



Minnesota Regional Transit  
Board: Records.

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

MEETING OF THE REGIONAL TRANSIT BOARD  
 Monday, September 21, 1987  
 Metropolitan Council Chambers  
 4:00 p.m.

AGENDA

- ✓ 1. Call to Order and Roll Call
- ✓ 2. Approval of Agenda
- ✓ 3. Approval of Minutes of August 17 and September 8, 1987
- ✓ 4. Proposal for the Twin Cities Metropolitan Area's Private Transit Operator Participation Process

✓ 5. REPORT OF THE POLICY COMMITTEE

Doris Caranicas,  
 Chair

✓ 6. REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE

Ruth Franklin,  
 Chair

- ✓ A. 1987 Amended Regional Transit Board Budget Resolution No. 87-13
- ✓ B. Regional Transit Board Wellness Program
- ✓ C. Recommendation of Consultant for Rideshare Evaluation
- ✓ D. 1988-1990 Transportation Improvement Program, Transit Element
- ✓ E. Contract Amendment to the Metro Mobility Evaluation Study

*Doris*      *Doris*  
*Alison*      *Alison*  
*Ruth*      *Ruth*  
*Rachelle*      *Rachelle*  
*Doris*  
*Alison*  
*George*  
*Ruth*  
*Alison*  
*Doris*  
*Ruth*

7. OTHER BUSINESS

- ✓ A. Chairman's Report
- ✓ B. Members' Reports
- ✓ C. Advisory Committee Reports
- ✓ D. Staff Reports:

✓ 8. PUBLIC COMMENT

Elliott Perovich  
 Chairman

REGIONAL TRANSIT BOARD

270 Metro Square Building, St. Paul, Minnesota 55101

Minutes of the Meeting of the  
REGIONAL TRANSIT BOARD  
Metropolitan Council's Chambers  
August 17, 1987

BOARD MEMBERS PRESENT: Elliott Perovich, Chairman; Doris Caranicas; Carole Faricy; Ruth Franklin; Alison Fuhr; Rochelle Graves and Paul Joyce

MEMBERS ABSENT: George Isaacs and Ed Kranz

OTHERS PRESENT: Mary Fitzgerald, Judy Hollander, Katie Turnbull, Ed Kouneski and Cindy Fish, Regional Transit Board Staff; Charles Weaver, legal counsel; Natalio Diaz and Karen Lyons, Metropolitan Council; Steve Bertrand, United Handicapped Federation; Arnie Entzel, Amalgamated Transit Union; Greg Failor, Metropolitan Transit Commission; Joel Alter, Legislative Audit Commission; Bill Hopkins, Transportation Handicapped Advisory Committee; and Jim Johnson, Medicine Lake Lines

The meeting of the board was called to order and roll called at 4:00 p.m. Caranicas moved and Graves seconded that the agenda be approved; motion carried unanimously.

Caranicas moved and Fuhr seconded that the minutes of the meeting of July 20, 1987 be approved. The motion carried unanimously.

Caranicas moved and Faricy seconded that the minutes of the meeting of July 27, 1987 be approved. The motion carried (Fuhr abstained).

Caranicas moved and Fuhr seconded that the minutes of the meeting of August 3, 1987 be approved. The motion carried unanimously.

APPOINTMENT OF METROPOLITAN TRANSIT COMMISSIONER

A public hearing having been held on August 3, 1987, and all of the requirements of the Open Appointments Law having been satisfied, Joyce moved:

That the Regional Transit Board appoint Frank Snowden to the Metropolitan Transit Commission for a term beginning on August 27, 1987 and expiring August 27, 1990. In addition, the notification of this appointment shall be transmitted to the Secretary of State's Office as directed by the Minnesota Open Appointment Law.

Fuhr seconded the motion; the motion carried unanimously.

REPORT OF THE POLICY COMMITTEE

Committee Chair Caranicas said the committee will meet immediately following the conclusion of this board meeting.

REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE

Committee Chair Franklin reviewed the committee report dated August 6 regarding action taken by the committee at its August 3, 1987 meeting.

FINANCIAL STATEMENTS - JUNE 1987

Franklin moved and Caranicas seconded:

That the Regional Transit Board accept the June 1987 financial statements and direct that they be placed on file.

The motion carried unanimously.

AUDITOR'S REPORT OF FEDERAL FINANCIAL STATEMENTS FOR 1986

Franklin moved and Caranicas seconded:

That the Regional Transit Board accept the 1986 Federal Financial Assistance Schedule for the year ended December 31, 1986 and Reports of Independent Certified Public Accountants and direct that they be placed on file.

The motion carried unanimously.

AUDITOR'S MANAGEMENT LETTER FOR 1986

This item was discussed at the August 3 meeting, but no action was taken. Franklin moved and Joyce seconded:

That the Regional Transit Board accept the May 22, 1987 Management Letter for 1986 prepared by Deloitte Haskins and Sells, Inc. and direct that it be placed on file.

The motion carried unanimously.

METRO MOBILITY PROVIDERS CONTRACT AMENDMENT

Ed Kouneski reviewed the staff report dated August 6, 1987. Franklin moved and Caranicas seconded:

That the Regional Transit Board ratify the amendments to the Metro Mobility contracts as outlined in the July 28, 1987 staff report by Linda Ehlers.

Faricy recommended that the board not ratify the amendments because the board is operating beyond its budget and does not have proper controls in place. An extension on 504 funding has been requested and a second extension should be requested unless the computer for the Metro Mobility Administrative Center

is in place within the next four months. Caranicas said these providers are delivering service and if the amendments are not approved they will delete it. Two of the four providers were on probation, but all of them are providing service. Franklin said the providers were carefully monitored during the probation period. If this approval is delayed we will deprive riders of service in those areas. In the past there were requests for later evening service and this action would go against that. Faricy said there are other providers in those areas. Joyce said that in the spirit of competition, adding these providers will give riders a choice of service. He will not vote for any motion that means less service in the outlying areas.

Graves suggested that each amendment be considered individually. Vote was taken. Graves, Fuhr and Faricy voted "nay." The motion carried.

WASHINGTON COUNTY HUMAN SERVICES, INC. CONTRACT NOS. 87/01/07 (8619) 04 (STATE) and 87/01/07 (8701) 07 (EXURBAN), AMENDMENT NO. 1

Franklin moved and Caranicas seconded:

That the Regional Transit Board authorize the executive director to amend the 1987 contract with Washington County Human Services, Inc. from \$133,792 to \$135,816 in State funding and from \$30,021 to \$30,566 in Exurban Funds.

The motion carried unanimously.

#### REGIONAL TRANSIT BOARD LEGAL REPRESENTATION

Franklin moved and Caranicas seconded:

That the Regional Transit Board authorize the executive director to negotiate and execute a contract for legal representation with the law firm of Larkin, Hoffman, Daly and Lindgren, Ltd.  
That

The motion carried (Joyce voted "nay").

#### OTHER BUSINESS - STAFF REPORTS

Cindy Fish reviewed the methodology of the Anoka County Transit Study. The chairman said Northtown is interested in working with the board to set up an arrangement for waiting areas for buses and passengers. There is a large Park and Ride facility at the Mall. Franklin noted that the Park and Ride lots in Coon Rapids are often full.

There being no public comment or further business, Joyce moved and Fuhr seconded that the meeting be adjourned. The meeting was adjourned at 4:35 p.m.

Respectfully submitted,

Mary Fitzgerald  
Secretary

REGIONAL TRANSIT BOARD

270 Metro Square Building, St. Paul, Minnesota 55101

Minutes of the Meeting of the  
REGIONAL TRANSIT BOARD  
Metropolitan Council Chambers  
September 8, 1987

BOARD MEMBERS PRESENT: Elliott Perovich, Chairman; Doris Caranicas; Carole Faricy; Ruth Franklin; Alison Fuhr; George Isaacs; Rochelle Graves; Paul Joyce and Ed Kranz

OTHERS PRESENT: Gregory Andrews, Mary Fitzgerald, Judy Hollander, Mark Ryan, Linda Ehlers, Tom Beaver, and Mike Kuehn, Regional Transit Board Staff; Charles Weaver, legal counsel; Arnie Entzel, Amalgamated Transit Union; Dirk deVries, Natalio Diaz and Karen Lyons, Metropolitan Council; Steve Bertrand, United Handicapped Federation; Greg Failor, Metropolitan Transit Commission (MTC); Jodie Hauer, Citizens League; Bill Hopkins, Transportation Handicapped Advisory Committee; David Rafter, Legislative Audit Commission

The meeting was called to order at 4 p.m. Caranicas moved and Joyce seconded that the agenda be approved. The motion carried unanimously.

CONSENT LIST

Caranicas moved that the August 20, 1987 consent list item, Amendment of 16(b)2 Projects into the 1987-1989 Transportation Improvement Program Annual Element, be approved. Franklin seconded the motion. The motion carried unanimously.

REPORT OF THE POLICY COMMITTEE:

Committee Chair Caranicas reviewed the report of the August 17, 1987 committee meeting.

OPTIONS TO ADDRESS INCREASED RIDERSHIP DEMAND FOR METRO MOBILITY SERVICES

Caranicas said the argument was made that we do not know what the total demand for Metro Mobility service is. The members want spending evidence before making a final decision. She moved:

That the Regional Transit Board approve that a cap on Metro Mobility not be imposed until more detailed analysis is completed.

Fuhr seconded the motion; the motion carried unanimously.

DRAFT REGIONAL TRANSIT BOARD LIGHT RAIL TRANSIT WORK PROGRAM OUTLINE

Caranicas moved:

That the Regional Transit Board endorse the draft Regional Transit Board Work Program Outline and direct staff to proceed with the identified tasks as part of their 1987-1988 activities.

DJDE NUMBER=(2,63,40),END;

Graves seconded the motion. Fuhr asked how this will relate to the meeting on September 14 and whether anything will change as a result. Hollander said the program is an initial program and outlines the beginning of the process. Isaacs said he wants to see the program amended to provide more direction from the board. He will approve only if this is a first step. Franklin said she would like the board to make a statement for her to take the the Transportation Advisory Board Light Rail Transit Task Force on its position and how it will proceed. Caranicas said the motion is completely compatible with those concerns. Vote was taken; the motion carried unanimously.

#### PROPOSAL FOR THE TWIN CITIES METROPOLITAN AREA'S PRIVATE TRANSIT OPERATOR PARTICIPATION PROCESS

(Kranz arrived.) The committee discussed, but did not act upon the above item. Because of the Metropolitan Council's schedule, staff requested that the issue be submitted to the members at this meeting.

Hollander said she has met with Metropolitan Council and Metropolitan Transit Commission staff to review the proposal and council staff is in the process of revising it. In response to Fuhr's concern about providers' participation at the outset, Hollander said the intention is that the advisory committee will raise issues as described on Page 7. The MTC's comments were discussed. Hollander said MTC staff was concerned about the function of the committee and whether it would replace other committees. They have received clarification and are now agreeing they to participate.

Joyce said the proposal omits public process. Users, such as the ACT, should be included. He referred to the last paragraph of Beverly Auld's August 24 letter. MTC is the major provider in the area but is not represented in proportion to their share of the service. Joyce said all providers are public providers because they all receive public subsidy. Hollander said three community people are included and the board can designate who they should be. Staff will put together a proposal for appointing the committee. Perovich said the members should keep in mind that the UMTA charge to the Metropolitan Council is to develop a process to give private providers an opportunity to react to and provide input to the policy-making process.

Caranicas said that since Natalio Diaz is updating the draft, the revisions will address some of these questions. Members discussed UMTA's intent for the process and the committee size. Kranz raised concerns about unequal balance of the committee. Caranicas said the advisory committee will present its recommendations to the board, which will consider them and take action. Andrews said that in the past the MTC's Advisory Committee on Transit (ACT) presented the majority and other opinions. The board may wish to appoint a liaison to the committee. The draft will be presented to the Metropolitan Transit Commission members tomorrow.

Caranicas said that to comply with the initial deadline, the draft has been sent to UMTA with the explanation that the policy boards have not taken action on the recommendation. The board should wait until it receives the final document.

#### REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE:

Committee Chair Franklin said the next meeting will be immediately following today's board meeting.

## OTHER BUSINESS:

### CHAIRMAN'S REPORT

The chairman discussed his trip to Edmonton with the Governor and Chairman Greenwood of the Metropolitan Airports Commission (MAC). Greenwood has some ideas about connecting the airport to the Mega Mall. Franklin said TAB has discussed connecting St. Paul to the airport as well. Another reason for the trip was to attend the opening of the Downtown Edmonton mall.

### MEMBERS REPORTS

Caranicas said the Deloitte, Haskins and Sells Western Conference that she, Andrews and Fuhr attended in San Francisco was excellent. Fuhr said one planning board makes monthly awards to transit providers and accidents are down. She discussed the Los Angeles light rail transit. Andrews said the similarities in the issues other planning boards are dealing with and the issues of this board were very interesting. Perovich encouraged the members to write out their notes and put them in the members' boxes.

### ADVISORY COMMITTEE REPORTS

Hopkins reported on his meeting with the City of Minneapolis. He was named a member of the subcommittee they set up. He had hoped the courts would resolve the issue of using "no parking" zones to pick up Metro Mobility users, but the case was dismissed.

Hopkins said the Transportation Handicapped Advisory Committee needs direction from the board on what matters should be referred to the board. A subcommittee developed the Riders' Rights and felt they should have been sent to the board. The rights were brought to the board as a point of information, but some members felt they should have been approved or disapproved. He suggested that an item be put on the agenda telling THAC what staff can deal with and what should be referred to the board. Isaacs said the board acts on matters of policy. The Riders' Rights were not a policy issue and the board does not have to act on them.

### STAFF REPORTS

#### Approval of Public Hearing Dates

Beaver reviewed his September 1, 1987 memorandum. Under Competitive Transit Guidelines, the wording should be corrected to state "...no less than fifteen (15) days after setting the date of the meeting."

Fuhr moved:

That the Regional Transit Board approve Monday, October 26, 1987; and Tuesday, October 27, 1987, as dates for the public hearings on the Metro Mobility contracts.

That the Regional Transit Board approve Wednesday, October 21, 1987, for the public hearing on the Competitive Transit Guidelines.

Joyce seconded the motion. Hollander said the discussion paper will deal with items where there was no consensus by the Competitive Transit committee. The board will review those issues. The staff document is for board information and not a part of the public hearing document. Graves said she would be more comfortable if the board would go through the document paragraph by paragraph and state its opinions about it. The chairman said that will be done at the September 21 meeting. Kranz said he prefers giving the public the document the board intends to pass. Joyce said the motion is to set the dates for the hearings. Graves said members will have to do a lot of homework. Hollander said the material is ready and can be sent out immediately. Andrews said if the members want more time, there is room in the calendar for more meetings. Kuehn said the legislation creating the Competitive Transit Advisory Committee states that the guidelines cannot be adopted until 60 days after the public hearings, which will allow time for more discussion.

Ryan discussed the role of the committee. At its last meeting they discussed the report and there were some issues on which they could not reach consensus. Entzel asked if the document for public hearing is the one the committee put together or one approved by the board for the purpose of public hearing with the comments of the committee. Andrews said the legislation requires the committee to assist the board. Vote was taken; the motion carried unanimously.

