides that the lease is a ten year lease, beginning May 1, 1988 (hereinafter "Commencement Date") and ending April 30, 1998. The Landlord may, by notice given prior to July 20, 1987, adjust the Commencement Date to August 1, 1988. The July 20, 1987 date gives the Board sufficient time, if necessary, to extend its lease in the Metro Square Building through July of 1988. The

lease provides that the Board is entitled to possession of the premises, rent-free, 45 days prior to the Commencement Date to install its open office system, computers, etc.

If Landlord fails to deliver timely possession of the premises, the lease provides that Tenant may either: (1) move into the unfinished premises rent-free, or (2) may extend its lease in the Metro Square Building or lease space elsewhere for a reasonable period. In the latter event, Landlord agrees to pay all moving expenses, telephone and computer hook-up charges, etc., plus an increased rental charges paid by the Board in excess of the Board's 1987 calendar year rental costs. Payment of these costs is secured by the personal guaranty of John McDonald.

Article 7.00, Landlord's Services

This article contains a detailed list of the services Landlord is required to provide.

The following sections are of particular interest:

Section 7.02(a) Environmental control system.

Section 7.02(b) Cleaning and janitorial services. If services are unsatisfactory, Tenant has the right to contract with an outside cleaning firm and deduct the costs from rent.

Section 7.02(g) Access and security.

Section 7.02(h) Elevator service.

Section 7.02(1) Parking. The 96-space parking deck immediately adjacent to the Building will be primarily hourly parking, except the Council may lease each year up to 16 reserved spaces on a monthly basis. The MWCC may lease up to 10 spaces and the RTB up to 4 spaces. The lease also requires two additional parking areas across Wacouta Street. These two lots will be leased on a monthly basis with the condition that the Agencies and Agency employees shall have the right of first refusal on all spaces at 85% of the market rate for the spaces.

Section 14.01, Extension Option

This section provides the Board with the option to extend the lease term an additional 5 years at 95% of the fair market net rent as of the commencement of the extension term. An arbitration mechanism, binding on the Landlord but not binding on the Board, is established to resolve any differences in opinion over the fair market net rent.

Section 18.04, Remedies for Default

This section provides that in the event of any failure by the Landlord to perform its obligations under the lease (default), Tenant may remedy the default and deduct the costs of remedying the default from the rent.

Article 19.00, Premises Adjustment

This Article allows the Board to reduce the size of its premises by 5% each year, or to add up to 2,800 square feet (or any part thereof) at any time during the lease term upon 180 days notice.

Section 20.01, Termination

This section allows the Board to terminate the lease in the event that the Board loses its statutory authority to conduct business or pay its debts as they become due.

Article 21.00, W/MBE and Workforce Goals

This Article provides, for the Landlord and its contractors, an overall W/MBE goal of 10% on the project and workforce goals of 5.7% minority and 6.9% women.

Exhibit D Construction and Renovation Procedures Schedule

This exhibit details the coordination of the planning process between Landlord and Tenant and details the elements that Landlord is required to provide at Landlord's expense as part of the Base Building. It also governs the manner in which Landlord is to bid, perform, and account for the work performed with Tenant Finish Allowance dollars.

RECOMMENDATION

That the Regional Transit Board authorize the chairman and executive director to execute a Lease with Ameritas, Inc. in substantially the form attached hereto.

GA/mf

LEASE OF OFFICE SPACE

Landlord: Ameritas, Inc.

Tenant: Regional Transit Board

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LEASE OF OFFICE SPACE

THIS LEASE AGREEMENT is entered into on _____, 19____, between Ameritas, Inc., a Georgia corporation (hereinafter referred to as "Landlord") and the Regional Transit Board, a political subdivision of the State of Minnesota (hereinafter referred to as "Tenant").

Article 1.00 DEFINITIONS

In this Lease:

1.01 "Lease" means this Lease, Exhibits A (Site Legal Description), B (Building and Associated Facilities Diagram), C (Premises Diagram), D (Construction and Renovation Procedures Schedule), E (Cleaning Schedule), and F (Non-Disturbance Agreement).

1.02 "Site" means the parcel of land on which the Building and the parking ramp portion of the Associated Facilities will be located in the block bounded by Fifth Street on the north, Wacouta Street on the east, Fourth Street on the south, and Sibley Street on the west, all in the city of St. Paul, Ramsey County, Minnesota. The legal description of said Site is attached as Exhibit A.

1.03 "Building" means the two buildings to be renovated and refurbished by Landlord in accordance with the plans and specifications to be agreed upon pursuant to this Lease. Said Building is located on the Site of the former Rosenthal and Globe buildings and is more specifically described in Exhibit B.

1.04 "Associated Facilities" means the one parking ramp and two parking areas to be constructed and/or acquired by Landlord in accordance with this Lease. Said Associated Facilities will be located as shown on Exhibit B.

1.05 "Premises" means 11,150 square feet of Usable Office Space and 744 square feet of Usable Storage Space, as generally indicated on Exhibit C. Said Premises will be located as specified in the Tenant's Space Plan developed in accordance with the Construction and Renovation Procedures Schedule set forth in Exhibit D. These Premises are subject to adjustments as provided in Article 19.00.

1.06 "Term" means the period of time set out in Article 5.00.

1.07 "Commencement Date" means the first day of the Term.

1.08 "Expiration Date" means the last day of the Term or any extensions thereof.

1.09 "Termination" means the ending of the Term for any reason prior to the Expiration Date.

1.10 "Usable Office Space" means that space in the Premises to be used as office space and marked as such on Exhibit C and included as Usable Office Space in the rent schedule in Section 4.01 of this Lease. Usable Office Space shall be determined by measuring floor dimensions as taken from the inside face of exterior walls to the inside surface of all masonry walls or to the center line of all other types of interior walls bounding the Premises. If more than fifty (50%) percent of an exterior wall is window, the measurement shall be taken from the glass line. Stairwells, elevators, restrooms (if accessible to the public), mechanical and utility rooms, public corridors and lobbies are excluded. No deductions shall be made for columns, pilasters, or other projections to the Building.

1.11 "Usable Storage Space" means that space in the Premises to be used as storage space and marked as such on Exhibit C and included as Usable Storage Space in the rent schedule in Section 4.01 of this Lease. Usable Storage Space shall be measured in the same manner as Usable Office Space under Section 1.10 of this Lease.

1.12 "Rent" means the aggregate of all amounts payable by Tenant to Landlord under Article 4.00.

1.13 "Lease Year" means a period of time beginning at the Commencement Date, or any anniversary date thereof, and running 365 days hence (or, in the case of a leap year, running 366 days hence).

1.14 "Agencies" means the the Metropolitan Council, Metropolitan Waste Control Commission, and Regional Transit Board, all of which are tenants in the Building.

1.15 "Base Building Plans and Specifications" means plans and specifications which include design and construction details on the items to be supplied by the Landlord as set forth in Article 4.00 of Schedule D. The details shall be shown as set forth in section 2.02 of Schedule D.

1.16 "Prime Rate" means the prevailing rate at which preferred customers can borrow from banks in the Minneapolis-St. Paul Metropolitan Area.

Article 2.00 GRANT OF LEASE

2.01 Grant. Landlord hereby demises and leases the Premises to Tenant, and Tenant hereby leases and accepts the Premises from Landlord, to have and to hold during the Term, subject to the terms and conditions of this Lease.

2.02 Quiet Enjoyment. Landlord shall warrant and defend Tenant in the quiet enjoyment and possession of the Premises during the Term, subject to the terms and conditions of this lease.

2.03 Covenants of Landlord and Tenant. Landlord covenants to observe and perform all of the terms and conditions to be observed and performed by Landlord under this Lease. Tenant covenants to pay the Rent when due under this lease, and to observe and perform all of the

terms and conditions to be observed and performed by Tenant under this Lease.

Article 3.00 CONSTRUCTION AND RENOVATION OF BUILDING AND ASSOCIATED FACILITIES

3.01 Landlord Responsibility. Landlord shall be responsible for design, renovation, and refurbishment of the Building and construction and/or acquisition of the Associated Facilities and for the work set out as its responsibility in the Construction and Renovation Procedures Schedule attached hereto as Exhibit D. Landlord shall perform its work in a good and workmanlike manner in accordance with all applicable codes, laws, and regulations.

3.02 Construction Progress. In order to demonstrate adequate progress in constructing and renovating the Building and Associated Facilities, Landlord agrees to provide the following documents and evidence to Tenant no later than April 20, 1987:

a) Equity Participation. Landlord will provide evidence, satisfactory to Tenant, of equity participation sufficient to support all necessary debt financing for purchase of the Site, Building, and Associated Facilities; for construction, renovation and refurbishment of the Building and Associated Facilities; and for furnishing of allowances required by this Lease.

b) Final Financing Package. Landlord will provide evidence, satisfactory to the Tenant, of a complete financing package sufficient to finance the purchase of the Site, Building, and Associated Facilities; for construction, renovation and refurbishment of the Building and Associated Facilities; and for furnishing of allowances required by this Lease.

c) Fee Ownership of Property. Landlord will provide evidence, satisfactory to the Tenant, of fee ownership and good title to the Site, Building and Associated Facilities.

Tenant will notify Landlord, within ten (10) days of receipt of each of the above items, whether the submittal in each case is satisfactory or unsatisfactory to Tenant. If Tenant considers the submittal unsatisfactory, it shall note the defects on which such determination is based. If Tenant fails to make such notification on a particular submittal, it shall be considered satisfactory to Tenant as of the last day for such notice. In the event Tenant notifies Landlord that a particular submittal is unsatisfactory, Landlord shall have 45 days after receipt of such notice, or until May 31, 1987 (whichever date is earlier), to cure the defects noted. Tenant shall notify Landlord within 10 days of the resubmittal whether the defects have been cured to its satisfaction and, if Tenant fails to make such notification on a particular resubmittal, it shall be considered satisfactory to Tenant as of the last day for such notice.

In addition to the submittals required above, Landlord agrees to provide the following documents and evidence to Tenant no later than

May 20, 1987, or not more than 30 days after Tenant has indicated satisfaction with all the submittals required in paragraphs a, b, and c above (whichever date is earlier):

d) Plans and Specification. Landlord will provide the Tenant with Base Building Plans and Specifications, acceptable to Tenant, for construction and renovation of the Building and Associated Facilities, for verification by the Agencies that the construction and renovation will be conducted in accordance with the terms and provisions made in this Lease. Acceptance of the plans and specifications by Tenant shall be for the sole benefit of Tenant and shall not constitute any professional certification by Tenant or waiver of any rights or claims of any type of Tenant, nor subject Tenant to any liability whatsoever. Following acceptance by Tenant, any material change in the plans and specifications shall be submitted to Tenant for review and acceptance pursuant to this Article.

e) Construction Contract. Landlord will provide evidence, in a form satisfactory to the St. Paul Port Authority, of a binding construction contract with a responsible construction firm for construction and renovation of the Base Building and Associated Facilities in accordance with the plans and specifications and consistent with the time frame set forth in this Lease.

3.03 Termination for Failure to Meet Schedule. If Landlord fails to meet any of the scheduled requirements set forth in section 3.02, Tenant may, at its option, terminate this Lease and Tenant shall have no further obligation under this Lease and this Lease shall be null and void. This termination right is in addition to any other termination rights provided in this Lease, is solely for the benefit of Tenant, and may be waived by Tenant at Tenant's sole option. This termination right shall be deemed waived unless Tenant shall have given Landlord written notice of Tenant's election to terminate this Lease by June 1, 1987.

3.04 Tenant Finish Allowance. Landlord shall provide a Tenant Finish Allowance in the amount of \$16 per square foot of Usable Office Space in the Premises for use by Tenant in finishing the Premises. The Tenant Finish Allowance shall be disbursed by Landlord and accounted for as provided in Exhibit D.

3.05 Consultant Allowances. Landlord shall pay Tenant the following allowances:

a) \$1 per square foot of Usable Office Space in the Premises for Tenant's use in paying real estate consultant fees, architect's fees, engineer's fees and attorney's fees associated with Tenant's office space project. Landlord shall pay one-half of such sum to Tenant 30 days after commencement of construction or renovation of the Building and the remaining amount thereof to Tenant on February 1, 1988; and

b) \$1 per square foot of Usable Office Space for Tenant's use in paying design consultant fees associated with Tenant's

office space project. Landlord shall pay one-half of such sum to Tenant 30 days after commencement of construction or renovation of the Building and the remaining amount thereof to Tenant on February 1, 1988.

c) Four thousand Eight Hundred Dollars (\$4,800) for Tenant's use in defraying its moving expenses into the Premises. Landlord shall pay this sum to Tenant 20 days prior to the Commencement Date.

Article 4.00 RENT AND OPERATING COST

4.01 Base Rent. As rent for the Premises, and in consideration of all covenants, representations and conditions of this Lease, Tenant agrees to pay base rent to Landlord pursuant to the following schedule:

<u>Lease Year</u>	<u>Usable Office Space</u>	<u>Usable Storage Space</u>
	<u>Annual Rental Rate/Sq. Ft.</u>	<u>Annual Rental Rate/Sq. Ft.</u>
First	\$12.00	\$6.00
Second	13.00	6.00
Third	14.00	6.00
Fourth	15.00	6.00
Fifth	16.00	6.00
Sixth	16.00	6.00
Seventh	16.00	6.00
Eighth	16.00	6.00
Ninth	16.00	6.00
Tenth	18.00	6.00

Base Rent shall be paid for each Lease Year in twelve (12) equal monthly installments payable on or before the first day of the month for which rent is due. Landlord and Tenant agree to prepare and execute, by no later than the Commencement Date, a supplement to this Lease confirming the Commencement Date and the number of usable square feet of office and storage space, adjusted to the as-built Premises, leased by Tenant.

4.02 Lease Years One through Three. During Lease Years One through Three, the base rent specified in Section 4.01 shall be the sole rent paid by Tenant. Landlord shall be liable for all expenses incurred in owning, operating and maintaining the Building and all appurtenances thereof, including but not limited to all real estate taxes, assessments, SAC, WAC or other local charges, normal building

services, utilities, repairs and maintenance expenses, and fire and extended building insurance. Tenant agrees to pay Tenant's monthly telephone service charges, charges for maintenance of equipment owned by Tenant, and Tenant's liability insurance premiums.

4.03 Lease Years Four through Ten. During Lease Years Four through Ten, Tenant shall pay (in addition to the base rent specified in section 4.01) Occupancy Cost for each month of said Lease Years. For purposes of this section, the following definitions shall apply:

a) Occupancy Cost for each month means one-twelfth of Tenant's pro rata share of Excess Operating Costs.

b) Excess Operating Costs means that portion of the Eligible Operating Costs (as defined in section 4.04) during the applicable calendar year which exceed \$6.00 per square foot of Usable Office Space available in the Building.

c) Tenant's pro rata share of Excess Operating Costs shall be based on the ratio of Tenant's Usable Office Space in the Building versus total Usable Office Space in the Building.

4.04 Operating Costs. "Operating Costs" means the costs of maintaining and operating the Building during a calendar year determined in accordance with generally accepted accounting principles, consistently applied, and consistent with accounting principles generally followed by managers of first class office buildings. Notwithstanding the accrual treatment of generally accepted accounting principles, Operating Costs shall include real estate taxes and installments of special assessments due and payable in the pertinent calendar year. The definition and calculation of Operating Costs for Tenant shall be no less favorable than for any other tenant in the Building. Landlord shall efficiently administer the maintenance and operation of the Building so as to minimize Operating Costs to the extent reasonably possible for the quality of services required by the Lease. The following costs, charges, expenses and fees shall be excluded from Landlord's computation of Operating Costs:

- Landlord's central office overhead costs or charges including, but not limited to, internal accounting, bookkeeping, secretarial and office expenses, and the like;
- capital expenditures or amortization or depreciation thereof; except that amortization of capital expenditures intended to reduce Operating Costs may be included to the extent of net savings in Operating Costs achieved thereby; and except that amortization of capital expenditures necessary to conform to changes in law or legislation subsequent to the Commencement Date may be included provided such expenses shall be amortized over the life of the improvement;
- costs of renting an item which could not be expensed or depreciated if bought;

- costs incurred in connection with leasing, including commissions, allowances, leasehold improvements, marketing expenses and legal fees;
- costs incurred as a result of defects in of the design or construction of the Building;
- costs resulting from the negligence of Landlord or its employees, agents or contractors;
- costs in excess of fair market value in connection with transactions with related parties;
- special assessments for costs incurred as a result of construction or improvements of the Building;
- costs associated with parking facilities;
- travel expenses; and
- management fees aggregating an amount in excess of five percent (5%) of gross rent.

"Eligible Operating Costs" during a calendar year means the lesser of:

- a) actual Operating Costs for the pertinent year; or
- b) 104% of the Eligible Operating Costs for the preceding calendar year.

For purposes of calculating Eligible Operating Costs, the Eligible Operating Costs for the calendar year in which the last day of Lease Year Three falls shall equal the actual Operating Costs for said calendar year.

4.05 Payment of Occupancy Costs. Tenant shall pay the Occupancy Costs required by section 4.03 simultaneously with Tenant's monthly installment of base rent for the month, on or before the first day of the month for which such Occupancy Cost is due. Such payment shall be based upon Landlord's estimate prepared as described in section 4.06. Adjustment for actual costs shall be made within ninety (90) days after the close of the pertinent calendar year. If Landlord's estimate exceeds actual costs by more than three percent (3%) the adjustment payment to Tenant shall bear interest at the Prime Rate. Tenant shall have the right to audit Landlord's books and records relating to the Building for the latest three years in order to determine actual Operating Costs for the Building. If such an audit of Landlord's year-end statement demonstrates overpayment by Tenant of greater than 3% of estimated costs, then Landlord shall reimburse Tenant's audit costs.

4.06 Budget for Operating Costs. Landlord shall prepare and submit to Tenant its budget for each calendar year's Operating Costs 30 days prior to the start of each calendar year, for Tenant's review and comment. Such budget shall include Landlord's estimate of Occupancy Costs to be paid by Tenant in the upcoming calendar year.

Such budget and estimate may be revised from time to time throughout such calendar year. In the event of such revision, the revised budget and estimate of Occupancy Costs shall be submitted to Tenant on a timely basis for Tenant's review and comment.

4.07 Time and Place of Payments. Except as provided elsewhere in this Lease, Rent and all other monies which are or may be owed by Tenant hereunder shall be paid as and when due without deduction, offset or counterclaim whatsoever, at the office of Landlord or to such other person or at such other place as Landlord may designate in writing.

Article 5.00 TERM AND OCCUPANCY

5.01 Term. Subject to the provisions of section 5.02 and 5.04, the term of this Lease shall be ten (10) years, beginning on the first day of the month of May, 1988 (hereinafter referred to as "Commencement Date") and ending on the last day of the month of April, 1998 (hereinafter referred to as "Expiration Date"), unless terminated earlier as provided in this Lease.

5.02 Landlord Adjustment of Commencement Date. Notwithstanding section 5.01, by written notice given Tenant before July 20, 1987, Landlord may adjust the Commencement Date to August 1, 1988.

If the Commencement Date is so adjusted by Landlord then the Expiration Date shall be extended to that date which is ten (10) years from the last day of the month preceding the Commencement Date.

5.03 Possession. Landlord hereby covenants to deliver actual physical possession of the Premises to Tenant, in a substantially completed condition and ready for occupancy in accord with the terms of Exhibit D, no later than thirty (30) calendar days before the Commencement Date specified in section 5.01 or as adjusted in section 5.02. Upon notice from Landlord of the date upon which the premises are substantially complete and ready for occupancy and certification by Landlord's Architect Winsor-Faricy (or other local architecture firm of comparable standing and reputation) that the premises are ready for occupancy, Tenant agrees to accept delivery and enter upon the Premises and promptly and diligently thereafter install its fixtures, facilities, and equipment.

Substantially completed condition for the purposes of this Article means:

a) that the Building, Associated Facilities, Premises, Allowance Work, common areas and other appurtenances (including graphics, sidewalks, access) are substantially complete in accordance with the approved plans and specifications; and

b) all Landlord services required by this Lease (including full elevator service) are being provided in accordance with the terms of this Lease; and

c) the Premises are ready for use and occupancy without material interference or inconvenience to Tenant.

5.04 Failure to Deliver Timely Possession. Subject to the provisions of section 20.02, if Landlord fails to deliver actual physical possession of the Premises in a timely manner as provided in section 5.03, Tenant at its option may:

a) elect to accept delivery and possession at that date or some later date, enter upon the Premises and begin to install its fixtures, facilities and equipment. In such case rent shall totally abate on the Premises until that date which is thirty (30) days after the Premises are in a substantially completed condition; or

b) elect not to accept delivery and possession. In such case the Commencement Date shall be adjusted to that date which is thirty (30) days after the Premises are in a substantially completed condition.

If the Commencement Date is adjusted pursuant to this section 5.04(b), rent for any partial month shall be pro rated so that Rent shall be due on the first day of each succeeding month and the Expiration Date shall be extended to that date which is ten (10) years from the last day of the month in which the Commencement Date occurs.

5.05 Landlord's Obligations. In the event the Commencement Date is adjusted pursuant to section 5.04(b), Landlord covenants and agrees:

a) if Tenant is able to reach an agreement for extension of its present lease acceptable to Tenant, then Landlord will pay all rent increases beyond the rental that Tenant paid in 1987 as compared on a monthly basis, including any additional rent for property taxes and operating costs, and other related expenses; or

b) if Tenant is evicted, unable to reach agreement for a lease extension acceptable to Tenant, or is otherwise required to move because of unsatisfactory conditions in its current offices, then Landlord will pay Tenant's rental cost (to the extent it exceeds its calendar year 1987 rental cost in its current offices, as compared on a monthly basis), moving expenses, utility charges, telephone and computer hook-up charges, and the like at suitable offices selected by Tenant.

Such payment shall be made by Landlord to Tenant when and as incurred by Tenant and within ten (10) days of demand therefor by Tenant. If such payment is not made by Landlord, Tenant may set off any such amounts against rent payable pursuant to this lease.

