



Minnesota Regional Transit
Board: Records.

Copyright Notice:

This material may be protected by copyright law (U.S. Code, Title 17). Researchers are liable for any infringement. For more information, visit www.mnhs.org/copyright.



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

MEETING OF THE REGIONAL TRANSIT BOARD
Monday, October 5, 1987
Metropolitan Council Chambers
4:00 p.m.

AGENDA

1. Call to Order and Roll Call
2. Approval of Agenda
3. Consent List
4. REPORT OF THE POLICY COMMITTEE Doris Caranicas,
Chair
 - ✓ A. Final 504 Compliance Plan with Response to Public Comments
 - ✓ B. Metro Mobility Ridership Impact Recommendations
 - ✓ C. Public Hearing on Proposed Standards, Procedures and Guidelines for Competitive Procurement of Public Transit Services
5. REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE Ruth Franklin,
Chair
6. OTHER BUSINESS
 - A. Chairman's Report
 - ✓ 1) Process and Timetable for Establishing Providers Advisory Committee
 - B. Members' Reports
 - C. Advisory Committee Reports
 - D. Staff Reports:
 - 1) Overview of New Northeast Suburban Transit Service
 - 2) New Transit Project Request for 1988 Exurban Funds
7. PUBLIC COMMENT

Elliott Perovich
Chairman

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: September 25, 1987
TO: Regional Transit Board
FROM: Elliott Perovich, Chairman
SUBJECT: Consent List

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

Environmental Assessment Worksheet for the Renovation of First Street Station and Adjoining New Construction of the River Road Apartments in Downtown Minneapolis

This document outlines the process to be followed in the Environmental Impact Statement (EIS) for the proposed River Road Apartments project. The proposed project is a 416-unit apartment complex located at First Street South and Fifth Avenue South in downtown Minneapolis. The RTB has been asked to comment on the Environmental Assessment Worksheet by the City of Minneapolis. Review of this document has been completed and the RTB finds that no significant impact on transit will occur by the development of the River Road Apartments project.

Project Path Report and Environmental Assessment of Interstate 694 Lane Addition and Construction between T.H. 152 and I-35W in Brooklyn Center, Fridley, New Brighton, and Arden Hills

The Minnesota Department of Transportation (Mn/DOT) has requested that the Regional Transit Board review and comment on improvements to the controlled access of Highway I-694 between T.H. 152 and I-35W. The RTB previously reviewed this project in 1985. The current project expands the scope of the work an additional mile and a half. The Regional Transit Board has reviewed the additional scope of this project and finds no significant impact on transit.

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: September 22, 1987
TO: Regional Transit Board
FROM: Policy Committee
SUBJECT: Committee Report on Meeting of September 21, 1987

At its September 21, 1987, meeting, the Policy Committee discussed and approved the following recommendations:

Final 504 Compliance Plan with Response to Public Comments

That the Regional Transit Board approve submitting to the Urban Mass Transportation Administration the final 504 Compliance Plan with changes to Chapter VI, "Documentation of Cost," and with the responses to the public comments received on the draft plan.

Metro Mobility Ridership Impact Recommendations

That the Regional Transit Board:

1. Direct the MMAC to budget \$3,642,000 for trips during the period from August through December 1987 (see)
2. Adopt a policy requiring Metro Mobility providers to obtain RTB administrative approval prior to serving standing orders that are agency oriented.
3. Extend the Metro Mobility provider contracts for three months beyond the current termination date of December 31, 1987.
4. Delay the Phase II expansion of Metro Mobility service until April 1, 1988.

Public Hearing on Proposed Standards, Procedures and Guidelines for Competitive Procurement of Public Transit Services

That the Regional Transit Board adopt the draft set of standards, procedures and guidelines for competitive procurement of public transit services for purposes of a public hearing to be held October 21, 1987. Further, that the RTB solicit comments during the public hearing process on the issues for which the Competitive Transit Advisory Team was unable to reach consensus as well as the listing of general comments raised by the advisory team.

Policy Committee
September 22, 1987
Page 2

Other issues that were discussed but that required no action included:

- o Transit Test Marketing of New Services
- o Nicollet Mall Study

Two informational agenda items--Overview of New Northeast Suburban Transit Service, and New Transit Project Request for 1988 Exurban Funds--were carried over to the next board meeting.

Doris Caranicas
Chair

PC/BD/TX1

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: September 11, 1987
TO: Policy Committee
FROM: Cyndie Mayer, Project Administrator
SUBJECT: Overview of New Northeast Suburban Transit Service

SUMMARY

The purpose of this memorandum is to provide staff comments on the application submitted by the communities of Maplewood, North St. Paul, and Oakdale to implement a new suburban transit service. No action is requested at this time. Staff will provide further information at a future Board meeting when the contract recommendation is presented.

BACKGROUND

The communities of Maplewood, North St. Paul, and Oakdale were identified in the RTB's Implementation and Financial Plan as representing an area where new service concepts could be tested, based on needs identified for better internal circulation. These communities have proposed to implement a general public dial-a-ride service, which can be classified as a small urban program; it is similar in nature to programs operating in White Bear Lake and Hastings. This classification would make it eligible for state financial assistance.

For the evaluation of new service, an application and management plan, which demonstrate that identified transit needs can be effectively met, must be developed for RTB review and approval. If approved as a small urban program, recipients are also required to contribute a local share to cover 40 percent of the total operating cost of the program.

DISCUSSION

Based on the results of a survey completed by the Maplewood, North St. Paul, and Oakdale chambers of commerce and the findings of the RTB's Implementation and Financial Plan regarding the need for improving transit in this area, a joint powers authority was established by the three communities earlier this year to enable the development of a suburban community transit program which has been named the Northeast Suburban Transit (NEST) program.

RTB staff has participated in several meetings with community officials representing NEST, which formally submitted an application for financial assistance to the RTB. The proposed NEST budget for 1988 is \$149,190 with RTB transit assistance of \$89,514 and a local share of \$59,676 including approximately \$28,000 in farebox revenues.

In the management plan, NEST provided a description of the proposed service, the organizational structure, the levels of service, marketing, coordination with existing transit operations, vehicle maintenance program, driver selection, insurance, budget and operating statistics including fare revenues. NEST also provided an understanding of their financial commitment to the program.

In previous months, the RTB planning staff has assisted NEST in reviewing service planning concepts for the program. The city staff members responsible for initiating the service recently met with the RTB programs staff to discuss the development of a request for proposal to contract for services and a start-up marketing plan for implementing the new service.

The ownership and responsibility for the proposed transit program will be held by the three political subdivisions through each city's commitment to the joint powers agreement. The NEST program proposes to have no direct employees and does not intend to own capital equipment. The joint powers board would retain the services of an independent contractor to be the program's management coordinator and would also subcontract for the operation of the paratransit service.

The type of service to be operated would be demand-responsive designed to serve the general public, and provided by two vans operating Monday through Saturday, 6:30 a.m. to 6:30 p.m. The proposed service may include circulator and dial-a-ride, including timed-transfer with MTC regular route service. This service complements existing service.

Should the RTB approve funding for this program it is anticipated that service would start in early 1988.

FINDINGS AND CONCLUSIONS

- o The northeast suburban communities of Maplewood, North St. Paul, and Oakdale were identified in the RTB's Implementation and Financial Plan as representing an area where there is a need for better internal circulation.
- o The communities have formed a joint powers authority called the Northeast Suburban Transit (NEST) program and submitted an application to the RTB for financial assistance as a small urban program.
- o NEST meets the eligibility criteria and has presented a well structured management plan for meeting the needs of local residents in a cost effective manner.

RECOMMENDATION

No action requested at this time. A recommendation on this proposal will be made as part of the 1988 contract renewals' recommendation in early November.

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: September 9, 1987
TO: Policy Committee
FROM: Cyndie Mayer *gm*
SUBJECT: New Transit Project Request for 1988 Exurban Funds

SUMMARY:

The purpose of this memorandum is to provide staff comments regarding the application from the Senior Transportation Program for 1988 exurban funding. No action is requested on this memorandum. Staff will provide further project information at the October transit provider contract negotiation presentation meeting.

BACKGROUND:

The exurban funding program was implemented in 1982 in response to the 1981 Transit Omnibus Bill which affected the distribution of property taxes collected from the exurban area. The legislation required the RTB to return taxes collected from this area in the form of paratransit or ridesharing programs. The legislation does not require that the proceeds of the taxes be returned to the originating community, only that they be used to support projects serving the exurban communities as a whole.

The RTB has adopted five guidelines for the distribution of 1987 exurban funds. All projects requesting funds will be evaluated on their ability to meet these guidelines.

1. Projects shall predominantly serve persons residing within the exurban area.
2. Projects shall be predominantly subregional in nature and should provide access to existing service wherever possible.
3. Funding preference will be granted to projects providing accessible service.
4. Funding participation from the RTB shall not exceed fifty percent of the project deficit. The project deficit shall be determined by taking the total operating cost and subtracting federal, state and operating revenues from it. A local match shall be provided by the applicant, which is not less than the amount contributed by the RTB. If the project provides service in other than the exurban area, the funding provided by the RTB shall not exceed the actual deficit incurred by providing services to the exurban area.
5. Funding preference will be granted to projects that are cost-effective.