#### Update on 1988 Contract Renewal Process

Hollander reviewed the August 28 staff report.

#### Update on Metro Mobility Training Manual Request for Proposal (RFP)

Ehlers reviewed the August 28 staff report. The Proposal Evaluation Committee's recommendation of a training consultant is expected to be presented to the Administration and Finance Committee at its first meeting in October.

#### Update on the Agreement Between the University of Minnesota's Center for Transportation Studies and the Regional Transit Board for a Joint Research Program

Hollander reviewed the August 31 report.

The members discussed the chairman's fall meetings. Perovich said that at the September 1 meeting the mayor of Minneapolis came out strongly in favor of the board's role on light rail transit. Meetings will begin next week to build support among government people for a stable funding source. Faricy asked if we are working out a strategy for lobbying it through the Legislature. Perovich said that is part of next week's activities. Faricy asked who will be the spokesman. Perovich said they all will be spokesmen.

There being no further business, Joyce moved and Faricy seconded that the meeting be adjourned. The motion carried unanimously. The meeting adjourned at 5:30 p.m.

Respectfully submitted,

Mary Fitzgerald  
Secretary



METROPOLITAN TRANSIT COMMISSION

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

September 16, 1987

Mr Steve Keefe, Chairman  
Metropolitan Council  
Suite 300, Metro Square Building  
Saint Paul, MN 55101

Mr Elliott Perovich, Chairman  
Regional Transit Board  
Suite 270, Metro Square Building  
Saint Paul, MN 55101



Dear Steve and Elliott:

This letter is to communicate the action taken by the Metropolitan Transit Commission at its September 9th meeting on the Metropolitan Council's staff proposal for improving the private sector participation process in mass transit programs that are funded by the Federal government.

The commission discussed this topic at its meetings on August 26th and September 9th. The minutes from these meetings are enclosed for your information. The commission did not approve the document as proposed by staff in its entirety and believes that further discussion is needed between the members of the Metropolitan Council, Regional Transit Board and the MTC before the document receives final regional approval.

The commission took the following action on the proposed document.

- Requested that the Metropolitan Council and RTB reconsider the staff recommendation to include the MTC as a member of an advisory committee established primarily to present the private operator's point of view to the RTB.
- Suggested that the RTB may be the more appropriate body to resolve disputes involving private operators instead of creating a new five-member dispute resolution board to do so.

From the outset, the MTC wants to make it clear that the commission wants to cooperate and participate fully in the process for improving communication between metropolitan agencies and the private sector in planning and service decisions related to public transit. The MTC strongly believes that the private operators should be fully informed and consulted by the RTB on plans relating to new and restructured services and issues of interest to private operators such as competitive bidding. The MTC also believes that the private operators should be free to fully express their viewpoints on issues important to them to the RTB and not have the full weight of private operator opinion diluted by having to compromise their beliefs with the MTC and community representatives at the advisory committee level.

The composition of the advisory committee is weighted heavily towards the private sector. The MTC is an independent metropolitan agency established by the Minnesota Legislature and provides 98 percent of the regular route service in the metropolitan area. The MTC and the public are better served by having the public provider's viewpoint expressed directly to the RTB rather than through the conduit of an advisory committee established solely for the purpose of providing private sector advice to the RTB.

The process for providing input to the RTB on issues related to privatization should be as straightforward and as simple as possible. An advisory committee comprised of the MTC, community representatives, and private operators--although well intended as an effort to get the parties together to iron out their differences--goes well beyond UMTA's requirement that a process for notifying and consulting private providers be established. The MTC may be viewed as being an obstructionist and open to private sector criticism for fully airing its opinion on an advisory committee established to present the viewpoint of the private sector to the RTB. The MTC is not a private sector company and more often than not our viewpoint will be different from that of the private transit operator. The worst position the MTC could be placed in is being accused of trying to control the advisory committee so the private providers do not have their forum to present their views to the RTB. The MTC is concerned that, as a permanent minority member of the advisory committee, the agency would be in the position of constantly disagreeing with the recommendations of the advisory committee and forced to actively oppose advisory committee findings when presented to the RTB.

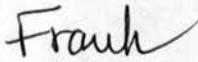
The solution to these problems is to have an advisory committee comprised exclusively of representatives from the private sector. The private operator prospective would be presented to the RTB through this forum. The MTC would continue to have direct access to the RTB on issues of concern to the agency and would not be put in the delicate and uncomfortable position of serving on what is essentially a private providers advisory committee. In the end, the public and the region will be better served by this process because the RTB will be afforded the opportunity of hearing the full and uncompromised debates on privatization before its board.

If any compromises are to be made on issues related to privatization they should be made by the RTB after full public debate of divergent opinions, rather than at the advisory committee level. Public accountability of metropolitan agencies is a constant criticism of the Legislature. Accountability is enhanced considerably if the RTB is directly involved in the public policy debate on privatization instead of using an advisory committee to hash out differences of opinion between the MTC and private operators--differences that more than likely will never be reconciled at the advisory committee level.

The composition of the dispute resolution board is not of critical importance to the MTC. The MTC, however, believes that the RTB should be the final arbiter involving disputes with the private sector and that a separate dispute resolution board is not necessary. Again, the issue of public accountability is important. The MTC believes the Legislature created the RTB to handle disputes involving transit operators and that the responsibility to resolve disputes is statutorily vested in the RTB. The decision to pass disputes on to a dispute resolution board diminishes the public accountability of the RTB.

I believe this letter adequately outlines the position of the MTC in regard to the proposed process to improve the private sector's voice in mass transit decisions. Should you have any questions, please let me know.

Sincerely,



Frank W Snowden  
Chairman

FWS:jw

cc Members, Metropolitan Council  
Members, Regional Transit Board  
Members, Metropolitan Transit Commission



REGIONAL TRANSIT BOARD  
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5. REPORT OF THE POLICY COMMITTEE Doris Caranicas,  
Chair
6. REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE Ruth Franklin,  
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  - A. 1987 Amended Regional Transit Board Budget Resolution No. 87-13
  - B. Regional Transit Board Wellness Program
  - C. Recommendation of Consultant for Rideshare Evaluation
  - D. 1988-1990 Transportation Improvement Program, Transit Element
  - E. Contract Amendment to the Metro Mobility Evaluation Study
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  - A. Chairman's Report
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REGIONAL TRANSIT BOARD

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OTHERS PRESENT: Mary Fitzgerald, Judy Hollander, Katie Turnbull, Ed Kouneski and Cindy Fish, Regional Transit Board Staff; Charles Weaver, legal counsel; Natalio Diaz and Karen Lyons, Metropolitan Council; Steve Bertrand, United Handicapped Federation; Arnie Entzel, Amalgamated Transit Union; Greg Failor, Metropolitan Transit Commission; Joel Alter, Legislative Audit Commission; Bill Hopkins, Transportation Handicapped Advisory Committee; and Jim Johnson, Medicine Lake Lines

The meeting of the board was called to order and roll called at 4:00 p.m. Caranicas moved and Graves seconded that the agenda be approved; motion carried unanimously.

Caranicas moved and Fuhr seconded that the minutes of the meeting of July 20, 1987 be approved. The motion carried unanimously.

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Fuhr seconded the motion; the motion carried unanimously.

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REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE

Committee Chair Franklin reviewed the committee report dated August 6 regarding action taken by the committee at its August 3, 1987 meeting.

FINANCIAL STATEMENTS - JUNE 1987

Franklin moved and Caranicas seconded:

That the Regional Transit Board accept the June 1987 financial statements and direct that they be placed on file.

The motion carried unanimously.

AUDITOR'S REPORT OF FEDERAL FINANCIAL STATEMENTS FOR 1986

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is in place within the next four months. Caranicas said these providers are delivering service and if the amendments are not approved they will delete it. Two of the four providers were on probation, but all of them are providing service. Franklin said the providers were carefully monitored during the probation period. If this approval is delayed we will deprive riders of service in those areas. In the past there were requests for later evening service and this action would go against that. Faricy said there are other providers in those areas. Joyce said that in the spirit of competition, adding these providers will give riders a choice of service. He will not vote for any motion that means less service in the outlying areas.

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#### PROPOSAL FOR THE TWIN CITIES METROPOLITAN AREA'S PRIVATE TRANSIT OPERATOR PARTICIPATION PROCESS

(Kranz arrived.) The committee discussed, but did not act upon the above item. Because of the Metropolitan Council's schedule, staff requested that the issue be submitted to the members at this meeting.

Hollander said she has met with Metropolitan Council and Metropolitan Transit Commission staff to review the proposal and council staff is in the process of revising it. In response to Fuhr's concern about providers' participation at the outset, Hollander said the intention is that the advisory committee will raise issues as described on Page 7. The MTC's comments were discussed. Hollander said MTC staff was concerned about the function of the committee and whether it would replace other committees. They have received clarification and are now agreeing they to participate.

Joyce said the proposal omits public process. Users, such as the ACT, should be included. He referred to the last paragraph of Beverly Auld's August 24 letter. MTC is the major provider in the area but is not represented in proportion to their share of the service. Joyce said all providers are public providers because they all receive public subsidy. Hollander said three community people are included and the board can designate who they should be. Staff will put together a proposal for appointing the committee. Perovich said the members should keep in mind that the UMTA charge to the Metropolitan Council is to develop a process to give private providers an opportunity to react to and provide input to the policy-making process.

Caranicas said that since Natalio Diaz is updating the draft, the revisions will address some of these questions. Members discussed UMTA's intent for the process and the committee size. Kranz raised concerns about unequal balance of the committee. Caranicas said the advisory committee will present its recommendations to the board, which will consider them and take action. Andrews said that in the past the MTC's Advisory Committee on Transit (ACT) presented the majority and other opinions. The board may wish to appoint a liaison to the committee. The draft will be presented to the Metropolitan Transit Commission members tomorrow.

Caranicas said that to comply with the initial deadline, the draft has been sent to UMTA with the explanation that the policy boards have not taken action on the recommendation. The board should wait until it receives the final document.

#### REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE:

Committee Chair Franklin said the next meeting will be immediately following today's board meeting.

## OTHER BUSINESS:

### CHAIRMAN'S REPORT

The chairman discussed his trip to Edmonton with the Governor and Chairman Greenwood of the Metropolitan Airports Commission (MAC). Greenwood has some ideas about connecting the airport to the Mega Mall. Franklin said TAB has discussed connecting St. Paul to the airport as well. Another reason for the trip was to attend the opening of the Downtown Edmonton mall.

### MEMBERS REPORTS

Caranicas said the Deloitte, Haskins and Sells Western Conference that she, Andrews and Fuhr attended in San Francisco was excellent. Fuhr said one planning board makes monthly awards to transit providers and accidents are down. She discussed the Los Angeles light rail transit. Andrews said the similarities in the issues other planning boards are dealing with and the issues of this board were very interesting. Perovich encouraged the members to write out their notes and put them in the members' boxes.

### ADVISORY COMMITTEE REPORTS

Hopkins reported on his meeting with the City of Minneapolis. He was named a member of the subcommittee they set up. He had hoped the courts would resolve the issue of using "no parking" zones to pick up Metro Mobility users, but the case was dismissed.

Hopkins said the Transportation Handicapped Advisory Committee needs direction from the board on what matters should be referred to the board. A subcommittee developed the Riders' Rights and felt they should have been sent to the board. The rights were brought to the board as a point of information, but some members felt they should have been approved or disapproved. He suggested that an item be put on the agenda telling THAC what staff can deal with and what should be referred to the board. Isaacs said the board acts on matters of policy. The Riders' Rights were not a policy issue and the board does not have to act on them.

### STAFF REPORTS

#### Approval of Public Hearing Dates

Beaver reviewed his September 1, 1987 memorandum. Under Competitive Transit Guidelines, the wording should be corrected to state "...no less than fifteen (15) days after setting the date of the meeting."

Fuhr moved:

That the Regional Transit Board approve Monday, October 26, 1987; and Tuesday, October 27, 1987, as dates for the public hearings on the Metro Mobility contracts.

That the Regional Transit Board approve Wednesday, October 21, 1987, for the public hearing on the Competitive Transit Guidelines.

Joyce seconded the motion. Hollander said the discussion paper will deal with items where there was no consensus by the Competitive Transit committee. The board will review those issues. The staff document is for board information and not a part of the public hearing document. Graves said she would be more comfortable if the board would go through the document paragraph by paragraph and state its opinions about it. The chairman said that will be done at the September 21 meeting. Kranz said he prefers giving the public the document the board intends to pass. Joyce said the motion is to set the dates for the hearings. Graves said members will have to do a lot of homework. Hollander said the material is ready and can be sent out immediately. Andrews said if the members want more time, there is room in the calendar for more meetings. Kuehn said the legislation creating the Competitive Transit Advisory Committee states that the guidelines cannot be adopted until 60 days after the public hearings, which will allow time for more discussion.

Ryan discussed the role of the committee. At its last meeting they discussed the report and there were some issues on which they could not reach consensus. Entzel asked if the document for public hearing is the one the committee put together or one approved by the board for the purpose of public hearing with the comments of the committee. Andrews said the legislation requires the committee to assist the board. Vote was taken; the motion carried unanimously.

#### Update on 1988 Contract Renewal Process

Hollander reviewed the August 28 staff report.

#### Update on Metro Mobility Training Manual Request for Proposal (RFP)

Ehlers reviewed the August 28 staff report. The Proposal Evaluation Committee's recommendation of a training consultant is expected to be presented to the Administration and Finance Committee at its first meeting in October.

#### Update on the Agreement Between the University of Minnesota's Center for Transportation Studies and the Regional Transit Board for a Joint Research Program

Hollander reviewed the August 31 report.

The members discussed the chairman's fall meetings. Perovich said that at the September 1 meeting the mayor of Minneapolis came out strongly in favor of the board's role on light rail transit. Meetings will begin next week to build support among government people for a stable funding source. Faricy asked if we are working out a strategy for lobbying it through the Legislature. Perovich said that is part of next week's activities. Faricy asked who will be the spokesman. Perovich said they all will be spokesmen.

There being no further business, Joyce moved and Faricy seconded that the meeting be adjourned. The motion carried unanimously. The meeting adjourned at 5:30 p.m.

Respectfully submitted,

Mary Fitzgerald  
Secretary

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: September 14, 1987  
TO: Regional Transit Board  
FROM: Administration and Finance Committee  
SUBJECT: Committee Report on Meeting of September 8, 1987

The committee met on September 8, 1987 and approved the following recommendations:

1987 AMENDED REGIONAL TRANSIT BOARD BUDGET, RESOLUTION NO. 87-13

That the Regional Transit Board adopt the attached Resolution No. 87-13 revising the Regional Transit Board 1987 budget.

REGIONAL TRANSIT BOARD WELLNESS PROGRAM

That the Regional Transit Board approve the Employee Wellness Program for Regional Transit Board staff, effective October 1, 1987.

RECOMMENDATION OF CONSULTANT FOR RIDESHARE EVALUATION

That the Regional Transit Board authorize the executive director to negotiate and enter into a contract in the amount no to exceed \$40,000 with Transportation Management Services for the purpose of evaluating the delivery of rideharing services in the Twin Cities Metropolitan Area.