In either case, Rent will abate on the Premises from and after the Commencement Date to the extent the Tenant is obligated to make rental payments to another Landlord. Such abatement shall continue for such reasonable time as Tenant may have negotiated a lease extension or alternative lease. It is the intent of this provision that expenses incurred by Tenant on account of late delivery of possession shall be paid by Landlord and that, in no case, shall Tenant be obligated to pay rent to two Landlords for the same time period.

5.06 Occupancy. Tenant may occupy prior to the Commencement Date, but any occupancy by Tenant prior to the Commencement Date shall be rent free and shall in all other respects be in accord with the terms of this Lease. By occupying the Premises to complete Tenant's work, install fixtures, facilities, or equipment, or to perform finishing work, Tenant shall be deemed to have accepted the same and acknowledge that the Premises are in the condition required by Landlord's covenants hereunder, except:

a) as to items specified in writing by Tenant to Landlord within sixty (60) days of commencement of Tenant's occupancy; or

b) in the case of occupancy pursuant to section 5.04(a), as to items specified in writing by Tenant to Landlord within sixty (60) days of the date on which the Premises are in a substantially completed condition; or

c) as to latent defects.

In the event any disagreement or dispute arises between Landlord and Tenant with respect to whether the Premises are in a completed condition and ready for occupancy, the certificate of the Landlord's Architect Winsor-Faricy (or other local architecture firm of comparable standing and reputation), shall be conclusive and binding upon the parties hereto that the Premises are (or are not) in the condition required by this Lease and are (or are not) ready for occupancy.

5.07 Memorandum of Commencement Date. In any case where the Commencement and Expiration Dates are adjusted pursuant to sections 5.02 or 5.04 of this Article, Landlord and Tenant agree to execute and annex to this Lease a memorandum specifying such dates.

Article 6.00 USE OF PREMISES

6.01 General. The Premises shall be used and occupied by Tenant for general office and governmental purposes and uses ancillary or incidental thereto. Such use shall include, but not be limited to, the holding of public meetings on such days and at such times as are convenient for Tenant and any activity engaged in or ancillary to a government agency of Tenant's type. Tenant may not use the Premises in violation of any legal requirement relating specifically to the use and occupancy of premises, provided that Tenant shall not be required to make any capital improvements unless required as a result of the specific nature of the Tenant's manner of use and occupancy. Landlord shall comply with legal requirements applicable to the Building except those for which Tenant is responsible under the preceding sentence.

6.02 Use of Premises by Outside Groups. Notwithstanding Article 12.00, Tenant may allow the use of the Premises, outside normal working hours, by schools, universities and other public groups and may charge a fee for such use. Such use shall not be considered a sublease of the Premises. In the event of such outside use, Tenant agrees to pay Landlord such sum as may be agreed upon to reimburse Landlord for security, heating, cooling, janitorial and other similar expenses incurred by Landlord as a result of such use.

6.03 Mechanical and Roof Areas. Tenant may make reasonable use at no additional rental charge of any available mechanical or roof area for communications equipment, supplemental cooling units, and similar equipment. Tenant shall coordinate such use with Landlord so as to minimize interference with Landlord's use.

6.04 Nuisance. Tenant shall not cause or maintain any nuisance in or about the Premises, and shall keep the Premises free of debris, rodents, vermin and anything of a dangerous, noxious or offensive nature or which could create a fire hazard (through undue load on electrical circuits or otherwise) or undue vibration, heat or noise. Tenant shall not use or permit the use of any apparatus for sound reproduction or transmission (including, without limitation, loud speakers, phonographs, public address systems, sound amplifiers and radios, or any musical instrument) in any manner so that sounds produced thereby are audible outside the Premises, provided however, nothing herein shall be construed to prevent reasonable sound amplification in meeting rooms utilized by the Tenant. Tenant shall not cause or permit objectionable odors or food odors to emanate or be dispelled from the Premises.

6.05 Vending Machines. Tenant shall have the exclusive right to own or lease and operate vending machines in any lunchrooms established for its employees and retain all income or return from such operation.

6.06 Rules and Regulations. Tenant shall comply and cause all agents, employees and visitors of Tenant to comply with reasonable, non-discriminatory, rules and regulations promulgated by Landlord for the safety, comfort, and convenience of Building occupants.

6.07 Liens. Subject to the provisions of section 22.09, Tenant shall not suffer or permit any materialman's, laborer's or mechanic's lien or claim thereof to be filed against the Premises, Building or Associated Facilities for, or purporting to be for, labor or materials supplied to or at the instance of or for the benefit of Tenant (other than Allowance Work for which Landlord is responsible pursuant to Article 5.00 of Schedule D) or any contractor or subcontractor employed or claiming to be employed by or under the auspices of Tenant; and discharge of record within thirty (30) days following the filing thereof any materialman's, laborer's or mechanic's lien filed against the Premises, Building or Associated Facilities, for work or materials so claimed to have been furnished to, at the instance of, or for the benefit of Tenant (other than Allowance Work for which Landlord is responsible pursuant to Article 5.00 of Schedule D).

Article 7.00 SERVICES, MAINTENANCE, REPAIR AND ALTERATIONS BY LANDLORD

7.01 Operation of Building. During the Term, Landlord shall operate and maintain the Building in accordance with all applicable laws and regulations and with standards from time to time prevailing for first-class office buildings in the area in which the Building is located.

7.02 Services to Building and Premises. Landlord shall provide in the Building and Premises, at its own cost, the following services:

a) Environmental Control System. An adequate and suitable year-around environmental control system and appurtenances to provide temperature and humidity conditions required for comfortable occupancy of the Premises and common areas of the Building during Tenant's normal business hours and during such seasons of the year when such services are normally and usually furnished in commercial buildings in the region. The system shall be in accord with the capacities required pursuant to Article 4.00 of Schedule D. Landlord's obligations in the preceding sentence shall be subject to the limitations of the design capacity required by Article 4.00 of Schedule D, but Landlord shall use reasonable effort to achieve the benefits of said design capacity. It is understood and acknowledged that Tenant's normal business hours frequently include evenings and weekends and Landlord agrees to furnish adequate heat and air-conditioning at such times as requested by Tenant. The Engineering Plan prepared by Landlord pursuant to Exhibit D of this lease shall indicate minimum air quality standards that are to be maintained.

b) Cleaning and Janitorial Services. Cleaning and janitorial services, including window washing, in the Premises and common areas of the Building on a five (5) day a week basis in accordance with Exhibit E, attached hereto and incorporated herein. If Tenant is unsatisfied with cleaning or janitorial services, Tenant shall give written notice to Landlord specifying the problems in cleaning and janitorial service and giving Landlord thirty (30) days to cure such problems. If, in the judgment of Tenant, the problems are not cured or continually recur, Tenant may, at its option, contract with a cleaning service to provide such cleaning and janitorial services as are not being adequately provided by Landlord and deduct the cost of such services from Tenant's Rent due under this Lease.

c) Utilities. Public utilities required to furnish any electricity, water, gas, steam, oil or other utilities used in operating any and all equipment or facilities serving the Premises; and the necessary distribution network as required by the Base Building Plans and Specifications.

d) Lighting. Lighting of at least seventy (70) foot-candle level at desk level in all work areas of the Premises and adequate lighting in all non-work areas of the premises and all common areas of the Building. Replace all fluorescent tubes, light bulbs, starters and ballasts as required from time to time as a result of normal usage.

e) Water and Restrooms. Domestic hot and cold running water to all points of supply in the Premises and common areas of the Building.

f) Restrooms. Separate and adequately-sized restroom facilities for men and women on each floor of the Building.

Restroom facilities located on the floor or floors of the Building containing Tenant's main meeting chamber or large meeting rooms must be of adequate size to accommodate members of the public who may attend meetings of the Tenant. Upon request by Tenant, Landlord agrees to install shower facilities in the Building. If shower facilities are installed, rent for such area shall be at storage space rental rates.

g) Access and Security. Unrestricted access and egress by all entrances to the Building and Premises Monday through Friday from 6:30 a.m. to 6:00 p.m., provided however, that authorized employees or invitees of Tenant, when on official business, shall have access to the Building and Premises at all hours. Landlord shall provide at its own expense adequate security personnel to permit Building access at all hours, to prevent unauthorized access to the Premises, and for general security purposes of the Building and Associated Facilities.

h) Elevator Service. Furnish and maintain in proper working order at least four passenger elevators and one freight elevator accessible to the Premises, including storage areas. Regular elevator service shall be provided Monday through Friday from 6:30 a.m. to 6:00 p.m., provided however, that authorized employees of Tenant, when on official business, shall have access to the Premises at all hours. Upon request of Tenant, adequate elevator service shall be provided evenings and weekends for public meeting purposes.

i) Graphics. Provide, install, and maintain directory information strips identifying Tenant, its departments and employees, in a Building directory located on the main floor.

No changes in signage shall be made without Tenant approval. No other Tenant of the Building will have signage or graphics which give it prominence over the Agencies in the Building.

j) Handicap Access. Provide and maintain the Building and Premises with accessibility and facilities meeting state code requirements for handicapped persons.

k) Sidewalks. Keep the public sidewalks adjacent to the Building and any sidewalks or stairways leading from the public sidewalks to the building free from snow, ice and debris.

l) Parking Space. Landlord shall provide the following parking services to Tenant:

1. Tenant shall have the option each calendar year to lease, on a monthly basis, up to 4 parking spaces in the parking structure adjacent to the Building and Landlord shall make available such number of spaces as are selected. Rates for leasing of such spaces shall be at the market rate for comparable spaces in the area. All the remaining spaces therein shall be hourly parking open to the public with no fewer than three (3) spaces reserved for handicapped parking (or such

greater number therefore as may be required by applicable law or regulation).

2. Landlord shall lease all other parking spaces in the Associated Facilities on a monthly basis. Landlord shall provide Tenant and employees of Tenant the right of first refusal to lease such spaces at 85% of market rates.

3. Landlord shall honor Tenant's validation of hourly parking by visitors of the Tenant. Such parking shall be at the same rate as other hourly parking and shall be paid monthly by Tenant upon invoice and proof of validations by Landlord

m) Trash Disposal. Landlord agrees to provide the Premises with an adequate system for disposal of waste or trash.

n) Cards or Keys. Landlord agrees to furnish Tenant with 75 cards or keys for entering the Premises, and additional cards or keys at a reasonable deposit by Landlord on an order signed by Tenant. All cards or keys shall remain the property of Landlord. No additional locks shall be allowed on any door of the Premises without Landlord's written permission, and Tenant shall not make, or permit to be made any duplicate cards or keys, except those furnished by Landlord. Upon termination of this Lease, Tenant shall surrender to Landlord all cards or keys to the Premises, and give to Landlord the combination of all locks for safes, safe cabinets and vault doors, if any, in the Premises.

o) Bicycle Storage. Landlord agrees at its own expense to provide bicycle storage for Tenant's use, subject to approval of the location thereof by the City of St. Paul.

p) Loading Dock. Landlord agrees to provide access by delivery trucks to the loading dock to the Building for use in making deliveries to or receiving shipments from Tenant during normal business hours.

7.03 Maintenance, Repair and Replacement. Except to the extent that Tenant is specifically responsible therefore under this Lease, Landlord shall operate, maintain, repair and replace as needed the structures, systems, facilities and equipment necessary for proper operation of the Building and for provision of Landlord's services to the Building and Premises under sections 7.01 and 7.02. Landlord shall be responsible for and shall expeditiously maintain, repair, and replace as needed structural components of the Building such as foundations, load-bearing walls, exterior walls, curtain walls, exterior windows and doors, subfloors and roofs. Landlord shall also maintain, repair, and replace as needed facilities and equipment such as unexposed electrical, plumbing, sewage, heating, ventilation, and air-conditioning components.

7.04 Alterations by Landlord. Landlord may from time to time:

a) make repairs, replacements, changes or additions to the structures, systems, facilities and equipment in the

Premises where necessary to serve the Premises or other parts of the Building provided that any work in the Premises must be performed outside normal business hours, after prior notice to Tenant, and must not occupy any Usable Office Space, and provided further, that Landlord may have access to the Premises at any time to make emergency repairs or to remedy any lack of services which make a material portion of the premises untenable; and

b) with Tenant's approval, make changes in or additions to any part of the Building not in or forming part of the Premises; and

c) with Tenant's approval, change or alter the location of those areas of the Building from time to time designated by Landlord for use during normal business hours by Tenant in common with all tenants and other persons in the Building but under the exclusive control of Landlord;

provided that in doing so Landlord shall not unreasonably disturb or interfere with Tenant's use of the Premises and operation of its business and shall repair any damage to the Premises caused thereby.

7.05 Failure to Provide Services. If any Landlord service is not provided for a period in excess of 24 continuous hours during the Monday through Friday period, and such lack of services makes a material portion of the Premises untenable, then Tenant may exercise either or both of the following options:

a) If the lack of services is due to events under Landlord's control and if Tenant in fact does not occupy the pertinent area (except to the extent Tenant must occupy such areas to perform its critical functions) then Rent shall abate with respect to the pertinent area until the Premises are again tenable.

b) Tenant may correct the problem itself. In such case Landlord shall reimburse Tenant for all costs incurred in connection with such self-help, with the amount of such reimbursed costs included in operating costs (to the extent allowed by Section 4.03), but not in excess of the amount which would have been incurred by Landlord in the ordinary course of business. If Tenant is not reimbursed within ten (10) days of notice to Landlord of such costs, Tenant may reduce subsequent Rent payments in the amount of such cost.

The remedies in this Article are in addition to the remedies for default under Article 18.00.

Article 8.00 MAINTENANCE, REPAIR, ALTERATIONS AND IMPROVEMENTS BY TENANT

8.01 Condition of Premises. Subject to the provisions of section 7.02(b), Tenant will keep the Premises in a neat and orderly appearance, including carrying out any necessary redecorating work.

8.02 Alterations. With notice to Landlord, Tenant may from time to time at its own expense make changes, additions and improvements in the Premises to better adapt the same to its business, provided that any such change, addition or improvement shall:

a) comply with the requirements of any governmental or quasi-governmental authority having jurisdiction; and

b) not have a material adverse effect upon the Building structure or the Building electrical, mechanical or life safety system, provided this clause b is inapplicable if Landlord gives approval of such alterations, which approval shall not be unreasonably withheld so long as proper provision is made to eliminate or compensate Landlord for the material adverse effect; and

c) be performed in such a manner as does not unreasonably interfere with other Tenants of the Building.

8.03 Trade Fixtures and Personal Property. Tenant may install in the Premises its usual trade fixtures and personal property in a proper manner, provided that no such installation shall interfere with or damage the mechanical or electrical systems or the structure of the Building. Trade fixtures and personal property installed in the Premises by Tenant may be removed from the Premises:

a) from time to time in the ordinary course of Tenant's business or in the course of reconstruction, renovation, or alteration of the Premises by Tenant, and

b) during a reasonable period prior to the expiration of the Term,

provided that Tenant promptly repairs at its own expense any damage to the base building (excluding leasehold improvements) resulting from such installation and removal.

Article 9.00 TAXES

9.01 Landlord's Taxes. Landlord shall pay before delinquency every real estate tax, assessment, license fee and other charge which is imposed, levied, assessed or charged by any governmental or quasi-governmental authority having jurisdiction and which is payable upon or on account of the Site, Building, or Associated Facilities and with respect to a period of time falling within the Term.

9.02 Right to Contest. Landlord may in good faith contest the validity or amount of any tax, assessment, license fee, excise fee or other charge which it is responsible to pay under this Article, provided that no such contest may involve possible default in Landlord's obligation to warrant and defend Tenant's quiet enjoyment and possession of the Premises during the Term. The Landlord will, upon request of Tenant, contest the validity or amount of any such tax, assessment, license fee, excise fee or other charge.

Article 10.00 INSURANCE

10.01 Landlord's Casualty Insurance. Landlord shall purchase and maintain, at its own expense, during the full term of this Lease and any extension thereof, casualty insurance without co-insurance protecting the Premises (including fixtures and leasehold improvements) and the Building against loss or damage by fire, storm, civil disorder and all other insurable casualties for the full replacement value thereof. Landlord shall not be obligated to insure any furniture, equipment, machinery, goods or supplies not covered by this Lease which Tenant may bring upon the Premises.

10.02 Landlord's Liability Insurance. Landlord shall purchase and maintain during the full term of this Lease and any extension thereof, general comprehensive liability insurance protecting it from the claims set forth below which may arise out of or result from Landlord's ownership or management of the Building or Premises, whether such management be by itself or by anyone directly or indirectly employed by it:

- a) Claims under worker's compensation, disability benefit and other similar employee benefit acts.
- b) Claims for damages because of bodily injury, occupational sickness or disease, or death of employees.
- c) Claims for damages because of bodily injury, sickness or disease, or death of any person other than employees.
- d) Claims for damages because of injury to or destruction of tangible property, including loss of use thereof.
- e) Claims for damages caused by usual personal injury liability coverage.
- f) Claims for liability assumed by the Landlord under the terms of this Lease.

Such insurance shall have combined single limits no less than the amounts shown below:

Bodily Injury	\$2,000,000
Property Damage	\$2,000,000
Personal Injury	\$2,000,000

10.03 Evidence of Insurance. Certificates of insurance evidencing Landlord's casualty and liability coverage in accordance with the requirements of this Lease shall be filed with the Tenant prior to any certification by Landlord's architect that the Premises are in a completed condition and ready for occupancy. To the extent obtainable, these certificates shall contain a provision that coverages afforded under the policies will not be cancelled unless at least thirty (30) days prior written notice is given to Tenant.

10.04 Tenant's Casualty Insurance. Tenant agrees to obtain, at Tenant's expense, and keep in force during the term of this Lease casualty insurance containing extended coverage and vandalism endorsements and without co-insurance covering the contents of the Premises, excluding fixtures and leasehold improvements, in the amount of their full replacement value. Tenant, at its option, may self-insure the risks set forth in this section 10.04 to the extent appropriate under prudent risk management standards.

10.05 Tenant's General Liability Insurance. Tenant shall purchase and maintain during the full term of this Lease and any extension thereof, general liability insurance providing coverage for injuries to and death of persons and damage to property occurring in the Premises and arising out of the negligence of Tenant, its officers, employees or agents, having combined single limits no less than the amounts shown below:

Bodily Injury	\$1,000,000
Property Damage	\$1,000,000
Personal Injury	\$1,000,000

10.06 Evidence of Insurance. Certificates of insurance evidencing Tenant's casualty and liability coverage in accordance with the requirements of this Lease shall be filed with the Landlord prior to occupancy by Tenant. To the extent obtainable, these certificates shall contain a provision that coverages afforded under the policies will not be cancelled unless at least thirty (30) days prior written notice is given to Landlord.

10.07 Other Requirements. Neither Landlord nor Tenant shall be named as an additional insured on the other party's liability insurance policy. All insurance required by this Article 10.00 shall be placed with a company having a Best rating of not less than B.

10.08 Waiver of Subrogation Rights. Notwithstanding any other provision of this Lease, Landlord and Tenant each hereby waives any and all rights of recovery, claim, action or cause-of-action, against the other, its agents (including partners, both general and limited), officers, directors, shareholders or employees, for any loss or damage that may occur to the Premises, or any improvements thereto, or to said Building of which the Premises are a part, or any improvements thereto, or any personal property of such party therein, by reason of fire, the elements, or any other cause which could be insured against under the terms of standard fire and extended coverage insurance policies, regardless of cause or origin, including negligence of the other party thereto, its agents, officers or employees, and covenants that no insurer shall hold any right of subrogation against such other party. This waiver of subrogation rights is effective only if and to the extent permitted by the applicable insurance policies of the parties hereto. The parties agree to cause their respective insurers to indicate on the certificates of insurance required to be delivered to the other party pursuant to this Lease whether, and extent to which, the foregoing waiver of subrogation rights is permitted by the insurer.

Article 11.00 WAIVER AND INDEMNITY

11.01 Indemnity by Landlord. Landlord shall indemnify and hold harmless the Tenant, its officers and employees, from and against all claims, damages, losses and expenses, including but not limited to attorney's fees, arising out of or resulting from occurrences in portions of the Building outside the Premises, provided that any such claim, damage, loss, or expense (1) is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property including the loss of use resulting therefrom, and (2) is caused in whole or in part by any negligent act or omission of Landlord, its employees, agents or subcontractors, and (3) is not caused in whole or in part by the grossly negligent act or omission or intentional act of Tenant, its employees, agents or subcontractors. This indemnification is effective only to the extent of the insurance limits required to be maintained by Landlord pursuant to this Lease. This obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity that would otherwise exist as to Landlord or Tenant.

11.02 Indemnity by Tenant. Tenant shall indemnify and hold harmless the Landlord, its officers and employees, from and against all claims, damages, losses, and expenses, including but not limited to attorney's fees, arising out of or resulting from occurrences inside the Premises provided that any such claim, damage, loss or expense (1) is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property including the loss of use resulting therefrom, and (2) is caused in whole or in part by any negligent act or omission of Tenant, its employees, agents or subcontractors, and (3) is not caused in whole or in part by the grossly negligent act or omission or intentional act of Landlord, its employees, agents or subcontractors. This indemnification is effective only to the extent of the insurance limits required to be maintained by Tenant pursuant to this Lease. This obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity that would otherwise exist as to Tenant or Landlord.

11.03 Subrogation. The provisions of this Article 11.00 are subject to the waiver of claims against Tenant under Section 10.08 and to the waiver of claims against Landlord under Section 10.08.

11.04 Extent of Liability. Landlord shall not be liable to Tenant for any damage by or from any act or negligence of any cotenant or other occupant of the Building, or by any owner or occupant of adjoining or contiguous property.

Article 12.00 ASSIGNMENT AND SUBLEASING

Tenant shall have the right to assign this Lease or sublet all or any part of the Premises with the prior written consent of the Landlord, which consent shall not be unreasonably withheld. Notwithstanding the previous sentence, Tenant shall have the right to assign this Lease or sublet all or any part of the Premises to a statutory successor of Tenant without Landlord's consent. In either

case, such assignment or sublease shall be subject to the following conditions:

- a) such assignment or sublease shall not relieve Tenant of any of its obligations under this Lease; and
- b) any assignee or subtenant shall be subject to all of the terms of this Lease; and
- c) any net profit resulting from such assignment or sublease, (after deducting all costs of vacancy, leasehold improvements, releasing and other expenses) shall, upon receipt thereof, be paid by Tenant to Landlord.