If the eligibility criteria are met, for property tax-related assistance, an application packet must be completed. The submittal date for 1988 projects was June 15, 1987.

DISCUSSION :

The Senior Transportation Program incorporates the cooperation of the four area communities of Brooklyn Park, Champlin, Dayton and Maple Grove. Their two year old program is a door-to-door demand responsive service provided by drivers using handicapped accessible vans and volunteers driving their own vehicles. The program currently serves physically handicapped adults and senior citizens aged 55 and older.

The program provides riders the opportunity to remain independent and maintain an active role in their community. It supports the nutritional, social, recreational, medical and spiritual needs of the individuals involved in the program.

Their proposed expansion would include the exurban communities of Dayton, Rogers and Hassan. These communities are the only exurban communities in the entire seven county metropolitan area not currently served by a transportation program. (see attached map)

One of their vehicles is a West Metro Coordinated Transportation 1986 Minnegasco van. These vans are part of a program West Metro administers which is utilizing compressed gas vehicles donated by Minnegasco. The Senior Transportation Program has had this vehicle for two of their three program years. They also applied and were awarded a 1985 16(b)(2) vehicle. They expect delivery of the vehicle this fall.

The program funding is supported by contributions from local civic organizations, the West Metro Coordinated Transportation Program using Metropolitan Council Title IIb funds, Community Development Block Grant (CDBG) funds and Community Action for Suburban Hennepin County (CASH) funds.

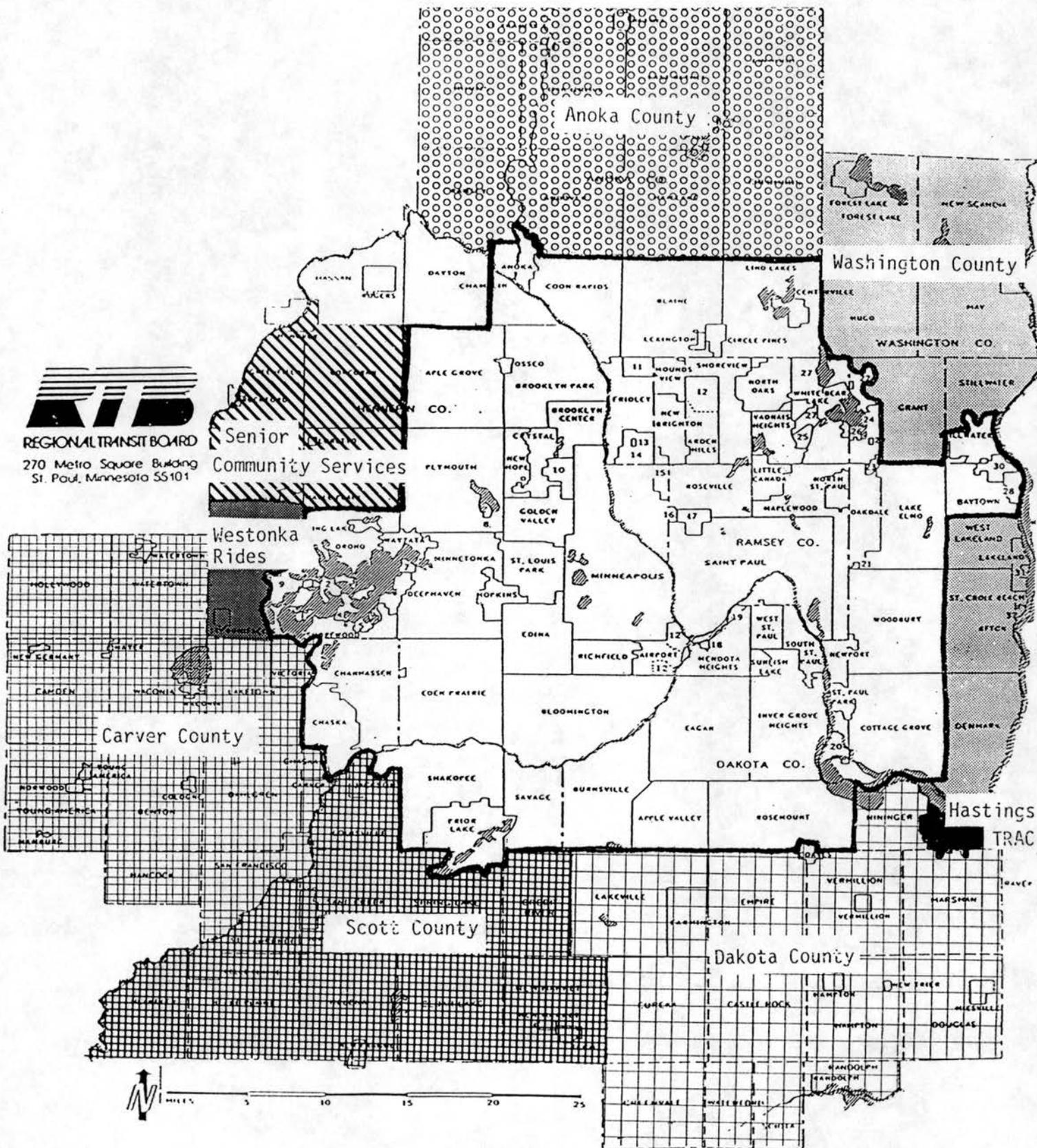
Their 1988 operating costs are budgeted at \$44,434. Their property tax-related financial assistance request from the RTB totals \$8,000.

FINDINGS AND CONCLUSIONS :

- o The Senior Transportation Program submitted an application for financial assistance under the exurban program.
- o The program has met the eligibility criteria and, in their application have presented a well-structured service plan which is based on the exurban program guidelines
- o This project would fill the only remaining gap in service coverage of the exurban area.

TWIN CITIES METROPOLITAN AREA 1987 EXURBAN PROJECTS

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



TWIN CITIES METROPOLITAN AREA

Entzel
Bertel
Constable of Surin
Lynn
Atter
Dion
& Wilder
Rogn Huss

Haffen

REGIONAL TRANSIT BOARD
ROLL CALL AND ATTENDANCE SHEET

DATE: 10/5/87

BOARD OR COMMITTEE Bd.

MEMBER NAME	PRESENT	VOTE	VOTE	VOTE	VOTE	VOTE
Chairman						
Doris Caranicas	✓					
Ruth Franklin	✓					
Carole Faricy	✓					
Alison Fuhr	✓					
Rochelle Graves	✓					
George Isaacs	✓					
Paul Joyce	✓					
Edward Kranz						

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: September 11, 1987
TO: Policy Committee
FROM: Judith Hollander, Director of Planning and Programs *JH*
Edward Kouneski, Programs Manager *EK*
SUBJECT: Final 504 Compliance Plan with Responses to Public Comments

SUMMARY

This memorandum presents proposed responses to the public comments received on the draft 504 Compliance Plan and suggested revisions in the document for final submittal to the Urban Mass Transportation Administration (UMTA).

BACKGROUND

The Regional Transit Board (RTB) and the Metropolitan Transit Commission (MTC) jointly submitted the draft 504 Compliance Plan to UMTA on June 23, 1987, along with information on the public input process that had been scheduled but not yet completed. Four public hearings were held at the end of June and a 60-day public comment period ended in July. Transcripts of the public comments received at the public hearings and throughout the 60-day comment period were transmitted to UMTA in August. To complete the documentation required for submittal to UMTA, the RTB and the MTC need to prepare responses to the significant comments and to revise elements of the plan, if necessary.

DISCUSSION

Response to Comments

Approximately 70 comments have been excerpted from the testimony taken at the public hearings held on June 22, 23, 24 and 30, and from the correspondence received during the 60-day public comment period which ended on July 20, 1987. Proposed responses to these comments are attached to this memorandum (see Attachment A).

It should be noted that a number of the comments do not specifically address the 504 regulations and instead, for example, request clarification of existing Metro Mobility operations policies or procedures and service expansion plans. Nonetheless, these comments are included in the list and for each, a response has been prepared.

It should also be noted that some members of the Transportation Handicapped Advisory Committee (THAC) requested the opportunity to review the responses before they are transmitted to UMTA. To permit THAC review, this topic was placed on the September 8 committee agenda but due to time constraints the discussion on several items, including the 504 compliance plan, was postponed to a special THAC meeting called for September 21. THAC is scheduled to meet in advance of the Policy Committee meeting, and THAC comments on the responses prepared by the RTB and the MTC will be reviewed as part of the staff presentation of this memorandum to the Policy Committee.

Suggested Plan Revision

The Administration and Finance Committee, at its September 8 meeting, recommended for Board approval on September 21, 1987, a revised RTB 1987 budget, which included an increase in the Metro Mobility provider line item from \$5,655,000 to \$7,192,200. Revisions in Chapter VI of the 504 Compliance Plan are necessary based on this new budget for the Metro Mobility program enabling significantly more rides to be provided in 1987. The changes are attached to this memorandum (see Attachment B).