1988-1990 TRANSPORTATION IMPROVEMENT PROGRAM (TIP), TRANSIT ELEMENT

One additional project has been added to the proposed 1988-1990 TIP since review by the Administration and Finance Committee on September 8. This is MTC Project No. 3460, St. Paul CBD Layover Facility.

The MTC had originally programmed this project for completion in 1987. It now appears likely that the site for this facility won't be acquired and developed until 1988. The project is, therefore, being included in the 1988-1990 Annual Element of the TIP. This project was included in the previous TIP Annual Element and in the MTC Capital Budget (See attachment).

That the Regional Transit Board approve the transit section of the 1988-1990 Transportation Improvement Program for submittal to the Metropolitan Council.

CONTRACT AMENDMENT TO THE METRO MOBILITY EVALUATION STUDY

That the Regional Transit Board amend the Metro Mobility evaluation contract (No. 87/07/20-24) with Carter Goble Associates, Inc. from \$79,686 to \$89,232 to perform five additional work tasks related to coordinating the expansion of Metro Mobility services with the county programs funded by the Regional Transit Board.

The next meeting of the committee will be on October 5, 1987.

Ruth Franklin  
Chair

BDLAS1

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

RESOLUTION NO. 87-13  
1987 AMENDED REGIONAL TRANSIT BOARD BUDGET

WHEREAS, the Regional Transit Board adopted its 1987 budget; and

WHEREAS, the Regional Transit Board now determines it necessary and desirable to revise the 1987 operating budget:

- to authorize and fund unexpected disbursements; and
- to recognize changes in state appropriation revenues; and
- to revise transit provider expenditure projections; and
- to recognize changes to certain work programs.

NOW, THEREFORE, BE IT RESOLVED:

1. THAT the 1987 budget amended for the following additions and/or deletions:

<u>Revenues</u>	<u>Adopted</u>	<u>Proposed</u>	<u>Change</u>
Federal Grants	916,000	738,000	(178,000)
State Appropriations	24,187,700	19,756,200	(4,431,500)
Property Taxes	52,205,000	52,605,000	+ 400,000
Interest Income	1,150,000	800,000	(350,000)
Subtotal Revenue	<u>\$78,458,700</u>	<u>\$73,899,200</u>	<u>(\$4,559,500)</u>
Beg. Fund Balance	6,608,400	9,002,123	+ 2,393,723
Total Revenues & Funds	<u>\$85,067,100</u>	<u>\$82,901,323</u>	<u>(\$2,165,777)</u>
 <u>Expenditures</u>			
Program No. 87-01	368,423	368,423	-0-
87-03	249,313	249,313	-0-
87-04	237,064	237,064	-0-
87-05	120,059	120,059	-0-
87-07	-0-	26,000	+ 26,000
87-09	116,702	116,702	-0-
87-10	136,399	136,399	-0-
87-11	87,785	87,785	-0-
87-12	167,244	167,244	-0-
87-13	668,495	268,495	(400,000)
87-14	71,421,857	69,681,647	(1,740,210)
87-22	265,472	100,000	(165,472)
87-23	1,171,085	100,000	(1,071,085)
87-24	21,402	1,402	(20,000)
87-20	70,000	70,000	-0-
87-21	4,965,800	4,965,800	-0-
TOTAL EXPENDITURES	<u>\$80,067,100</u>	<u>\$76,696,333</u>	<u>(\$3,370,767)</u>
Ending Fund Balance	\$ 5,000,000	\$ 6,204,990	+ \$1,204,990

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 1987.

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

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

1988-1990  
 Transportation Improvement Program  
 for the Twin Cities Metropolitan Area  
 ANNUAL ELEMENT

<u>Recipient</u>	<u>Local Project No.</u>	<u>Project Description</u>	<u>Funding Source</u>	<u>Federal Share (\$1000's)</u>	<u>Total Cost (\$1000's)</u>	<u>Grant Status</u>
FLEET IMPROVEMENTS						
MTC	*3810	Purchase approximately 86 40-foot buses to continue replacement of 1976 AM Generals	1988 Section 9	\$ 10,694	\$ 13,368	Application to be made to UMTA
MTC	3610	Purchase up to 107 40-foot buses to replace 1971-74 vintage buses	MN-90-X020 MN-03-0034 MN-90-X026	\$ 9,114 491 1,913	\$ 11,392 658 2,606	Approved Approved Approved
MTC	3710	Purchase up to 125 40-foot buses to replace Flexible and AM General buses	MN-90-X026 MN-23-2004	\$ 9,197 5,000	\$ 11,496 6,667	Approved Pending
Subtotal				\$ 36,409	\$ 46,187	
MTC FACILITY IMPROVEMENTS						
MTC	3540	Nicollet Garage (Construct a new 175-bus service and maintenance facility to replace the current Nicollet Garage)	1987 Section 3	\$ 8,397	\$ 11,197	Application pending at UMTA
MTC	3545	Midday Bus Storage Facility (Construct a 125-bus midday storage facility adjacent to the Heywood Garage)	1987 Section 3	\$ 3,344	\$ 4,459	Application pending at UMTA
Subtotal				\$ 11,741	\$ 15,656	

\* As part of its fleet replacement program, MTC will also purchase, with local financing, approximately 14 40-foot buses and 25 articulated buses. In summary, 125 buses will be procured in 1989: 100 40-foot, 86 federal and 14 local; 25 articulated, all local.

<u>Recipient</u>	<u>Local Project No.</u>	<u>Project Description</u>	<u>Funding Source</u>	<u>Federal Share (\$1000's)</u>	<u>Total Cost (\$1000's)</u>	<u>Grant Status</u>
PUBLIC FACILITY IMPROVEMENTS						
MTC	3450	Park-and-Ride Facilities (Construct two park-and-ride facilities in Brooklyn Center and Brooklyn Park)	MN-90-X008-01	\$ 359	\$ 488	Approved
MTC	3460	St. Paul CBD Layover Facility. Acquire site, design and construction of a permanent bus layover facility near downtown St. Paul	MN-90-X020-01	\$ 423	\$ 529	Approved
MTC	3560	Bus Turnarounds (Construct two turnarounds in Minneapolis at 58th and Longfellow and 56th and Chicago)	MN-90-X020	\$ 145	\$ 182	Approved
MTC	3690	Bus Shelters (Purchase and install 75 passenger waiting shelters)	MN-05-0003	\$ 511	\$ 639	Approved
MTC	3752	Park-and-Ride Facilities (Design, site acquisition, contract administration and construction of park-and-ride facilities at four sites located in Burnsville, Newport, Mounds View, and Eden Prairie)	MN-05-0111 FAU	\$ 201 \$ 413	\$ 252 \$ 550	Approved Approved
			Subtotal	\$ 2,502	\$ 2,640	

<u>Recipient</u>	<u>Local Project No.</u>	<u>Project Description</u>	<u>Funding Source</u>	<u>Federal Share (\$1000's)</u>	<u>Total Cost (\$1000's)</u>	<u>Grant Status</u>
COMPUTERIZATION						
MTC	3320	Computer Equipment (Acquire hardware, software and accessories to support the operation enhancement or development of automated systems)	MN-05-0011	\$ 874	\$ 1,092	Approved
			MN-90-X007	\$ 356	\$ 446	Approved
			MN-90-X008-01	\$ 528	\$ 660	Approved
			MN-90-X013	\$ 134	\$ 167	Approved
			MN-90-X026	\$ 168	\$ 229	Approved
MTC	3575	Computer Applications (Acquire software for the automation of new systems and enhancement of existing systems)	MN-90-X013	\$ 685	\$ 856	Approved
				Subtotal	\$ 2,745	\$ 3,450
MISCELLANEOUS						
MTC	3823	Capital Equipment (Purchase of I-394 corridor shelter maintenance equipment, originally scheduled in 1987, delayed to 1988)	MN-90-X020	\$ 42	\$ 52	Approved
MTC	3723	Capital Equipment (Purchase of tools and equipment necessary for bus and facility operation and maintenance)	MN-90-X026	\$ 1,187	\$ 1,617	Approved
				Subtotal	\$ 1,229	\$ 1,669
				TOTAL	\$ 54,176	\$ 69,602

1988 ANNUAL ELEMENT  
UMTA - Section 9 (Operating Assistance)

Item	Project Description	Total <sup>1</sup> (\$1000s)	Requested Federal <sup>1</sup> (\$1000s)	Source of Federal Funds
1	Operating Assistance FY 1988 (MTC)	\$60,946	\$ 8,600	UMTA Section 9
2	Estimated Operating Assistance FY 1989 (MTC)	\$62,996	\$ 8,600	UMTA Section 9

URBAN MASS TRANSPORTATION ADMINISTRATION  
SECTION 9 OPERATING ASSISTANCE

Item 1. Operating Assistance - FY 1988 (for CY 1987) - MTC

This project consists of operating assistance for the bus system owned and operated by the Metropolitan Transit Commission. The purpose of the project is to provide financial assistance to allow the MTC to continue the present quality of bus service. The federal funds shown in the 1988 Annual Element represent the entire allocation of Section 9 funds available for operating assistance.

Item 2. Operating Assistance - FY 1989 (for CY 1988) - MTC

An application for the FY 1989 funds will be submitted towards the end of 1988.

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<sup>1</sup>The total operating assistance includes all of the MTC operating budget from sources other than passenger fares, other operating revenue, and investment income. The requested federal share shown is only Section 9 operating assistance funds and does not include other federal funds, such as those for planning and demonstration projects.

1989 THROUGH 1991 MULTI-YEAR ELEMENT (MTC)

NEW FUNDING

UMTA - Section 3, 9, and Title 23

AMOUNT AND YEAR OF UMTA ENCUMBRANCE OF NEW FEDERAL FUNDS

Total Estimated Project Cost (Federal and Local)

	1989 \$1000s	1990 \$1000s	1991 \$1000s	1992 \$1000s
1. 40-Foot or Articulated Buses	\$21,125	\$ 9,763	\$ 8,710	\$ 978
2. Public Facilities (Park/ Rides, Turnarounds)	735	764	795	827
3. Computerization	635	635	661	687
4. Equipment	1,872	1,947	2,025	1,000
5. Other	0	15	934	7,008
Total	\$24,367	\$13,124	\$13,125	\$10,500

PROJECT DESCRIPTIONS

Item 1 - Buses

The projections above are based on MTC's 1987 Fleet Modernization Plan which includes the following bus plan:

<u>Number and Type of Buses</u>	<u>Contract Encumbered</u>	<u>Delivered</u>
125 40-foot	1989	1990
55 40-foot	1990	1991
24 Articulated	1991	1992
5 40-foot	1992	1993

Item 2 - Public Facilities (Park/Ride Lots and Bus Turnarounds)

The park/ride program calls for the construction of two lots per year with right-of-way acquisition, design and construction for each lot usually requiring two years. One or two bus turnarounds will be constructed in each year of this program.

Item 3 - Computerization

The MTC will continue to modernize the operation of its buses, facilities and offices through implementation of automated systems including acquisition of new, upgrading and enhancement of existing mainframe systems and acquisition of microcomputer equipment.

Item 4 - Equipment

Through this program the MTC will purchase equipment to aid in the operation and maintenance of its facilities and its bus fleet. Typical items include service vehicles, staff automobiles, fare collection equipment, and equipment for bus maintenance. Also included is a staged replacement of MTC's bus mobile radios.

Item 5 - Other

This item includes items such as MTC facilities improvements and special projects not included in the above categories. In 1992 in the table above the majority of funds are categorized as other. In that year, less funding will be required for buses making more available for facilities improvements or other projects.

REGIONAL TRANSIT BOARD

ROLL CALL AND ATTENDANCE SHEET

	Roll	Amend ISAACS	Roll Call	
Perovich	✓	<del>✓</del>	✓	
Caranicas	✓	N	✓	
Faricy	✓	✓	✓	
Franklin	✓	N	✓	
Fuhr	✓	✓	✓	
Graves	✓	N	✓	
Isaacs	✓	✓	✓	
Joyce	—	—	—	
505 Kranz	✓	4/3	—	

~~Roll Call~~

B Hopkins

Dish

Rosold  
Ryan - Bechtel

Jailor

EK

JH - KT - KC  
HBlin - m. Kuehn -  
Bob Dietrick -  
GA - Cmay  
Roth  
Tom Bean

Steve B  
B. Auld  
Entzel  
Sharon Hardy

Leuries



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

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MEETING OF THE REGIONAL TRANSIT BOARD  
Monday, September 21, 1987  
Metropolitan Council Chambers  
4:00 p.m.

AGENDA

1. Call to Order and Roll Call
2. Approval of Agenda
3. Approval of Minutes of August 17 and September 8, 1987
4. Proposal for the Twin Cities Metropolitan Area's Private Transit Operator Participation Process

5. REPORT OF THE POLICY COMMITTEE

Doris Caranicas,  
Chair

6. REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE

Ruth Franklin,  
Chair

- A. 1987 Amended Regional Transit Board Budget Resolution No. 87-13
- B. Regional Transit Board Wellness Program
- C. Recommendation of Consultant for Rideshare Evaluation
- D. 1988-1990 Transportation Improvement Program, Transit Element
- E. Contract Amendment to the Metro Mobility Evaluation Study

7. OTHER BUSINESS

- A. Chairman's Report
- B. Members' Reports
- C. Advisory Committee Reports
- D. Staff Reports:

8. PUBLIC COMMENT

Elliott Perovich  
Chairman

REGIONAL TRANSIT BOARD

270 Metro Square Building, St. Paul, Minnesota 55101

Minutes of the Meeting of the  
REGIONAL TRANSIT BOARD  
Metropolitan Council's Chambers  
August 17, 1987

BOARD MEMBERS PRESENT: Elliott Perovich, Chairman; Doris Caranicas; Carole Faricy; Ruth Franklin; Alison Fuhr; Rochelle Graves and Paul Joyce

MEMBERS ABSENT: George Isaacs and Ed Kranz

OTHERS PRESENT: Mary Fitzgerald, Judy Hollander, Katie Turnbull, Ed Kouneski and Cindy Fish, Regional Transit Board Staff; Charles Weaver, legal counsel; Natalio Diaz and Karen Lyons, Metropolitan Council; Steve Bertrand, United Handicapped Federation; Arnie Entzel, Amalgamated Transit Union; Greg Failor, Metropolitan Transit Commission; Joel Alter, Legislative Audit Commission; Bill Hopkins, Transportation Handicapped Advisory Committee; and Jim Johnson, Medicine Lake Lines

The meeting of the board was called to order and roll called at 4:00 p.m. Caranicas moved and Graves seconded that the agenda be approved; motion carried unanimously.

Caranicas moved and Fuhr seconded that the minutes of the meeting of July 20, 1987 be approved. The motion carried unanimously.

Caranicas moved and Faricy seconded that the minutes of the meeting of July 27, 1987 be approved. The motion carried (Fuhr abstained).

Caranicas moved and Fuhr seconded that the minutes of the meeting of August 3, 1987 be approved. The motion carried unanimously.