Article 13.00 SURRENDER

13.01 Possession. Tenant will upon expiration or termination of the Term, at its expense, remove its goods and effects and quit and surrender possession of the Premises. Premises shall be free from debris, broom clean, and in substantially the same condition as on the date the Term commenced, damages covered by section 13.02 and reasonable and ordinary wear and tear and permitted alterations excepted.

13.02 Trade Fixtures and Personal Property. Subject to the provisions of section 8.03, trade fixtures, equipment and leasehold improvements installed by Tenant may be removed from the Premises at its expense. Any damage to the base Building (excluding leasehold improvements) arising from such removal shall be promptly repaired by Tenant.

Article 14.00 EXTENSION OPTION AND HOLDING OVER

14.01 Extension Option. Tenant shall have the option of extending the term of this Lease for one additional period of five years by written notice given at least 18 months prior to the expiration of the initial term. Landlord shall give Tenant a written reminder notice not more than 21 or less than 19 months prior to the expiration of this initial term. Rent for the extension term shall be at a rate equal to 95% of fair market net rent as of the commencement of the extension term, as quoted on a BOMA rentable area basis. If Landlord and Tenant fail to agree upon fair market net rent within 20 days after Tenant's notice of exercise, fair market net rent shall be determined by binding arbitration conducted by experienced commercial appraisers with MAI designation or equivalent, and shall be completed within 30 days from the date of demand for arbitration. If the fair market net rent as determined by arbitration is not acceptable to Tenant, Tenant may revoke its exercise by notice given within 20 days after the arbitration determination. Notwithstanding the foregoing, Tenant's option to extend the term of this Lease shall be conditioned upon there having been no termination of this Lease or Tenant's right to possession.

14.02 Holding Over. If Tenant continues to occupy the Premises after the Term hereof, or after the extended term if the option to

extend the term was exercised, then such occupancy shall be deemed to be a tenancy from month to month only, at a monthly rent equal to double the rental being paid monthly to Landlord under this Lease immediately prior to the end of the term and upon the other terms and conditions (except for the Lease term) herein set forth. Either party may terminate such tenancy by giving to the other thirty (30) days written notice. Any such holding over shall not constitute a Lease extension.

Article 15.00 CONDEMNATION AND CASUALTY

15.01 Rent Abatement. Rent shall abate during any period the Premises are untenable by reason of condemnation or by reason of damage or destruction by fire or other casualty, in the proportion that the untenable portion of the Premises bears to the entire Premises.

15.02 Automatic Termination. If, during the Term, all of the Premises shall be taken for any public or quasi-public use under any statute or by right of eminent domain, or purchased in lieu of such taking, this Lease shall automatically terminate on the date on which the condemning authority takes possession of the Premises or 120 days after initiation of the condemnation proceedings, whichever occurs first.

15.03 Discretionary Termination. Landlord or Tenant shall each have the right to terminate this Lease if during the Term:

a) twenty percent (20%) or more of the square foot area of the Premises are taken or purchased as set out in section 15.02; or

b) all or any part of the Premises are rendered untenable by damage from fire or other casualty which, in the reasonable opinion of an architect acceptable to Landlord and Tenant, cannot be substantially repaired under applicable laws and governmental regulations within 180 days from the date of such casualty (employing normal construction methods without overtime or other premium).

15.04 Notice. If either Landlord or Tenant exercises its right of termination as provided in section 15.03 it shall give notice to the other party as follows:

a) In the case of termination as a result of condemnation, the party desiring to terminate shall give the other party at least 30 days notice thereof. In such case the Lease shall terminate on the date stated in the notice, provided however, no termination pursuant to notice hereunder may occur later than 60 days after the date of such taking.

b) In the case of termination as a result of damage from fire or other casualty, the party desiring to terminate shall give the other party notice written notice thereof within 10 days after receipt of the architect's opinion with regard to

time for repair. In such case the Lease shall terminate as of the date of such casualty.

In either case, any rent paid by Tenant with respect to a period beyond the Termination date will be refunded to Tenant by Landlord.

15.05 Repair of Premises. If there is no termination of this Lease pursuant to the provisions of section 15.03, Landlord shall forthwith at its own expense repair the portion of the Premises (including leasehold improvements) made untenable by reason of condemnation or by reason of damage or destruction by fire or other casualty, excepting damage to improvements, furniture, chattels or trade fixtures which do not belong to Landlord. Landlord shall apply all compensation received, either as awarded or paid for the condemnation or sale of the Premises or as insurance proceeds for casualty, to restoration of the untenable portion of the Premises and such compensation shall not be applied to payment of any debt on the building. Notwithstanding the foregoing, Landlord's obligation to expend funds to repair the Premises and the Building shall be limited to the amount of insurance proceeds actually received by Landlord for such purpose, provided however, such limitation applies only if Landlord has maintained the insurance required by this Lease. If Landlord is relieved from its obligation to fully repair and restore the premises pursuant to the preceding sentence, then Tenant may, at its option, terminate this Lease.

15.06 Awards. Subject to the provisions of section 15.05, all compensation received, either as awarded or paid for the condemnation or sale of the Premises or as insurance proceeds for casualty, shall belong to and be the property of Landlord, except for such part of the compensation as shall be made to Tenant for relocation of its business or on account of taking of or damage to fixtures and leasehold improvements installed by Tenant. Notwithstanding the preceding sentence, if this Lease is terminated by Landlord pursuant to section 15.03, then Tenant shall be entitled to the portion of any such compensation equal to the value of Tenant's leasehold estate, except that Tenant's rights to such award shall be subordinate to the rights of any mortgagee providing the financing for construction and renovation of the Building.

Article 16.00 TRANSFERS BY LANDLORD AND SUBORDINATION

16.01 Landlord Transfers. Landlord may not sell, convey, assign or otherwise transfer, in whole or in part, its interest in the Building prior to the Commencement Date without written notice to Tenant and consent therefrom, provided however: a) Landlord may mortgage such interest and may enter into an executory agreement to transfer its interest in the Building after the Commencement Date, and b) Landlord may transfer such interest to any partnership in which both Landlord and John McDonald are general partners. After the Commencement Date, Landlord may sell, convey, assign, or otherwise transfer its interest in the Building provided Tenant is given 30 day written notice of such transfer. Any such transfer shall be subject to the rights of Tenant under this Lease. This Lease shall not be

affected by any such transfer and Tenant shall attorn to Landlord's successor in interest thereunder.

16.02 Subordination to Mortgage. Notwithstanding section 16.01, this Lease is subject and subordinate to any first lien mortgage which may now or hereinafter encumber the Building of which the Premises form a part and to all renewals, modifications, consolidations, replacements and extensions thereof. This clause shall be self-operative and no further instrument of subordination need be required by any mortgagee. In confirmation of such subordination, however, Tenant shall at Landlord's request execute promptly any appropriate certificate or instrument that Landlord may request. The foregoing subordination shall affect only the priority of Tenant's interest in the Building and shall not alter any of the terms of this Lease. Further, the foregoing subordination shall be effective only in the event that the holder of any first lien mortgage executes the Non-Disturbance Agreement attached hereto as Exhibit F.

16.03 Estoppel Certificate or Three Party Agreement. Landlord or Tenant shall at the other Party's request execute either an estoppel certificate addressed to any mortgagee of Landlord, or a three-party agreement among Landlord, Tenant and such mortgagee(s), certifying as to such facts (if true) and agreeing to such reasonable notice provisions and other matters as such mortgagee(s) may require in connection with Landlord's financing.

Article 17.00 NOTICES

17.01 Mailing; Addresses. Notwithstanding anything in this Lease to the contrary, all notices required or permitted to be given under this Lease shall be in writing, sent either by registered mail return receipt requested postage prepaid or hand delivered, and if to Landlord at:

Ameritas, Inc.
Fairlie 70 Building, Suite 500
70 Fairlie Street N.W.
Atlanta, Georgia 30303
Attn: John McDonald, President

and if to Tenant at:

Regional Transit Board
270 Metro Square Building
St. Paul, MN 55101
Attn: Executive Director

or at such other place as either party shall designate in writing. The foregoing notwithstanding, upon arrival of the Commencement Date of this Lease and actual physical occupancy of the Premises by Tenant, Tenant's address for purposes of notice hereunder shall automatically change without any action required by Tenant to the proper mailing address of Tenant's offices in the Building.

17.02 Effective Date. Notices under this Lease shall be effective upon mailing or, if hand delivered, upon delivery.

Article 18.00 DEFAULT

18.01 Default in Payment of Rent. Tenant shall be deemed in default under this Lease if and whenever part or all of the Rent payable hereunder is not paid when due and if such default continues

for seven (7) days after written notice by Landlord to Tenant of such default.

18.02 Non-monetary Default. Landlord or Tenant shall be deemed in default under this Lease if and whenever it fails to observe or perform any of its obligations, covenants, or agreements hereunder. Provided, however, that such party shall not be deemed in such default until the other party has given written notice specifying the nature of the default and such default is not cured within thirty (30) days after such notice or within such reasonable time thereafter as may be necessary to cure the default if such default is of such a character as to reasonably require more than 30 days to cure.

18.03 Landlord's Remedies. In the event of default as specified in sections 18.01 or 18.02, Landlord may:

a) in accordance with applicable law, re-enter immediately into the Premises, remove all persons and property therefrom, and take possession; and

b) at its option, terminate this Lease as to all future rights of Tenant and have, regain, repossess and enjoy the Premises.

18.04 Other Remedies. In the event of default as specified in sections 18.01 and 18.02, either party may:

a) Perform or remedy such act constituting default without waiving or releasing the other party from any of its obligations under this Lease. All sums paid or costs incurred by said party in so performing such acts shall be payable to it from the other party on demand. In the case of the Tenant performing or remedying such act constituting default, it may deduct such sums paid or costs incurred from Rent payable hereunder; and

b) Recover from the defaulting party all attorney's fees and expenses incurred in enforcing any of the terms of this lease; and

c) Recover from the defaulting party interest on any past due monetary amounts at the rate of 4 points over Prime Rate.

Article 19.00 PREMISES ADJUSTMENTS

19.01 Final Square Footage. Final square footage of Premises as specified in section 1.05 is subject to adjustment of not exceeding five percent thereof (either by increase or decrease) to be made by Tenant as set out in Tenant's Space Plans. Final square footage of the premises as specified in section 1.05 shall be adjusted to the as-built Premises.

19.02 Premises Reduction. Tenant may reduce the Premises by not more than five percent (5%) of the square footage thereof in any

calendar year upon 180 days written notice to Landlord but without Landlord's consent. In such case, the Term of this Lease shall expire with respect to the reduced portion of the Premises on the date specified in the notice and the Rent payable hereunder with respect to such portion shall be ratably reduced on a per usable square foot basis.

19.03 Tenant Transfers of Premises. Tenant may transfer all or any portion of the Premises to one or both of the other Agencies upon 30 days written notice to Landlord but without Landlord's consent. In such case, the Term of this Lease shall expire with respect to the portion so transferred on the date specified in the notice and the Rent payable hereunder with respect to such portion shall be ratably reduced on a usable square foot basis. Such transfer shall not constitute an assignment or sublease under Article 12.00.

19.04 Tenant Receipt of Premises. Without Landlord's consent, Tenant may accept from one or both of the other Agencies additional space in the Building leased by said Agencies from Landlord. In such case, the Premises for purposes of this Lease shall include such additional space and it shall be held under the same terms and conditions as the original Premises and the Rent payable hereunder with respect to the Premises shall be ratably increased on a usable square foot basis.

19.05 Expansion Space. Landlord agrees to complete and have available in the Building, at the same level of finish as the Premises, expansion space of 2,800 square feet. Upon 180 days notice to Landlord, the Agencies may elect to add all or any part of said expansion area to the Premises of any of the Agencies or another Tenant designated by the Agencies.

19.06 Adjustment Confirmation. At any time an adjustment to the Premises is made pursuant to this article, Landlord and Tenant agree to promptly prepare and execute a supplement to this Lease confirming the adjustment in the size of the Premises.

Article 20.00 TENANT TERMINATION RIGHT

20.01 180 Day Termination. In addition to any other termination rights provided in this Lease, Tenant may terminate this Lease upon 180 days written notice to Landlord in the event and only in the event that the Tenant no longer has, or will not have in the ensuing 180 day period, the statutory authority to conduct its business and generally pay its debts as they become due. In such case, Tenant shall have no further obligation under this Lease and this Lease shall be null and void.

20.02 Termination for Failure to Provide Possession. In addition to any other termination rights provided in this Lease, Tenant may terminate this Lease upon written notice to Landlord if Landlord fails to deliver possession of the Premises as provided in section 5.03 within one (1) year of the Commencement Date.

Article 21.00 W/MBE GOALS; WORKFORCE GOALS

21.01 W/MBE Goals. Landlord and Tenant are committed to provide equal business opportunity for minority (MBE) and women (WBE) business enterprises and hereby establish a goal of ten percent (10%) of the total construction and renovation contract amount for the Building and Associated Facilities for such participation.

21.02 Workforce Goals. Landlord and Tenant are committed to provide equal employment opportunities to minorities and women and hereby establish the following overall employment goals for the total hours worked by all contractors to renovate the Building and Associated Facilities: 5.7% minority and 6.9% women.

21.03 Contracts. Landlord covenants and agrees that it will include provisions in any contract(s) pertaining to the construction and renovation of the Building and Associated Facilities which provide in substance as follows:

1) That the contractor shall take affirmative steps to assure that MBE and WBE are used when possible as sources of supplies, construction, and services; and

2) That the contractor will meet the stated W/MBE goals and workforce goals or, if it fails to do so, will provide documentation to Landlord and Tenant of the positive efforts taken to encourage the utilization of minorities and women and the reasons for the inability to achieve the stated goal.

Article 22.00 MISCELLANEOUS

22.01 Consent Not To Be Unreasonably Withheld. Except as otherwise specifically provided, whenever consent or approval of Landlord or Tenant is required under the terms of this Lease, such consent or approval shall not be unreasonably withheld or delayed. If either party withholds any consent or approval, such party shall on written request deliver to the other party a written statement giving the reasons therefor.

22.02 Applicable Law and Construction. This Lease shall be governed by and construed under the laws of the State of Minnesota and its provisions shall be construed as a whole according to their common meaning and not strictly for or against Landlord or Tenant. Time is of the essence of this Lease and each of its provisions. The captions of the Articles and Sections are included for convenience only, and shall have no effect upon the construction or interpretation of this Lease.

22.03 Entire Agreement. This Lease contains the entire agreement between the parties hereto with respect to the subject matter of this Lease.

22.04 Amendment. Unless otherwise specifically provided in this Lease, no amendment, modification, or supplement to this Lease shall

be valid or binding unless set out in writing and executed by the parties hereto.

22.05 Savings Clause. The invalidity or unenforceability of any provision of this Lease shall not affect or impair the validity of any other provision.

22.06 Short Form Lease. At the request of either party to this Lease, the other party shall enter into a Short Form Lease for the purpose of recording the same in lieu of recording this Lease. Either party, at the request of the other, shall deliver to the other such certificates or other documents as may be required to file and record the Short Form Lease.

22.07 Waiver. One or more waivers of any covenant, term or condition of this Lease by either party shall not be construed by the other party as a waiver of a subsequent breach of the same covenant, term or condition. The consent or approval of either party to or of any act by the other party of a nature requiring consent or approval shall not be deemed to waive, or render unnecessary, consent to or approval of any subsequent similar act.

22.08 Successors Bound. The terms, conditions, covenants and agreements herein contained shall run with the land and shall inure to the benefit of and be binding upon the respective legal representatives, heirs, successors, administrators and assigns of the parties hereto.

22.09 Good Faith Contest. With respect to all obligations in the Lease relating to liens, compliance with laws and any other third-party related obligations, Tenant shall not be deemed to be in default so long as Tenant is contesting the obligation in good faith and with due diligence. Tenant shall not be required to post any security.

22.10 Landlord's Liability. The limitation of liability set forth in this section shall apply only to causes of action arising after the Commencement Date. With respect to such causes, Tenant shall look only to Landlord's estate and interest in the Building for the satisfaction of Tenant's remedies for the collection of any judgment (or other judicial process) requiring the payment of money by Landlord in the event of any default by Landlord under this Lease, and no other property or other assets of Landlord shall be subject to levy, execution or other enforcement procedure for the satisfaction of Tenant's remedies under or with respect to the Lease. Neither Landlord nor (if this Lease is assigned to a partnership pursuant to section 16.01) any of the partners comprising such partnership, nor any of the officers, directors, employees, shareholders or agents of any corporate partner of the partnership, shall be liable for any deficiency.

22.11 Force Majeur. After the Commencement Date, Landlord or Tenant shall not be liable for damages for failure to perform any of their obligations under this Lease for the period of any delay resulting from a cause beyond their control, including without limitation, labor disputes, governmental regulations or controls, fire or other casualties, inability to obtain material or services, or acts of God.

IN WITNESS WHEREOF, the parties hereto have properly executed this Lease as of the date set out on page one.

LANDLORD

TENANT

Ameritas, Inc.

Regional Transit Board

By _____
President

By _____
Its Chair

By _____
Its Executive Director

State of _____)
County of _____) ss

This instrument was acknowledged before me on _____
by _____ and _____
as _____, respectively of _____.

Signature

Title

My commission expires: _____

State of _____)
County of _____) ss

This instrument was acknowledged before me on _____
by _____ and _____
as _____, respectively of _____.

Signature

Title

My commission expires: _____

CONSTRUCTION AND RENOVATION PROCEDURES SCHEDULE

ARTICLE 1.00 DEFINITIONS.

1.01 "Architect" means the architect or architectural firm selected by Landlord to plan the Building.

1.02 "Engineer" means the engineer or engineering firm selected by Landlord to prepare the Engineering Plan for the Building.

1.03 "Design Consultant" means the independent design firm selected by Tenant for the development of the interiors of the Premises.

1.04 "General Contractor" means the general contractor (selected by Landlord) to carry out construction and renovation work on the Building, Associated Facilities, and Premises (excepting Allowance Work as described in Article 5.00 of this Schedule).

1.05 "Allowance Work General Contractor" means the general contractor (selected pursuant to the bidding process set forth in section 5.03 of this Schedule) to carry out Allowance Work. The General Contractor and Allowance Work General Contractor may be the same person.

1.07 "Space Plan" means the plans and specifications prepared by the Design Consultant or Tenant for the location of all permanent and demountable interior walls including specifications for general types of construction, proposed finish types for all surfaces, and electrical requirements in the Premises.

1.08 "Interior Working Drawings" means the final plans prepared by the Design Consultant or Tenant for the interiors; coaxial and telephone outlets; and such other specifications as may be necessary for final installation of interiors in the Premises.

1.09 "Engineering Plan" means the plans and specifications (including mechanical and electrical working drawings) for the supply, installation, and finishing in the Premises of all wiring and computer cabling; lights and switches; heating, ventilation and cooling equipment and controls; telephone and electrical outlets; plumbing and fixtures; fire protection, fire warning and security systems; and other mechanical and electrical equipment and facilities which are attached to and form a part of the Building.

1.10 All other words and phrases, unless otherwise defined in this Schedule, have the meanings attributed to them in the Lease.

ARTICLE 2.00 PLANS.

2.01 Design. The design, layout, finishes and equipment for the Premises shall be determined by Tenant and set out in the Space

Plan and Interior Working Drawings. All determinations by Tenant with respect to design, layout, finishes and equipment shall be compatible with the character and capacity of the Building and in accordance with all applicable codes, laws, and regulations. The Space Plan and Interior Working Drawings shall be developed in accordance with this Article 2.00.

2.02 Plans and Specifications. The Base Building Plans and Specifications, to be submitted to Tenant pursuant to section 3.02 of the Lease, shall include all information needed by Tenant to prepare its Space Plan and Interior Working Drawings including, but not limited to, the following information with respect to the Premises:

a) Dimensioned outline floor plans for each floor of the Building at a scale of 1/8" = 1'-0" showing the Building module.

b) Structural drawings showing the size and layout of the framing for each floor of the Premises.

c) Electrical and Mechanical drawings including the following items:

1. Descriptions of heating/cabling systems, capacities and equipment proposed, ventilation and performance, schedules to meet specifications and standards in this Schedule and Section 7.02(a) of the Lease.

2. Preliminary mechanical construction drawings that include primary and secondary duct distribution network, zones and controls.

3. Schedules of equipment and capacities.

4. Technical specifications.

5. Water supply and drainage systems.

6. Sprinkler system.

7. Passenger and freight elevator plans and specifications.

8. Life safety systems.

9. Preliminary electrical construction drawings which include:

- Under-floor raceways.
- Fire detection and warning systems.
- Security System
- Layout of electrical, telephone and data equipment panels, spaces and closets.
- Computer room and central services power and grounding details.
- Telephone, data and convenience outlets layout.

- Lighting and switching layout.
- Lighting fixture schedule.

2.03 Space Plan. Within sixty (60) days from acceptance by Tenant of the Base Building Plans and Specifications, Tenant shall provide the final Space Plan to Landlord for review and use by Landlord, Architect, and Engineer in preparing the Engineering Plan. The Space Plan shall consist of transparencies drafted to scale using a coordinated pin bar overlay system (originated by Tenant's Design Consultant from Architect's drawings, on the Design Consultant's own drawing paper with the Design Consultant's own Title block) of the Premises and rough tissue sketches for the proposed open office furniture system for review by Landlord, Architect and Engineer.

2.04 Interior Working Drawings. Within thirty (30) days of submitting the Space Plan, Tenant shall provide Interior Working Drawings to Landlord. These drawings shall contain the layout of the open plan modules and further contain all construction details required for completion of the office areas in the Premises.

2.05 Cost of Plan Review. No costs for review of the Space Plan or Interior Working Drawings or for preparation of the Base Building Plans and Specifications or Engineering Plan by Architect or Engineer shall be charged to Tenant.