FINDINGS AND CONCLUSIONS

- o Responses have been prepared to the public comments received on the draft 504 Compliance Plan submitted to UMTA in June 1987. These are attached for Board review and approval.
- o It is necessary to revise the "Documentation of Cost" chapter of the plan. Projected Metro Mobility program expenditures for 1987 need to be increased based on the RTB budget amendment, enabling significantly more rides to be provided in 1987.
- o The responses to the public comments and the suggested plan revision will be reviewed by THAC members on September 21 and their comments will accompany submittal of the final 504 Compliance Plan to UMTA.

RECOMMENDATION

That the Regional Transit Board approve submitting to the Urban Mass Transportation Administration the final 504 Compliance Plan with the attached changes to Chapter VI, "Documentation of Cost," and with the attached responses to the public comments received on the draft plan.

EK:jmo

PC21EK/TX2

Attachment A

RESPONSE TO PUBLIC COMMENTS
ON THE 504 COMPLIANCE PLAN

INTRODUCTION

This document contains responses to public comments received on the draft 504 Compliance Plan submitted to the Urban Mass Transportation Administration (UMTA) on June 23, 1987, by the Regional Transit Board (RTB) and the Metropolitan Transit Commission (MTC). To elicit comments, the RTB and the MTC held four public hearings in June 1987 and allowed a 60-day public comment period, which ended on July 20, 1987.

The responses prepared by the RTB are organized into four sections. Each section lists excerpts of the public comments according to the date the hearing was held and the testimony that was entered into the record. These excerpts represent the significant comments that require a response, in the view of the RTB and the MTC. Upon submittal to UMTA, this information completes the documentation required for compliance with the federal 504 regulations.

COMMENTS AND RESPONSES

1. Public Hearing Record from Minneapolis, dated June 22, 1987

Comments by:

Mr. Travascio, Senior Citizen Federation

- 1a. "I strongly feel that there isn't enough service for the senior citizens as well as those who are handicapped."

RESPONSE: The Metro Mobility program is intended for persons of all ages with disabilities. Other programs in the metropolitan area, principally those funded with federal Title III funds administered by the Metropolitan Council, are designed to serve senior citizens. Three major programs of this nature are West Metro Coordinated Transportation Program, serving Hennepin County; Ramsey County Coordinated Transportation Program; and Anoka County Coordinated Transportation Program. The Anoka County Coordinated Transportation program receives funds from the RTB. In addition, other county programs receive funds from the RTB to operate service for both elderly and disabled persons; these include programs in Carver, Dakota, Scott, and Washington counties.

As part of the Metro Mobility evaluation study, now underway, the consultant will be developing a coordination plan for the next phased expansion of Metro Mobility service into the counties where other service is now provided to both elderly and disabled persons. The study recommendations, to be delivered in late 1987, will address the role of the county programs in serving the needs of both elderly and disabled residents. Opportunities for improving service will also be identified.

Comments by:

Michael Ehrlichman, Metropolitan Center for Independent Living; Minnesota State Council on Disability; United Handicapped Federation

- 1b. "... waiting for the 16 bus ... sat for two hours outside the capitol. During that period of time, six buses should have had a lift ... They will judge that program based on the ridership of that line. Yet, the buses weren't there."

RESPONSE: The Metropolitan Transit Commission (MTC) has experienced reliability problems with the lifts on the new buses that are participating in the MTC's accessible bus demonstration projects. The problems are being corrected.

- 1c. "... would like to see ... in each van to transport disabled people, a bill of rights just like bus schedules are put into each bus ... and a pamphlet that tells each rider exactly what their rights are... We'd like to see a brochure so that every rider has an appreciation for what their rights are as disabled people."

RESPONSE: The RTB's Transportation Handicapped Advisory Committee (THAC) has developed a statement of riders' rights and responsibilities that will be posted in every vehicle used in Metro Mobility service. In addition, this "bill of rights" will be inserted in the Metro Mobility Ride Guide, a brochure that describes how to use the service.

- 1d. "... if someone changes their vendor and they change or make a complaint, they're afraid. They're afraid they're going to be penalized. ... They don't understand the options that are before them."

RESPONSE: It is important that riders understand that Metro Mobility is a "rider's choice" system. This message will be reiterated in upcoming newsletters distributed to riders. Special correspondence sent to riders in recent months has clarified the complaint resolution process at the MMAC. A new version of the Ride Guide will contain a more detailed description of how service problems can be reported and are resolved.

- 1e. "Every vendor should be held accountable for the service that they provide."

RESPONSE: The RTB concurs and intends to strengthen its contract language to focus more specifically on expectations of provider performance, including penalties for noncompliance. In recent months, the Metro Mobility Administrative Center (MMAC) has intensified its monitoring of provider performance by dedicating more hours to on-street spot checks and site visits.

- 1f. "We would like a list of all vendors' equipment to go to the consumers. ...each vendor has a difference of equipment."

RESPONSE: A description of each provider's vehicles, by type, is available upon request at the MMAC. The availability of this information was published in the Metro Memo issued to riders in December 1986.

- 1g. "... commonplace for disabled people. Once they get on the van, it takes two hours to get to someplace."

RESPONSE: Providers are contractually required to complete all trips within 90 minutes. Violations should be reported promptly to the MMAC for follow-up. Based on our discussions with MMAC staff, Metro Mobility riders, and THAC members, trips rarely exceed 90 minutes.

- 1h. "... when the disabled makes their call, the consumer makes their call to a vendor they can say okay what vehicle are you going to put me on. Are you going to put me on one of those jobs that takes eight people and I am going to be riding for two hours. That shouldn't be too hard to provide to each consumer."

RESPONSE: Some providers schedule rides as they are received, while others will collect all ride requests before establishing tours in order to group riders with like destinations for operational efficiency. As a result, the provider may not be able to tell the consumer how many other passengers will be riding the same van or for how long the trip will be at the time the passenger makes their trip request. Current operational standards require that the ride be no longer than 90 minutes.

- 1i. "We would like to see a survey that we design, the consumers design to identify the service and the level of service that we get ... expressing the kinds of concerns of the interest groups that constitute the consumers of Metro Mobility so that we can say how do you rate the service. What are the problems? What do you see are the problems?"

RESPONSE: A major task of the current evaluation of the Metro Mobility program is to develop a consumer survey that explores the concerns and satisfaction level of riders. This process will include active participation by THAC in the development of the survey. To illustrate the level of input from disabled consumers, the consultants hired by the RTB have held initial meetings with THAC to discuss their concerns about Metro Mobility and identify items to be included in the survey. THAC members have reviewed materials to be used in focus group meetings and will review the initial draft of the consumer survey.

- 1j. "... maybe you can tell me whether or not the (RTB)... has addressed the issue of some kind of general safety standards, inspection standards of the vehicles. Have we done anything different than what we're doing now? Or that we have done in the past ..."

RESPONSE: The RTB, along with representatives from disabled advocacy groups, is actively participating in working sessions with the Minnesota Department of Transportation (Mn/DOT) to revise the state rules and standards governing special transportation services like Metro Mobility. The new state rules will focus on specific vehicle safety standards.

- 1k. "Have we set up some uniform specifications for the vehicles or standards, inspections procedures yet for the vendors? In other words, right now, at least as I understand it, we don't -- we rely on simply the word of the vendors that their vehicles meet standards, meet certain safety requirements, are inspected."

RESPONSE: Vehicle design standards are being addressed as part of the development of the new state rules that would apply to Metro Mobility providers. In addition, as part of the Metro Mobility evaluation study, which will be completed by the end of 1987, the consultant will be recommending vehicle design standards for consideration by the RTB in its contracts with providers. As a result of the new legislation passed in 1987, Mn/DOT is responsible for conducting annual vehicle inspections as well as a certain number of random inspections throughout the year.

- 1l. "... the contract ... didn't have any quality assurance or any enforcement in it. It didn't have a procedure whereby we could be assured they were going to do what we told them they (providers) should do."

RESPONSE: Under the existing contract with providers, the RTB can exercise its right to suspend or terminate a provider for poor performance. To focus provider attention even more on service quality, penalties for noncompliance with specific requirements are being developed.

- 1m. "... for the safety of our consumers ... there (needs to) be some kind of third-party ... spot inspection of those vehicles ..."

RESPONSE: There are various monitoring procedures in place. At the present time, all vans (lift-equipped vehicles) are subject to daily inspection by the provider. All wheelchair securement devices are inspected annually by the Department of Public Safety. Additionally, any time a complaint is lodged with Mn/DOT, the vehicle will be inspected. Recent legislation requires that the state operating standards for special transportation vehicles also apply to taxis and expands Mn/DOT's responsibility to conduct annual and random inspections.

- 1n. "I can guarantee you Mn/DOT ... will not do it. They do not see that as their purview. ... They believe that they will certify a vehicle as to its tie-down safety. That is their role. They will not expand that role."