APPOINTMENT OF METROPOLITAN TRANSIT COMMISSIONER

A public hearing having been held on August 3, 1987, and all of the requirements of the Open Appointments Law having been satisfied, Joyce moved:

That the Regional Transit Board appoint Frank Snowden to the Metropolitan Transit Commission for a term beginning on August 27, 1987 and expiring August 27, 1990. In addition, the notification of this appointment shall be transmitted to the Secretary of State's Office as directed by the Minnesota Open Appointment Law.

Fuhr seconded the motion; the motion carried unanimously.

REPORT OF THE POLICY COMMITTEE

Committee Chair Caranicas said the committee will meet immediately following the conclusion of this board meeting.

REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE

Committee Chair Franklin reviewed the committee report dated August 6 regarding action taken by the committee at its August 3, 1987 meeting.

FINANCIAL STATEMENTS - JUNE 1987

Franklin moved and Caranicas seconded:

That the Regional Transit Board accept the June 1987 financial statements and direct that they be placed on file.

The motion carried unanimously.

AUDITOR'S REPORT OF FEDERAL FINANCIAL STATEMENTS FOR 1986

Franklin moved and Caranicas seconded:

That the Regional Transit Board accept the 1986 Federal Financial Assistance Schedule for the year ended December 31, 1986 and Reports of Independent Certified Public Accountants and direct that they be placed on file.

The motion carried unanimously.

AUDITOR'S MANAGEMENT LETTER FOR 1986

This item was discussed at the August 3 meeting, but no action was taken. Franklin moved and Joyce seconded:

That the Regional Transit Board accept the May 22, 1987 Management Letter for 1986 prepared by Deloitte Haskins and Sells, Inc. and direct that it be placed on file.

The motion carried unanimously.

METRO MOBILITY PROVIDERS CONTRACT AMENDMENT

Ed Kouneski reviewed the staff report dated August 6, 1987. Franklin moved and Caranicas seconded:

That the Regional Transit Board ratify the amendments to the Metro Mobility contracts as outlined in the July 28, 1987 staff report by Linda Ehlers.

Faricy recommended that the board not ratify the amendments because the board is operating beyond its budget and does not have proper controls in place. An extension on 504 funding has been requested and a second extension should be requested unless the computer for the Metro Mobility Administrative Center

is in place within the next four months. Caranicas said these providers are delivering service and if the amendments are not approved they will delete it. Two of the four providers were on probation, but all of them are providing service. Franklin said the providers were carefully monitored during the probation period. If this approval is delayed we will deprive riders of service in those areas. In the past there were requests for later evening service and this action would go against that. Faricy said there are other providers in those areas. Joyce said that in the spirit of competition, adding these providers will give riders a choice of service. He will not vote for any motion that means less service in the outlying areas.

Graves suggested that each amendment be considered individually. Vote was taken. Graves, Fuhr and Faricy voted "nay." The motion carried.

WASHINGTON COUNTY HUMAN SERVICES, INC. CONTRACT NOS. 87/01/07 (8619) 04 (STATE) and 87/01/07 (8701) 07 (EXURBAN), AMENDMENT NO. 1

Franklin moved and Caranicas seconded:

That the Regional Transit Board authorize the executive director to amend the 1987 contract with Washington County Human Services, Inc. from \$133,792 to \$135,816 in State funding and from \$30,021 to \$30,566 in Exurban Funds.

The motion carried unanimously.

#### REGIONAL TRANSIT BOARD LEGAL REPRESENTATION

Franklin moved and Caranicas seconded:

That the Regional Transit Board authorize the executive director to negotiate and execute a contract for legal representation with the law firm of Larkin, Hoffman, Daly and Lindgren, Ltd.  
That

The motion carried (Joyce voted "nay").

#### OTHER BUSINESS - STAFF REPORTS

Cindy Fish reviewed the methodology of the Anoka County Transit Study. The chairman said Northtown is interested in working with the board to set up an arrangement for waiting areas for buses and passengers. There is a large Park and Ride facility at the Mall. Franklin noted that the Park and Ride lots in Coon Rapids are often full.

There being no public comment or further business, Joyce moved and Fuhr seconded that the meeting be adjourned. The meeting was adjourned at 4:35 p.m.

Respectfully submitted,

Mary Fitzgerald  
Secretary

REGIONAL TRANSIT BOARD

270 Metro Square Building, St. Paul, Minnesota 55101

Minutes of the Meeting of the  
REGIONAL TRANSIT BOARD  
Metropolitan Council Chambers  
September 8, 1987

BOARD MEMBERS PRESENT: Elliott Perovich, Chairman; Doris Caranicas; Carole Faricy; Ruth Franklin; Alison Fuhr; George Isaacs; Rochelle Graves; Paul Joyce and Ed Kranz

OTHERS PRESENT: Gregory Andrews, Mary Fitzgerald, Judy Hollander, Mark Ryan, Linda Ehlers, Tom Beaver, and Mike Kuehn, Regional Transit Board Staff; Charles Weaver, legal counsel; Arnie Entzel, Amalgamated Transit Union; Dirk deVries, Natalio Diaz and Karen Lyons, Metropolitan Council; Steve Bertrand, United Handicapped Federation; Greg Failor, Metropolitan Transit Commission (MTC); Jodie Hauer, Citizens League; Bill Hopkins, Transportation Handicapped Advisory Committee; David Rafter, Legislative Audit Commission

The meeting was called to order at 4 p.m. Caranicas moved and Joyce seconded that the agenda be approved. The motion carried unanimously.

CONSENT LIST

Caranicas moved that the August 20, 1987 consent list item, Amendment of 16(b)2 Projects into the 1987-1989 Transportation Improvement Program Annual Element, be approved. Franklin seconded the motion. The motion carried unanimously.

REPORT OF THE POLICY COMMITTEE:

Committee Chair Caranicas reviewed the report of the August 17, 1987 committee meeting.

OPTIONS TO ADDRESS INCREASED RIDERSHIP DEMAND FOR METRO MOBILITY SERVICES

Caranicas said the argument was made that we do not know what the total demand for Metro Mobility service is. The members want spending evidence before making a final decision. She moved:

That the Regional Transit Board approve that a cap on Metro Mobility not be imposed until more detailed analysis is completed.

Fuhr seconded the motion; the motion carried unanimously.

DRAFT REGIONAL TRANSIT BOARD LIGHT RAIL TRANSIT WORK PROGRAM OUTLINE

Caranicas moved:

That the Regional Transit Board endorse the draft Regional Transit Board Work Program Outline and direct staff to proceed with the identified tasks as part of their 1987-1988 activities.

DJDE NUMBER=(2,63,40),END;

Graves seconded the motion. Fuhr asked how this will relate to the meeting on September 14 and whether anything will change as a result. Hollander said the program is an initial program and outlines the beginning of the process. Isaacs said he wants to see the program amended to provide more direction from the board. He will approve only if this is a first step. Franklin said she would like the board to make a statement for her to take the the Transportation Advisory Board Light Rail Transit Task Force on its position and how it will proceed. Caranicas said the motion is completely compatible with those concerns. Vote was taken; the motion carried unanimously.

#### PROPOSAL FOR THE TWIN CITIES METROPOLITAN AREA'S PRIVATE TRANSIT OPERATOR PARTICIPATION PROCESS

(Kranz arrived.) The committee discussed, but did not act upon the above item. Because of the Metropolitan Council's schedule, staff requested that the issue be submitted to the members at this meeting.

Hollander said she has met with Metropolitan Council and Metropolitan Transit Commission staff to review the proposal and council staff is in the process of revising it. In response to Fuhr's concern about providers' participation at the outset, Hollander said the intention is that the advisory committee will raise issues as described on Page 7. The MTC's comments were discussed. Hollander said MTC staff was concerned about the function of the committee and whether it would replace other committees. They have received clarification and are now agreeing they to participate.

Joyce said the proposal omits public process. Users, such as the ACT, should be included. He referred to the last paragraph of Beverly Auld's August 24 letter. MTC is the major provider in the area but is not represented in proportion to their share of the service. Joyce said all providers are public providers because they all receive public subsidy. Hollander said three community people are included and the board can designate who they should be. Staff will put together a proposal for appointing the committee. Perovich said the members should keep in mind that the UMTA charge to the Metropolitan Council is to develop a process to give private providers an opportunity to react to and provide input to the policy-making process.

Caranicas said that since Natalio Diaz is updating the draft, the revisions will address some of these questions. Members discussed UMTA's intent for the process and the committee size. Kranz raised concerns about unequal balance of the committee. Caranicas said the advisory committee will present its recommendations to the board, which will consider them and take action. Andrews said that in the past the MTC's Advisory Committee on Transit (ACT) presented the majority and other opinions. The board may wish to appoint a liaison to the committee. The draft will be presented to the Metropolitan Transit Commission members tomorrow.

Caranicas said that to comply with the initial deadline, the draft has been sent to UMTA with the explanation that the policy boards have not taken action on the recommendation. The board should wait until it receives the final document.

#### REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE:

Committee Chair Franklin said the next meeting will be immediately following today's board meeting.

## OTHER BUSINESS:

### CHAIRMAN'S REPORT

The chairman discussed his trip to Edmonton with the Governor and Chairman Greenwood of the Metropolitan Airports Commission (MAC). Greenwood has some ideas about connecting the airport to the Mega Mall. Franklin said TAB has discussed connecting St. Paul to the airport as well. Another reason for the trip was to attend the opening of the Downtown Edmonton mall.

### MEMBERS REPORTS

Caranicas said the Deloitte, Haskins and Sells Western Conference that she, Andrews and Fuhr attended in San Francisco was excellent. Fuhr said one planning board makes monthly awards to transit providers and accidents are down. She discussed the Los Angeles light rail transit. Andrews said the similarities in the issues other planning boards are dealing with and the issues of this board were very interesting. Perovich encouraged the members to write out their notes and put them in the members' boxes.

### ADVISORY COMMITTEE REPORTS

Hopkins reported on his meeting with the City of Minneapolis. He was named a member of the subcommittee they set up. He had hoped the courts would resolve the issue of using "no parking" zones to pick up Metro Mobility users, but the case was dismissed.

Hopkins said the Transportation Handicapped Advisory Committee needs direction from the board on what matters should be referred to the board. A subcommittee developed the Riders' Rights and felt they should have been sent to the board. The rights were brought to the board as a point of information, but some members felt they should have been approved or disapproved. He suggested that an item be put on the agenda telling THAC what staff can deal with and what should be referred to the board. Isaacs said the board acts on matters of policy. The Riders' Rights were not a policy issue and the board does not have to act on them.

### STAFF REPORTS

#### Approval of Public Hearing Dates

Beaver reviewed his September 1, 1987 memorandum. Under Competitive Transit Guidelines, the wording should be corrected to state "...no less than fifteen (15) days after setting the date of the meeting."

Fuhr moved:

That the Regional Transit Board approve Monday, October 26, 1987; and Tuesday, October 27, 1987, as dates for the public hearings on the Metro Mobility contracts.

That the Regional Transit Board approve Wednesday, October 21, 1987, for the public hearing on the Competitive Transit Guidelines.

Joyce seconded the motion. Hollander said the discussion paper will deal with items where there was no consensus by the Competitive Transit committee. The board will review those issues. The staff document is for board information and not a part of the public hearing document. Graves said she would be more comfortable if the board would go through the document paragraph by paragraph and state its opinions about it. The chairman said that will be done at the September 21 meeting. Kranz said he prefers giving the public the document the board intends to pass. Joyce said the motion is to set the dates for the hearings. Graves said members will have to do a lot of homework. Hollander said the material is ready and can be sent out immediately. Andrews said if the members want more time, there is room in the calendar for more meetings. Kuehn said the legislation creating the Competitive Transit Advisory Committee states that the guidelines cannot be adopted until 60 days after the public hearings, which will allow time for more discussion.

Ryan discussed the role of the committee. At its last meeting they discussed the report and there were some issues on which they could not reach consensus. Entzel asked if the document for public hearing is the one the committee put together or one approved by the board for the purpose of public hearing with the comments of the committee. Andrews said the legislation requires the committee to assist the board. Vote was taken; the motion carried unanimously.

#### Update on 1988 Contract Renewal Process

Hollander reviewed the August 28 staff report.

#### Update on Metro Mobility Training Manual Request for Proposal (RFP)

Ehlers reviewed the August 28 staff report. The Proposal Evaluation Committee's recommendation of a training consultant is expected to be presented to the Administration and Finance Committee at its first meeting in October.

#### Update on the Agreement Between the University of Minnesota's Center for Transportation Studies and the Regional Transit Board for a Joint Research Program

Hollander reviewed the August 31 report.

The members discussed the chairman's fall meetings. Perovich said that at the September 1 meeting the mayor of Minneapolis came out strongly in favor of the board's role on light rail transit. Meetings will begin next week to build support among government people for a stable funding source. Faricy asked if we are working out a strategy for lobbying it through the Legislature. Perovich said that is part of next week's activities. Faricy asked who will be the spokesman. Perovich said they all will be spokesmen.

There being no further business, Joyce moved and Faricy seconded that the meeting be adjourned. The motion carried unanimously. The meeting adjourned at 5:30 p.m.

Respectfully submitted,

Mary Fitzgerald  
Secretary

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: September 17, 1987  
TO: Regional Transit Board  
FROM: Judith G. Hollander *JGH*  
SUBJECT: Revised Proposal for the Twin Cities Metropolitan Area's Private Transit Operator Participation Process

SUMMARY

The purpose of this memorandum is to transmit the revised proposal for the Twin Cities Metropolitan Area's Private Transit Operator Participation Process. A recommendation for endorsement of the proposal is presented.

BACKGROUND

The proposal for the Twin Cities Metropolitan Area's Private Transit Operator Participation Process, prepared by Metropolitan Council staff and presented to the Policy Committee on August 17, 1987, has been revised. The document had been scheduled to be presented at the September 8 RTB meeting along with staff comments, but that presentation was delayed pending the receipt of the revised version of the proposal. The revised proposal will now be presented at the board meeting of September 21. The revision was made in an effort to incorporate MTC concerns as well as the staff comments made by the RTB.

The proposal has been presented to the Metropolitan Transit Commission. Their comments on the revised proposal are now being prepared and will be available at the September 21 meeting. The Metro Council's Metro System Committee will be reviewing the proposal at their meeting of September 22.

Attached to this memorandum is the following information:

- \* Memorandum to the Metropolitan Systems Committee from the Transportation Staff including the revised proposal for Private Transit Operator Participation
- \* Letter from Joel Ettinger, UMTA Region 5 including preliminary comments on the original proposal.

As you will recall, the proposal for the Twin Cities Metropolitan Area's Private Transit Operator Process was developed in response to a series of meetings between the Urban Mass Transportation Administration (UMTA) representatives and the Metro Council, the MTC and the RTB. These meetings were initiated by UMTA due to their concerns regarding compliance with section 3 (e) of the Urban Mass Transportation Act as implemented by UMTA Circular 7005.1 and UMTA's 1984 Private Sector Participation Policy.

The proposal is intended to accomplish two objectives:

- To establish a local forum where concerns regarding private sector participation in the provision of transit services can be addressed; and
- To establish a dispute resolution process that affords all interested parties an opportunity to object to an initial transit decision.