2.06 Engineering Plan. Within thirty (30) days after receipt of the Space Plan, Landlord shall deliver two (2) copies of the Engineering Plan for the Premises to Tenant for review. Landlord shall direct the Engineer to cooperate with the Design Consultant and covenants that the Engineering Plan shall be consistent with the Space Plan and Interior Working Drawings.

2.07 Final Finish Selections. Not later than 120 days after completion of the Interior Working Drawings, Tenant shall provide to Landlord final interior finish selections for the Premises.

ARTICLE 3.00 PROJECT COORDINATION.

3.01 Project Coordinating Committee. Landlord and Tenant agree to establish a Project Coordinating Committee comprised of one representative each from the Landlord and each of the Agencies. Tenant agrees to attend and to ensure the attendance (if and when selected) of the Design Consultant at all meetings of the Project Coordinating Committee and Landlord agrees to attend and ensure the attendance (if and when selected) of the Architect, Engineer, General Contractor, and Allowance Work General Contractor at all such meetings. Tenant or Landlord shall schedule meetings of the Project Coordinating Committee not less than twice a month. Such meetings shall commence immediately upon execution of the Lease and shall be held on Wednesday mornings unless otherwise agreed to by the parties. The purpose of the meetings shall be to review progress reports of the Landlord and Tenant relative to status of Building construction/renovation and of office and interior space planning; to resolve issues identified by the Project Coordinating Committee; to monitor

charges to the Tenant's Finish Allowance; and to promote full cooperation and coordination between Landlord and Tenant and their respective contractors, consultants and agents. To that end Landlord agrees to provide Tenant, at the first meeting of each month, a report on current charges to the Tenant Finish Allowance.

3.02 Site Visitation. Landlord shall schedule and conduct on-site visitations of the Building for the Project Coordinating Committee and such other persons as Tenant may designate. On-site visitations shall occur as often as necessary to keep Tenant adequately advised of construction progress.

ARTICLE 4.00 BASE BUILDING WORK.

4.01 Items Supplied by Landlord. Landlord shall construct, supply, install, and finish the items described in this Article at its own expense (with no charge to Tenant's Finish Allowance), all in accordance with the approved Base Building Plans and Specifications, Space Plan, Interior Working Drawings, and the Engineering Plan. This work is referred to herein as "Base Building Work."

4.02 General. The Building will be renovated to provide office space to be occupied by the Tenant. The renovation will be carried out in such a manner that the Building will meet first class office building standards. The renovation shall include the site work; landscaping of public sidewalks and parking structure; restoration of entryways including the Fifth Avenue entrances by restoring wood doors and replacement of hardware, and construction of a new entrance of similar design on the Fourth Street side with canopy; alley construction consisting of five-foot concrete walk, approximately 45-foot brick paving to parking structure and asphalt resurfacing of remaining alley; removal of existing storefront signage; exterior window renovation including removal and repair of wood window frames, and installation of interior story windows; roofing and rooftop equipment; exterior lighting; and necessary signage required for the development of the exterior of the building and shall include all work necessary for the removal of the common wall separating the interiors of the two buildings and provision of new entrances.

Not less than \$50,000.00 will be expended for exterior landscaping of the Building.

A two level parking structure containing 96 parking stalls will be provided adjacent to the public entrance (Fourth Street side) of the Building. The restorations to the structures will be designed, constructed, lighted and landscaped in keeping with the historic character of the area.

4.03 Public Lobbies. Public lobbies shall be provided on Levels 1 and 2 of the Building. Level 1 will be the main entrance off Fourth Street/Parking Ramp and Level 2 shall provide entrance from Fifth Street. A spiral staircase with brass railings shall connect both lobbies.

Glass/wood lobby walls shall be common with the main meeting room on both Levels 1 and 2. Rounded columns will be covered and trimmed with decorated base and cap indirect lighting fixtures.

The lobbies shall have coffered ceilings with recessed lighting used in combination with indirect lighting fixtures. The coffered ceiling shall extend into the main meeting room on Level 2.

Floors in the lobbies shall be of Minnesota Kasota Stone or equal.

Handicapped entrances shall be provided at both entrances as well as to the corridor system on Level 2. Level 1 shall be considered the main handicapped entrance with access to parking.

A reception/security station shall be provided on Level 1.

4.04 Restrooms. Finished restrooms shall be provided on all seven levels of the Building. Each restroom shall be handicapped-accessible per code requirements

The minimum provisions shall include:

First Level: Women's - 4 toilets, 4 sinks
 Men's - 2 toilets, 2 urinals, 4 sinks
 Janitor's Closet - 1 sink

All other Levels: Women's - 3 toilets, 1 sink
 Men's - 2 toilets, 1 urinal, 1 sink
 Janitor's Closet - 1 sink

Each restroom shall have hot and cold running water and floor drains. Each restroom shall have a full exhaust system tied into a main system. Each floor shall be provided with a janitor's closet.

The level of finish of the restrooms shall be as follows:

Floors: Ceramic Tile
Walls: Ceramic Tile/Vinyl Wallcovering
Partitions: Ceramic Tile/Drywall
Ceiling: Painted M. R. Drywall
Counters: Plastic Laminate/Marble
Lighting: Incandescent/Fluorescent
Mirrors: Full Mirrors over the Lavatories

4.05 Elevator/Stairwell/Core. The Building shall be provided with four (4) passenger elevators and one (1) freight elevator. The elevators shall be 350'-0" feet/minute, geared overhead type. Passenger elevators shall be a minimum of 7'0" x 5'6" with a capacity of 3000 lbs. The freight elevator shall be a minimum of 5'8" x 8'0" with a capacity of 4000 lbs.

Passenger elevators shall be located within the central core. The freight elevator shall be located on the Fourth Street side of the building servicing the loading dock and shall have freight lobbies on each floor of the building.

Not less than \$12,000.00 shall be expended for finish of the passenger elevators.

Stairwells shall be provided within the core area as required by code. Stairwells shall have painted drywall ceilings with standard fluorescent lighting. Walls and floors shall be painted.

Elevators and stairwells shall be controlled with a card access system for after-hours operation as outlined in section 4.06 of this Schedule.

A ramp for handicapped access shall be constructed on Levels 2 through 7 to compensate for the differential in floor heights.

4.06 Security. A coded or card access system shall be provided for the Building and shall be based on the hours, policies and procedures required for and established by the Tenant. The coded or card access system shall also provide for security within areas of the Building as designated by the Tenant.

The security system shall include building entrances, stairwells and elevators.

The security requirements for the computer room/central services are detailed separately in section 4.11 of this Schedule.

Not less than \$30,000.00 shall be expended for the security system.

4.07 Electrical/Telecommunications. Electrical service shall be provided to the Building and to each floor of the Building to meet the requirements of each floor as specified in the Space Plan and Interior Working Drawings.

Telephone cabling shall be provided to the Building and to each floor of the Building. Telephone cables, consisting of four (4) twisted pair shielded, shall be provided from each telephone closet to each telephone station or outlet noted on the plans provided by the Design Consultant. A minimum of 115 wall outlets and 325 outlets in the open office panel system shall be provided.

Coaxial cabling of the type (RG62-AU) as specified by the Tenant shall be provided from the Computer Room to each computer terminal location shown on the plan provided by the Design Consultant. The cabling shall be Teflon coaxial with BHC terminating connectors and RS-232-C cable shall be provided from the computer room to a photo-imager location as specified by Tenant.

Horizontal and vertical runways, 12" x 12", on 12'-0" centers or less, shall be provided for coaxial and other cable connections.

4.08 HVAC. A new Trane or equivalent state-of-the-art HVAC shall be provided for the Premises to meet minimum requirements as follows:

- A minimum of 6.0-8.0 exchanges per hour shall be provided in all zones. The system shall be designed for air handling volumes of 1-1/2 cfm per square foot on interior spaces and 2 cfm per square foot on exterior spaces with constant fan operation.
- Increased ventilation in meeting rooms and designated smoking areas. Exhaust risers shall be strategically located to service these problem areas.
- Constant air circulation during occupied periods. The system shall use triple deck multizones for the basic system operated by 7-day clocks for 8 to 5 operation and with "time" switches in accessible locations for "after-hour" operation of specific areas. The system shall use multiple components such as chillers and pumps to provide at least partial operation allowing for "orderly shutdown" of electronic and data storage facilities as well as timely maintenance.
- Outside air supply for ventilation shall be at a minimum rate of 15 cfm per person fresh air. The system shall use PURAFIL PC-22C-20 cells air filter system, or equal, to provide building pressurization and a "breathable" environment. The system shall use ambient coolers for free cooling of chilled water in winter rather than "fresh-air-cooling" and the resultant loss of environmental controls.
- Use four pipe and district heating system with outdoor resets for energy efficiencies. Criteria for energy efficiency shall be as established by ASHRAE Standard 90/75 in concert with historic agency and local code requirements.
- Provide 14 to 16 zones on a typical office floor with capability for up to 28 zones on a floor where required. System shall provide flexibility to accommodate changes in occupancy, office sites, and use without deterioration of occupant comfort, air quality, or energy efficiency and without variation in temperature and air quality throughout the space.
- Shall provide for specialized needs such as under-floor cooling and humidity control of the computer room and central services areas without addition of supplemental air conditioning equipment.
- Shall provide actual temperature levels during business and non-business hours as established by the Tenant. A 50 percent relative humidity shall be maintained during operational periods.

4.09 Sprinkler System/Fire Safety. A sprinkler system shall be provided for all areas of the Tenant's Premises.

4.10 General Leased Office Space/Storage. Renovation of the Building shall include removal of all existing interior partitions,

lighting, electrical and mechanical systems to provide for the development of the interior space as planned for the Tenant.

All exterior windows shall receive mini-blinds.

The interior face of exterior walls shall receive insulation and a GWB surface. It shall be taped, sanded and painted.

Floors shall receive a 3-4" poured layer of Elastrizell lightweight concrete, or equal, which shall be used to level the existing floors and provide for ducted floor wire management. All floor loading requirements of the Tenant shall be met.

Floor to deck partitions shall be provided around mechanical/electrical closets, elevators, restrooms and any other areas where required by code.

Up to 20 percent of the ceiling area and interior wall partitions shall be provided with acoustical sound insulation.

4.11 [This section left blank intentionally]

4.12 Loading Dock. A loading dock, accessible to the freight elevator, shall be provided to meet the following specifications:

- Overhead doors
- Sealed concrete floors
- Standard fluorescent lighting
- Exposed ceiling
- Double door entrance into corridor
- Dock designed to accommodate delivery trucks by allowing them to back in and adjust for truck bed heights

4.13 Public Meeting Rooms/Lunchroom. The main meeting Room shall be column-free and two-story in height with the main entrance on Level 1 of the Building. It shall have a coffered ceiling with incandescent lighting and accent spots, as well as lighting for TV media coverage.

Walls common with the public lobbies shall be wood and glass.

Exterior windows in the main meeting room shall be provided with draperies. Exterior windows shall be restored as in the general office area.

A \$4.00 per square yard upgrade carpet shall be provided in meeting rooms and special purpose areas.

If on the Space Plan, the lunchroom shall be provided with plumbing including hot and cold running water and electrical outlets for appliances. A private restroom with one sink and one toilet shall be provided off the member's lounge adjacent to the main meeting room.

4.14 Shower/Locker Facility. Shower/Locker facility shall be located on Level 1 of the Building and shall be for the sole use of the Tenant.

Each Men's and Women's Shower/Locker Facility shall include:

Showers - 4 each
Toilets - 4 each
Lockers - 30 each
Sinks - 4 each

The level of finish-out of the Shower/Locker Facility shall be:

Floors: Ceramic Tile/Carpet
Walls: Ceramic Tile/Vinyl Wallcovering
Partitions: Ceramic Tile/Drywall
Ceiling: Painted M.R. Drywall
Counters: Plastic Laminate
Lighting: Incandescent/Fluorescent
Mirrors: Full mirrors over the lavatories

Each facility shall have hot and cold running water and floor drains. Each facility shall have a full exhaust system tied into a main system.

4.15 Graphics. The following Graphics shall be provided as part of the Base Building Work:

Exterior Graphics:

Main Identification
Secondary Identification
Parking Identification
Loading Dock
Directional Identification
Regulatory Signage: Stop signs, etc.

Interior Graphics:

Building Directory
Individual Floor Directories
Elevator Callbuttons
Handicapped Access Information
Stairwell Level Identification
Men's & Women's Restroom, Janitor, Telephone, etc.
Directional Signage

4.16 Environmental. The Building shall comply with all applicable laws, standards and guidelines for public health and environmental quality. It shall contain no asbestos, PCBs or foamed-in-place urea-formaldehyde foam insulation.

ARTICLE 5.00 ALLOWANCE WORK.

5.01 Allowance Work. Landlord shall supply, install and finish all items in the Premises which are required under the Interior Working Drawings and Engineering Plan but which are not included in Base Building Work under Article 4.00 of this Schedule ("Allowance

Work"). Landlord shall cause all Allowance Work to be performed in a good and workmanlike manner, in accordance with the Interior Working Drawings and Engineering Plan, and in accordance with the schedule established by this Lease. Landlord shall make timely payment of all amounts due to the Allowance Work General Contractor and shall keep the Premises free from liens for, or allegedly on account of, Allowance Work.

5.02 Tenant Finish Allowance. The amounts provided as Tenant Finish Allowance in section 3.04 of the Lease will be applied to the costs of Allowance Work as follows. If the cost of Allowance Work is less than or equal to the Tenant Finish Allowance, Landlord shall cause all Allowance Work to be constructed at Landlord's expense and upon the Commencement Date Landlord shall pay to Tenant in cash an amount equal to the difference between the Tenant Finish Allowance and the cost of Allowance Work. If the cost of Allowance Work exceeds the Tenant Finish Allowance, Landlord shall pay all expenses for Allowance Work up to the amount of the Tenant Finish Allowance and thereafter Tenant shall pay to Landlord, as expenses for Allowance Work come due, the difference between the cost of Allowance Work and the Tenant Finish Allowance.

5.03 Cost of Allowance Work. The cost of Allowance Work shall be determined as follows. Within a reasonable time after execution of this Lease, Landlord and Tenant shall agree upon at least three general contractors who are acceptable for performing Allowance Work. Promptly upon completion of the Interior Working Drawings and Engineering Plan, Landlord shall put all Allowance Work out for public bid. The selected general contractors shall be specifically requested to submit a bid for the Allowance Work. Tenant may at its option direct Landlord to accept the low responsive responsible bid, or to cause the Allowance Work to be rebid if Tenant has a reasonable justification therefor. Upon Tenant's direction that a bid is acceptable, Landlord shall promptly enter into a contract with the designated general contractor and thereupon the bid amount shall fix the cost of Allowance Work, subject only to change orders initiated and approved by Tenant. Landlord agrees to perform all reasonable change orders requested by Tenant. The contract between Landlord and the Allowance Work General Contractor shall provide that i) contractor will perform change orders as directed by Landlord; and ii) in the absence of agreement specifying the cost of a change order, the cost of a change order shall be the contractor's net out of pocket costs, after deducting any savings resulting from the change order, plus 10%. Said 10% shall cover all indirect costs including general conditions, overhead and profit.

5.04 Payment Procedures. Tenant shall be furnished with a copy of each draw request and supporting documentation, whether paid from the Tenant Finish Allowance or paid by Tenant. With respect to any amount payable by Tenant pursuant to Section 5.02 of this Schedule, Tenant shall be entitled to payment procedures and documentation (including Sworn Construction Statement, lien waivers, etc.) in accordance with construction disbursement practices customarily followed by title insurance companies in Minnesota.

5.05 Audit Right. Tenant shall have the right to audit the books of Landlord at any time in order to determine that costs of Allowance Work were properly arrived at and actually incurred. Landlord further covenants and agrees to include in any contracts for Allowance Work the following provisions:

- a) a requirement that the contractor shall allow Tenant the right to audit the contractor's books to determine that costs of Allowance Work were properly arrived at and actually incurred; and
- b) a requirement that an identical obligation be included in any subcontracts for such work with relation to the subcontractor's books.

CLEANING AND JANATORIAL SERVICES

Landlord shall provide all cleaning and janatorial services necessary to keep the Leased Premises, common areas of the Building (including skyways) and the Building clean and fit, including but not limited to the following:

<u>GENERAL OFFICE AREAS</u>	<u>FREQUENCY</u>		
	<u>WEEKLY</u>	<u>MONTHLY</u>	<u>YEARLY</u>
1. Empty all waste receptacles and place trash for disposal.	5		
2. Replace all plastic liners as needed.	5		
3. Empty and damp wipe all ashtrays.	5		
4. Dust all ledges and other horizontal surfaces within reach.	5		
5. Dust all counter and file cabinets.	5		
6. Dust all horizontal surfaces of desks, chairs, tables and other office furniture.	5		
7. Vacuum carpeted areas.	5		
8. Spot clean minor carpet stains. (Report any major carpet stains.)	5		
9. Dust mop all hard floor surfaces.	5		
11. Damp mop hard floor surfaces as required to remove spillage.	5		
11. Sanitize and polish all drinking fountains.	5		
12. Spot clean marks around light switches, drinking fountains, doors, door frames and glass.	5		
13. Vacuum or dust air diffusers.			4
14. Clean interior and exterior windows.			2

FREQUENCY

LOBBY, ENTRY AND HALLWAYS

WEEKLY MONTHLY YEARLY

- | | | | |
|---|---|--|--|
| 1. Empty all waste receptacles and place trash for disposal. | 5 | | |
| 2. Spot clean exterior surface of all waste containers. | 5 | | |
| 3. Empty and clean all ashtrays and cigarette urns. | 5 | | |
| 4. Screen and/or replace sand in cigarette urns. | 5 | | |
| 5. Sanitize and polish all water fountains. | 5 | | |
| 6. Dust all horizontal surfaces within reach. | 5 | | |
| 7. Vacuum carpeted floor surfaces. | 5 | | |
| 8. Spot clean minor carpet stains. | 5 | | |
| 9. Sweep and dust mop hard floor surfaces. | 5 | | |
| 10. Damp mop hard floor surfaces as necessary. | 5 | | |
| 11. Remove gum, tar and other foreign substances from floor surfaces. | 5 | | |
| 12. Spot clean all door glass. | 5 | | |
| 13. Spot clean all metal surfaces. | 5 | | |
| 14. Spot clean all marks from walls within reach. | 5 | | |
| 15. Clean all door thresholds. | 5 | | |
| 16. Brush or vacuum all upholstered furniture. | 1 | | |
| 17. Vacuum or dust all air diffusers. | | | |

FREQUENCY

RESTROOMS

WEEKLY MONTHLY YEARLY

- | | | | |
|--|---|--|---|
| 1. Sweep or dust mop all floor surfaces | 5 | | |
| 2. Wet mop all floor surfaces with disinfectant solution. | 5 | | |
| 3. Dust all horizontal surfaces. | 5 | | |
| 4. Empty and clean all waste receptacles and place for disposal. | 5 | | |
| 5. Empty and clean all sanitary napkin disposal units and replace plastic liners, if required. | 5 | | |
| 6. Check and refill all towel, soap, and toilet dispensers. | 5 | | |
| 7. Clean and polish all dispensers. | 5 | | |
| 8. Clean and polish all mirrors, frames and shelves. | 5 | | |
| 9. Clean and polish all wash basins. | 5 | | |
| 10. Clean and sanitize all toilets, toilet seats and urinals. | 5 | | |
| 11. Clean and polish all chrome. | 5 | | |
| 12. Spot clean all walls around sinks, towel dispensers, urinals, partitions and door frames. | 5 | | |
| 13. Remove all gum, tar and other foreign substances from floor surface. | 5 | | |
| 14. Report any fixture not working properly to maintenance office. | 5 | | |
| 15. Dust or vacuum all air diffusers. | | | 4 |
| 16. Wash all walls, partitions and doors. | | | 1 |

<u>LUNCHROOM</u>	<u>FREQUENCY</u>		
	<u>WEEKLY</u>	<u>MONTHLY</u>	<u>YEARLY</u>
1. Gather all waste and place for disposal.	5		
2. Spot clean exterior of all waste containers.	5		
3. Wash all waste containers inside and out.	5		
4. Dust mop all hard floor surfaces.	5		
5. Damp mop all hard floor surfaces.	5		
6. Remove all gum, tar and other foreign substances from floor surfaces.	5		
7. Vacuum all carpeted floor surfaces.	5		
8. Spot clean minor carpet stains.	5		
9. Dust all horizontal surfaces within reach.	5		
10. Damp wipe all table and counter tops.	5		
11. Empty and damp wipe all ash trays.	5		
12. Properly arrange all tables and chairs.	5		
13. Clean and sanitize all drinking fountains.	5		
14. Spot clean all marks from walls, light switches and woodwork.	5		
15. Spot clean all chairs.	1		
16. Dust or vacuum all air diffusers.			4

NON-DISTURBANCE AGREEMENT

In consideration of execution of the Lease dated _____, 1987, between Ameritas, Inc., as Landlord, and Regional Transit Board, as Tenant, and in consideration of the subordination of the Lease to the first lien mortgage held by the undersigned pursuant to section 16.02 of the Lease, the undersigned hereby agrees that so long as Tenant is not in default under the terms of the lease, the undersigned shall not disturb Tenant in its peaceful possession of the Premises and the lease shall not be terminated by any foreclosure of the mortgage held by the undersigned.

Dated: _____

By: _____

Title: _____

GUARANTY

\ The undersigned, John McDonald ("Guarantor"), in consideration of, and in order to induce Tenant to enter into the attached Lease with Ameritas, Inc. ("Landlord") does hereby unconditionally guarantee the performance of all obligations expressed as to be performed by Landlord under the terms and provisions of the Lease; provided, however, that this Guaranty shall extend only to those obligations and liabilities for which Landlord is liable under the Lease and shall not extend to any obligations and liabilities which are non-recourse to Landlord pursuant to the express terms of Section 22.10 of the Lease.

Guarantor represents that he has a significant beneficial interest in Landlord.

Guarantor hereby waives notice of acceptance hereof, or any action taken or omitted in reliance hereof, or of any default of Landlord under the Lease.