RESPONSE: Mn/DOT is coordinating the performance of vehicle inspections with the Department of Public Safety, which throughout the years has been responsible for the inspection of wheelchair securement devices. In January 1987, the Department of Public Safety informally began inspecting vehicles at the same time it conducted its inspection of the wheelchair securement devices. A formal set of procedures for conducting the vehicle inspections will now be put into place as a result of the recent legislation.

Comments by:

Mary Jo Nichols, Metropolitan Center for Independent Living

- 1o. "... the Metropolitan Transit Commission (MTC) originally administered Metro Mobility and established advisory committees to represent the interests of the elderly and persons with disabilities. ... With the creation of the RTB in 1984, another advisory committee, THAC, was established. There is no relationship between the MTC advisory committees and THAC, nor did any transition occur for the purposes of transferring responsibilities and to assure a degree of continuity. Rather, THAC was abruptly born while other committees either disappeared or were placed on hold."

RESPONSE: The MTC's handicapped advisory committee was ~~never~~ *Recently* disbanded; it continues to function, although its role has shifted to focus on issues related to regular route transit service. The creation of THAC, with requirements for membership composition, was legislatively mandated.

- 1p. "In March of 1985, the Metro Mobility Management Policy Committee and Advisory Task Force presented to the RTB a list of sixteen principles to be considered in any future recommendations for accessible transportation ... These were given only cursory review ..."

RESPONSE: Following is a list of the 16 principles recommended by the Metro Mobility Management Policy Committee in March 1985:

1. The Metro Mobility Transportation Center should be retained only as an administrative unit.
2. All qualified providers should be eligible to provide service.
3. The basic fare should be increased with additional fare required for longer trips and standing orders. A reduced fare policy should be set for hardship cases. Fare policy should be reviewed annually.

4. A registration fee should be required.
5. Certification standards should be amended only to provide greater leniency for blind applicants.
6. All providers within a defined service area should maintain the same service hours.
7. The user should make ride reservations directly with the provider.
8. Day-before ride reservations should be required, but same day service should be permitted when space or cost allow.
9. The service area should be expanded to the entire Twin Cities Metropolitan Area.
10. Funding for Federal/State Human Service agency clients should be required.
11. User training program(s) should be established. Marketing materials should be developed and a thorough user guide be distributed to all certified persons. Consideration should be given to the hiring of an ombudsman who would be available to make group presentations and assist persons with questions about Metro Mobility.
12. Service to wheelchair and ambulatory users should be equitably distributed.
13. There should be no prioritization by trip purpose.
14. There should be no user limit on number of rides per day/week/month. Because individual travel requirements vary to such a great degree and because Metro Mobility is a public transit system, the MPC recommends that there be no restrictions on the number of trips certified passengers may take in a given time period. It is acknowledged that there may be limitations on the number of trips that the system can provide.
15. The sharing of actual trip costs by organizations whose clients use the service should be investigated and/or negotiated.
16. Services should be procured on the basis of high quality and competitive costs.

Virtually all of these principles became part of the Metro Mobility Implementation Plan and have been implemented or are being actively pursued.

- 1q. "Regular THAC meetings were held during the months of January to June 1986, however, the committee never received any written information that would have served as a basis for comment ..."

RESPONSE: During this period, written materials summarizing key issues related to the implementation of the restructured Metro Mobility program were provided to THAC for review and comment. For example, a staff memorandum dated January 14, 1986, listed the following topics, which were presented as a guide for THAC to give comments on throughout the development of the implementation plan between January and June 1986:

o Operations

- Computer Needs
- Transportation Center
- Billing/Reimbursement Procedure
- Marketing
- Consumer Representative Position
- Service Hours/Standards

o Providers

- Provider Selection
- Provider Standards
- Provider Reimbursement Rate
- Trip Lengths
- Transfers
- Geographic Service Area

o Financial

- Funding Sources
- User Payment
- Fares
- Medical Assistance
- Fraud
- Agencies Financial Commitment

o Users

- Service Quality
- Standing Orders
- User Certification

o Future

- Expansion
- Coordination with Existing Services
- County Program's Review
- Rider's Choice Evaluation

o Transition

- Service Changeover

During the period when the implementation plan was being developed, THAC Chairman Thomas Byrne reported to the Board on THAC's input in a memorandum dated May 12, 1986, as follows:

"Besides the development of the bylaws for the THAC, reorganization of the Metro Mobility program has also received a great deal of attention. At each of the meetings, committee members have been updated with current information on the staff's efforts to develop an implementation plan to restructure Metro Mobility. Committee members have provided input to staff regarding the development of the plan."

- 1r. "It was only four to five weeks prior to the RTB's approval of the Metro Mobility Implementation Plan (MMIP) that members of THAC were mailed a copy of the draft plan."

RESPONSE: Although it may be true that the final, complete document was not provided to THAC more than four to five weeks prior to RTB approval, THAC did review all of the key elements of the plan in its various stages of development beginning in December 1985 when THAC held its first meeting. Copies of selected materials provided to THAC are appended to the 504 Compliance Plan document; these include the detailed memorandum "Staff Recommendations for Improving Metro Mobility Service" dated October 23, 1985.

- 1s. "Involvement and participation means more than showing that a committee exists, that representative persons were notified of a meeting and testimony was presented. Unless there was real opportunity for input, unless there was complete information on which to comment and unless there was adequate time given to make informed decisions, there is no involvement."

RESPONSE: The RTB believes that THAC has provided, and continues to provide, a significant level of input for the refinement and improvement of the Metro Mobility program. The RTB values THAC's role as an advisory committee.

- 1t. "Eligibility guidelines exist and certification is based on these criteria, however, no process has been communicated to riders by which they can appeal certification denials. More importantly, the THAC was not aware of any appeal mechanism until recently ..."

RESPONSE: The RTB adopted rules governing eligibility for Metro Mobility that include an appeals process. (These are appended to the 504 Compliance Plan.) As of this date, no one has ever been denied eligibility. A person would be informed of the appeals process once he or she is denied eligibility.

- 1u. "Neither is there a mechanism in place to assist those persons who are eligible, have paid the certification fee, but are being denied service. These denials are originating in the Phase 1 expansion area and are, first, a violation of provider contract terms. In addition, it results in an area that must be serviced in order to comply with 504 regulations, but where residents of that area are restricted in their travel on the basis of geographical location. While an expansion area exists on paper, the service does not exist in reality."

RESPONSE: The MMAC monitors provider denials and reports relatively few instances. As of August 11, 1987, there were approximately 40 provider denials documented, and MMAC estimates that less than half occurred in the expansion area. Compared with last year, there are far fewer denials now than when the program functioned as a centralized dispatched operation.

- 1v. "Further, travel in the expansion area has been restricted based on trip purpose. In the case of a provider holding several contracts, one of which is a Metro Mobility contract, preference was given the non-Metro Mobility contract for a group trip, apparently because it would result in a high subsidy, over providing Metro Mobility service for a single trip resulting in lesser subsidy."

RESPONSE: This complaint has not been documented. It should be reported to the MMAC, with specific reference to the provider and the day and time of the trip request, in order for the MMAC to follow-up.

- 1w. "Response time is not within the required 24 hours. The system fails to meet this 504 requirement ... due to a poorly designed system that did not assure for adequate vehicles and equipment to accommodate all riders, and never required that providers have spare vehicles available to maintain the levels of service called for in the program."

RESPONSE: The Metro Mobility program functions as a 24-hour advance reservation system with trip requests made between the hours of 6:30 a.m. and 2:30 p.m., the day before scheduled. Regarding the adequacy of provider vehicles and equipment, the process for reviewing and approving provider applications to participate in the Metro Mobility program was described in the 504 Compliance Plan. Providers were required to submit the following vehicle information as part of their application:

- o The number, type and capacity of the vehicles that will be used to provide service to Metro Mobility riders in wheelchairs and whether a ramp, automatic or semi-automatic lift will be used.

- o The date of the most recent inspection and approval of wheelchair securement devices by the State of Minnesota for each vehicle that will provide service to Metro Mobility riders in wheelchairs; and if the vehicle's wheelchair securement devices have not been approved, the date on which the inspection by the State of Minnesota will occur.
- o The number, type and capacity of the vehicles used for providing service to Metro Mobility riders who do not use wheelchairs.
- o If vehicles used for providing Metro Mobility service are classified as taxis, the municipalities in which the taxis are currently licensed to operate.
- o The maintenance program that will be followed for each of the company's vehicles providing Metro Mobility service, including major vehicle repairs, maintenance schedules, recordkeeping and other key elements.
- o The backup capacity of the company's fleet to adequately meet vehicle breakdowns.

For each of the current 19 Metro Mobility providers, all of the above information is on file at the RTB.

- 1x. "The RTB never adequately assessed the real, and potential, need for accessible transportation services in the metro area. It never fully investigated the numbers of eligible persons in the original service area and potential numbers in both expansion areas. It never really looked at the actual coordination of all transportation services. Consequently, it could not determine a minimum number of vehicles that would be necessary to maintain that service level. It allowed providers, instead, to indicate a number of vehicles that each provider would "dedicate" to Metro Mobility and it is that number that became the minimum."