#### ANALYSIS

The revised proposal for the Twin Cities Metropolitan Area's Private Transit Operator Participation Process has been modified as follows in an effort to respond to MTC and RTB staff concerns:

- \* The timeline for resolving disputes has been decreased in order to provide for a more timely resolution of disputes.
- \* Clarification has been made that the Provider Advisory Committee become involved early in the planning process for new and restructured services.
- \* Clarification has been made that the Provider Advisory Committee structure does not replace any discussion that should appropriately occur between the board members of the Metropolitan Transit Commission and the Regional Transit Board on the issues identified in the memorandum.

Upon review of the revised document, RTB staff feels that their concerns, identified in the August 31, 1987, memorandum to the RTB, have been adequately addressed and finds that the proposed process is consistent with UMTA's guidelines and RTB policies and procedures.

#### FINDINGS AND CONCLUSIONS

- \* The Metropolitan Council staff has prepared a proposal to revise the Twin Cities Metropolitan Area's Private Transit Operator Participation Process in response to UMTA's concerns regarding compliance with federal policy regarding the participation of private operators in the planning process.
- \* The Metro Council's proposal is intended to accomplish two major objectives: (1) to establish a local forum where concerns regarding private sector participation in the provision of transit services can be addressed; and (2) to establish a dispute resolution process which affords all interested parties an opportunity to object to an initial transit decision.
- \* RTB staff finds that the approach taken in the Metro Council's proposal is consistent with UMTA guidelines and RTB policies and procedures. "The revision of the proposal is responsive to RTB staff concerns identified in the memorandum of August 31, 1987 to the RTB.

Page 3

RECOMMENDATION

That the Regional Transit Board endorse the proposed Proposal for the Twin Cities Metropolitan Area's Private Transit Operator Participation Process.

JHMISC  
Att.

Metropolitan Council of the Twin Cities Area  
300 Metro Square Building, 7th and Robert Streets  
St. Paul, Minnesota 55101 Tel. 612 291-6359/TDD 291-0904

Proposal for the  
Twin Cities Metropolitan Area's  
Private Transit Operator Participation  
Process

September 15, 1987

Introduction

This proposal is in response to a series of meetings between representatives of the Urban Mass Transportation Administration (UMTA) Region 5 and Headquarters offices and the Metropolitan Council, Metropolitan Transit Commission (MTC), and Regional Transit Board (RTB) held to discuss UMTA concerns regarding Section 3(e) compliance in the Twin Cities Area.

UMTA guidelines (in particular, UMTA Circular 7005.1) require that local planning processes be consistent with UMTA policy regarding the involvement of private transportation providers. These guidelines are intended to provide a greater competitive environment and increase opportunities for private sector participation in mass transportation operations funded with Federal assistance under Sections 3 and 9 of the UMTA Act of 1964, as amended, and Sections 103(e)(4) and 142 of Title 23, U.S.C.

A letter from UMTA Regional Administrator Joel Ettinger dated July 8, 1987, clarifies the minimum requirements of local processes as identified in the UMTA Circular 7005.1, which are:

1. Notice to and early consultation with private providers in plans involving new or restructured service as well as the periodic re-examination of existing service.
2. Periodic examination, at least every three years, of each route to determine if it could be more efficiently operated by a private enterprise.
3. Description of how new and restructured services will be evaluated to determine if they could be more effectively provided by private sector operation pursuant to a competitive bid process.
4. The use of costs as a factor in the private/public decision.
5. A dispute resolution process which affords all interested parties an opportunity to object to the initial decision. UMTA's complaint process is designed to accept appeals of this local dispute resolution process.

The Metropolitan Council is proposing that the process described in this paper replace the existing private sector participation process in the Twin Cities Metropolitan Area. The existing process consists of involvement of private operators in the transit planning activities conducted by the RTB with appeals heard by the Metropolitan Council as part of the preparation and approval of the Transportation Improvement Program (TIP). The RTB, formed by the Minnesota Legislature to plan, administer and coordinate transit services in the Twin Cities Metropolitan Area (functions formerly provided by the MTC), offers private operators opportunities to participate in transit planning through membership on advisory committees and special study management teams, as well as at quarterly providers meetings and in review of the proposed transit TIP elements.

Concerns have recently been expressed regarding the effectiveness of the existing process. The Twin Cities Metropolitan Area has been requested by UMTA to strengthen the private transit operator participation process to offer providers opportunities to receive early notification of transit plans and service proposals for new and restructured service, to participate in the re-examination of existing services, and to provide a way to resolve objections to transit decisions.

This proposal is intended to accomplish two major objectives:

- To establish a local forum where concerns regarding private sector participation in the provision of transit services can be addressed.
- To establish a dispute resolution process which affords transit providers an opportunity to object to an initial transit decision.

The process for addressing transit provider concerns will be carried out by the RTB in its role as the regional transit planning agency through an advisory committee. Oversight will be provided by the Council, primarily in the dispute resolution process, in its role as the Metropolitan Planning Organization for the region.

#### Proposed Participation Process

A regional forum for open discussion by providers and community officials of issues related to transit service planning and implementation in the Twin Cities is proposed for formation by October 30, 1987. This forum, an advisory committee made up of representatives of the private for-profit, private non-profit, and public transit operators, taxi companies, and community representatives, will serve as an Advisory Committee to the Regional Transit Board.

The major role of the Committee will be to advise the Regional Transit Board on plans involving new or restructured services, as well as periodic re-examination of existing services. The Committee will receive early

notification from the RTB and transit providers regarding transit service issues related to the five previously discussed UMTA requirements. The scope of the committee's responsibilities will cover pertinent issues associated mainly with regular route transit, as well as other transit and paratransit services that receive state, regional or UMTA transit funding, including operating and capital funds. Since the focus of the Committee will be on regular route transit, when issues arise with respect to elderly and handicapped services or ridesharing, the Committee should refer those issues for recommendation to the Transportation Handicapped Advisory Committee and the Rideshare Advisory Committee.

At the present time, the RTB and the MTC have agreed upon interim financial and performance standards for MTC service. These include definition of existing service and of new and restructured service as well the possible competitive bidding of existing MTC service based on route subsidy levels of \$2.45 or greater. The RTB intends to revise those interim standards and develop new standards for all services that receive RTB funding in consultation with the MTC and the Advisory Committee. As part of this revision, the Advisory Committee will discuss the following issues and present initial findings and recommendations to the RTB by December 31, 1987:

- Redefinition of "new" and "restructured" services.
- Process and timing of planning and service decisions to ensure early consultation compliance.
- Process for evaluation of new and restructured service, including timing, use of fully allocated costs, review criteria, implementation of decisions, and roles.
- Process for periodic reviews of existing services, including same issues as above.

In addition, the Advisory Committee will provide input on the following:

- Transportation Improvement Program (TIP).
- RTB Capital Needs Study.
- Impediments to competitive bidding.
- Transit provider complaints.
- Other appropriate issues.

The Advisory Committee should participate early in the planning process for new and restructured services. The Advisory Committee should be notified as planning for service changes are initiated and should be kept informed throughout the planning process. The recommended services changes for new and restructured services should be formally reviewed by the Advisory Committee at least 30 days prior to RTB or other appropriate action.

## ADVISORY COMMITTEE MEMBERS

- 2 representatives of private for-profit transit operators
- 1 private non-profit transit provider
- 1 taxicab representative
- 1 MTC staff representative
- 3 community representatives, one from the Central Cities and two from the suburbs (One suburban representative will reside in an area having a community-based transit system)

The Advisory Committee will receive staff support from the RTB and will be chaired by a citizen knowledgeable about transit but not representing any particular transit interest. Members will be appointed by the Regional Transit Board through an application process to the RTB. Issues referred by the advisory committee to the Transportation Handicapped Advisory Committee and the Rideshare Advisory Committee will be coordinated with this Committee in providing recommendations to the Regional Transit Board.

### Dispute Resolution Process

A review board appointed by the Metropolitan Council is proposed to afford all transit providers an opportunity to object to decisions made by the RTB and providers regarding transit services. This Transit Dispute Resolution Board will be staffed by the Council's transportation division and made up of the following members:

#### TRANSIT DISPUTE RESOLUTION BOARD

- 1 Metropolitan Council Member
- 1 Regional Transit Board Member
- 2 Members of the advisory committee not directly affected by the dispute appointed by the Council
- 1 Transportation Advisory Board member who would serve as the tie-breaker and chair of the Dispute Resolution Board

The Dispute Resolution Board will be appointed on a case by case basis to avoid conflicts of interest. Disputes and complaints that arise between providers, or between a provider and the RTB, should first be addressed through discussion of the issue with the Advisory Committee and, hopefully, action taken by the RTB to avoid a formal dispute resolution process. The process for provider objections to decisions and proposals made by the RTB or providers is described below. The first three steps offer an opportunity to resolve conflict between providers within the Advisory Committee/RTB structure. The last two steps constitute a formal dispute resolution process under the umbrella of the Dispute Resolution Board.

- Complainant requests review of the problem by the Advisory Committee and by the respondent\* through filing of a written complaint with the Committee Chair and the respondent. The written complaint clearly identifies major areas of concern. Copies sent to RTB and Council staff.

\* A respondent is the agency or jurisdiction that took the aggrieved action.

- Respondent meets with complainant within 7 days of receiving written complaint to discuss problem and issues a written response to complainant within 21 days of receiving complaint (copy sent to Advisory Committee Chair, RTB staff and Council staff).
- Concurrent with the previous step, complainant brings the issue to the Advisory Committee for discussion. If necessary, the Committee makes a recommendation for RTB action and subsequent respondent implementation. RTB action, if needed, should be taken within 35 days of original complaint.
- If complainant is still not satisfied with resolution, the complainant sends a request for Dispute Resolution to Council staff within 42 days of originally filing written complaint, with a copy to the respondent, RTB, and Advisory Committee chair, documenting original written complaint, a summary of meetings/discussions with respondent and Advisory Committee and RTB, and basis for dissatisfaction with resolution.
- Transit Dispute Resolution Board meets with complainant, respondent including RTB staff, within 56 days after initial written complaint is filed to hear issue and renders final ~~decision~~ <sup>recommendation</sup> on the issue within 70 days after initial written complaint and forwards the decision to the RTB board.

*Findings + recommendations*

Decisions made by the Transit Dispute Resolution Board will be ~~carried out by~~ <sup>carried out by</sup> ~~by the RTB~~ and the provider 14 days after the decision is rendered. This completes the local process.

*(Forwarded to the RTB for final action by the RTB)*

ND095A

Metropolitan Council of the Twin Cities Area  
300 Metro Square Building, Saint Paul, Minnesota 55101

DATE: September 15, 1987  
TO: Metropolitan Systems Committee  
FROM: Transportation Staff (K. Lyons, S. Wilson)  
SUBJECT: Proposal for Private Transit Operator Participation

BACKGROUND

The Urban Mass Transportation Administration (UMTA) requires that Metropolitan Planning Organizations (MPO's) ensure that local transportation planning processes are consistent with UMTA policy regarding involvement of private transportation providers in planning and service provision. In response to UMTA requirements and concerns recently expressed concerning the effectiveness of the existing process, Metropolitan Council staff is proposing that the process outlined in the attachment be endorsed by the Metropolitan Council and implemented by October 30, 1987.

OBJECTIVES OF PROCESS

The proposal is intended to accomplish two major objectives. First, the process should provide a means for transit providers, both public and private, to openly discuss issues involving transit service provision and provide input into transit service decision-making. Second, the process should allow for an independent, objective, dispute resolution process that affords transit providers opportunities to object to initial transit service decisions.

PROPOSED STRUCTURE

Advisory Committee

To provide for meaningful input by both public and private transit operators into policy decisions concerning transit services, an Advisory Committee is proposed that serves as a forum for open discussion by providers of transit service issues described in the attachment. The Committee will advise the RTB regarding pertinent provider policy issues, such as new and restructured services, process for selection of providers of service and evaluation of existing services, and will attempt to assist in resolving conflicts between providers prior to the formal dispute resolution process described below.

Dispute Resolution Board

A Dispute Resolution Board independent of transit operation and service implementation decisions is proposed to render decisions on complaints made by providers after all avenues of complaint resolution have been exhausted and after the RTB has taken formal action to resolve the issue. One Council member, one RTB member, and two Advisory Committee members not affected by the dispute, would make up the Dispute Resolution Board and a Transportation Advisory Board member would serve as the chair and tie-breaker.

RECOMMENDATION

That the Metropolitan Council endorse the proposed Private Transit Operator Participation Process.

# EXECUTIVE CORRESPONDENCE



U.S. Department  
of Transportation

Urban Mass  
Transportation  
Administration

Region V  
Illinois, Indiana, Michigan,  
Minnesota, Ohio, Wisconsin

300 South Wacker Drive  
Suite 1703  
Chicago, Illinois 60606

Mr. Natalie Diaz  
Manager, Transportation Division  
Metropolitan Council  
300 Metro Square Building  
Seventh and Robert Streets  
St. Paul, Minnesota 55101

10 SEP 1987

Dear Mr. Diaz:

This is in response to your recent submission of a proposed Private Sector Participation Process for the Twin Cities Metropolitan area. The Urban Mass Transportation Administration (UMTA) appreciates your efforts and cooperation in bringing the parties together to address the issues and develop this process.

Let me again emphasize the intent of UMTA's private sector policy. Section 3(e), 8(e), and 9(f) of the Urban Mass Transportation Act of 1964, as amended, require findings of grantee compliance to be made concerning the involvement of private transportation providers in the local planning process. Implementation of these sections of the Act are intended to provide a greater competitive environment and increase the opportunities for private sector participation in mass transportation operations. Although the final decision is a local one, the means by which local public bodies select service providers must allow UMTA to make the statutory findings. UMTA accepts your proposal on four of the five points listed on our July 9 letter. However, we are not able to agree at this time with your fourth point, "the use of cost as a factor in the private/public decision". Further discussion of this issue is contained in C below.

The following are specific comments we have regarding your proposal.

- A. The advisory committee and dispute resolution board which you described in the letter properly address the need for consultation throughout the process as well as provide an effective resolution process for private provider complaints. As we have stated, the appropriate place for mediation and resolution is at the local level where service decisions are made. It is important that the MTC be a part of this decision process.

**DO NOT WRITE ON THIS COVER AS IT IS INTENDED FOR RE-USE  
RETURN IT WITH THE FILE COPIES TO ORIGINATING OFFICE**

- B. The interim guidelines for the evaluation of MTC services should satisfy the need for periodic review of routes to ensure cost effectiveness. The definition of restructured service as "any rerouting of over 50 percent of an existing MTC route's mileage or any freestanding new routes...." is acceptable although we would suggest that the MTC and RTB be amenable to recognizing that a change of less than 50 percent also may be significant and worthy of consideration as a candidate for competitive bidding.

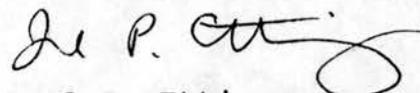
Also, we would like to clarify the meaning of the term mileage. We suggest that vehicle miles of service be used as opposed to route miles. This would allow for the inclusion in the definition of restructured service those changes that result in an increase in service frequency although no route miles are added.