Guarantor agrees that the Lease may be modified, amended, and supplemented in any manner, and agrees that no such amendment, modification or supplement shall release, affect or impair Guarantor's liability under this Guaranty. Bankruptcy or insolvency of Landlord shall not release or limit the liability of Guarantor.

Guarantor agrees to pay all costs and expenses, including reasonable attorney's fees, incurred by Tenant in endeavoring to enforce this Guaranty.

John McDonald

PROG12

RTB Program Status Report 12/31/86
100.00% of Fiscal Year

Work Prog #	Program name	Original Budget	Revised Budget	Expenses thru Period end date	Unexpended Budget	Expenses as % of Budget
86-01	RTB Policy Management	\$315,630.00	\$316,244.00	\$212,730.81	\$103,513.19	67.27%
86-03	Programs/Planning Admin	\$289,660.00	\$290,180.00	\$235,216.18	\$54,963.82	81.06%
86-04	Transportation Planning Process	\$147,050.00	\$145,665.00	\$51,904.98	\$93,760.02	35.63%
86-05	Transit Corridor Study	\$24,170.00	\$23,758.00	\$51,406.51	(\$27,648.51)	216.38%
86-06	I-35W Study	\$38,100.00	\$37,664.00	\$7,001.94	\$30,662.06	18.59%
86-07	Service Needs Assessment and Implementation Plan	\$513,770.00	\$516,675.00	\$561,404.36	(\$44,729.36)	108.66%
86-08	Bus Related Improvements	\$27,310.00	\$28,010.00	\$1,229.98	\$26,780.02	4.39%
86-09	Urban Travel Analysis	\$49,910.00	\$49,654.00	\$48,186.12	\$1,467.88	97.04%
86-10	Handicapped Transp. Planning	\$99,110.00	\$99,265.00	\$139,539.05	(\$40,274.05)	140.57%
86-11	Regional Rideshare Prog. Coord.	\$80,550.00	\$80,515.00	\$10,841.80	\$69,673.20	13.47%
86-12	I-394 Planning & Implementation	\$257,750.00	\$258,265.00	\$53,441.18	\$204,823.82	20.69%
86-13	Transit System Planning & Impl.	\$229,190.00	\$229,290.00	\$115,511.83	\$113,778.17	50.38%
86-14	Transit Programs and Admin.	\$65,509,300.00	\$65,506,315.00	\$57,638,530.22	\$7,867,784.78	87.99%
86-21	Transit Operator Assistance Debt Service	\$3,353,600.00	\$3,353,600.00	\$3,264,854.50	\$88,745.50	97.35%
	Sub-Total	\$70,935,100.00	\$70,935,100.00	\$62,391,799.46	\$8,543,300.54	87.96%
86-20	Capital Expenditure Program	\$50,000.00	\$50,000.00	\$46,786.49	\$3,213.51	93.57%
	Sub-Total Programs and Capital Expenditures	\$70,985,100.00	\$70,985,100.00	\$62,438,585.95	\$8,546,514.05	87.96%
	1985 UMTA Grant		\$164,922.00	\$165,878.50	(\$956.50)	100.58%
	1985 Debt Service			\$76,173.10		
	430 - 1985 TAC Interest Expense			\$229,350.00		
	Adjustment - Non-allocable Exp.			\$1,580.28		
	TOTAL	\$70,985,100.00	\$71,150,022.00	\$62,911,567.83	\$8,545,557.55	88.42%

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, St. Paul, MN 55101
292-8789

DATE: February 27, 1987
TO: Administration and Finance Committee
FROM: Gerald Brechlin, Manager of Accounting Operations
SUBJECT: Financial Statements - December 1986

ACTION REQUESTED

That the Administration and Finance Committee recommend the Board receive the December 1986 financial statements and direct that they be placed on file. These have been prepared on the modified accrual basis and in accordance with generally accepted accounting principles. They are:

- the combined balance sheet
- the combined statement of revenues, expenditures and changes in fund balance
- the budget line item status report
- the RTB program status report

The RTB program status report listed above will be handed out at the Committee meeting.

These are preliminary statements which are subject to additional RTB review and annual audit by Deloitte Haskins & Sells. The audit is scheduled for this March.

At the Committee meeting, staff will provide commentary on budget variances and an overview of the year-end statements.

RECOMMENDATION

That the Administration and Finance Committee recommend the Board receive the December 1986 financial statements and direct that they be placed on file.

Attachment
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REGIONAL TRANSIT BOARD
FINANCIAL STATEMENTS
DECEMBER 1986

Balance Sheet.....Page 1
Combined Statement of Revenues, Expenditures and Fund Balance.....Page 2
Budget Line Item Status Report.....Page 3

PRELIMINARY -UNAUDITED

REGIONAL TRANSIT BOARD
BALANCE SHEET
DECEMBER 31, 1986

	GENERAL FUND	SPECIAL REVENUE	FIXED ASSETS	TOTAL ALL FUNDS
ASSETS:				
CASH	\$161,874.23	(\$93,495.66)		\$68,378.57
INVESTMENTS	\$696,675.89	\$8,412,945.18		\$9,109,621.07
TAXES RECEIVABLE-CURRENT		\$1,457,217.93		\$1,457,217.93
TAXES RECEIVABLE-DELINQUENT		\$344,933.38		\$344,933.38
ACCRUED INTEREST RECEIVABLE	\$1,010.11	\$104,853.93		\$105,864.04
DUE FROM OTHER FUNDS	\$63,701.47			\$63,701.47
DUE FROM MET COUNCIL				\$0.00
DUE FROM STATE OF MINNESOTA		\$2,565.24		\$2,565.24
DUE FROM FEDERAL GOVERNMENT	\$123,468.00	\$204,409.28		\$327,877.28
DUE FROM LOCAL UNITS		\$3,854.95		\$3,854.95
FURNITURE AND EQUIPMENT			\$143,771.57	\$143,771.57
OTHER ASSETS		\$153,028.00		\$153,028.00
TOTAL ASSETS	\$1,046,729.70	\$10,590,312.23	\$143,771.57	\$11,780,813.50
LIABILITIES:				
ACCOUNTS PAYABLE	\$14,034.00	\$864,960.95		\$878,994.95
ACCRUED PAYROLL LIABILITIES	\$76,271.26			\$76,271.26
DUE TO OTHER GOVERNMENT UNITS	\$84,168.42			\$84,168.42
DUE TO MTC		\$43,290.76		\$43,290.76
DUE TO OTHER FUNDS		\$63,701.47		\$63,701.47
DEFERRED REVENUE & OTHER LIAB.		\$1,719,516.81		\$1,719,516.81
TOTAL LIABILITIES	\$174,473.68	\$2,691,469.99		\$2,865,943.67
INVESTMENT IN GENERAL FIXED ASSETS			\$143,771.57	\$143,771.57
FUND BALANCE	\$872,256.02	\$7,898,842.24		\$8,771,098.26
TOTAL LIABILITIES AND FUND BALANCES	\$1,046,729.70	\$10,590,312.23	\$143,771.57	\$11,780,813.50

PRELIMINARY-UNAUDITED

REGIONAL TRANSIT BOARD
 COMBINED STATEMENT OF REVENUES,
 EXPENDITURES & CHANGES IN FUND BALANCES
 FOR PERIOD TWELVE MONTHS ENDED 12-31-86

MONTH OF DECEMBER		
GENERAL	SPECIAL REVENUE	TOTAL
\$123,468.00	\$101,320.13	\$224,788.13
\$86,800.00	\$0.00	\$86,800.00
\$0.00	\$2,047,292.24	\$2,047,292.24
\$0.00	\$132,837.50	\$132,837.50
\$0.00	\$759,792.73	\$759,792.73
\$0.00	\$15,145,624.67	\$15,145,624.67
\$3,085.52	\$150,794.16	\$153,879.68
\$1,800.00	\$0.00	\$1,800.00
<u>\$215,153.52</u>	<u>\$18,337,661.43</u>	<u>\$18,552,814.95</u>
\$12,944.85	\$51,692.20	\$64,637.05
(\$10,934.15)	\$72,149.99	\$61,215.84
\$28,799.61	\$26.55	\$28,826.16
\$3,145.01	\$2,513.93	\$5,658.94
\$24,708.92	\$897.00	\$25,605.92
\$3,038.82	\$1,085.23	\$4,124.05
\$3,160.55	\$0.00	\$3,160.55
\$6,496.11	\$879.33	\$7,375.44
\$0.00	\$16,242,849.12	\$16,242,849.12
\$1,990.55	\$1,819.77	\$3,810.32
\$9,652.25	\$3,191.56	\$12,843.81
\$0.00	\$0.00	\$0.00
<u>\$83,002.52</u>	<u>\$16,377,104.68</u>	<u>\$16,460,107.20</u>
\$4,230.10		\$4,230.10
<u>\$87,232.62</u>	<u>\$16,377,104.68</u>	<u>\$16,464,337.30</u>
\$127,920.90	\$1,960,556.75	\$2,088,477.65
\$744,335.12	\$5,938,285.49	\$6,682,620.61
<u>\$872,256.02</u>	<u>\$7,898,842.24</u>	<u>\$8,771,098.26</u>

	YEAR TO DATE		
	GENERAL	SPECIAL REVENUE	TOTAL
REVENUES:			
FEDERAL GRANTS	\$475,088.93	\$432,571.00	\$907,659.93
STATE GRANTS			
RTB ADMINISTRATION	\$996,600.00		\$996,600.00
TRANSIT ASSISTANCE		\$18,415,453.86	\$18,415,453.86
TAX FEATHERING		\$1,594,050.00	\$1,594,050.00
HOMESTEAD		\$8,544,192.83	\$8,544,192.83
PROPERTY TAXES		\$38,035,190.09	\$38,035,190.09
INTEREST INCOME	\$27,704.67	\$1,137,013.84	\$1,164,718.51
MISCELLANEOUS	\$2,654.00	\$48,950.69	\$51,604.69
<u>TOTAL REVENUE</u>	<u>\$1,502,047.60</u>	<u>\$68,207,422.31</u>	<u>\$69,709,469.91</u>
EXPENDITURES:			
SALARIES AND BENEFITS	\$570,616.52	\$164,599.14	\$735,215.66
PROF. AND TECH. SERVICES	\$80,014.94	\$460,522.29	\$540,537.23
METRO COUNCIL CHARGEBACKS	\$182,502.49	\$1,790.24	\$184,292.73
MATERIALS AND SUPPLIES	\$32,614.13	\$24,829.97	\$57,444.10
LEASES & RENTALS	\$72,243.83	\$15,170.43	\$87,414.26
UTILITIES	\$16,039.01	\$4,541.71	\$20,580.72
MEMBERS PER DIEMS	\$32,300.00		\$32,300.00
TRAVEL EXPENSE	\$51,345.68	\$2,982.36	\$54,328.04
TRANSIT PROVIDER PAYMENTS		\$60,797,486.45	\$60,797,486.45
MISCELLANEOUS	\$49,011.38	\$30,564.61	\$79,575.99
GENERAL AND ADMINISTRATIVE	\$37,064.15	\$9,192.01	\$46,256.16
INTEREST EXPENSE		\$229,350.00	\$229,350.00
<u>SUB-TOTAL EXPENDITURES</u>	<u>\$1,123,752.13</u>	<u>\$61,741,029.21</u>	<u>\$62,864,781.34</u>
CAPITAL EXPENDITURES	\$46,786.49		\$46,786.49
<u>TOTAL EXPENDITURES</u>	<u>\$1,170,538.62</u>	<u>\$61,741,029.21</u>	<u>\$62,911,567.83</u>
EXCESS (DEF) OF REV OVER EXP	\$331,508.98	\$6,466,393.10	\$6,797,902.08
FUND BALANCE, BEGINNING OF PERIOD	\$540,747.04	\$1,432,449.14	\$1,973,196.18
<u>FUND BALANCE, END OF PERIOD</u>	<u>\$872,256.02</u>	<u>\$7,898,842.24</u>	<u>\$8,771,098.26</u>

PRELIMINARY-UNAUDITED

BUDGET LINE ITEM STATUS REPORT
PERIOD ENDING 12/31/86

	1986 BUDGET	ACTUAL AS OF 12/31/86	VARIANCE	PERCENT OF BUDGET
REVENUES:				
FEDERAL SOURCES				
1985 UMTA PLANNING GRANT	\$0.00	\$127,623.93	\$127,623.93	
1986 UMTA PLANNING GRANT	\$325,000.00	\$347,465.00	\$22,465.00	106.91%
FEDERAL AID URBAN	\$0.00	\$432,571.00	\$432,571.00	
STATE REVENUE SOURCES				
RTB ADMINISTRATION	\$1,082,500.00	\$996,600.00	(\$85,900.00)	92.06%
TRANSIT ASSISTANCE	\$20,550,400.00	\$18,415,453.86	(\$2,134,946.14)	89.61%
TAX FEATHERINGS	\$2,488,000.00	\$1,594,050.00	(\$893,950.00)	64.07%
HOMESTEAD CREDIT-GEN	\$0.00	\$7,956,190.83	\$7,956,190.83	
HOMESTEAD CREDIT-DEBT	\$0.00	\$588,002.00	\$588,002.00	
PROPERTY TAXES				
GENERAL	\$42,816,000.00	\$35,302,927.64	(\$7,513,072.36)	82.45%
DEBT SERVICE	\$3,353,600.00	\$2,732,262.45	(\$621,337.55)	81.47%
INTEREST INCOME:				
TAX ESCROW FUND	\$0.00	\$438,629.77	\$438,629.77	
ALL OTHER	\$450,000.00	\$726,088.74	\$276,088.74	161.35%
MISCELLANEOUS INCOME				
I-35E PROJECT	\$0.00	\$48,950.69	\$48,950.69	
ALL OTHER	\$0.00	\$2,654.00	\$2,654.00	
TOTAL REVENUES	\$71,065,500.00	\$69,709,469.91	(\$1,356,030.09)	98.09%

EXPENSES:

ACCT.	EXPENSE	1986 BUDGET	EXPENSES TO 12/31/86	UNEXPENDED BUDGET	PERCENT OF BUDGET EXPENDED
401	SALARIES AND BENEFITS	\$930,700.00	\$735,215.66	\$195,484.34	79.00%
4012	COUNCIL-DIRECT	\$8,000.00	\$820.83	\$7,179.17	10.26%
4013	COUNCIL-INDIRECT	\$4,000.00	\$176.24	\$3,823.76	4.41%
4014	MEMBERS PER DIEMS	\$38,000.00	\$32,300.00	\$5,700.00	85.00%
4017	SEVERANCE PAY	\$0.00	\$26,600.00	(\$26,600.00)	
4021	CONSULTANTS	\$715,000.00	\$412,974.28	\$302,025.72	57.76%
4022	LEGAL SERVICES	\$25,000.00	\$40,370.01	(\$15,370.01)	161.48%
4023	METRO COUNCIL-PLANNING	\$209,700.00	\$184,292.73	\$25,407.27	87.88%
4024	METRO COUNCIL-ADMIN-INDIRECT	\$3,000.00	\$1,003.07	\$1,996.93	33.44%
4029	CONTRACTUAL SERVICES-OTHER	\$15,000.00	\$87,192.94	(\$72,192.94)	581.29%
4031	REG/CONF FEES-MEMBERS	\$6,000.00	\$5,274.33	\$725.67	87.91%
4032	REG/CONF FEES-EMPLOYEES	\$12,200.00	\$11,346.19	\$853.81	93.00%
4034	LOCAL TRAVEL-MEMBERS	\$15,000.00	\$8,040.49	\$6,959.51	53.60%
4035	LOCAL TRAVEL-EMPLOYEES	\$20,300.00	\$7,290.23	\$13,009.77	35.91%
4037	NON LOCAL TRAVEL-MEMBERS	\$16,500.00	\$9,174.44	\$7,325.56	55.60%
4038	NON LOCAL TRAVEL-EMPLOYEES	\$23,500.00	\$13,202.36	\$10,297.64	56.18%
4041	RECRUITMENT	\$3,000.00	\$19,292.75	(\$16,292.75)	643.09%
4042	EMPLOYEE DEVELOPMENT	\$9,000.00	\$673.60	\$8,326.40	7.48%
4043	MEMBERSHIP DUES	\$3,000.00	\$2,348.50	\$651.50	78.28%
405	SUPPLIES	\$23,000.00	\$18,300.00	\$4,620.00	79.91%
4061	COPIER	\$10,000.00	\$9,936.13	\$63.87	99.36%
4062	PRINTING AND PUBLICATIONS	\$70,000.00	\$28,789.21	\$41,210.79	41.13%
4063	LIBRARY SERVICES	\$1,000.00	\$1,000.00	\$0.00	0.00%
4064	COMPUTER EXPENSE	\$39,000.00	\$44,256.02	(\$5,256.02)	113.48%
407	OFFICE RENT AND UTILITIES	\$45,000.00	\$75,067.99	(\$30,067.99)	166.82%
4081	TELEPHONE AND WATTS LINE	\$12,000.00	\$8,102.85	\$3,897.15	67.52%
4082	POSTAGE	\$15,000.00	\$12,477.87	\$2,522.13	83.19%
4083	NEWSPAPER NOTICES	\$5,000.00	\$10,216.66	(\$5,216.66)	204.33%
4091	EQUIPMENT RENTAL	\$5,000.00	\$2,193.69	\$2,806.31	43.87%
4092	EQUIPMENT MAINT	\$2,500.00	\$10,274.89	(\$7,774.89)	411.00%
4093	USER CHARGES	\$2,500.00	\$216.45	\$2,283.55	8.66%
410	INSURANCE	\$10,000.00	\$16,024.02	(\$6,024.02)	160.24%
440	TRANSIT PROVIDER PAYMENTS	\$20,550,400.00	\$17,627,062.04	\$2,923,337.96	85.77%
4401	M T C OPERATIONS	\$44,783,200.00	\$39,829,396.81	\$4,873,803.19	89.10%
4402	M T C DEBT SERVICE	\$3,353,600.00	\$3,341,027.60	\$12,572.40	99.63%
490	MISCELLANEOUS	\$31,000.00	\$4,420.46	\$26,579.54	14.26%
	SUBTOTAL	\$70,935,100.00	\$62,635,431.34	\$8,299,668.66	88.30%
412	CAPITAL EXPENDITURES	\$50,000.00	\$46,786.49	\$3,213.51	93.57%
430	1985 TAC 1986 INT. PAYABLE	\$0.00	\$229,350.00	(\$229,350.00)	
	TOTAL EXPENDITURES	\$70,985,100.00	\$62,911,567.83	\$8,073,532.17	88.63%

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: March 10, 1987
TO: Regional Transit Board
FROM: Elliott Perovich, Chairman
SUBJECT: Correspondence from the Minnesota Department of Transportation
Concerning the Plymouth Road Timed-Transfer Transit Station

Attached is a copy of correspondence from the Minnesota Department of Transportation informing the Regional Transit Board that the decision has been made to proceed with the design of the Plymouth Road Station, which requires the relocation of Arby's Restaurant. This letter will be discussed at the board meeting.

EP/mf
Att.



Minnesota Department of Transportation
Transportation Building, St. Paul, MN 55155

Phone 296-8044

March 9, 1987

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

RE: Plymouth Road Transit Station Feasibility Study

Dear Mr. Perovich:

As you know, Mn/DOT staff and BRW, Inc. staff have been investigating the feasibility of accommodating both an Arby's restaurant and a transit station/park-ride function at the proposed Plymouth Road Transit Station. Meetings have been held with BRW staff, RTB staff, Arby's and their representatives, the Policy Committee of the RTB, MTC Staff, Minnetonka staff, and Mn/DOT staff. Alternatives have been developed, refined and analyzed in detail. Significant effort has been made to accommodate the desired private and public functions.

This process resulted in two site plans (see attachment):

- o Alternative A-1 - accommodates Arby's and provides a transit station/park-ride facility; and
- o Alternative K-1 - does not accommodate Arby's and provides a transit station/park-ride facility.

A detailed comparative evaluation was completed of the two site plans by BRW and Mn/DOT staff; the attached table summarizes that comparison.

The major problems with Alternative A-1 include:

- o the turning radius for inbound buses just meets the recommended standard; if the driver swings wider than normal or a bus is not properly parked at the station, the inbound bus could not make the movement;
- o substandard snow storage is provided for the transit station and the park-ride facility; transit ridership is historically higher on snow days and the park-ride facility operation is very important on those days;
- o a minimum boulevard for a sidewalk and snow storage would result if Plymouth Road is widened;
- o the park-ride area has a "dead-end aisle," such that when the lot fills it is very difficult for a vehicle to turn around and leave the lot;



Mr. Elliott Perovich, Chairman
March 9, 1987
Page Two

- o only 91 parking spaces are provided for both park-ride operations and kiss-ride operations, the RTB requested 100 spaces; and
- o no expansion possibilities exist for the park-ride facility; it is possible that the High Occupancy Vehicle and transit component of I-394 will be more successful than expected. The need would then exist for more parking.

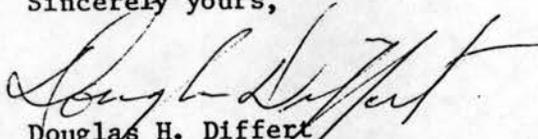
As the attached table shows, Alternative K-1 does not have the above identified problems. Very adequate turning radii are provided, snow storage is adequate, boulevards are adequate, on-site circulation exists in the park-ride lot, the RTB's parking requirements are met, and expansion capability exists.

While no one of the conditions associated with Alternative A-1 can be considered a "fatal flaw," the cumulative condition results in a design that is not acceptable to Mn/DOT.

The I-394 transit stations and complementary park-ride lots are an experiment; Mn/DOT believes that substandard design is not appropriate for this situation and cannot be considered a prudent use of public transportation dollars. Mn/DOT has therefore concluded that the Plymouth Road Transit Station cannot accommodate an Arby's restaurant and plans to proceed to obtain the right-of-way.

Mn/DOT appreciates the interest of the RTB in this shared use concept and appreciates the work of the RTB staff in the analysis.