RESPONSE: As explained in the 504 Compliance Plan, each provider has agreed to dedicate a "minimum" number of vehicles to the program, assuring the RTB that sufficient spare vehicles will always be available to maintain the minimum level of service specified in their contracts. In other words, if a provider has dedicated 10 vehicles to the Metro Mobility program, the provider's commitment is to maintain 10 vehicles in service at all times.

As of January 1, 1987, among the 19 providers under contract with the RTB, approximately 170 accessible vehicles have been dedicated as the active fleet, available exclusively for use in providing accessible service to disabled riders. Providers may add vehicles to service at any time. In a

survey conducted by the RTB in January 1987, many indicated a willingness to expand the dedicated accessible fleet, should demand dictate the need.

- 1y. "The RTB never established vehicle standards or specifications and because it failed to do so, vehicles are not able to accommodate all riders. The system is not in compliance with 504 regulations."

RESPONSE: As noted in the 504 Compliance Plan, the RTB's contracts with providers specify that any vehicle that transports Metro Mobility riders in wheelchairs must comply with the operating standards for special transportation services as defined by the state. The need for vehicle design standards is being addressed by the RTB in the Metro Mobility evaluation study.

- 1z. "The operating standards for special transportation services as defined in Minnesota Department of Transportation (Mn/DOT) rules ... do not pertain to vehicle standards and specifications. They do require that vehicles carry certain types of equipment which is standard equipment for all vehicles governed by highway traffic regulations. To suggest that these rules ensure that vehicles are adequately and appropriately equipped to accommodate all persons with disabilities is simply untrue."

RESPONSE: Mn/DOT is also currently addressing the need for vehicle design standards in its work to revise the operating standards for special transportation services. The RTB, several providers, and disabled advocacy groups, are participating in this process.

- 1aa. "Training is not adequate or appropriate and, again, incorporating the Mn/DOT rules by reference into the provider contracts does nothing to assure that equipment and vehicles are operated safely or that riders are treated in a courteous and respectful manner. Registered complaints show these to be problem areas, however, specific recommendations to provide sensitivity training to correct the latter situation have resulted in nothing."

RESPONSE: Current plans initiated by the RTB to improve Metro Mobility driver training were presented in the 504 Compliance Plan. For example, a standard driver training manual will be developed for each of the 19 Metro Mobility providers to incorporate into their company-sponsored training courses. In addition, Mn/DOT may take a more active role to ensure that the mandatory state certified courses of instruction are offering quality training. As reported in the update on the RTB's strategies to improve training (see Appendix), the MMAC reports that the number of sensitivity-related complaints is small and compared with last year, have not changed significantly in proportion to total complaints received.

- 1ab. "The RTB has neglected its responsibilities by not establishing standards, by attempting to show compliance with 504 regulations in a convoluted manner and by ignoring the willingness of both riders and their representatives to assist, in a cooperative effort, to resolve clearly identified system problems and to bring the Metro Mobility system into 504 compliance."

RESPONSE: The RTB has always intended to make any improvements necessary to make Metro Mobility a more accessible, reliable, quality service; the first major step taken was the restructuring of Metro Mobility to a "rider's choice" system.

2. Public Hearing Record from White Bear Lake, June 23, 1987

Comments by:

Jesse Ellingsworth, RTB Transportation Handicapped Advisory Committee

- 2a. "... we're in the new expanded area. ... some uniqueness ... we need to identify and address ... For example ... the trip ... (is) longer out in the suburban areas than ... in the cities. ... (And) ... a lot of (people) ... are still not quite understanding what their rights are ... as (riders) ... of Metro Mobility. ... I just wanted to get the point across that we in expanded areas definitely want the quality of services that are available."

RESPONSE: The trip characteristics and patterns of the expansion area will be analyzed as part of the Metro Mobility evaluation study. The consultant may recommend policy or operational changes, if necessary, to ensure that quality service is delivered.

- 2b. "... (we) only get service up to 6 p.m. and there are a lot of people who like to go to meetings after that."

RESPONSE: The Metro Mobility service hours in the expansion communities generally correspond to the regular route span of service. The possibility of extending Metro Mobility service hours into the evening, however, will be analyzed as part of the Metro Mobility evaluation study to be completed in 1987.

- 2c. (Regarding sensitivity training by the Minneapolis Technical Institute) "... It seems like ... a good program, but there's still a lot of complaints from the riders that it's not being done that well ... it's an issue that constantly comes up. That sensitivity training or awareness training we need to improve on."

RESPONSE: Some Metro Mobility providers have elected to enroll their own training instructors in the national Passenger Assistance Training (PAT) course because they felt it offered a more comprehensive program than that offered locally. The curriculum of the state certified courses, offered locally, is being reviewed for change by Mn/DOT as part of its work to revise the operating standards for special transportation services.

2d. "From my understanding, everybody involved here is committed to meeting the regulations. Are they financially going to be able to meet those regulations also? Or is it going to be down the line they're going to say we can't do this ..."

RESPONSE: The RTB is committed to securing the funds necessary to meet the demand for Metro Mobility service throughout the metropolitan area.

Comments by:
Len Bragg, Metro Mobility rider

2e. "All I have to say is that the service to me is excellent. ... I don't think it could be improved as far as I am concerned."

RESPONSE: None required.

Comments by:
Marge Relf, Senior Citizen Program

2f. "We've been telling people about Metro Mobility and I say on the whole people are beginning to use it and seem very satisfied with it. I am mostly here to hear comments from other people."

RESPONSE: None required.

Comments by:
Teresa Greene, Metro Mobility rider

2g. "I think that most of the companies are pretty good. (One) ... has had a number of safety problems. ... they don't train their drivers on how to tie an electric chair down. ... Really I haven't had any problems except with ... that company."

RESPONSE: It is important to report complaints promptly to the MMAC for follow-up. The MMAC tracks complaints by provider. If identified problems are not resolved by the provider and recur, the MMAC's responsibility is to inform the RTB, which will consider action. To date, the MMAC has been able to successfully resolve problems working directly with providers.

Comments by:
Ione Payette, Metro Mobility rider

- 2h. "... my husband and I have been using it ... My husband can't drive anymore. And I've never driven so it's ... made us really independent and we really appreciate it."

RESPONSE: None required.

Comments by:
Ken Penney

- 2i. "Is there any training now for the bus drivers in regard to the elderly and the handicapped as far as starting the bus out quickly before they get a chance to sit down. ... Or giving them the chance to really get off the bus. Is there any kind of training at all set up for these drivers?"

RESPONSE: The Metro Mobility providers, in their company-sponsored programs, typically teach safe driving skills. The need for smooth starting and stopping will be reiterated in the standard Metro Mobility driver training manual that will be developed by the consultant by the end of 1987.

Comments by:
JoAnne Hutchison, Senior Citizen Program

- 2j. "We've been shifting eligible clients ... to Metro Mobility. Those that we felt ... qualify for certification. When they called ... (to ask) for an application ... they are asked if they are disabled or in a wheelchair. Senior citizens ... (may) not consider themselves as disabled, so they say no and they are not sent (an application) ...form... Some of the people who actually filled out the forms do not understand ambulatory and non-ambulatory on the forms."

RESPONSE: The MMAC will be revising the application form to enhance this understanding.

3. Public Hearing Record from St. Paul, June 24, 1987

Comments by:
Steve Bertrand, United Handicapped Federation

- 3a. "A crucial element in the day-to-day operation of the Metro Mobility system is the size of vehicle fleets. ... Equipment might not be adequate for provider's use or for consumer's use. So, therefore, they find themselves being denied the trips which, if proper information would have been disseminated, ... this denial might have been prevented."

RESPONSE: As noted in the responses to other comments, it is important for riders to understand that Metro Mobility is a "rider's choice" system; the RTB and the MMAC have an obligation to provide riders with adequate information for them to choose properly. Current plans for communications, discussed in the 504 Compliance Plan, include the development of a brochure on "How to Select the Provider that Best Meets Your Needs."

- 3b. "... we request some more complete account of the events leading to the actual implementation of the Metro Mobility expansion be included in the report to UMTA. ... A proper accounting should include: minutes from meetings of all written testimony from consumer organizations, minutes of agendas from the Transportation Handicapped Advisory Committee and things of this nature."

RESPONSE: Written testimony from consumer organizations and minutes from THAC, RTB Policy Committee, and Board meetings will be made available to UMTA upon request.

- 3c. "Thanks to state legislation passed this year, the advisory role of the Transportation Handicapped Advisory Committee should improve. ... The Handicapped Advisory Committee has evolved into a viable, accountable body which can offer direct input from the consumer to the RTB. This is a much-needed change. And it should benefit the users of Metro Mobility."

RESPONSE: The RTB concurs that THAC is functioning effectively.