- C. As stated previously, it is not clear if the fourth point (fully allocated cost) in your July 9 letter is acceptable. The MTC's method of fully allocated attributable costs when bidding on service is acceptable. However, when MTC is evaluating proposals including their own, we recommend that the third paragraph be revised to include information that will be developed by MTC for the cost analysis. The MTC could clarify their position by stating that both fully allocated and incremental cost estimates will be prepared and considered in the cost analysis. The MTC might also state that fully allocated cost as well as other cost and non-cost factors will be considered in the selection of service provider.

In order to assist the MTC in the development of their fully allocated costing methodology, we would be happy to provide technical assistance through the Public Private Transportation Network (PPTN). The costing element is the key to providing local decisionmakers with the accurate data to make cost effective decisions. We would suggest that John Martz of the Rice Center visit with you, the RTB and the MTC within the next few weeks to resolve this issue. We will call you to determine the most convenient date for all.

Again, thank you for your efforts and please keep me informed of your progress.

Sincerely,



Joel P. Ettinger  
Regional Administrator

cc: Gregory L. Andrews, RTB  
John J. Capell, MTC

- Respondent meets with complainant within 7 days of receiving written complaint to discuss problem and issues a written response to complainant within 21 days of receiving complaint (copy sent to Advisory Committee Chair, RTB staff and Council staff).
- Concurrent with the previous step, complainant brings the issue to the Advisory Committee for discussion. If necessary, the Committee makes a recommendation for RTB action and subsequent respondent implementation. RTB action, if needed, should be taken within 35 days of original complaint.
- If complainant is still not satisfied with resolution, the complainant sends a request for Dispute Resolution to Council staff within 42 days of originally filing written complaint, with a copy to the respondent, RTB, and Advisory Committee chair, documenting original written complaint, a summary of meetings/discussions with respondent and Advisory Committee and RTB, and basis for dissatisfaction with resolution.
- Transit Dispute Resolution Board meets with complainant, respondent including RTB staff, within 56 days after initial complaint is filed to hear issue and renders final decision on the issue within 70 days after initial written complaint and forwards the decision to the RTB board.

*recommendation*

*Findings + Conclusions*

Decisions made by the Transit Dispute Resolution Board will be ~~carried out by~~ *forwarded to* by the RTB and the provider 14 days after the decision is rendered. This completes the local process. *recommendation*

*for action within*

*The affected provider would be notified of the recommendation.*

ND095A

*effective resolution process for... complaints. As we have stated, the... place for... decisions are made. It is important that the... of this decision process.*

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: September 14, 1987  
TO: Regional Transit Board  
FROM: Administration and Finance Committee  
SUBJECT: Committee Report on Meeting of September 8, 1987

The committee met on September 8, 1987 and approved the following recommendations:

1987 AMENDED REGIONAL TRANSIT BOARD BUDGET, RESOLUTION NO. 87-13

That the Regional Transit Board adopt the attached Resolution No. 87-13 revising the Regional Transit Board 1987 budget.

REGIONAL TRANSIT BOARD WELLNESS PROGRAM

That the Regional Transit Board approve the Employee Wellness Program for Regional Transit Board staff, effective October 1, 1987.

RECOMMENDATION OF CONSULTANT FOR RIDESHARE EVALUATION

That the Regional Transit Board authorize the executive director to negotiate and enter into a contract in the amount no to exceed \$40,000 with Transportation Management Services for the purpose of evaluating the delivery of rideharing services in the Twin Cities Metropolitan Area. <

1988-1990 TRANSPORTATION IMPROVEMENT PROGRAM (TIP), TRANSIT ELEMENT

One additional project has been added to the proposed 1988-1990 TIP since review by the Administration and Finance Committee on September 8. This is MTC Project No. 3460, St. Paul CBD Layover Facility.

The MTC had originally programmed this project for completion in 1987. It now appears likely that the site for this facility won't be acquired and developed until 1988. The project is, therefore, being included in the 1988-1990 Annual Element of the TIP. This project was included in the previous TIP Annual Element and in the MTC Capital Budget (See attachment). <

That the Regional Transit Board approve the transit section of the 1988-1990 Transportation Improvement Program for submittal to the Metropolitan Council.

CONTRACT AMENDMENT TO THE METRO MOBILITY EVALUATION STUDY

That the Regional Transit Board amend the Metro Mobility evaluation contract (No. 87/07/20-24) with Carter Goble Associates, Inc. from \$79,686 to \$89,232 to perform five additional work tasks related to coordinating the expansion of Metro Mobility services with the county programs funded by the Regional Transit Board.

The next meeting of the committee will be on October 5, 1987.

Ruth Franklin  
Chair

BDLAS1

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

RESOLUTION NO. 87-13  
1987 AMENDED REGIONAL TRANSIT BOARD BUDGET

WHEREAS, the Regional Transit Board adopted its 1987 budget; and

WHEREAS, the Regional Transit Board now determines it necessary and desirable to revise the 1987 operating budget:

- to authorize and fund unexpected disbursements; and
- to recognize changes in state appropriation revenues; and
- to revise transit provider expenditure projections; and
- to recognize changes to certain work programs.

NOW, THEREFORE, BE IT RESOLVED:

1. THAT the 1987 budget amended for the following additions and/or deletions:

<u>Revenues</u>	<u>Adopted</u>	<u>Proposed</u>	<u>Change</u>
Federal Grants	916,000	738,000	(178,000)
State Appropriations	24,187,700	19,756,200	(4,431,500)
Property Taxes	52,205,000	52,605,000	+ 400,000
Interest Income	1,150,000	800,000	(350,000)
Subtotal Revenue	<u>\$78,458,700</u>	<u>\$73,899,200</u>	<u>(\$4,559,500)</u>
Beg. Fund Balance	6,608,400	9,002,123	+ 2,393,723
Total Revenues & Funds	<u>\$85,067,100</u>	<u>\$82,901,323</u>	<u>(\$2,165,777)</u>
 <u>Expenditures</u>			
Program No. 87-01	368,423	368,423	-0-
87-03	249,313	249,313	-0-
87-04	237,064	237,064	-0-
87-05	120,059	120,059	-0-
87-07	-0-	26,000	+ 26,000
87-09	116,702	116,702	-0-
87-10	136,399	136,399	-0-
87-11	87,785	87,785	-0-
87-12	167,244	167,244	-0-
87-13	668,495	268,495	(400,000)
87-14	71,421,857	69,681,647	(1,740,210)
87-22	265,472	100,000	(165,472)
87-23	1,171,085	100,000	(1,071,085)
87-24	21,402	1,402	(20,000)
87-20	70,000	70,000	-0-
87-21	4,965,800	4,965,800	-0-
TOTAL EXPENDITURES	<u>\$80,067,100</u>	<u>\$76,696,333</u>	<u>(\$3,370,767)</u>
Ending Fund Balance	\$ 5,000,000	\$ 6,204,990	+ \$1,204,990

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 1987.

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

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

1988-1990  
 Transportation Improvement Program  
 for the Twin Cities Metropolitan Area  
 ANNUAL ELEMENT

<u>Recipient</u>	<u>Local Project No.</u>	<u>Project Description</u>	<u>Funding Source</u>	<u>Federal Share (\$1000's)</u>	<u>Total Cost (\$1000's)</u>	<u>Grant Status</u>
FLEET IMPROVEMENTS						
MTC	*3810	Purchase approximately 86 40-foot buses to continue replacement of 1976 AM Generals	1988 Section 9	\$ 10,694	\$ 13,368	Application to be made to UMTA
MTC	3610	Purchase up to 107 40-foot buses to replace 1971-74 vintage buses	MN-90-X020 MN-03-0034 MN-90-X026	\$ 9,114 491 1,913	\$ 11,392 658 2,606	Approved Approved Approved
MTC	3710	Purchase up to 125 40-foot buses to replace Flexible and AM General buses	MN-90-X026 MN-23-2004	\$ 9,197 5,000	\$ 11,496 6,667	Approved Pending
Subtotal				\$ 36,409	\$ 46,187	
MTC FACILITY IMPROVEMENTS						
MTC	3540	Nicollet Garage (Construct a new 175-bus service and maintenance facility to replace the current Nicollet Garage)	1987 Section 3	\$ 8,397	\$ 11,197	Application pending at UMTA
MTC	3545	Midday Bus Storage Facility (Construct a 125-bus midday storage facility adjacent to the Heywood Garage)	1987 Section 3	\$ 3,344	\$ 4,459	Application pending at UMTA
Subtotal				\$ 11,741	\$ 15,656	

\* As part of its fleet replacement program, MTC will also purchase, with local financing, approximately 14 40-foot buses and 25 articulated buses. In summary, 125 buses will be procured in 1989: 100 40-foot, 86 federal and 14 local; 25 articulated, all local.

<u>Recipient</u>	<u>Local Project No.</u>	<u>Project Description</u>	<u>Funding Source</u>	<u>Federal Share (\$1000's)</u>	<u>Total Cost (\$1000's)</u>	<u>Grant Status</u>
PUBLIC FACILITY IMPROVEMENTS						
MTC	3450	Park-and-Ride Facilities (Construct two park-and-ride facilities in Brooklyn Center and Brooklyn Park)	MN-90-X008-01	\$ 359	\$ 488	Approved
MTC	3460	St. Paul CBD Layover Facility. Acquire site, design and construction of a permanent bus layover facility near downtown St. Paul	MN-90-X020-01	\$ 423	\$ 529	Approved
MTC	3560	Bus Turnarounds (Construct two turnarounds in Minneapolis at 58th and Longfellow and 56th and Chicago)	MN-90-X020	\$ 145	\$ 182	Approved
MTC	3690	Bus Shelters (Purchase and install 75 passenger waiting shelters)	MN-05-0003	\$ 511	\$ 639	Approved
MTC	3752	Park-and-Ride Facilities (Design, site acquisition, contract administration and construction of park-and-ride facilities at four sites located in Burnsville, Newport, Mounds View, and Eden Prairie)	MN-05-0111 FAU	\$ 201 \$ 413	\$ 252 \$ 550	Approved Approved
			Subtotal	\$ 2,502	\$ 2,640	

<u>Recipient</u>	<u>Local Project No.</u>	<u>Project Description</u>	<u>Funding Source</u>	<u>Federal Share (\$1000's)</u>	<u>Total Cost (\$1000's)</u>	<u>Grant Status</u>
COMPUTERIZATION						
MTC	3320	Computer Equipment (Acquire hardware, software and accessories to support the operation enhancement or development of automated systems)	MN-05-0011	\$ 874	\$ 1,092	Approved
			MN-90-X007	\$ 356	\$ 446	Approved
			MN-90-X008-01	\$ 528	\$ 660	Approved
			MN-90-X013	\$ 134	\$ 167	Approved
			MN-90-X026	\$ 168	\$ 229	Approved
MTC	3575	Computer Applications (Acquire software for the automation of new systems and enhancement of existing systems)	MN-90-X013	\$ 685	\$ 856	Approved
				Subtotal	\$ 2,745	\$ 3,450
MISCELLANEOUS						
MTC	3823	Capital Equipment (Purchase of I-394 corridor shelter maintenance equipment, originally scheduled in 1987, delayed to 1988)	MN-90-X020	\$ 42	\$ 52	Approved
MTC	3723	Capital Equipment (Purchase of tools and equipment necessary for bus and facility operation and maintenance)	MN-90-X026	\$ 1,187	\$ 1,617	Approved
				Subtotal	\$ 1,229	\$ 1,669
				TOTAL	\$ 54,176	\$ 69,602

1988 ANNUAL ELEMENT  
 UMTA - Section 9 (Operating Assistance)

Item	Project Description	Total <sup>1</sup> (\$1000s)	Requested Federal <sup>1</sup> (\$1000s)	Source of Federal Funds
1	Operating Assistance FY 1988 (MTC)	\$60,946	\$ 8,600	UMTA Section 9
2	Estimated Operating Assistance FY 1989 (MTC)	\$62,996	\$ 8,600	UMTA Section 9

URBAN MASS TRANSPORTATION ADMINISTRATION  
SECTION 9 OPERATING ASSISTANCE

Item 1. Operating Assistance - FY 1988 (for CY 1987) - MTC

This project consists of operating assistance for the bus system owned and operated by the Metropolitan Transit Commission. The purpose of the project is to provide financial assistance to allow the MTC to continue the present quality of bus service. The federal funds shown in the 1988 Annual Element represent the entire allocation of Section 9 funds available for operating assistance.

Item 2. Operating Assistance - FY 1989 (for CY 1988) - MTC

An application for the FY 1989 funds will be submitted towards the end of 1988.

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<sup>1</sup>The total operating assistance includes all of the MTC operating budget from sources other than passenger fares, other operating revenue, and investment income. The requested federal share shown is only Section 9 operating assistance funds and does not include other federal funds, such as those for planning and demonstration projects.

1989 THROUGH 1991 MULTI-YEAR ELEMENT (MTC)

NEW FUNDING

UMTA - Section 3, 9, and Title 23

AMOUNT AND YEAR OF UMTA ENCUMBRANCE OF NEW FEDERAL FUNDS

Total Estimated Project Cost (Federal and Local)

	1989 \$1000s	1990 \$1000s	1991 \$1000s	1992 \$1000s
1. 40-Foot or Articulated Buses	\$21,125	\$ 9,763	\$ 8,710	\$ 978
2. Public Facilities (Park/ Rides, Turnarounds)	735	764	795	827
3. Computerization	635	635	661	687
4. Equipment	1,872	1,947	2,025	1,000
5. Other	0	15	934	7,008
Total	\$24,367	\$13,124	\$13,125	\$10,500

PROJECT DESCRIPTIONS

Item 1 - Buses

The projections above are based on MTC's 1987 Fleet Modernization Plan which includes the following bus plan:

<u>Number and Type of Buses</u>	<u>Contract Encumbered</u>	<u>Delivered</u>
125 40-foot	1989	1990
55 40-foot	1990	1991
24 Articulated	1991	1992
5 40-foot	1992	1993

Item 2 - Public Facilities (Park/Ride Lots and Bus Turnarounds)

The park/ride program calls for the construction of two lots per year with right-of-way acquisition, design and construction for each lot usually requiring two years. One or two bus turnarounds will be constructed in each year of this program.

Item 3 - Computerization

The MTC will continue to modernize the operation of its buses, facilities and offices through implementation of automated systems including acquisition of new, upgrading and enhancement of existing mainframe systems and acquisition of microcomputer equipment.

Item 4 - Equipment

Through this program the MTC will purchase equipment to aid in the operation and maintenance of its facilities and its bus fleet. Typical items include service vehicles, staff automobiles, fare collection equipment, and equipment for bus maintenance. Also included is a staged replacement of MTC's bus mobile radios.

Item 5 - Other

This item includes items such as MTC facilities improvements and special projects not included in the above categories. In 1992 in the table above the majority of funds are categorized as other. In that year, less funding will be required for buses making more available for facilities improvements or other projects.

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: September 17, 1987  
TO: Regional Transit Board  
FROM: Judith G. Hollander *JGH*  
SUBJECT: Revised Proposal for the Twin Cities Metropolitan Area's Private Transit Operator Participation Process

SUMMARY

The purpose of this memorandum is to transmit the revised proposal for the Twin Cities Metropolitan Area's Private Transit Operator Participation Process. A recommendation for endorsement of the proposal is presented.