Sincerely yours,



Douglas H. Differt
Deputy Commissioner

Attachments:

cc: Mr. Charles Nadler, President
Franchise Associates

Mr. Larry Donlin
Mayor, Minnetonka

PLYMOUTH ROAD TRANSIT STATION
ALTERNATIVE COMPARISON

Alternative A-1: Retain Arby's - Partial Take
Alternative K-1 Revised: Remove Arby's - Total Take

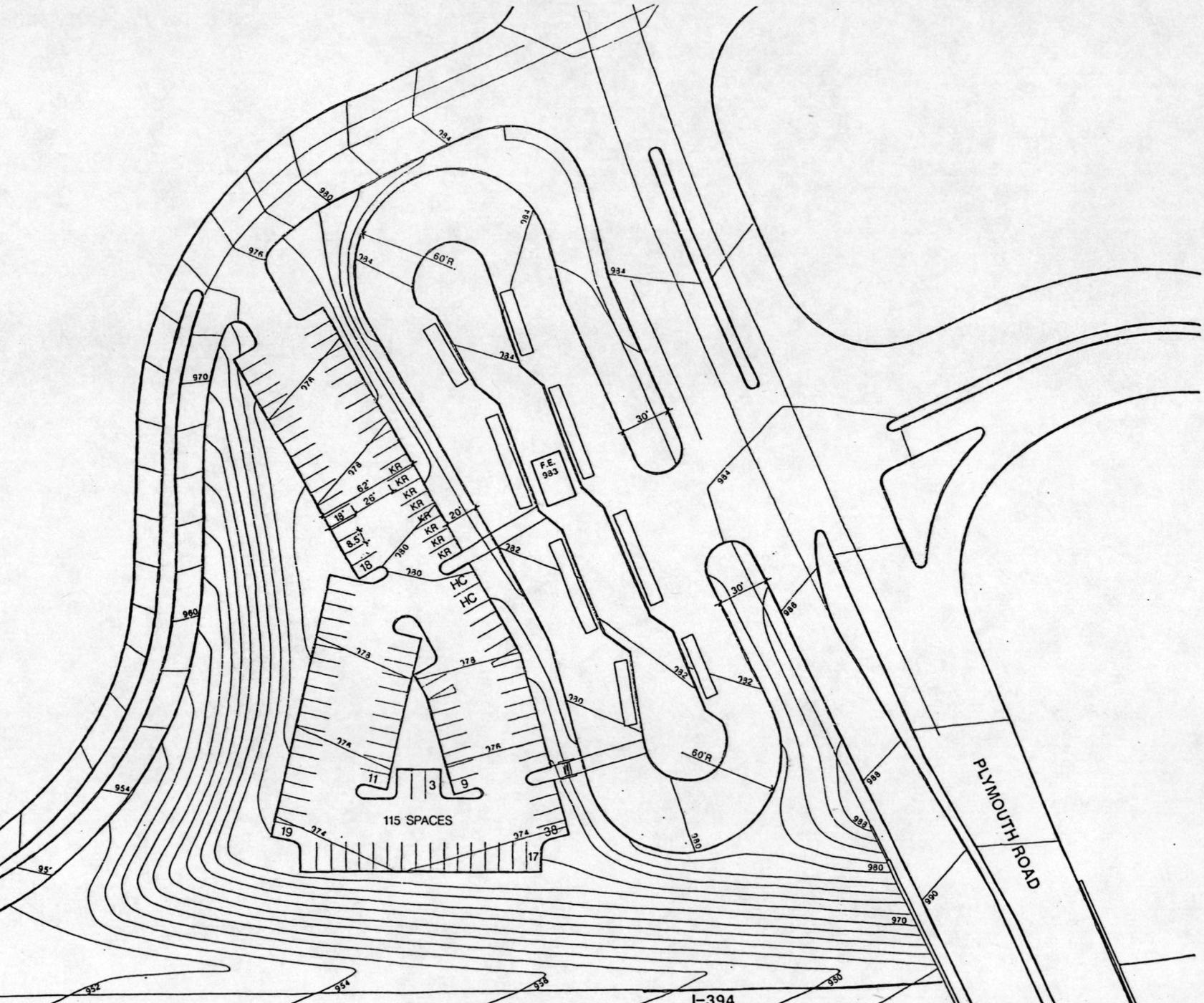
EVALUATION ITEM	A-1	K-1 REVISED
Transit Station Bus Spaces	8	8
Park and Ride Spaces:		
Standard	83	105
Handicap	2	2
Kiss and Ride	6	8
Total	91	115
Parking Lot (Kiss & Ride) Circulation	Dead End	Looped
Transit Station Turning Radius	60'	60'
Transit Station Diameter (Recommended: 102.4')	120'	120'
Recommended Bus Turning Radius	51.2'	51.2'
Inbound Bus Movement	Just Meets Standard-102.4'	Exceeds Standard
Transit Station Snow Storage	5'-20'	10'-30'
Park and Ride Snow Storage	5'-7'	10'-Unlimited
Plymouth Road/Transit Station Separation	20'	30'
Separation if Plymouth Road is Widened	8'	18'
Park and Ride Expansion Capability	No	Yes
Arby's Parking:		
Required - City of Minnetonka	48	NA
Provided	44	NA
Variance Required	Yes	NA
Shared-Use Concept	Yes	No
Probability of Lawsuit	Low	Very High
Capital Costs:		
Construction		
Site	\$575,000	\$625,000
Wall	\$50,000	--
Non-Construction	\$384,000*	\$760,000
Total	\$1,409,000	\$1,385,000
Operating Costs	Higher	Lower

* Does not include additional cost for ROW and loss of four parking spaces.

NORTH FRONTAGE ROAD

PLYMOUTH ROAD TRANSIT STATION

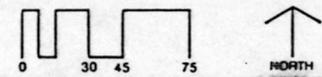
ALTERNATIVE K-1 REVISED



I-394

PARCEL STUDY

Minnesota Department of Transportation





Minnesota
Department of Transportation
Transportation Building
St. Paul, Minnesota 55155

Office of Commissioner

(612) 296-3000

March 13, 1987

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

RE: Your Letter of February 19, 1987

Dear Mr. Perovich:

Thank you for your letter of February 19, and for notifying us of the Board's resolution concerning the Plymouth Road timed-transfer station.

Our project development process is designed to evaluate alternatives and select one that is both feasible and prudent. This process includes coordination with the City of Minnetonka, the Metropolitan Transit Commission, and your staff.

We hope to reach a decision soon on this transit station, so as not to delay the construction of I-394. When the decision is made, we will notify all interested parties as promptly as possible.

Thank you again for expressing your concerns.

Sincerely,

LEONARD W. LEVINE
Commissioner

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: March 11, 1987
TO: Regional Transit Board
FROM: ~~SW~~ Gerald Brechlin, Manager of Accounting Operations/Treasury
SUBJECT: Amended RTB Program Status Report

Attached is an amended RTB Program Status Report at December 31, 1986.

Previous reports had included a column "revised budget" which was not presented for approval to the Board.

Attachment
ch

PROG12

RTB PROGRAM STATUS REPORT 12/31/86
100.00% of Fiscal Year

Work Prog #	Program name	Original Budget	Expenses thru Period end date	Unexpended Budget	Expenses as % of Budget
86-01	RTB Policy Management	\$315,630.00	\$212,730.81	\$102,899.19	67.40%
86-03	Programs/Planning Admin	\$289,660.00	\$235,216.18	\$54,443.82	81.20%
86-04	Transportation Planning Process	\$147,050.00	\$51,904.98	\$95,145.02	35.30%
86-05	Transit Corridor Study	\$24,170.00	\$51,406.51	(\$27,236.51)	212.69%
86-06	I-35W Study	\$38,100.00	\$7,001.94	\$31,098.06	18.38%
86-07	Service Needs Assessment and Implementation Plan	\$513,770.00	\$561,404.36	(\$47,634.36)	109.27%
86-08	Bus Related Improvements	\$27,310.00	\$1,229.98	\$26,080.02	4.50%
86-09	Urban Travel Analysis	\$49,910.00	\$48,186.12	\$1,723.88	96.55%
86-10	Handicapped Transp. Planning	\$99,110.00	\$139,539.05	(\$40,429.05)	140.79%
86-11	Regional Rideshare Prog. Coord.	\$80,550.00	\$10,841.80	\$69,708.20	13.46%
86-12	I-394 Planning & Implementation	\$257,750.00	\$53,441.18	\$204,308.82	20.73%
86-13	Transit System Planning & Impl.	\$229,190.00	\$115,511.83	\$113,678.17	50.40%
86-14	Transit Programs and Admin.	\$65,509,300.00	\$57,638,530.22	\$7,870,769.78	87.99%
86-21	Transit Operator Assistance Debt Service	\$3,353,600.00	\$3,264,854.50	\$88,745.50	97.35%
	Sub-Total	\$70,935,100.00	\$62,391,799.46	\$8,543,300.54	87.96%
86-20	Capital Expenditure Program	\$50,000.00	\$46,786.49	\$3,213.51	93.57%
	Sub-Total Programs and Capital Expenditures	\$70,985,100.00	\$62,438,585.95	\$8,546,514.05	87.96%
	1985 Debt Service		\$76,173.10	(\$76,173.10)	
	430 - 1985 TAC Interest Expense		\$229,350.00	(\$229,350.00)	
	Adjustment - Non-allocable Exp.		\$1,580.28	(\$1,580.28)	
	TOTAL	\$70,985,100.00	\$62,745,689.33	\$8,239,410.67	88.39%
	1985 UMTA Grant		\$165,878.50	(\$165,878.50)	
		\$70,985,100.00	\$62,911,567.83	\$8,073,532.17	88.63%

REGIONAL TRANSIT BOARD

Position on Transit Improvements in the University Avenue, Southwest and Hiawatha Avenue Corridors

On Monday, February 25, 1985, the Regional Transit Board adopted its position on the transit improvements for the University Avenue, Southwest and Hiawatha Avenue corridors. This position is made up of the following elements:

1. University Avenue through the two downtowns is the selected priority corridor for transit improvements.
2. Light rail transit is the preferred fixed guideway alternative in the three corridors.
3. The final decision on implementation of light rail transit will be made after preliminary engineering, additional development planning, regional needs assessments, and financial resource analyses are completed.
4. The following work program for the next 18 months will be conducted:
 - a. Preliminary engineering for light rail transit in the University Avenue corridor, including logical connections to other corridors through the two downtowns and connections to maintenance yards and shops, as well as site specific development planning for corridor stations in the University Avenue corridor (completed by December 1986).
 - b. Preliminary engineering activities to facilitate maximum coordination with the roadway preliminary engineering activities for the Hiawatha corridor. The work will include LRT trackwork definition, civil works engineering, and station development planning (completed as dictated by Hiawatha roadway design activities).
 - c. Service needs assessments in all other major regional transit corridors in the region, including a comprehensive financial resource analysis that includes assessment of the potential for federal/state/regional funds (completed by March 1986).
 - d. Establishment of an intergovernmental advisory committee to guide these activities within the context of the regional planning process.
5. A final decision on implementation of light rail transit, selection of priority corridors for final design, and transit decisions in other regional corridors will be made by December 1986.
6. A specific proposal to the 1987 legislative session will be prepared, describing the priority transit improvements recommended by the Regional Transit Board and recommending the financial mechanisms and organizational structure to carry out the final decision.



Minnesota
Department of Transportation
Transportation Building
St. Paul, Minnesota 55155

Office of Commissioner

(612) 296-3000

March 13, 1987

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

RE: Your Letter of February 19, 1987

Dear Mr. Perovich:

Thank you for your letter of February 19, and for notifying us of the Board's resolution concerning the Plymouth Road timed-transfer station.

Our project development process is designed to evaluate alternatives and select one that is both feasible and prudent. This process includes coordination with the City of Minnetonka, the Metropolitan Transit Commission, and your staff.

We hope to reach a decision soon on this transit station, so as not to delay the construction of I-394. When the decision is made, we will notify all interested parties as promptly as possible.

Thank you again for expressing your concerns.

Sincerely,

A handwritten signature in black ink, appearing to read 'Leonard W. Levine'.

LEONARD W. LEVINE
Commissioner

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: March 16, 1987
TO: Administration and Finance Committee
FROM: Cynthia M. Mayer, Project Administrator
SUBJECT: 1989-1991 Federal Aid Urban Project Applications

ACTION REQUESTED

That the Regional Transit Board authorize the executive director to submit an application for 1989-1991 Federal Aid Urban funding for the Minnesota Rideshare program in the amount of \$750,000 as well as two Metropolitan Transit Commission applications; one for 48 forth-foot buses in the amount of \$5,500,000 and another application for the Transit Information Center's computer hardware and software equipment in the amount of \$250,000.

BACKGROUND

At the March 5, 1987, Administration and Finance Committee meeting a request was recommended to submit an application for FAU funding for the Minnesota Rideshare program and two Metropolitan Transit Commission programs. The RTB has the responsibility to submit the FAU funding project applications for the Minnesota Rideshare program. The MTC has the responsibility for the submittal of two other project applications to the Transportation Advisory Board for FAU funds. In accordance with Minnesota Statutes, Section 473.375, subdivision 8, the Regional Transit Board must approve all applications for federal transit assistance. The following three projects are will be submitted to the Transportation Advisory Board for inclusion in the 1989-1991 Federal Aid Urban Program pending review and approval of the Regional Transit Board.

1. Purchase of Minnesota Rideshare Comprehensive Program	1989 - \$ 365,000
	1991 - \$ 385,000
2. Purchase of Buses	1989 - \$ 2,750,000
	1991 - \$ 2,750,000
3. Purchase of TIC's Computer Hardware and Software	1989 - \$ 93,750
	1991 - \$ 93,750

Attached are the project applications for the three Federal Aid Urban project submittal.



March 16, 1987

Emil Brandt, Transportation Coordinator
Transportation Advisory Board
276 Metro Square Building
St. Paul, MN 55101

RE: Submittal of 1989-1991 Federal Aid Urban Project Applications

Dear Mr. Brandt:

At its meeting of March 16, 1987, the Regional Transit Board authorized the executive director to submit the following three projects to the Transportation Advisory Board for inclusion in the 1989-1991 Federal Aid Urban Program:

1. Purchase of Minnesota Rideshare Comprehensive Program	1989 - \$ 365,000 1991 - \$ 385,000
2. Purchase of Buses	1989 - \$2,750,000 1991 - \$2,750,000
3. Purchase of TIC's Computer Hardware and Software	1989 - \$ 93,750 1991 - \$ 93,750

Enclosed for the Transportation Advisory Board's review are the required documents for this submittal of the above mentioned projects.

Sincerely,

Gregory L. Andrews
Executive Director

1989-1991 FEDERAL AID URBAN PROJECT SUBMITTAL FORM

Project Type	Please Check One	Roadway Construction (5.5 million or less)	Capacity	Bikeway/Walkway		
		Safety	Transit X	Roadway Construction (non-staged) 2.5 million or less		
Location	Street Name & Road #		N/A			
	Termini or Intersection		N/A			
	County	N/A	Municipality	N/A		
Project Description (specify improvement typical section, design requirements)	MINNESOTA RIDESHARE Minnesota Rideshare is a non-profit comprehensive program which provides rideshare services, information and marketing to and for commuters, employers and public and private transportation agencies and organizations in the seven county metropolitan area of the Twin Cities. The Regional Transit Board gives policy and planning direction to ridesharing in this area and the MTC contracts with the RTB to provide rideshare services in the form of Minnesota Rideshare.					
Project Development Path and FAU Financial Staging Requirements						
Cost Estimate (1987 Prices)	Cal. Year	\$ R/W	\$ Design	\$ Const. Eng.	Construc.	\$ Total
	1989	N/A	N/A	N/A	N/A	475,000
	1990	N/A	N/A	N/A	N/A	502,000
	1991	N/A	N/A	N/A	N/A	
Traffic	Source of Local Funds					Project Total-\$
	For intersection projects, list info requested for all legs.					
Accident History	Current AADT	Year	Current Level of Service		N/A	
	Design AADT	Year	List Signal Warrants Met		N/A	
	Year					
	% of Fatal Accidents		N/A	N/A	N/A	
	% of PI Accidents		N/A	N/A	N/A	
	% of PD Accidents		N/A	N/A	N/A	
Estimated % Reduction of Total Accidents if Improvement is Made.						N/A

NARRATIVE:

Respond directly to qualifying and priority criteria in Enc. B for specific type of project. Provide concise and specific answers to the project description and each criterion listed. Identify answer by number and letter of criterion. Do not skip any items. Failure to properly address each item may result in disqualification for consideration. Use additional plain, 8-1/2 x 11 sheet for response on criteria and any additional comments, type single space. Attach 8-1/2 x 11 black and white reproducible map showing general project location. Application including attachments must be limited to four additional sheets, one or two sides, with non-reduced type.

COMPLETE THE INFORMATION REQUESTED ON REVERSE SIDE.

Submitted by Reginald Board Agency Regional Transit Board Phone # 292-8789 Date 3/16/89

MINNESOTA RIDESHARE

Project Overview and Description

Minnesota Rideshare (MnRS) is a non-profit program which provides ridesharing information and marketing services which focus on commuters traveling regularly to and from work during peak travel times (6-10 a.m. and 2-7 p.m., Monday through Friday) in the seven county metropolitan area of the Twin Cities. Specific services which MnRS provides are:

1. Computer matching of applicants to the centralized and current data base with on-line capabilities.
2. Rematching services as needed to maintain existing car and vanpools.
3. Supplying information to applicants on existing bus service where appropriate.
4. Making presentations and assisting in creating ridesharing programs within individual companies and organizations; specifically tailoring that program to the organization's needs, as with the University of Minnesota.
5. Creation and maintenance of a pool register (car and van) to track compliance and use of service.
6. Creation and maintenance of an employer resource file for coordinated employer rideshare efforts and target marketing specific geographic areas.
7. Providing rideshare strategies for business relocation and new development.
8. Providing rideshare strategies in cooperation with public transportation agencies (e.g., MnDOT, RTB) for roadway construction and changes, e.g., I-394, 35E, 35W.
9. Providing rideshare resource to local communities to solve commuter transportation problems.
10. Providing research and evaluation tools and resource on ridesharing in this area.

These services are provided to reach the ultimate goal of increasing the peak hour vehicle occupancy rate to 1.6 persons on the commute trip in this metropolitan area.

The Minnesota Rideshare program began in 1977 as a pilot ridesharing project in southern Hennepin County and has become a comprehensive rideshare program. The Regional Transit Board (RTB) provides program direction and has policy responsibility for area rideshare programs, with the MTC providing rideshare services through Minnesota Rideshare on a contractual agreement with the RTB.

Specifically through an aggressive marketing effort and interagency cooperation Minnesota Rideshare showed significant increases in activity in 1986. The number of applications received increased by 47 percent when compared to 1985. The number of carpools registered for free parking increased by 115.4 percent.

While the percentages of change are impressive from 1985 to 1986, it is important to note that even though Minnesota Rideshare will continue to aggressively market, the return in terms of increase, may not be as significant as in 1986. The start up activity around the I-394 project had considerable but expected "spill over" effects on the total rideshare market. Minnesota Rideshare intends to be alert for and use all 'windows of opportunity' to capitalize on situations where ridesharing strategies will apply, (e.g., I-494). The projected growth of the system will be commensurate with the change in the funding request. That change being a 7% increase over the two year period.

The number of people on the data base that informed Minnesota Rideshare that they joined pools increased by 55.4 percent. The amount of bus transit information given out by rideshare increased by 112.4 percent. A comparison of 1985 and 1986 is summarized below:

The Federal Aid Urban funding proposed for this project represents only a portion of the total funds needed for the Minnesota Rideshare program. The following table summarizes the proposed total budget for the Minnesota Rideshare program.

	<u>Total Projected Budget</u>	<u>FAU Match/Total</u>	
1987	\$594,700	\$338,000	\$440,000
1988	\$618,500	\$363,000	\$473,026
1989	\$643,200	\$365,000	\$475,000
1990	\$668,900	\$385,000	\$502,000

It is anticipated that the balance of the funding required will be provided by local operating funds, UMTA and other funding.

QUALIFYING CRITERIA

1. The project must be consistent with policies of the Metropolitan Council's officially adopted Metropolitan Development Guide:

The Minnesota Rideshare program is consistent with the Metropolitan Council's Transportation Guide/Policy Plan, including the following policies:

Policy 3:

Transportation systems should be developed and managed to utilize existing investments more efficiently.

Policy 11:

Demonstration projects should test new service, pricing/financing concepts or strategies, and contain an evaluation program sufficient to assess the performance and further applicability of the project objectives.

Policy 14:

The transportation system should be planned, designed and operated to encourage higher vehicle occupancies. Major travel segments of the metropolitan highway system should be designed for 1.6 persons per auto and 35 percent of the peak hour person travel from the suburban subregions to the metro center on fixed-route transit.

Policy 20:

Transit services should be provided that achieve the most efficient, productive, and effective use of public resources and investments.

Policy 22:

The public and private sectors are both important suppliers of transit services; whichever can provide the most cost-effective service should be encouraged to do so.

Policy 31:

Multi-passenger strategies should be generally promoted at the regional level and specifically encouraged at the subregional/local level by:

- establishing ongoing ridership programs that are cost-effective
- fostering a close relationship between the public and private sectors in the provision of ridesharing services
- targeting selected problem areas, congested corridors or subregions

Policy 38:

Commuter trips from freestanding growth centers to the urban service area should be served by rideshare strategies rather than by expanding metropolitan highways and fixed-route transit services.

2. The total cost of the project must exceed \$50,000...

The total project cost is \$2.84 million over the period of 1989-90. The proposed FAU share is \$977,000; the RTB will fund the remaining portions with local funds, UMTA and other funding sources.

3. Projects must be coordinated with all affected communities, RTB and other levels of government.

Policy and program direction for Minnesota Rideshare is provided by the Regional Transit Board. The Rideshare Advisory Committee (RAC) is the specific advisory body to rideshare and is comprised of the membership from the private and public sector to give coordination and continuity to rideshare service need in the metropolitan area.

The Minnesota Rideshare staff is an active rideshare resource to communities, organizations and local governments in the Metropolitan Area.

4. The Project must be under the jurisdiction of the submitting agency.

As previously stated, Minnesota Rideshare services are provided by the MTC under contract to the RTB which is responsible for rideshare policy direction and planning in this area.