Comments by:

John Clawson, Minnesota State Council for the Handicapped

- 3d. "Metro Mobility has been continuously plagued by accidents, training problems, serious communication-credibility problems within the disability community. Many of those problems I believe affect compliance with the U.S. Department of Transportation Section 504 regulations."

RESPONSE: Safety, training, and communications are key concerns of the RTB, and a set of strategies for improvement in each of these areas was developed last March. The strategy document was prepared with input from the State Council for the Handicapped and THAC. The specific strategies being pursued are listed throughout the 504 Compliance Plan. Attached as an appendix is a report to the RTB Policy Committee dated July 8, that discusses the progress that has been made toward developing improvements in safety, training, and communications.

- 3e. "In terms of vehicles and equipment, ... there's a very serious question about how safely many of the vehicles accommodate the passengers. Few of the vans with extended tops have roll-bars and would provide little or no protection in the event of a rollover or other incident. In addition, some vans have inadequate interior headroom or doorway clearance."

RESPONSE: The RTB is addressing the need for vehicle design standards as part of the consultant evaluation study. This is a specific work task identified in the work plan. One possible outcome would be for the RTB to contractually require only certain types of vehicles to be used for Metro Mobility service.

It should be noted that vehicle design standards may appear not only in the RTB's contracts with providers but also in the state operating standards, which govern special transportation services like Metro Mobility. Mn/DOT has initiated its rulemaking process to revise the state operating standards and plans to complete this process by the end of 1987.

Finally, all vans are subject to inspection by the Minnesota Department of Transportation upon receiving complaints. Earlier in the year, Mn/DOT investigated complaints filed by Center for Independent Living regarding the extended roofs of vans. It is the RTB's understanding that Mn/DOT found no cause to remove any vans from service. Nonetheless, stricter vehicle safety standards are being considered as part of the process to revise the state operating standards and the Metro Mobility consultant evaluation study.

- 3f. "In the matter of driver training. ... Although the provider contracts require the minimum training specified in the current special transportation operating standards, there's been little or no attempt on the part of the RTB to monitor compliance with these contract provisions until two serious accidents occurred this past winter. Moreover, there were no clear penalties in the provider contracts for non-compliance with the training requirements. ... the RTB or the Metro Mobility Administrative Center simply must do a better job of monitoring training and the provider contracts must explicitly delineate penalties for inadequate training."

RESPONSE: Most Metro Mobility providers, in fact, all of the lift van operators, offer training programs to drivers that exceed the state requirements. As part of the application to become a Metro Mobility provider, providers were required to submit documentation of their training programs and this was one of the evaluation criteria considered in approving their applications.

In each of the two incidents which occurred in March 1986, the drivers had received training (between 48 and 56 hours) before starting in service. The incidents were a result of driver inattention, not inadequate training.

The state operating standards specify a minimum of 12 hours of passenger assistance and first-aid training, which is offered through courses certified by Mn/DOT. The operating standards also specify that this instruction must be completed within 90 days after a driver is hired and starts in service. The RTB, however, set a stricter standard in its contracts with providers by specifying that the state-required training take place before a driver starts in service.

A few providers, last March, expressed confusion about the difference between the state operating standards and the RTB contract requirements. The RTB immediately clarified that this training must be completed before a driver starts in service and directed the providers to submit documentation proving that all drivers have received the 12 hours of state-required training. By April 1, every provider complied with this directive. Even though it appears that a few drivers may not have had the 12 hours of state-required training before this contract requirement was clarified by the RTB, it is important to note that no drivers have ever begun providing Metro Mobility service without having received company-sponsored training.

The RTB contract with a provider can be terminated or suspended at any time if serious or recurring violations of operating policies and procedures occur. Currently, working with the MMAC, which is responsible for monitoring provider performance, and with the providers, the RTB is developing contract penalties, or fines, that would be assessed for certain contract violations. Penalties will be a part of the provider contracts effective January 1, 1988.

- 3g. "... When the user choice system was implemented in October, no provision was made for assisting riders who encountered difficulties outside of normal business hours. Although that deficiency has largely been corrected, there's still been no concerted effort to inform riders how they can obtain assistance on weekends or after 4:30 on weekdays. There's been no information given about a person's right to appeal if determined ineligible for Metro Mobility service or if suspended from Metro Mobility service."

RESPONSE: There is a need to regularly communicate information to riders. Information about after-hours assistance has been disseminated to riders in articles that have appeared in the Metro Memo, a rider newsletter that will be published at least bimonthly; in special correspondence the MMAC has mailed directly to riders; and in presentations by

the Rider's Representative, a full-time liaison person whose duties include informing riders of their rights and responsibilities. These topics will be repeated in future newsletters. Regarding the appeals process, information would be given to a person at the time they are denied eligibility; to date, however, no one has been denied eligibility.

- 3h. "In the area of service provision. When the next phase of service expansion takes place on January 1st, Metro Mobility service will theoretically be available to all eligible disabled persons in the Metropolitan Transit Taxing District. Unfortunately, ... providers have even now begun to refuse service to consumers based on the lengths of the trip, ... Clearly if providers are allowed, permitted under the contract to refuse long trips, disabled people living in outer suburbs shall not truly have equal access to Metro Mobility. To avoid non-compliance with Section 504, ... the RTB must monitor the situation closely. ... and apply sanctions to the providers when necessary."

RESPONSE: The RTB agrees fully that trip denials in the expansion area must be monitored closely. It is the RTB's intent, as part of the evaluation study, to address this issue and to evaluate ways for providers to have an incentive to transport long distance trips in the outlying areas. Higher subsidy rates for long distance suburban trips is one strategy that will be explored.

- 3i. "In terms of community input. ... many of the problems which I've mentioned this evening could have been avoided if the RTB had more seriously sought and listened to the opinions of disabled persons when this program was being set up. In fact, the RTB did a commendable job of gathering public input at the beginning of the discussion about the changeover of Metro Mobility. However, when it came to the actual plan to implement these changes, it failed miserably. Its own advisory committee, the Transportation Handicapped Advisory Committee, had only about a week to see and comment on the plan before the plan went before the Policy Committee for consideration on May 21 of '86. Only strong expressions of dismay from the disabled community postponed the RTB final adoption of the plan with modifications until June 16th."

RESPONSE: The RTB regrets that this is the perception of the disabled community that it did not have enough input into the implementation plan for restructured Metro Mobility service. Please note that the Metro Mobility Management Policy Committee in March 1985 presented 16 principles as recommendations to the Board for inclusion in the implementation plan. Virtually all of these principles were incorporated into the staff recommendations for the implementation plan. There was an opportunity to comment on specific elements of the implementation plan in October 1985, when the memorandum "Staff Recommendations for

Improving Metro Mobility Service" (dated October 23, 1985) was reviewed by the RTB Policy Committee. The Board adopted the recommendations on December 16, 1985, and between that time and the adoption of the final implementation plan in June 1986, further discussions took place at the Policy Committee and at THAC meetings, which began in December 1985. Also important, even after the implementation plan was adopted in June 1986, THAC continued to have input into the implementation plan, and specific elements of it were changed based on that input. For example, the implementation plan set the base fare at \$1.50. Staff later recommended that it be reduced to \$1.00, based on THAC input. In October 1986, the restructured Metro Mobility program began with the base fare set at \$1.00.

The RTB sincerely wishes to listen and be responsive to the needs of disabled riders. As noted in the comments from the public in other parts of this document, earlier this year THAC was restructured, a new chairman was appointed, and THAC has become even more active in reviewing and commenting on RTB activities.

- 3j. "... the RTB paid little attention to members of the disability community when they brought safety concerns to its attention shortly before the new Metro Mobility system took effect in October. It took a number of accidents and a lot of political infighting to make the RTB consider safety issues seriously."

RESPONSE: As noted in the responses to other comments in this document, much has been done to increase safety awareness among Metro Mobility providers. Safety will continue to receive much attention by the RTB.

Comments by:

Patricia Kackman, Parkway Manor Health Care Center Volunteer

- 3k. "I would like to give you a contrast between two companies, particularly. We found ... a particularly good company. They have prompt, courteous, helpful and pleasant service. ... Then ... we've had a lot of difficulties with (another company). ... We called and they would not come or send anyone to get her on time. ... Another time ... the strap that was supposed to hold the chair in place on the van wasn't working right. ... She fell over sideways in the van. Another time ... they had cancelled. We found out they had taken her off their computer for no apparent reason and she had to pay again and fill out the forms in order to get back on ... this particular company is very often two hours late in picking people up. They cancel without reason, without getting another company or another van to come and get the person. They're unsafe. And I would recommend that these things be taken care of."

RESPONSE: It is important that complaints be reported to the MMAC, where they will be investigated and resolved. In future contracts, penalties will be assessed for poor performance. If there is a trend of recurring problems, other appropriate actions may include suspension or termination from the program.

Comments by:
Barbara Larson, Parkway Manor Health Care Center Resident

3l. "Since the new system was enacted, I am finding it a lot easier to get a ride. They are more prompt with the new system. ... basically since the new system has been enacted I have had ... a lot less problems because they're more on time. And I haven't gotten turned down. If they can't do it because they're full, the company that I normally use, what they do is refer me to another company. And I think this new system the way it is right now is working a lot better."