BACKGROUND

The proposal for the Twin Cities Metropolitan Area's Private Transit Operator Participation Process, prepared by Metropolitan Council staff and presented to the Policy Committee on August 17, 1987, has been revised. The document had been scheduled to be presented at the September 8 RTB meeting along with staff comments, but that presentation was delayed pending the receipt of the revised version of the proposal. The revised proposal will now be presented at the board meeting of September 21. The revision was made in an effort to incorporate MTC concerns as well as the staff comments made by the RTB.

The proposal has been presented to the Metropolitan Transit Commission. Their comments on the revised proposal are now being prepared and will be available at the September 21 meeting. The Metro Council's Metro System Committee will be reviewing the proposal at their meeting of September 22.

Attached to this memorandum is the following information:

- \* Memorandum to the Metropolitan Systems Committee from the Transportation Staff including the revised proposal for Private Transit Operator Participation
- \* Letter from Joel Ettinger, UMTA Region 5 including preliminary comments on the original proposal.

As you will recall, the proposal for the Twin Cities Metropolitan Area's Private Transit Operator Process was developed in response to a series of meetings between the Urban Mass Transportation Administration (UMTA) representatives and the Metro Council, the MTC and the RTB. These meetings were initiated by UMTA due to their concerns regarding compliance with section 3 (e) of the Urban Mass Transportation Act as implemented by UMTA Circular 7005.1 and UMTA's 1984 Private Sector Participation Policy.

The proposal is intended to accomplish two objectives:

- To establish a local forum where concerns regarding private sector participation in the provision of transit services can be addressed; and
- To establish a dispute resolution process that affords all interested parties an opportunity to object to an initial transit decision.

#### ANALYSIS

The revised proposal for the Twin Cities Metropolitan Area's Private Transit Operator Participation Process has been modified as follows in an effort to respond to MTC and RTB staff concerns:

- \* The timeline for resolving disputes has been decreased in order to provide for a more timely resolution of disputes.
- \* Clarification has been made that the Provider Advisory Committee become involved early in the planning process for new and restructured services.
- \* Clarification has been made that the Provider Advisory Committee structure does not replace any discussion that should appropriately occur between the board members of the Metropolitan Transit Commission and the Regional Transit Board on the issues identified in the memorandum.

Upon review of the revised document, RTB staff feels that their concerns, identified in the August 31, 1987, memorandum to the RTB, have been adequately addressed and finds that the proposed process is consistent with UMTA's guidelines and RTB policies and procedures.

#### FINDINGS AND CONCLUSIONS

- \* The Metropolitan Council staff has prepared a proposal to revise the Twin Cities Metropolitan Area's Private Transit Operator Participation Process in response to UMTA's concerns regarding compliance with federal policy regarding the participation of private operators in the planning process.
- \* The Metro Council's proposal is intended to accomplish two major objectives: (1) to establish a local forum where concerns regarding private sector participation in the provision of transit services can be addressed; and (2) to establish a dispute resolution process which affords all interested parties an opportunity to object to an initial transit decision.
- \* RTB staff finds that the approach taken in the Metro Council's proposal is consistent with UMTA guidelines and RTB policies and procedures. "The revision of the proposal is responsive to RTB staff concerns identified in the memorandum of August 31, 1987 to the RTB.

Page 3

RECOMMENDATION

That the Regional Transit Board endorse the proposed Proposal for the Twin Cities Metropolitan Area's Private Transit Operator Participation Process.

JHMISC  
Att.

Metropolitan Council of the Twin Cities Area  
300 Metro Square Building, Saint Paul, Minnesota 55101

DATE: September 15, 1987  
TO: Metropolitan Systems Committee  
FROM: Transportation Staff (K. Lyons, S. Wilson)  
SUBJECT: Proposal for Private Transit Operator Participation

BACKGROUND

The Urban Mass Transportation Administration (UMTA) requires that Metropolitan Planning Organizations (MPO's) ensure that local transportation planning processes are consistent with UMTA policy regarding involvement of private transportation providers in planning and service provision. In response to UMTA requirements and concerns recently expressed concerning the effectiveness of the existing process, Metropolitan Council staff is proposing that the process outlined in the attachment be endorsed by the Metropolitan Council and implemented by October 30, 1987.

OBJECTIVES OF PROCESS

The proposal is intended to accomplish two major objectives. First, the process should provide a means for transit providers, both public and private, to openly discuss issues involving transit service provision and provide input into transit service decision-making. Second, the process should allow for an independent, objective, dispute resolution process that affords transit providers opportunities to object to initial transit service decisions.

PROPOSED STRUCTURE

Advisory Committee

To provide for meaningful input by both public and private transit operators into policy decisions concerning transit services, an Advisory Committee is proposed that serves as a forum for open discussion by providers of transit service issues described in the attachment. The Committee will advise the RTB regarding pertinent provider policy issues, such as new and restructured services, process for selection of providers of service and evaluation of existing services, and will attempt to assist in resolving conflicts between providers prior to the formal dispute resolution process described below.

Dispute Resolution Board

A Dispute Resolution Board independent of transit operation and service implementation decisions is proposed to render decisions on complaints made by providers after all avenues of complaint resolution have been exhausted and after the RTB has taken formal action to resolve the issue. One Council member, one RTB member, and two Advisory Committee members not affected by the dispute, would make up the Dispute Resolution Board and a Transportation Advisory Board member would serve as the chair and tie-breaker.

RECOMMENDATION

That the Metropolitan Council endorse the proposed Private Transit Operator Participation Process.

Metropolitan Council of the Twin Cities Area  
300 Metro Square Building, 7th and Robert Streets  
St. Paul, Minnesota 55101 Tel. 612 291-6359/TDD 291-0904

Proposal for the  
Twin Cities Metropolitan Area's  
Private Transit Operator Participation  
Process

September 15, 1987

Introduction

This proposal is in response to a series of meetings between representatives of the Urban Mass Transportation Administration (UMTA) Region 5 and Headquarters offices and the Metropolitan Council, Metropolitan Transit Commission (MTC), and Regional Transit Board (RTB) held to discuss UMTA concerns regarding Section 3(e) compliance in the Twin Cities Area.

UMTA guidelines (in particular, UMTA Circular 7005.1) require that local planning processes be consistent with UMTA policy regarding the involvement of private transportation providers. These guidelines are intended to provide a greater competitive environment and increase opportunities for private sector participation in mass transportation operations funded with Federal assistance under Sections 3 and 9 of the UMTA Act of 1964, as amended, and Sections 103(e)(4) and 142 of Title 23, U.S.C.

A letter from UMTA Regional Administrator Joel Ettinger dated July 8, 1987, clarifies the minimum requirements of local processes as identified in the UMTA Circular 7005.1, which are:

1. Notice to and early consultation with private providers in plans involving new or restructured service as well as the periodic re-examination of existing service.
2. Periodic examination, at least every three years, of each route to determine if it could be more efficiently operated by a private enterprise.
3. Description of how new and restructured services will be evaluated to determine if they could be more effectively provided by private sector operation pursuant to a competitive bid process.
4. The use of costs as a factor in the private/public decision.
5. A dispute resolution process which affords all interested parties an opportunity to object to the initial decision. UMTA's complaint process is designed to accept appeals of this local dispute resolution process.

The Metropolitan Council is proposing that the process described in this paper replace the existing private sector participation process in the Twin Cities Metropolitan Area. The existing process consists of involvement of private operators in the transit planning activities conducted by the RTB with appeals heard by the Metropolitan Council as part of the preparation and approval of the Transportation Improvement Program (TIP). The RTB, formed by the Minnesota Legislature to plan, administer and coordinate transit services in the Twin Cities Metropolitan Area (functions formerly provided by the MTC), offers private operators opportunities to participate in transit planning through membership on advisory committees and special study management teams, as well as at quarterly providers meetings and in review of the proposed transit TIP elements.

Concerns have recently been expressed regarding the effectiveness of the existing process. The Twin Cities Metropolitan Area has been requested by UMTA to strengthen the private transit operator participation process to offer providers opportunities to receive early notification of transit plans and service proposals for new and restructured service, to participate in the re-examination of existing services, and to provide a way to resolve objections to transit decisions.

This proposal is intended to accomplish two major objectives:

- To establish a local forum where concerns regarding private sector participation in the provision of transit services can be addressed.
- To establish a dispute resolution process which affords transit providers an opportunity to object to an initial transit decision.

The process for addressing transit provider concerns will be carried out by the RTB in its role as the regional transit planning agency through an advisory committee. Oversight will be provided by the Council, primarily in the dispute resolution process, in its role as the Metropolitan Planning Organization for the region.

#### Proposed Participation Process

A regional forum for open discussion by providers and community officials of issues related to transit service planning and implementation in the Twin Cities is proposed for formation by October 30, 1987. This forum, an advisory committee made up of representatives of the private for-profit, private non-profit, and public transit operators, taxi companies, and community representatives, will serve as an Advisory Committee to the Regional Transit Board.

The major role of the Committee will be to advise the Regional Transit Board on plans involving new or restructured services, as well as periodic re-examination of existing services. The Committee will receive early

notification from the RTB and transit providers regarding transit service issues related to the five previously discussed UMTA requirements. The scope of the committee's responsibilities will cover pertinent issues associated mainly with regular route transit, as well as other transit and paratransit services that receive state, regional or UMTA transit funding, including operating and capital funds. Since the focus of the Committee will be on regular route transit, when issues arise with respect to elderly and handicapped services or ridesharing, the Committee should refer those issues for recommendation to the Transportation Handicapped Advisory Committee and the Rideshare Advisory Committee.

At the present time, the RTB and the MTC have agreed upon interim financial and performance standards for MTC service. These include definition of existing service and of new and restructured service as well the possible competitive bidding of existing MTC service based on route subsidy levels of \$2.45 or greater. The RTB intends to revise those interim standards and develop new standards for all services that receive RTB funding in consultation with the MTC and the Advisory Committee. As part of this revision, the Advisory Committee will discuss the following issues and present initial findings and recommendations to the RTB by December 31, 1987:

- Redefinition of "new" and "restructured" services.
- Process and timing of planning and service decisions to ensure early consultation compliance.
- Process for evaluation of new and restructured service, including timing, use of fully allocated costs, review criteria, implementation of decisions, and roles.
- Process for periodic reviews of existing services, including same issues as above.

In addition, the Advisory Committee will provide input on the following:

- Transportation Improvement Program (TIP).
- RTB Capital Needs Study.
- Impediments to competitive bidding.
- Transit provider complaints.
- Other appropriate issues.

The Advisory Committee should participate early in the planning process for new and restructured services. The Advisory Committee should be notified as planning for service changes are initiated and should be kept informed throughout the planning process. The recommended services changes for new and restructured services should be formally reviewed by the Advisory Committee at least 30 days prior to RTB or other appropriate action.

### ADVISORY COMMITTEE MEMBERS

- 2 representatives of private for-profit transit operators
- 1 private non-profit transit provider
- 1 taxicab representative
- 1 MTC staff representative
- 3 community representatives, one from the Central Cities and two from the suburbs (One suburban representative will reside in an area having a community-based transit system)

The Advisory Committee will receive staff support from the RTB and will be chaired by a citizen knowledgeable about transit but not representing any particular transit interest. Members will be appointed by the Regional Transit Board through an application process to the RTB. Issues referred by the advisory committee to the Transportation Handicapped Advisory Committee and the Rideshare Advisory Committee will be coordinated with this Committee in providing recommendations to the Regional Transit Board.

### Dispute Resolution Process

A review board appointed by the Metropolitan Council is proposed to afford all transit providers an opportunity to object to decisions made by the RTB and providers regarding transit services. This Transit Dispute Resolution Board will be staffed by the Council's transportation division and made up of the following members:

### TRANSIT DISPUTE RESOLUTION BOARD

- 1 Metropolitan Council Member
- 1 Regional Transit Board Member
- 2 Members of the advisory committee not directly affected by the dispute appointed by the Council
- 1 Transportation Advisory Board member who would serve as the tie-breaker and chair of the Dispute Resolution Board

The Dispute Resolution Board will be appointed on a case by case basis to avoid conflicts of interest. Disputes and complaints that arise between providers, or between a provider and the RTB, should first be addressed through discussion of the issue with the Advisory Committee and, hopefully, action taken by the RTB to avoid a formal dispute resolution process. The process for provider objections to decisions and proposals made by the RTB or providers is described below. The first three steps offer an opportunity to resolve conflict between providers within the Advisory Committee/RTB structure. The last two steps constitute a formal dispute resolution process under the umbrella of the Dispute Resolution Board.

- Complainant requests review of the problem by the Advisory Committee and by the respondent\* through filing of a written complaint with the Committee Chair and the respondent. The written complaint clearly identifies major areas of concern. Copies sent to RTB and Council staff.

\* A respondent is the agency or jurisdiction that took the aggrieved action.

- Respondent meets with complainant within 7 days of receiving written complaint to discuss problem and issues a written response to complainant within 21 days of receiving complaint (copy sent to Advisory Committee Chair, RTB staff and Council staff).
- Concurrent with the previous step, complainant brings the issue to the Advisory Committee for discussion. If necessary, the Committee makes a recommendation for RTB action and subsequent respondent implementation. RTB action, if needed, should be taken within 35 days of original complaint.
- If complainant is still not satisfied with resolution, the complainant sends a request for Dispute Resolution to Council staff within 42 days of originally filing written complaint, with a copy to the respondent, RTB, and Advisory Committee chair, documenting original written complaint, a summary of meetings/discussions with respondent and Advisory Committee and RTB, and basis for dissatisfaction with resolution.
- Transit Dispute Resolution Board meets with complainant, respondent including RTB staff, within 56 days after initial written complaint is filed to hear issue and renders final decision on the *pic* issue within 70 days after initial written complaint and forwards the decision to the RTB board.

*Findings & Rec*  
~~Decisions~~ made by the Transit Dispute Resolution Board *Forward to RTB for final* ~~will be carried out by~~ *action*  
*by the RTB* and the provider 14 days after the decision is rendered. This  
 completes the local process.

# EXECUTIVE CORRESPONDENCE



U.S. Department  
of Transportation

**Urban Mass  
Transportation  
Administration**

Region V  
Illinois, Indiana, Michigan,  
Minnesota, Ohio, Wisconsin

300 South Wacker Drive  
Suite 1703  
Chicago, Illinois 60606

Mr. Natalie Diaz  
Manager, Transportation Division  
Metropolitan Council  
300 Metro Square Building  
Seventh and Robert Streets  
St. Paul, Minnesota 55101

10 SEP 1987

Dear Mr. Diaz:

This is in response to your recent submission of a proposed Private Sector Participation Process for the Twin Cities Metropolitan area. The Urban Mass Transportation Administration (UMTA) appreciates your efforts and cooperation in bringing the parties together to address the issues and develop this process.

Let me again emphasize the intent of UMTA's private sector policy. Section 3(e), 8(e), and 9(f) of the Urban Mass Transportation Act of 1964, as amended, require findings of grantee compliance to be made concerning the involvement of private transportation providers in the local planning process. Implementation of these sections of the Act are intended to provide a greater competitive environment and increase the opportunities for private sector participation in mass transportation operations. Although the final decision is a local one, the means by which local public bodies select service providers must allow UMTA to make the statutory findings. UMTA accepts your proposal on four of the five points listed on our July 9 letter. However, we are not able to agree at this time with your fourth point, "the use of cost as a factor in the private/public decision". Further discussion of this issue is contained in C below.