5. Projects such as exclusive or preferential lanes...traffic control devices, bus passenger loading areas...must be on or near FAU routes.

Minnesota Rideshare will continue to be actively involved in the promotion of usage of the interim HOV lane on Highway 12/I-394 to completion of the project. Minnesota Rideshare is available as the rideshare strategy resource for any and all proposed access and egress and traffic flow changes and parking accommodations on or near FAU routes as proposed in studies now underway and in future projections of plans.

PRIORITY CRITERIA

1. a. Implementation of the Metropolitan Council's officially adopted Transportation Policy Plan Chapter of the Metropolitan Development Guide:

The Minnesota Rideshare program aids in the implementation of the following policies included in the Transportation Policy Plan Chapter of the Metropolitan Development Guide:

Policy 3:

Transportation systems should be developed and managed to utilize existing investments more efficiently.

Policy 11:

Demonstration projects should test new service, pricing/financing concepts or strategies, and contain an evaluation program sufficient to assess the performance and further applicability of the project objectives.

Policy 14:

The transportation system should be planned, designed and operated to encourage higher vehicle occupancies. Major travel segments of the metropolitan highway system should be designed for 1.6 persons per auto and 35 percent of the peak hour person travel from the suburban subregions to the metro center on fixed-route transit.

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Transit services should be provided that achieve the most efficient, productive and effective use of public resources and investments.

Policy 22:

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Multi-passenger strategies should be generally promoted at the regional level and specifically encouraged at the subregional/local level by:

- establishing ongoing ridership programs that are cost-effective
- fostering a close relationship between the public and private sectors in the provision of ridesharing services
- targeting selected problem areas, congested corridors or subregions

Policy 38:

Commuter trips from freestanding growth centers to the urban service area should be served by rideshare strategies rather than by expanding metropolitan highways and fixed-route transit services.

- b. Implementation of a Capital Improvements Program...and consistent with the local comprehensive plan.

Because of the nature of the Minnesota Rideshare program, it is considered an operating program rather than a capital program. Therefore, it does not appear in the MTC or RTB capital budgets, however ridesharing is included in the RTB's IMPLEMENTATION PLAN.

- c. The major recommendations of applicable regional, subarea, or corridor transportation studies.

Ridesharing strategies are considered and/or recommended in the following studies:

- Airport South Study
- I-394 Study
- Transportation Control Plan Amendment for Air Quality
- I-494 Study
- Long Range Transit Study
- RTB Service Needs Assessment
- RTB Implementation and Financial Plan

- d. The specific recommendations of applicable route-ridership studies or other transit studies.

The following are strategy applications in general for the Twin Cities and then specific areas as listed in the RTB's Transit Service Needs Assessment.

Strategy Application in the Twin Cities:

1. Ridesharing should continue to be an integral part of the overall transit services offered in the metropolitan area. Ridesharing is appropriate to all portions of the metropolitan area; however, it should be concentrated in specific areas which have the highest need indicators appropriate to rideshare services. These include areas with high levels of highway congestion and destinations with high parking costs and limited parking.
2. The ridesharing program should focus on congested corridors by providing carpool and vanpool matching and other marketing services targeted to these areas. Large activity generators and employment concentrations should be targeted in this effort.
3. The ridesharing program should be enhanced by the development of fixed facilities such as park-and-ride lots and priority treatments, to support ridesharing throughout the region.
4. Ridesharing should focus on identifying and supporting user incentive programs.
5. Expanded use of subsidized vanpool programs, following the models used effectively in other areas, should be examined.
6. Ridesharing should continue to be a coordinated effort between the public and private sector. Private sector participation should continue to be actively supported and encouraged.

CENTRAL CITY

- o The rideshare program should also focus on (reverse commute) trips, especially in working with transit dependent populations looking for employment opportunities in suburban areas.

FIRST RING SUBURBS

- o Major concentrated rideshare marketing, including carpooling and vanpooling, should be conducted focusing on the most congested areas and on major employment centers. This should include assisting with reverse commute needs, especially those of transit dependent populations from the central cities.

SECOND RING SUBURBS

- o Major concentrated rideshare marketing, including carpooling and vanpooling, should be focused on congested travel areas and major employment centers. This should include assisting with reverse commute needs, especially those of transit dependent populations from the central cities.

THIRD RING SUBURBS

- o Based on the characteristics of third ring communities, several strategies are appropriate. Paratransit services such as dial-a-ride, point/route deviation or shared-ride taxi are applicable programs which should be centered around freestanding growth areas. Rural alternate day service, with connections to second ring generators, is also appropriate to serve the basic, but not daily, needs of transit dependent populations. Ridesharing, including carpooling and vanpooling, should be actively promoted to major generators and both CBDs.

- o Design provision when warranted for coordination with other modes.

Minnesota Rideshare service, information and marketing efforts include all transit modes. Bus information, in addition to carpooling and vanpooling, is available. Additionally, Minnesota Rideshare utilizes its unique data base to identify commuters to market specific bus routes or to offer a transportation alternative when a bus route is terminated.

Additionally, special efforts to coordinate marketing and advertising are made by the RTB, MTC and Mn/DOT for I-394 interim and permanent HOV lanes.

- o The number of people served.

Source: Minnesota Rideshare Database: 1986

Minnesota Rideshare projects for the years 1989 and 1990 that 25,000 to 30,000 commuters will apply for matching services. Minnesota Rideshare will be able to track 7,000 to 8,000 people in pools through parking and pool registrations in each year which accounts for 3.6 to 4 million passenger trips per year. Minnesota Rideshare makes over 6,000 contacts with companies, organizations and agencies each year and projects making 100 to 150 program presentations on site to companies each year.

Ridesharing is a cost-effective strategy to increase vehicle occupancy ratios on existing roadways. No capital outlay is required. The "empty seat" availability for transit are the existing automobiles and HOV in this area. In 1983, the public subsidy for MTC buses was 69 cents per passenger trip and the corresponding public subsidy for carpools and vanpool passenger trips was 5 cents. In 1986, the subsidy was 83 cents for buses, 3 cents for carpools and vanpools based on 3.5 million passenger trips.

1. Improve direct access to, or circulation within, the Metro Center...and unique facilities of metropolitan scale...

- o Minnesota Rideshare has actively promoted its ridesharing services in both downtown Minneapolis and downtown St. Paul, and at the University of Minnesota, with success.
- o Minnesota Rideshare has been and will continue to be instrumental in creating preferential parking for pooler strategies in and around major generators.
- o Minnesota Rideshare has researched and recommended and been successful in acquiring additional rideshare roadway signage and vanpool loading areas particularly in downtown St. Paul and downtown Minneapolis.

2. Provide new types of service or innovative solutions to transportation problems.

Minnesota Rideshare continues to implement new and innovative strategies to constantly increase the level of ridesharing in this metropolitan area with the 1.6 peak-hour vehicle occupancy level continually the goal. Projected major energy shortage crises for 1990 and beyond cannot be ignored from recent past experience. Minnesota Rideshare intends to meet this impending challenge within an effective efficient rideshare program which specifically deals with increasing the vehicle occupancy during peak travel times in the Twin Cities Metropolitan Area by providing improved computer matching operations, pool maintenance services, pool registration incentives and coordinated rideshare strategies for public and private agencies.



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

March 13, 1987

Mr. Elliot Perovich
Chair, Regional Transit Board
Metropolitan Building
7th & Robert Streets
St. Paul, MN
Attn: Cyndie Mayer

RE: MTC's 1989-1991 FAU Projects to TAB

Dear Mr. Perovich:

As a part of requirements concerning those qualifying and priority criteria for 1989-1991 Federal Aid Urban (FAU) projects, MTC hereby transmits copies of MTC resolution and FAU applications, and requests your review and approval to the Transportation Advisory Board.

According to TAB's criteria, your reviews and approval should be based on the implementations of those major and specific recommendations of such study as Transit Service Needs Assessment Study.

1989-1991 FAU Projects

1. Purchase of Buses:

This is a part of continuing fleet replacement plan of 125 buses identified in and adopted by Metropolitan Council's 1987-1989 TIP. The requested amount of FAU share is \$5,500,000.

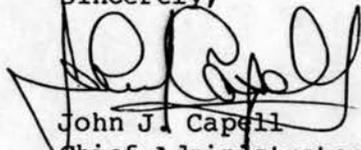
2. Purchase of Computer Hardware and Software System for Transit Information Center:

This project will upgrade, improve and enhance the Transit Information Center's automated system in storing, processing, disseminating transit informations such that a better and efficient service system to meet transit information needs of present and future users of MTC service can be accomplished.

The requested amount of FAU share is \$187,500.

Please call Hank Imm, Grants Administrator, at 349-7728 if you have any questions.

Sincerely,



John J. Capell
Chief Administrator

JJC/HI/crf/2859

METROPOLITAN TRANSIT COMMISSION

RESOLUTION NO. 87-21

RESOLUTION AUTHORIZING APPLICATION FOR
FEDERAL AID URBAN FUNDS TO TRANSPORTATION ADVISORY BOARD

WHEREAS the Transportation Advisory Board of the Metropolitan Council has requested the submission of projects for inclusion in the 1989-1991 Federal Aid Urban Program being prepared for the metropolitan area; and

WHEREAS under the provisions of the Federal Aid Highway Act of 1973, certain non-highway public mass transit projects are eligible for consideration as federal aid urban system projects; and

WHEREAS the Metropolitan Transit Commission wishes to continue to provide various types of transit and paratransit service and to implement the development of transit service related improvements; and

WHEREAS programs have been developed by the MTC to help carry on these activities during the calendar years 1989-1991, all of which are eligible for federal aid urban funding; and

WHEREAS as set forth in Minnesota Statutes, Section 473.375, subdivision 8, the Regional Transit Board must approve all applications for federal transit assistance;

BE IT THEREFORE RESOLVED by the Metropolitan Transit Commission:

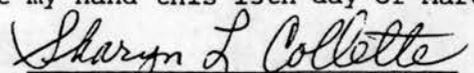
1. That the chief administrator is authorized to submit to the Transportation Advisory Board of the Metropolitan Council, subject to the Regional Transit Board approval, a request for inclusion of the following projects in the 1989-1991 Federal Aid Urban Program now being prepared:

<u>Project</u>	<u>FAU Funds</u>	<u>Total Project Cost</u>
Purchase of Buses - 1989	\$2,750,000	\$21,000,000
Purchase of Buses - 1990	\$2,750,000	\$22,000,000
TIC Computer System - 1989	\$ 93,750	\$ 125,000
TIC Computer System 1990	\$ 93,750	\$ 125,000

2. That the chief administrator is authorized to furnish such additional information as the U. S. Department of Transportation, Metropolitan Council, Regional Transit Board, and Transportation Advisory Board may require in connection with these applications.

I, the undersigned, secretary of the Metropolitan Transit Commission, do hereby certify that the foregoing resolution 87-21 is a true and correct copy of a resolution of the Metropolitan Transit Commission adopted at a meeting of the said commission duly convened and held on March 12, 1987, at which a quorum was present and voting; and the action taken has not been in any manner rescinded or modified.

In witness whereof, I have hereunto set my hand this 13th day of March, 1987.


Sharyn L. Collette, Secretary



METROPOLITAN TRANSIT COMMISSION

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

March 13, 1987

Mr. Emil Brandt
Transportation Coordinator
Transportation Advisory Board
276 Metro Square Building
St. Paul, MN 55101

Re: Federal Aid Urban Program - Submittal of 1989-1991 Projects

Dear Mr. Brandt:

At its meeting of March 12, 1987, the Commission adopted the attached resolution approving, and authorizing the Chief Administrator for, the submittal of the following two projects to the Transportation Advisory Board for inclusion in the 1989-1991 Federal Aid Urban Program:

- | | |
|---|--------------------|
| 1. Purchase of Buses: | 1989 - \$2,750,000 |
| | 1990 - \$2,750,000 |
| 2. Purchase of TIC's computer hardware
and software: | 1989 - \$ 93,750 |
| | 1990 - \$ 93,750 |

Note: The dollar amount shown is FAU portion only, based on 1987 dollars.

Enclosed for TAB's review and inclusion are the required documents for this submittal of the above projects.

In accordance with Minnesota Statutes, Section 473.375, Subdivision 8, this submittal of projects is being transmitted to the RTB for review and approval.

Please contact Hank Imm, Grants Administrator, at 349-7728 if you have questions.

Sincerely,



John J. Capell
Chief Administrator

JJC/HI/crf/2859
Encl.

Please Type

Enclosure C (Page 1 of 2)

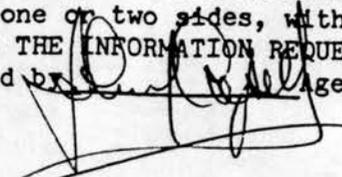
1989-1991 FEDERAL AID URBAN PROJECT SUBMITTAL FORM

Project Type	Please Check One	Roadway Construction (5.5 million or less)	Capacity	Bikeway/Walkway		
		Safety	Transit X	Roadway Construction (non-staged) 2.5 million or less		
Location	Street Name & Road #		Project Length			
	Termini or Intersection		N/A			
	County	Seven County Area	Municipality	N/A		
Project Description (specify improvement typical section, design requirements)	<ol style="list-style-type: none"> Purchase of buses during 1989 and 1990. Purchase of TIC computer system during 1989 and 1990. 					
Project Development Path and FAU Financial Staging Requirements						
Cost Estimate (1987 Prices)	Cal. Year	\$ R/W	\$ Design	\$ Const. Eng.	Construc.	\$ Total
	1989					3,791,500
	1990					3,791,500
Traffic	1991		long-term			
	Source of Local Funds indebtedness					Project Total-\$
Accident History	For intersection projects, list info requested for all legs.					
	Current AADT		Year	Current Level of Service		
	Design AADT		Year	List Signal Warrants Met		
	Year					
	# of Fatal Accidents		N/A	N/A		N/A
# of PI Accidents		N/A	N/A		N/A	
# of PD Accidents		N/A	N/A		N/A	
Estimated % Reduction of Total Accidents if Improvement is Made.						

NARRATIVE:

Respond directly to qualifying and priority criteria in Enc. B for specific type of project. Provide concise and specific answers to the project description and each criterion listed. Identify answer by number and letter of criterion. Do not skip any items. Failure to properly address each item may result in disqualification for consideration. Use additional plain, 8-1/2 x 11 sheet for response on criteria and any additional comments, type single space. Attach 8-1/2 x 11 black and white reproducible map showing general project location. Application including attachments must be limited to four additional sheets, one on two sides, with non-reduced type.

COMPLETE THE INFORMATION REQUESTED ON REVERSE SIDE.

Submitted by  Agency MTC Phone # 349-7728 Date March 13, 1987

PROJECT DESCRIPTION: Bus Purchase

This project is to acquire transit buses as a part of continuing replacement plan for the old retiring buses.

The MTC must maintain fleet quality for efficient and dependable transit services in the Twin Cities metropolitan region. The replacement plan will ensure such service by avoiding major problems of bus breakdown, maintenance, repair and operating costs.

1987-1989 TIP identifies the bus fleet replacement needs, scope and financial extent from 1988 through 1991. Due to the bidding procedures, manufacturer's delivery schedules and associated time-consuming processes the actual delivery of the buses will probably take place during 1989 and 1990. At this time, it is premature to decide if these buses will be standard 40-foot or articulated buses.

This project will, however, be a part of either 2nd or 3rd - 125 bus purchase plan identified in page 107 of 1987-1989 TIP. The balance of the funding needed will be secured through UMTA's matching grants.

Qualifying Criteria - Bus Purchase

1. This project is consistent with those policies (dated December 1984) of Metropolitan Council's officially adopted Metropolitan Development Guide, as it will help ensure that the buses will provide public transportation services throughout the Twin Cities metropolitan region.
2. The total cost of this project is estimated at \$7,330,000 based on 1987 dollar for 1989-1991.
3. The major coordination and cooperation have been and will be made with the Regional Transit Board; a letter for such coordination is enclosed for reference. Coordination with the affected communities has been and will continue to be made to the fullest extent.
4. This project is and will be under the jurisdiction of the Metropolitan Transit Commission, the submitting agency.
5. Although the purchase of buses is not applicable to this item of the criteria, the buses purchased through FAU program will be used throughout the MTC system. Therefore, in many cases, buses will be operating on and/or near FAU routes, which results in increasing the ridership capacity and in helping to reduce congestions.

Priority Criteria - Bus Purchase

1. a. This project will implement, in part, the Transportation policy plan of Metropolitan Council's Development Guide adopted on December 1984. Replacement of bus fleet will assist, directly and indirectly, in the implementation of a number of policies, including policies #1, 2, 3, 4, 5, 6, 12, 14, 16, 17, 19, 20 & 22.
 - b. This project is anticipated to be included in the MTC's Capital Improvement Program for 1988 and 1989 that will be prepared, reviewed and adopted in 1987 and 1988 respectively. Meanwhile, it is included in the 1987-1989 Transportation Improvement Program and the MTC's Bus Fleet Modernization Plan; 1986 through 2000.
 - c. & d. The major and specific recommendations of such applicable transportation and transit studies as shown in Appendix III, particularly Long-Range Transit Study, RTB's Service Needs Assessment Study and others will be implemented.
2. Design provision of the buses purchased will be made, when and if warranted and necessary, for applicable coordination with other modes.
 3. The MTC serves with scheduled bus service the population of seven-county metropolitan area within the transit taxing district. During 1986, the MTC provided approximately 72,870,000 unlinked passenger trips. Based upon a current fleet of approximately 1,000 buses, each new bus can be anticipated to annually carry approximately 72,870 persons or more.
4. a. The operation of the purchased new buses will make the existing facilities for maintenance, repair, storage and other operational needs to be used more efficiently, economically and productively.
 - b. The purchased buses will contribute their shares to improve direct access to and/or circulation with the Metro Centers, and various unique facilities of metropolitan scale as well as subregional centers as identified in the Metropolitan Development Guide.
 - c. Buses will be used throughout the MTC system. To the extent that these buses will be used in the implementation of the I-394 corridor service plan, or to complement light rail transit system, if it becomes a reality, or time-transfer concept, they will be able to contribute new types of service or innovative approach to the current as well as future transportation problems.

Project Description: TIC Computer System

This project is concerned with the acquisition of computer hardware and/or software for the Metropolitan Transit Commission's Transit Information Center.

The Transit Information Center provides route and schedule information to approximately one million callers per year. In addition to information on MTC bus service, information on service provided by private operators is available through the center. The center is staffed by 28 information representatives, who retrieve schedule information from a computer system that was installed approximately nine years ago.

The TIC's computer system produced substantial increases in the center's productivity. However, the equipment is becoming obsolete, and a failure of the system is possible at any time. In addition, the system's software does not allow for a number of refinements that could improve the service and productivity of the center.

The MTC proposes to study the computer needs of the TIC to determine whether they would be better served by utilizing the MTC's mainframe, or by acquiring a separate computer system. As part of this project, the MTC would then acquire the necessary hardware/software to replace the current TIC system. The estimated cost of this project is \$250,000.

Qualifying Criteria - Purchase of TIC Computer System

1. This project is consistent with those policies (dated December, 1984) of Metropolitan Council's officially adopted Metropolitan Development Guide, as it will help ensure that transit information will be available to the public throughout the Twin Cities metropolitan region.
2. The total cost of this project is estimated at \$250,000 based on 1987 dollar for 1989-1991.
3. The major coordination and cooperation have been and will be made with the Regional Transit Board; a letter for such coordination is enclosed for reference. Coordination with the affected communities has been and will continue to be made to the fullest extent.
4. This project is and will be under the jurisdiction of the Metropolitan Transit Commission, the submitting agency.
5. Although the purchase of a TIC computer system is not applicable to this item of the criteria, the computer system purchased through FAU program will be used throughout the MTC system.

Priority Criteria

- 1a. The project implements a number of policies in the Transportation Policy Plan Chapter of the Metropolitan Development Guide. They include the following:

Policy 1: The transit system operated by the MTC and private carriers serves and promotes development within the MUSA boundary and to the major activity centers.

Policy 3: The project would enable the MTC to more efficiently and effectively utilize its investment in the physical facilities of the TIC and staff. Serving the needs of private operators, as well as the MTC, will discourage duplication of facilities and services.

Policy 5: The transit system serves the needs of large numbers of young, disabled and economically handicapped living in the Metropolitan area. Approximately half of the MTC's riders use the transit system because they do not drive or do not have a car available. The TIC makes transit information readily available to persons who are unable to read printed timetables, and the center includes TDD equipment for the hearing impaired.

Policy 14: The availability of route and schedule information promotes transit usage, and thus, encourages higher vehicle occupancies.

Policy 20: The availability of information through the TIC promotes productivity in the transit system by increasing ridership.

Policy 22: The availability of transit information from a central source encourages the private sector to provide transit service by eliminating the need for private operators to establish their own information system. The TIC makes it convenient for the transit consumer to use a system that includes several private operators in addition to the MTC.

Policy 30: The TIC improves the quality and convenience of transit service to the major activity centers. Without a telephone information center, using the transit system would be difficult and inconvenient for many riders.

- 1b. This project is anticipated to be included in the MTC's Capital Budget for 1988. Computer equipment for the TIC was also included in the 1984 Transit Development Program.
- 1c. The provision of transit information is a support service that is required for the implementation of transportation studies that include a transit element.
- 1d. All major transit studies implicitly require transit information services for implementation of their recommendations. State statute requires the Regional Transit Board to develop a coordinated transit information program for the metropolitan area, and, in its implementation plan, the RTB has identified transit information as an issue for further study.
2. Information will be provided on both public and private transit systems in the metropolitan area. Information will also be provided on park-and-ride lots, and dime zone service from fringe parking ramps. This information will facilitate intermodal trips.
3. Statistics collected in the TIC show that it handles approximately one million calls per year. The center currently loses approximately 15 percent of its incoming calls, because callers hang up while on hold. An improved computer system might increase the center's capacity.
- 4a. A new computer system would permit more efficient use of the existing TIC facilities, including the telephone system, work stations and office space. Without a new system, the efficiency of these facilities will deteriorate.
- 4b. At present, the transit service of the MTC and other providers is focused on the two downtown areas and the University of Minnesota, although increasing service is being provided to major activity centers, such as the subregional shopping centers. Transit information is available for service to virtually all unique facilities and subregional centers. The service provides access to these facilities for persons who do not have an automobile available, or who choose to ride the bus. The MTC's dime zone service provides circulator service within the Metro Centers.
- 4c. The new computer system will be designed to accommodate information on a wide variety of transit service concepts and facilities. It will particularly facilitate the contracting of service by the Regional Transit Board by improving consumer access to a multi-provider transit system.