RESPONSE: None required.

Comments by:
Ann Kelly, Metro Mobility rider

3m. "Today, ... I asked for a 4:30 pickup and they didn't come until after 5 o'clock. Almost 5:30, 5:15. ... They did change the times. I wasn't aware of it."

RESPONSE: Occasionally, it is necessary for a provider to adjust a vehicle's schedule, affecting the pick-up time; usually, when this is done, it does not affect the drop-off time. Nonetheless, it is appropriate to expect that the provider be responsible for communicating the change in pick-up time to the rider. The RTB will consider inserting a specific statement about this responsibility in the provider contracts when they are renewed.

3n. "Then the cab drivers ... some of them are nice, but I tell them that I need a little help with the doors, ... Some of them insist I sit in the back seat but I can't get in the back seat. They said I don't know what difference it makes, the back isn't any different than the front. ... They said you better take some other cab than or something like that. One time when I took it, the guy got really nasty and said you get in the back seat or I won't take you. ... he advised me to call the manager the next day which I did. ... This is what she told me. "Well, if you can't ride the cab, you better find some other transportation." Needless to say, I was pretty upset about it."

RESPONSE: The MMAC is available to assist riders in resolving complaints.

- 3o. "I took a cab ... we got hit by a car ... My head got banged really hard. The guy didn't say nothing. Didn't ask if I was hurt ... I got home that night and I really had a headache. ... I finally thought, well for the safety of others I think it's the right thing to do to report him."

RESPONSE: It is appropriate to report problems to the MMAC.

Comments by:

Kurt Strom, Minnesota State Council on Disability

- 3p. "My experience with (the cab company) has been quite favorable. ... I've had many poor drivers on occasion, but I think by and large they've done a very good job."

RESPONSE: None required.

- 3q. "I would like to support this woman's statement about the back seat issue. I also have a great deal of difficulty getting into back seats because of the standard sedan has the bar, the center post between the front and the rear doors. If anyone has difficulty bending their knees much past the 90 degree angle, it's very difficult to get in the back seat. Most of the drivers who I have asked if I can sit in front will let me without too much trouble. I do think that that issue of needing to sit in the back seat is an issue that should probably be addressed in driver training."

RESPONSE: This will be investigated by the MMAC, which will consider issuing an operating policy statement to providers in order to clarify understanding of the need to permit some passengers to use the front seat of cabs.

Comments by:

Tom Silkey, Metropolitan Center for Independent Living

- 3r. "A high school student in Blaine ... found a part-time summer job in Minnetonka which is one of the expansion area communities. The school was unsuccessful in finding a provider who would agree to transport her from Blaine to Minnetonka. A second job was found in Osseo. One of the Metro Mobility providers was willing to "accommodate" the student's needs "if other summer school contracts could be filled first." ... The provider profiles for Blaine indicate six providers are servicing the community for wheelchair users, yet this student has been denied service by all six. Service is supposedly available in this area on weekdays from 6 a.m. to 6 p.m., yet this student has been denied transportation for a part-time job that starts at 8 a.m. ... The complaint has been filed with the Metro Mobility Administrative Center, but the Center has no solution. They have offered instead to return the \$10 certification fee."

RESPONSE: Providers initially had difficulty scheduling this trip because it represented a reverse commute during the peak service period when most trips are taken in the opposite direction. The MMAC reports that a Metro Mobility provider did eventually accommodate this rider's needs. Although Metro Mobility system capacity is much greater under the restructured Metro Mobility program, it should be recognized that there will always be some trip requests that pose scheduling problems.

- 3s. "Metro Mobility works well for some people some of the time and primarily those who live and work in the original Metro Mobility area. It is not equipped and cannot provide transportation in the manner in which it may have been envisioned and is presently being advertised. The Regional Transit Board is attempting to show compliance with 504 regulations with Metro Mobility. While the written plan identifies expansion areas ... in reality those services do not exist. The service ... cannot accommodate riders of the expansion area simply because it was never designed to do so."

RESPONSE: As part of the evaluation currently underway, the ability of Metro Mobility to effectively serve the expansion areas will be reviewed. Based on reports from the MMAC, ridership in the Phase I expansion area has been steadily growing since service was introduced there in January 1987.

Comments by:

Kurt Strom, State Council on Disability

- 3t. "Having looked at the RTB document on 504 compliance ... I am concerned a bit in its discussion of the meetings and discussions with disability groups. ... If you talk to members of THAC, people who were involved in that process, ... you will hear a great deal of dissatisfaction voiced at the level of responsibility they were given and the degree of advance notice they were given of some of the staff recommendations."

RESPONSE: It is true that some members of the disabled community feel that the Metro Mobility planning process was not adequate. The RTB believes that the process that began with Mn/DOT in 1983 allowed the disabled community and other interested parties an opportunity to comment on the key issues concerning the provision of Metro Mobility service in this area.

- 3u. "Also, there's a reference to ... the implementation plan ... meeting with the Minnesota State Council on Disability ... That is mentioned, but what is not mentioned is that it was a very acrimonious meeting. There was a great deal of dissatisfaction expressed with how the RTB was approaching some of the issues. There was quite a bit of skepticism expressed about whether some of the parts of the plan would comply with the State Human Rights Act. ... I think the record should

be set straight that many of the meetings, many of the discussions that took place, did not result in the disabled community feeling comfortable with what the RTB was recommending at that time."

RESPONSE: Several complaints and subsequent appeals were made to the Department of Human Rights regarding compliance with the State Human Rights Act. The Department found that the Metro Mobility program complied with the State's Human Rights Act. The RTB acknowledges that not all members of the disabled community approve of the changes to Metro Mobility.

Comment by:
Vera Smith, Metro Mobility rider

- 3v. "Now, since Metro has entered the picture, we get a van and it's miserable. It's miserable to try to get in and out of it. The step is so high. The drivers are great. The driver brings a little footstool about this wide. We really don't feel very secure on the footstool. Drivers help as much as they can. ... If I have to get in the back seat ... I get down this little narrow aisle and here is this big hump over the wheel. I can't hardly get over that. It's a miserable thing."

RESPONSE: When contacting a provider for a trip, this situation could be addressed by making your concerns known and asking the provider if you can use a different vehicle. Sometimes providers will be able to schedule a specific vehicle type in advance. Also, for this situation you may want to consider arranging a trip through a taxicab company.

Comment by:
John Clawson, Council on Disability

- 3w. "Three months ago members of my office, key staff from the Regional Transit Board, and members of the lieutenant governor's staff met in the governor's reception room. Among other items under discussion was a promise of a driver sensitivity training plan. ... We hear them weekly, sometimes daily, about tongue lashings by drivers, rude comments by drivers, inappropriate handling by drivers. It was this problem which we, ... attempted to address. ... I regret to say that the plan got bogged down in the question of whether or not or to what degree our Metro Mobility program was dealing with persons from ethnic minority groups adequately. ... I simply point out ... that the point of the 504 hearing is to relate to transportation that deals with persons with disabilities and not persons of ethnic minority backgrounds. I think the staff has needlessly, fruitlessly and very regrettably set disability people against ethnic minority people."

RESPONSE: The training proposal referred to was prepared by the Metropolitan Center for Independent Living (MCIL). MCIL, once it develops a training course, can become certified by Mn/DOT. This does not require RTB action. RTB staff reviewed the training proposal submitted by MCIL with members of the

RTB's Transportation Handicapped Advisory Committee and with providers; both groups offered comments for improving the proposal.

The MCIL proposal was also reviewed by the Minority Affairs Committee (MIAC) of the Metropolitan Council, which advised us that if there is a problem with sensitivity in one area, in this case related to disability, there is likely a problem with sensitivity in all areas, including racial and cultural differences. MIAC suggested that the RTB look at the "whole picture" when addressing sensitivity, not just part of it. This will be addressed in the training strategies the RTB is pursuing including development of a standardized driver training manual for all providers to use in their company-sponsored training and participation in the refinement of the Mn/DOT operating standards for driver training.

One other effort, recently initiated, was an evaluation of the training courses offered by the area vocational schools that are certified by Mn/DOT. This was conducted by Lyle Frerichs, the MTC's MMAC manager. Frerichs is urging Mn/DOT to take a more active role in monitoring the quality of these courses.

- 3x. "We're three months into a situation where people are still riding on vehicles where today, yesterday and the day before they were tongue lashed and spoken to rudely and dealt with insensitively and physically at one point by the Metro Mobility drivers. Until this kind of stuff is owned by the board and by the staff, this is a system that I am sorry to say will not be in compliance with 504."

RESPONSE: Sensitivity training is an important component of any training offered to drivers of special transportation service. Some providers may do better than others in this regard. According to the MMAC, which handles complaints, overall there have been a relatively low number of safety or passenger sensitivity concerns expressed by riders; furthermore, most of the complaints registered in this category occurred during the early months of the restructured program, a period of transition for many of the providers and riders.