The following are specific comments we have regarding your proposal.

- A. The advisory committee and dispute resolution board which you described in the letter properly address the need for consultation throughout the process as well as provide an effective resolution process for private provider complaints. As we have stated, the appropriate place for mediation and resolution is at the local level where service decisions are made. It is important that the MTC be a part of this decision process.

**DO NOT WRITE ON THIS COVER AS IT IS INTENDED FOR RE-USE  
RETURN IT WITH THE FILE COPIES TO ORIGINATING OFFICE**

- B. The interim guidelines for the evaluation of MTC services should satisfy the need for periodic review of routes to ensure cost effectiveness. The definition of restructured service as "any rerouting of over 50 percent of an existing MTC route's mileage or any freestanding new routes...." is acceptable although we would suggest that the MTC and RTB be amenable to recognizing that a change of less than 50 percent also may be significant and worthy of consideration as a candidate for competitive bidding.

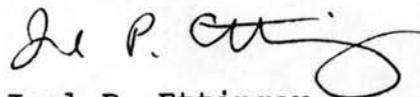
Also, we would like to clarify the meaning of the term mileage. We suggest that vehicle miles of service be used as opposed to route miles. This would allow for the inclusion in the definition of restructured service those changes that result in an increase in service frequency although no route miles are added.

- C. As stated previously, it is not clear if the fourth point (fully allocated cost) in your July 9 letter is acceptable. The MTC's method of fully allocated attributable costs when bidding on service is acceptable. However, when MTC is evaluating proposals including their own, we recommend that the third paragraph be revised to include information that will be developed by MTC for the cost analysis. The MTC could clarify their position by stating that both fully allocated and incremental cost estimates will be prepared and considered in the cost analysis. The MTC might also state that fully allocated cost as well as other cost and non-cost factors will be considered in the selection of service provider.

In order to assist the MTC in the development of their fully allocated costing methodology, we would be happy to provide technical assistance through the Public Private Transportation Network (PPTN). The costing element is the key to providing local decisionmakers with the accurate data to make cost effective decisions. We would suggest that John Martz of the Rice Center visit with you, the RTB and the MTC within the next few weeks to resolve this issue. We will call you to determine the most convenient date for all.

Again, thank you for your efforts and please keep me informed of your progress.

Sincerely,



Joel P. Ettinger  
Regional Administrator

cc: Gregory L. Andrews, RTB  
John J. Capell, MTC

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: September 14, 1987  
TO: Regional Transit Board  
FROM: Administration and Finance Committee  
SUBJECT: Committee Report on Meeting of September 8, 1987

The committee met on September 8, 1987 and approved the following recommendations:

1987 AMENDED REGIONAL TRANSIT BOARD BUDGET, RESOLUTION NO. 87-13

That the Regional Transit Board adopt the attached Resolution No. 87-13 revising the Regional Transit Board 1987 budget.

REGIONAL TRANSIT BOARD WELLNESS PROGRAM

That the Regional Transit Board approve the Employee Wellness Program for Regional Transit Board staff, effective October 1, 1987.

RECOMMENDATION OF CONSULTANT FOR RIDESHARE EVALUATION

That the Regional Transit Board authorize the executive director to negotiate and enter into a contract in the amount no to exceed \$40,000 with Transportation Management Services for the purpose of evaluating the delivery of rideharing services in the Twin Cities Metropolitan Area.

1988-1990 TRANSPORTATION IMPROVEMENT PROGRAM (TIP), TRANSIT ELEMENT

One additional project has been added to the proposed 1988-1990 TIP since review by the Administration and Finance Committee on September 8. This is MTC Project No. 3460, St. Paul CBD Layover Facility.

The MTC had originally programmed this project for completion in 1987. It now appears likely that the site for this facility won't be acquired and developed until 1988. The project is, therefore, being included in the 1988-1990 Annual Element of the TIP. This project was included in the previous TIP Annual Element and in the MTC Capital Budget (See attachment).

That the Regional Transit Board approve the transit section of the 1988-1990 Transportation Improvement Program for submittal to the Metropolitan Council.

CONTRACT AMENDMENT TO THE METRO MOBILITY EVALUATION STUDY

That the Regional Transit Board amend the Metro Mobility evaluation contract (No. 87/07/20-24) with Carter Goble Associates, Inc. from \$79,686 to \$89,232 to perform five additional work tasks related to coordinating the expansion of Metro Mobility services with the county programs funded by the Regional Transit Board.

The next meeting of the committee will be on October 5, 1987.

Ruth Franklin  
Chair

BDLAS1

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

RESOLUTION NO. 87-13  
1987 AMENDED REGIONAL TRANSIT BOARD BUDGET

WHEREAS, the Regional Transit Board adopted its 1987 budget; and

WHEREAS, the Regional Transit Board now determines it necessary and desirable to revise the 1987 operating budget:

- to authorize and fund unexpected disbursements; and
- to recognize changes in state appropriation revenues; and
- to revise transit provider expenditure projections; and
- to recognize changes to certain work programs.

NOW, THEREFORE, BE IT RESOLVED:

1. THAT the 1987 budget amended for the following additions and/or deletions:

<u>Revenues</u>	<u>Adopted</u>	<u>Proposed</u>	<u>Change</u>
Federal Grants	916,000	738,000	(178,000)
State Appropriations	24,187,700	19,756,200	(4,431,500)
Property Taxes	52,205,000	52,605,000	+ 400,000
Interest Income	1,150,000	800,000	(350,000)
Subtotal Revenue	<u>\$78,458,700</u>	<u>\$73,899,200</u>	<u>(\$4,559,500)</u>
Beg. Fund Balance	6,608,400	9,002,123	+ 2,393,723
Total Revenues & Funds	<u>\$85,067,100</u>	<u>\$82,901,323</u>	<u>(\$2,165,777)</u>
 <u>Expenditures</u>			
Program No. 87-01	368,423	368,423	-0-
87-03	249,313	249,313	-0-
87-04	237,064	237,064	-0-
87-05	120,059	120,059	-0-
87-07	-0-	26,000	+ 26,000
87-09	116,702	116,702	-0-
87-10	136,399	136,399	-0-
87-11	87,785	87,785	-0-
87-12	167,244	167,244	-0-
87-13	668,495	268,495	(400,000)
87-14	71,421,857	69,681,647	(1,740,210)
87-22	265,472	100,000	(165,472)
87-23	1,171,085	100,000	(1,071,085)
87-24	21,402	1,402	(20,000)
87-20	70,000	70,000	-0-
87-21	4,965,800	4,965,800	-0-
TOTAL EXPENDITURES	<u>\$80,067,100</u>	<u>\$76,696,333</u>	<u>(\$3,370,767)</u>
Ending Fund Balance	\$ 5,000,000	\$ 6,204,990	+ \$1,204,990

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 1987.

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

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

1988-1990  
 Transportation Improvement Program  
 for the Twin Cities Metropolitan Area  
 ANNUAL ELEMENT

<u>Recipient</u>	<u>Local Project No.</u>	<u>Project Description</u>	<u>Funding Source</u>	<u>Federal Share (\$1000's)</u>	<u>Total Cost (\$1000's)</u>	<u>Grant Status</u>
<b>FLEET IMPROVEMENTS</b>						
MTC	*3810	Purchase approximately 86 40-foot buses to continue replacement of 1976 AM Generals	1988 Section 9	\$ 10,694	\$ 13,368	Application to be made to UMTA
MTC	3610	Purchase up to 107 40-foot buses to replace 1971-74 vintage buses	MN-90-X020 MN-03-0034 MN-90-X026	\$ 9,114 491 1,913	\$ 11,392 658 2,606	Approved Approved Approved
MTC	3710	Purchase up to 125 40-foot buses to replace Flxible and AM General buses	MN-90-X026 MN-23-2004	\$ 9,197 5,000	\$ 11,496 6,667	Approved Pending
Subtotal				\$ 36,409	\$ 46,187	
<b>MTC FACILITY IMPROVEMENTS</b>						
MTC	3540	Nicollet Garage (Construct a new 175-bus service and maintenance facility to replace the current Nicollet Garage)	1987 Section 3	\$ 8,397	\$ 11,197	Application pending at UMTA
MTC	3545	Midday Bus Storage Facility (Construct a 125-bus midday storage facility adjacent to the Heywood Garage)	1987 Section 3	\$ 3,344	\$ 4,459	Application pending at UMTA
Subtotal				\$ 11,741	\$ 15,656	

\* As part of its fleet replacement program, MTC will also purchase, with local financing, approximately 14 40-foot buses and 25 articulated buses. In summary, 125 buses will be procured in 1989: 100 40-foot, 86 federal and 14 local; 25 articulated, all local.

<u>Recipient</u>	<u>Local Project No.</u>	<u>Project Description</u>	<u>Funding Source</u>	<u>Federal Share (\$1000's)</u>	<u>Total Cost (\$1000's)</u>	<u>Grant Status</u>
PUBLIC FACILITY IMPROVEMENTS						
MTC	3450	Park-and-Ride Facilities (Construct two park-and-ride facilities in Brooklyn Center and Brooklyn Park)	MN-90-X008-01	\$ 359	\$ 488	Approved
MTC	3460	St. Paul CBD Layover Facility. Acquire site, design and construction of a permanent bus layover facility near downtown St. Paul	MN-90-X020-01	\$ 423	\$ 529	Approved
MTC	3560	Bus Turnarounds (Construct two turnarounds in Minneapolis at 58th and Longfellow and 56th and Chicago)	MN-90-X020	\$ 145	\$ 182	Approved
MTC	3690	Bus Shelters (Purchase and install 75 passenger waiting shelters)	MN-05-0003	\$ 511	\$ 639	Approved
MTC	3752	Park-and-Ride Facilities (Design, site acquisition, contract administration and construction of park-and-ride facilities at four sites located in Burnsville, Newport, Mounds View, and Eden Prairie)	MN-05-0111 FAU	\$ 201 \$ 413	\$ 252 \$ 550	Approved Approved
			Subtotal	\$ 2,502	\$ 2,640	

<u>Recipient</u>	<u>Local Project No.</u>	<u>Project Description</u>	<u>Funding Source</u>	<u>Federal Share (\$1000's)</u>	<u>Total Cost (\$1000's)</u>	<u>Grant Status</u>
COMPUTERIZATION						
MTC	3320	Computer Equipment (Acquire hardware, software and accessories to support the operation enhancement or development of automated systems)	MN-05-0011	\$ 874	\$ 1,092	Approved
			MN-90-X007	\$ 356	\$ 446	Approved
			MN-90-X008-01	\$ 528	\$ 660	Approved
			MN-90-X013	\$ 134	\$ 167	Approved
			MN-90-X026	\$ 168	\$ 229	Approved
MTC	3575	Computer Applications (Acquire software for the automation of new systems and enhancement of existing systems)	MN-90-X013	\$ 685	\$ 856	Approved
				Subtotal	\$ 2,745	\$ 3,450
MISCELLANEOUS						
MTC	3823	Capital Equipment (Purchase of I-394 corridor shelter maintenance equipment, originally scheduled in 1987, delayed to 1988)	MN-90-X020	\$ 42	\$ 52	Approved
MTC	3723	Capital Equipment (Purchase of tools and equipment necessary for bus and facility operation and maintenance)	MN-90-X026	\$ 1,187	\$ 1,617	Approved
				Subtotal	\$ 1,229	\$ 1,669
				TOTAL	\$ 54,176	\$ 69,602

1988 ANNUAL ELEMENT  
 UMTA - Section 9 (Operating Assistance)

Item	Project Description	Total <sup>1</sup> (\$1000s)	Requested Federal <sup>1</sup> (\$1000s)	Source of Federal Funds
1	Operating Assistance FY 1988 (MTC)	\$60,946	\$ 8,600	UMTA Section 9
2	Estimated Operating Assistance FY 1989 (MTC)	\$62,996	\$ 8,600	UMTA Section 9

URBAN MASS TRANSPORTATION ADMINISTRATION  
SECTION 9 OPERATING ASSISTANCE

Item 1. Operating Assistance - FY 1988 (for CY 1987) - MTC

This project consists of operating assistance for the bus system owned and operated by the Metropolitan Transit Commission. The purpose of the project is to provide financial assistance to allow the MTC to continue the present quality of bus service. The federal funds shown in the 1988 Annual Element represent the entire allocation of Section 9 funds available for operating assistance.

Item 2. Operating Assistance - FY 1989 (for CY 1988) - MTC

An application for the FY 1989 funds will be submitted towards the end of 1988.

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<sup>1</sup>The total operating assistance includes all of the MTC operating budget from sources other than passenger fares, other operating revenue, and investment income. The requested federal share shown is only Section 9 operating assistance funds and does not include other federal funds, such as those for planning and demonstration projects.

1989 THROUGH 1991 MULTI-YEAR ELEMENT (MTC)  
NEW FUNDING

• • UMTA - Section 3, 9, and Title 23

AMOUNT AND YEAR OF UMTA ENCUMBRANCE OF NEW FEDERAL FUNDS

Total Estimated Project Cost (Federal and Local)

	<u>1989</u> \$1000s	<u>1990</u> \$1000s	<u>1991</u> \$1000s	<u>1992</u> \$1000s
1. 40-Foot or Articulated Buses	\$21,125	\$ 9,763	\$ 8,710	\$ 978
2. Public Facilities (Park/ Rides, Turnarounds)	735	764	795	827
3. Computerization	635	635	661	687
4. Equipment	1,872	1,947	2,025	1,000
5. Other	<u>0</u>	<u>15</u>	<u>934</u>	<u>7,008</u>
Total	\$24,367	\$13,124	\$13,125	\$10,500

PROJECT DESCRIPTIONS

Item 1 - Buses

The projections above are based on MTC's 1987 Fleet Modernization Plan which includes the following bus plan:

<u>Number and Type of Buses</u>	<u>Contract Encumbered</u>	<u>Delivered</u>
125 40-foot	1989	1990
55 40-foot	1990	1991
24 Articulated	1991	1992
5 40-foot	1992	1993

Item 2 - Public Facilities (Park/Ride Lots and Bus Turnarounds)

The park/ride program calls for the construction of two lots per year with right-of-way acquisition, design and construction for each lot usually requiring two years. One or two bus turnarounds will be constructed in each year of this program.

Item 3 - Computerization

The MTC will continue to modernize the operation of its buses, facilities and offices through implementation of automated systems including acquisition of new, upgrading and enhancement of existing mainframe systems and acquisition of microcomputer equipment.

Item 4 - Equipment

Through this program the MTC will purchase equipment to aid in the operation and maintenance of its facilities and its bus fleet. Typical items include service vehicles, staff automobiles, fare collection equipment, and equipment for bus maintenance. Also included is a staged replacement of MTC's bus mobile radios.

Item 5 - Other

This item includes items such as MTC facilities improvements and special projects not included in the above categories. In 1992 in the table above the majority of funds are categorized as other. In that year, less funding will be required for buses making more available for facilities improvements or other projects.