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: March 10, 1987
TO: Regional Transit Board
FROM: Elliott Perovich, Chairman
SUBJECT: Correspondence from the City of St. Louis Park Concerning
the Louisiana Timed-Transfer Transit Station

Attached is a copy of correspondence from the City of St. Louis Park requesting the Regional Transit Board to reconsider its action on the location of the Louisiana Timed-Transfer Transit Station. The request will be discussed at the at the board meeting.

EP/mf
Att.



March 6, 1987

James L. Brimeyer, City Manager
City of St. Louis Park
5005 Minnetonka Boulevard
St. Louis Park, Minnesota 55416-2290

Dear Mr. Brimeyer:

I am in receipt of your letter dated March 4, 1987, with the attached resolution from the City Council with respect to the proposed timed-transfer station in St. Louis Park. We are forwarding a copy of the letter to our board members and will put the matter on the board agenda for March 16, 1987. We will continue to work closely with the city council and city staff to attempt to come to some satisfactory resolution to the problem. Thank you for your time and interest in this important project.

Sincerely

Elliott Perovich
Chairman

EP/mf

cc: Board Members



March 4, 1987

Elliot Perovich
Regional Transit Board
Room 270, Metro Square Building
St. Paul, MN 55101

Dear Mr. Perovich:

St. Louis Park officials have expressed their concerns over the process used to arrive at the site for a timed-transfer station in the vicinity of Louisiana Ave. and I-394 on numerous occasions. Specifically, this process did not include a full examination of all alternate sites and their impact on the neighborhood areas. The public was not afforded an opportunity to comment on these sites thereby causing the Regional Transit Board's evaluation of the sites to be incomplete.

The City Council adopted Resolution No. 87-24 on March 2, 1987 calling for the RTB to withdraw its recommendation of the southwest corner of Louisiana Ave. and I-394 as the appropriate site for the timed-transfer station and to present all alternative sites to the public in a manner that considers the impact of the timed-transfer station on adjacent neighborhoods and facilitates neighborhood participation in this process. A certified copy of the resolution is enclosed.

The siting of the timed-transfer station is an extremely important decision that holds long-term implications for adjacent properties as well as St. Louis Park in general. Its future success may well be predicated on the community's acceptance of the facility's location and design. Therefore, we believe that it is necessary to ensure a thorough public review of the siting of the timed-transfer station. We offer any assistance that you might need in obtaining public comment on the alternative sites available for a timed-transfer station.

Very truly yours,

James L. Brimeyer
City Manager

enc.

cc: Senator Phyllis McQuaid
Representative Sally Olsen
~~Representative Gloria Segal~~

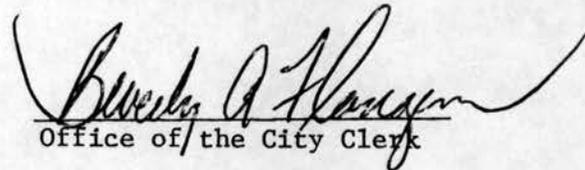
STATE OF MINNESOTA)
COUNTY OF HENNEPIN)ss
CITY OF ST. LOUIS PARK)

The undersigned hereby certifies the following:

- 1) The attached is a full, true and correct copy of the original Resolution No. 87-24, adopted March 2, 1987, and on file in the Office of the City Clerk.

- 2) The City Council meeting was held upon due call and notice and seven members were present thereat.

- 3) WITNESS my hand and the seal of the City.


Office of the City Clerk

3/4/87
Date

RESOLUTION 87-24

RESOLUTION OPPOSING THE SITING OF THE TIMED TRANSFER STATION AND
REQUESTING A PUBLIC PROCESS FOR REVIEWING ALL ALTERNATIVE SITES

WHEREAS, the Regional Transit Board has recommended that the Minnesota Department of Transportation develop a timed transfer station at the southwest corner of the interchange of Louisiana Ave. and Highway 12; and

WHEREAS, the criteria used by the Regional Transit Board in evaluating six alternative locations failed to adequately address the impact of the site on the neighborhoods of St. Louis Park including, among other things, air quality levels, noise levels, increases in traffic and security; and

WHEREAS, siting the timed transfer station at the southwest corner of Louisiana Ave. and Highway 12 may adversely affect several of the City's residential areas; and

WHEREAS, the Regional Transit Board has failed to provide a forum through which affected area residents could review all potential sites and provide input on the advantages and disadvantages of the siting of the timed transfer station at each site;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of St. Louis Park opposes the siting of the timed transfer station at the southwest corner of the interchange of Louisiana Ave. and Highway 12;

Be it further resolved that the Regional Transit Board is hereby requested to withdraw its recommendation and that it hold a public meeting for the purpose of presenting each alternative site to all potentially affected individuals and businesses to obtain their input with respect to each site for the purpose of reconsidering its earlier decision; and

Be it further resolved that the Regional Transit Board is encouraged to work with the municipalities affected to review all alternative sites to insure that the impact on residential neighborhoods is adequately assessed prior to approval of a final site for the timed transfer site; and

Be it further resolved that the City Manager of the City of St. Louis Park is directed to communicate this resolution in writing to the Regional Transit Board, the Minnesota Department of Transportation and the St. Louis Park legislative delegation.

Adopted by the City Council March 2, 1987

/s/ Lyle W. Hanks
Mayor

Attest:

/s/ Beverly A. Flanagan
City Clerk

Reviewed for administration:

/s/ James L. Brimeyer
City Manager

Approved as to form and execution:

/s/ Lee E. Sheehy
City Attorney

REGIONAL TRANSIT BOARD

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

DATE: January 26, 1987
TO: Regional Transit Board
FROM: Judith G. Hollander, Director of Planning and Programs
SUBJECT: Light Rail Transit Status Report and Discussion Guide for
Developing RTB Strategy

ACTION REQUESTED:

None, this item is informational only.

BACKGROUND:

The Regional Transit Board (RTB) has included, as part of its 1987 budget and 1987-1989 biennial budget to the legislature, a request of \$3.5 million for the purposes of conducting preliminary engineering on transit improvements in the University Avenue corridor.* The decision to proceed with preliminary engineering was made by both the RTB and the Metropolitan Council in 1985. Although a request for proposal (RFP) for preliminary engineering in this corridor was prepared in 1985, it was never distributed in response to the legislative prohibition on studying light rail transit (LRT) until the RTB's Transit Service Needs Assessment (TSNA) and Implementation Plan were completed and approved.

Since the initial decision to proceed with preliminary engineering was made, both the TSNA and the Long-Range Transit Study, conducted by the Metropolitan Council, have been completed. Each provides conclusions regarding the implementation of LRT in this region. The purpose of this memorandum is to review the results of each of these studies and to provide a guide for discussion on how the conclusions generated from these studies and other ongoing transportation activities relate to the RTB's adopted position. A staff recommendation for the RTB's overall strategy on this topic is also included.

This discussion guide is organized into the following sections:

1. Adopted RTB and Metro Council position on implementing transit improvements in the University Avenue, Southwest and Hiawatha corridors.
2. Definition of terms.

* The University Avenue corridor is defined in this memorandum to include the corridor itself, including logical connections to other corridors through the two downtowns and connections to maintenance yards and shops.

3. Relationship of major tasks associated with implementing light rail transit.
4. Status of existing studies and plans related to light rail transit.
5. Results of major studies.
6. Staff recommendation for general light rail transit strategy.
7. LRT financial feasibility study.
8. Options for design and construction activities.

DISCUSSION GUIDE

Definition of Terms

Federal Scoping Study - A study of all feasible alternatives in a corridor. The objective of the study is to narrow the number of alternatives for subsequent study in a federal EIS. A scoping study is required for projects funded by the U. S. Department of Transportation.

Federal Alternatives Analysis - A transportation study conducted to examine service and hardware alternatives for a particular corridor or subarea. The outcome of such a study is a preferred alternative. An alternatives analysis is required for projects funded by the Urban Mass Transportation Administration.

Federal Environmental Impact Statement (EIS) - A study of possible social, economic, and environmental impacts associated with proposed project alternatives. An EIS is required by the federal government prior to the receipt of federal funds for subsequent steps in the development of a project. A draft EIS (DEIS) is completed at the end of the Alternative Analysis.

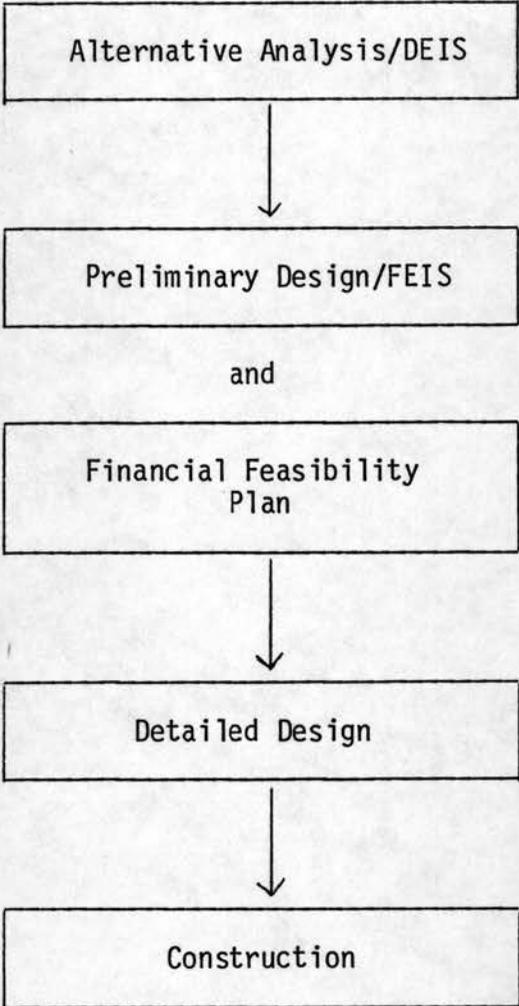
Preliminary Design/Preliminary Engineering - A study conducted to identify general construction, operating and capital requirements to implement transit/transportation improvements. Typically, up to 30 percent of the work required to prepare a project for construction is completed. A final EIS (FEIS) is completed at the end of preliminary design/engineering.

Detailed Design and Engineering - Detailing of the project as defined in preliminary engineering. Specifications for each component in the project are developed.

Financial Feasibility Plan - A plan that is developed to set forth a financial strategy for funding transit/transportation improvements. The level of private and public sector financing is established as are the specific financing techniques and mechanisms. Specific financial commitments are also identified.

State EIS - A study of possible social, economic and environmental impacts associated with proposed project alternatives.

Relationship of Major Tasks Associated with
Implementing Light Rail Transit



Status of Existing Studies and Plans
Related to Light Rail Transit

Study/Plan	Status
Federal Alternative Analysis/Draft Environmental Impact Statement (AA/DEIS) for Transit Improvements on University Avenue and Southwest Corridors, State EIS	Technical work completed by Metro Council; reviewed and approved by RTB and Metro Council; UMTA has not yet approved; Council awaiting UMTA correspondence indicating changes and additional information to be required for approval. UMTA has indicated that they want to approve University Avenue portion only.
Preliminary Engineering for Hiawatha Avenue Transportation Improvements	Final EIS has been completed under Federal Highway Administration rule.
Preliminary Design for Transit Improvements on University Avenue, Southwest and Hiawatha Avenue corridors	RTB and Metro Council adopted a position in 1985 indicating the region should proceed with preliminary engineering for the University Avenue Corridor. An RFP was developed by RTB staff but never distributed in response to legislative requirement that Transit Service Needs Assessment be completed first. RTB is requesting funds from legislature (\$3.5 million) to conduct preliminary engineering effort in the University Avenue corridor.
Transit Service Needs Assessment	Completed and approved by RTB August 1986.
Implementation and Financial Plan	Completed; approved by RTB (November, 1986) and Metro Council (January, 1987).
Long-Range Transit Study	Completed; adopted by Metro Council (December, 1986).

LRT Public/Private Financial
Feasibility Plan

RTB staff will request board authorization to submit a grant application to UMTA to prepare financial feasibility plan. If/when authorization is made, staff will submit grant application in February, 1987.

35W Corridor Study

Mn/DOT and Metro Council are currently conducting the 35W corridor scoping study. The scoping study is expected to be completed in 1987 and will be followed by an EIS on a limited number of alternatives identified in the scoping study.

Hennepin County

Hennepin County is requesting the legislature for legislation permitting Hennepin County to move on its own to pursue construction of a light rail line in the Southwest corridor.

Results of Major Studies Completed Since 1985 RTB/Metro Council Action

* Metropolitan Council Long Range Transit Study

Reaffirms potential for LRT along selected arterial alignments.

Emphasizes potential for high occupancy vehicle treatment along freeway alignments.

Indicates LRT potential along selected railroad alignments because of lower costs.

University Avenue and Minneapolis South (I-35W) corridors are the top priority corridors for transit capital improvements in the region.

Hiawatha Avenue, Northwest, North and Southwest/Nicollet alignments form a second priority category.

* Regional Transit Board Transit Service Needs Assessment

Examined nine radial sectors, six focusing on downtown Minneapolis and three focusing on downtown St. Paul and two crosstown sectors. Sectors were defined as large, pie-shaped areas which instead of focusing on just major highway facilities, encompassed expanded transit service areas. The six sectors with the highest levels of transit need indicators were the Central, Minneapolis West, Minneapolis South, Minneapolis Northwest, Minneapolis North and St. Paul North.

Staff Recommendation for
General LRT Strategy and Implementation Steps

* General Strategy

- o Reiterate RTB and Council's 1985 position.
- o Incorporate potential changes from new evidence/studies.
- o Define strategy and take steps toward implementation.

* Strategy Overview

- o University Avenue corridor continues to be preferred corridor. Proceed with preliminary engineering and financial feasibility study. Separate out Southwest corridor from AA/DEIS to facilitate UMTA approval.
- o Complete I-35W Study. Analyze results and proceed with necessary steps for major transit improvements on this corridor, identified as the next priority following University Avenue.
- o Conduct alternative analysis on North and/or Northwest corridors.
- o Based on results of preliminary engineering, the financial feasibility study and alternatives analysis, the RTB determines the best approach to LRT. This could include the packaging or phasing of LRT in one or more corridors.

* Steps toward carrying out strategy:

1. RTB recommends preliminary engineering study for "University Avenue +" in Implementation Plan.
2. Council approves Implementation Plan.
3. Council recommends alternative analysis study for other high priority corridors according to Long Range Transit Study conclusions.
4. RTB modifies work program/Implementation Plan/Financial Plan accordingly.
5. Request appropriation in 1987 from state legislature to conduct preliminary engineering study beginning in 1987 on University Avenue corridor and to conduct corridor study to be done in 1988 on Northwest and/or North corridors.

6. Apply for UMTA grant to conduct a study to determine the feasibility of a public/private partnership to finance an LRT system.
7. Separate University Avenue and Southwest corridors to complete alternative analysis.
8. Continue participation in I-35W South scoping study.
9. Conduct preliminary design/engineering for University Avenue Corridor.
10. RTB/Council decide go/no go after completion of financial feasibility and preliminary engineering studies.
11. If RTB/Council recommends implementation of LRT, determine board build/manage approach; i.e., determine if traditional, turnkey or some combination of the two approaches is most appropriate.
12. Request approval of public sector financial package at the 1989 legislative session.
13. Work with private sector to implement financial participation, as developed in the Financial Feasibility Plan.

LRT Public/Private Financial Feasibility Plan

There has been interest expressed by the Urban Mass Transportation Administration to approve a grant application from the RTB for the purpose of developing a public/private financial feasibility plan for the design and construction of light rail transit in the Twin Cities metropolitan area.

The Regional Transit Board plans to initiate preliminary engineering in the University Avenue corridor beginning in July, 1987, and to further analyze the potential of a light rail transit application in other corridors requiring major transit improvements.

The results of the RTB's preliminary engineering study will provide critical information about the specific operating and capital requirements to construct light rail transit. The financial feasibility plan will identify the strategy to fund these requirements, with an emphasis on maximizing private sector financial participation. Specific objectives of the financial feasibility plan are:

1. Identify level of private sector financial participation for all elements of LRT capital, operating and maintenance costs;
2. Identify specific financing techniques and mechanisms for private sector financing;
3. Establish different roles and level of public financing for federal, state, regional and local governments;
4. Identify specific techniques and mechanisms for public sector financing; and
5. Identify specific commitments of financial participation from private sector.

The financial feasibility plan will be developed prior to the RTB's preliminary engineering efforts. The plan will focus on the development of a funding strategy for the University Avenue corridor but will also consider how LRT could be funded in other high-priority corridors.

From this grant, it is proposed that funds be targeted for the cities of Minneapolis and St. Paul to conduct specific development analysis. Additionally, it is suggested that an independent evaluation contractor be hired as part of this effort to evaluate findings and recommendations made by the primary contractor.

In addition, work elements would be identified that would allow the Metro Council/RTB to complete the Alternative Analysis/Draft Environmental Impact Statement.

Options for Design and Construction Process

* Public Approach

1. Agencies conduct financial feasibility study with independent consultants including the development aspects of financial plan.
2. Agencies decide to go or not to go ahead.
3. Preliminary engineering request for proposal (RFP).
4. Conduct preliminary engineering.
5. RTB and Metro Council decide go/no go decision.
6. Bid out turnkey operation or hire in-house engineer.

* Private approach (example)

1. Contract out financial feasibility study with consortium for all four aspects with distinctive evaluation points to determine go/no go.
2. Agencies evaluate financial package (at critical points).
3. Contract out preliminary engineering to consortium.
4. RTB and Metro Council evaluate preliminary engineering including cost guarantee and make go/no go decision.
5. Continue forward/initiate final design and construction.

Combinations of these approaches are possible. These two approaches are presented as examples only.

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: March 13, 1987
TO: Elliott Perovich, Chairman, and Members of Regional Transit Board
FROM: Allison Fuhr, Member
SUBJECT: Guess What -- LRT

From the scuttlebutt I pick up, if we don't look out we're going to be left behind in the LRT discussions. And that would be a shame, to put it mildly. Hennepin County is moving.

It's my understanding that while John Derus is balking publicly at coming under the aegis of the regional bodies--the RTB and Metropolitan Council--there's a sense that he would accept regional oversight. And on the other hand, I'm hearing that we should just stand by and let Derus proceed. I still say that regardless of who does it, it should be done under some coordinated guidelines.

People, and I include legislators, are questioning the wisdom of going with LRT on University Avenue. To many, it seems folly to replace a line of buses such as 16A, which is virtually paying its own way, with an unknown quantity. Some have literally interpreted Elliott's comments in the Freeway and Skyway News to mean that LRT would stop on every street corner as do the buses, but it was my understanding that LRT was to complement buses on University Avenue by stopping every half mile or so. We couldn't have trains stopping on every corner.

Steve Keefe, Metropolitan Council Chair, has inserted himself into the discussion more recently with his statement to the legislative committee last week. The Council has gone on record supporting Hennepin County within the constraints of guidelines set up by ourselves and the Council. If Derus and the Metropolitan Council reach an accommodation, where does that leave us?

Then there's the problem of the funding for our project. If it does not happen, what then? We'll have nothing--we certainly can't take it from any other funds--and presumably Derus will be given the go ahead.

Another possibility has arisen. Anoka and Ramsey Counties are said to be forming their own rail authorities. If the counties were allowed to "do their own thing" with their taxing power, that would eliminate the necessity for us to go to our mill rate. We could, then, get the counties to agree on one philosophy under the regional mantle.

Another factor to be considered, and Elliott perhaps knows more about this than we do, I understand that UMTA won't provide the money unless there is a joint commitment on everyone's part to the project. And then, I heard that UMTA won't give money if it's going to displace a successful bus route. Again, I understand via the grapevine, that the Governor, who has deigned to give us no money, has said he wants Hennepin County to be allowed to proceed.

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But the Legislature is not entirely satisfied with Derus' proposal since he, as yet, hasn't packaged it very well. I understand he was quite vague in response to questions about financing. On his behalf, I hear that Bombardier has quite a consortium to go with them on a turnkey operation for the county. And this is not to undersell Asea--they too have a team put together for a similar proposal. Whether or not they intend to bid on the Southwest Corridor I have not discerned. Andy Selden, chairman of the Citizens Transit Action Committee (CTAC) with whom I've been meeting for a year and a half, has said that he is guardedly optimistic for Hennepin's chances.

And after all this, I guess what I'm trying to say is that in the face of the fact that we're not getting any money, that there is movement among the counties to set up rail authorities, I would like to encourage us to back off because these are bigger people, so to speak, and throw our support behind Derus and Hennepin County with the proviso that he or them must do it under the guidance of the Metropolitan Council and ourselves. Might they still have to come to us for approval? Or would it be at that time too late?

MTC poses yet another problem. What if Hennepin County decided that they wanted the MTC to run it, which has all sorts of connotations? They'd have to be involved I would think, right from the very beginning--from design to build--so that things would fit in with their scheme of things. Would that mean we would be bypassed? And what would their operation cost the taxpayers? Connie Morrison, the new representative from Burnsville, told a legislative committee the other day she wouldn't put up with that for one minute. Still, I think they are the most logical ones to run the business.

Personally, I'm disappointed that we have not been more out front with this, but I think we can all agree that we'd like to see something get started. As Phyllis McQuaid says, the others will follow as they are doing in other cities. I care about where we stand and wish we could be playing a leadership role, but I fear it has gone beyond us and for that matter, Metropolitan Council will have compromised its principles (University and Southwest Corridor) if they let Hennepin County build in the Southwest. Is there something left for us to salvage?

AF/mf

cc: S. Keefe
D. Rietow