Comment by:
Ann Kelly, Metro Mobility rider

- 3y. "I took a cab outside the building. When I told the driver I couldn't get in the back seat, he really made a fuss ... He was throwing things. I said I am sorry. I was afraid to ride with him. He finally simmered down after awhile. ... I said I am getting sick and tired of having to explain things. ... I need very little help if I can just sit in the front seat and they manage the door for me."

RESPONSE: The need for driver courtesy and sensitivity has been an important part of the RTB's communications with each Metro Mobility provider. If you are dissatisfied with a particular provider and problems have not been resolved, the RTB encourages you to report the complaint to the MMAC for follow-up.

Comment by:
Ms. Leo Sprunck, Metro Mobility rider

3z. "My husband and I have used Metro Mobility ... We have nothing but compliments. I want to go on record complimenting the ... because they have been wonderful. The drivers, the time. They're usually ten minutes early for us."

RESPONSE: None required.

Comments by:
Patricia Kackman, Parkway Manor Health Care Center Volunteer

3aa. "I know there are two-way radios in these vans. And I know they can call each other and find out whether someone has picked her up or not. That seemed unreasonable to me because they didn't want to bother finding out if someone had been sent to pick them up."

RESPONSE: If there is concern about the courtesy of a provider's dispatcher, this is the type of complaint that the MMAC is prepared to handle.

4. Public Hearing Record from Dakota County, June 30, 1987

Comments by:
Tom Silkey, Metropolitan Center for Independent Living

4a. "... what effort has been put into assessing the number of riders that will be eligible in the new expansion area. ... Will there be enough providers to give adequate service to those who are eligible?"

RESPONSE: As part of the Phase II expansion planned for January 1988, the RTB will determine if there are an adequate number of providers for the service area. If it is determined that there are not an adequate number, then the RTB will take steps to ensure that there are an adequate number of providers. The current Metro Mobility evaluation study, for example, is addressing the coordination of Metro Mobility service with existing county programs that now offer special transportation service for elderly and disabled residents.

- 4b. "Second point would be that of trip priority. ... I believe that in the first expansion area, ... the northern suburbs, there is blatantly obvious cases of trip priority being utilized all the time. If this happens, what recourse does the rider have? A grievance procedure, but what can be done to the provider?"

RESPONSE: Trip requests are not granted on a priority system. If a provider engages in such a practice, they risk expulsion from the program. Please report any complaints promptly to the MMAC for follow-up.

- 4c. "I do not believe that the first expansion area is working and I am very concerned that we do ... assess well how many people will be eligible in this expansion area so that it will work well."

RESPONSE: It is the goal of the RTB to provide high quality service to as many people as possible through Metro Mobility and the other programs administered through the RTB.

Comment by:
Caryl Breecher,

- 4d. "We're here to express the needs that I see in this community for the developmental ... disabled. My daughter previously lived in West St. Paul. ... Since living in Burnsville, which we like as a community, she has been unable to use the bus for anything."

RESPONSE: In January 1988, Metro Mobility service will be expanded to the city of Burnsville.

Comment by:
Lois Parsons, Dakota County Social Services

- 4e. "I provide social work services to many mentally retarded adults in the Burnsville community. I would like to concur with Mrs. Breecher on a number of the points that she made. ... there are a number of ... individuals ... that could use specialized bus services for vocational training and job services. Those people are going without meaningful employment at this time because of lack of transportation."

RESPONSE: The next phase of Metro Mobility service expansion includes Burnsville.

Comment by:

Clarence Sindt, Member of THAC, Independent Living Council, and Council for the Handicapped

- 4f. "... is the expansion going to include anybody south of County Road 42 and east of Highway 3. That would be Lakeville and Farmington, and Coates and Hastings, parts of Rosemont."

RESPONSE: The Metro Mobility expansion scheduled for January 1, 1988, will not include Hastings, Lakeville or Farmington, as these cities are outside of the metropolitan transit taxing district and served by other programs funded by the RTB. The city of Rosemount will be served as part of the 1988 expansion.

A P P E N D I X

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: July 8, 1987
TO: Policy Committee
FROM: Linda Ehlers, Project Administrator *lee*
SUBJECT: Update on Metro Mobility Strategies for Improving Safety,
Communications and Training

SUMMARY:

This memorandum summarizes the progress made to date in implementing the Metro Mobility Strategies for Improving Safety, Communications and Training.

BACKGROUND:

At its meeting on April 22, the Policy Committee received a report on the development of strategies to address safety, communications and training improvements in the Metro Mobility program. The committee directed staff to pursue specific actions to improve the Metro Mobility program and to bring the strategies back to the committee for review and determination of the most effective strategies.

DISCUSSION:

Since April there has been substantial progress within each of the strategy areas. Each of the strategies proposed in the document presented to the Policy Committee on April 22 is being pursued. In some cases immediate program changes have been implemented. In others, collection of data, gathering of input from providers and riders, and initial drafting of policies has set the stage for developing the calendar year 1988 provider contracts.

Safety Strategies

The safety strategies seek to improve safety by clarifying existing contract language; developing specific safety requirements for 1988 provider contracts; establishing a schedule of penalties for noncompliance with contract requirements; strengthening the Metro Mobility Administrative Center's (MMAC's) monitoring of provider performance; issuing safety directives as needed; and developing safety standards and vehicle specifications for the Metro Mobility program.

The MMAC, through written communication and through providers meetings, has clarified contract provisions on:

1. Safety policies and procedures. Recent examples include a policy requiring persons using Amigos or similar three-wheeled devices to board vans by using a lift and transferring to a seat in a van unless specific safety conditions can be met. Many of the providers already exercise this caution. Another recent policy requires providers not to board persons traveling alone whose certification status indicates the need for an escort.
2. Incident and accident reporting requirements. All providers are aware of and are using the reporting procedures which require that the MMAC be notified of all incidents and accidents by telephone within 24 hours and in writing within 48 hours of their occurrence. The report documents if the accident was preventable and what measures the provider will take to address the cause of the accident. The MMAC manager is developing an improved accident survey form that will enable him to detect trends in accidents so that preventive training measures or appropriate disciplinary actions may be initiated.
3. Complaint handling and reporting requirements. The MMAC has established a complaint process which directs complaints to the provider for issues directly related to service delivery; for example, a late pickup, and to the MMAC for any other complaints. Each complaint received by MMAC is investigated by the Rider Representative to ensure that resolution to the satisfaction of the complainant is achieved. The complaint process is also used by the providers to register complaints against riders that require resolution.

RTB staff will be developing a timetable and work plan for renewing provider contracts that incorporates input from providers, the Transportation Handicapped Advisory Committee (THAC), and the general public. The 1988 provider contracts are expected to include specific requirements for service quality standards, driver selection procedures, frequency of safety training meetings, scheduled maintenance inspection intervals, vehicle specifications, performance incentives, and noncompliance penalties.

The MMAC has developed draft contract violation procedures that outline all compliance areas in the provider contracts and establish the penalty process for two levels of noncompliance. These draft procedures were presented to providers at the June 29 meeting. A providers' subcommittee has formed and will meet on July 28 to provide additional input to MMAC. Following this input and legal consultation, the compliance procedures should be in place by September 1987.

The MMAC makes site visits to providers' facilities as necessary and performs spot checks to observe such operational functions as the boarding of passengers, time of pick up and courtesy of drivers. To strengthen this monitoring of provider performance, the MMAC has developed field monitoring

checklists and beginning July 14 will dedicate 16 hours per week of existing staff time to perform scheduled visits to provider facilities and follow-up spot checks. It should be noted that this monitoring will not require any additional funding.

The RTB has and will continue to issue appropriate directives to providers in order to meet safety objectives. Past RTB actions include publishing safety bulletins on the mandatory use of seat belts and door-through-door passenger assistance; holding safety meetings with drivers about accident reporting requirements; preparing a comprehensive report of each provider's safety and training program; and ensuring that all drivers are trained and certified before they are allowed to operate vehicles for Metro Mobility.

The RTB Administration and Finance Committee has approved the selection of a consultant to evaluate the Metro Mobility program. As part of this evaluation, the consultant will review specific equipment needs of disabled persons and recommend standards for lift and non-lift equipped vehicles by October 1987. The consultant will also identify service quality and safety issues through its consumer marketing research and operations audits.

Communications Strategies

Staff has implemented a communications plan to ensure that Metro Mobility riders fully understand the system including their rights within the system and the process by which complaints will be handled. Staff has met with representatives of the MMAC and MTC to delegate responsibilities for key tasks of this plan. A memorandum of agreement outlining these responsibilities will be prepared shortly.

The MMAC prepared a one-page "How to resolve a problem with Metro Mobility" fact sheet to communicate the complaint process to riders. In addition, the MMAC mounted a special direct mail campaign in May to encourage riders to file their complaints about Metro Mobility service quality and safety. Of note, is the fact that although these efforts increased complaints in that month, safety-related complaints were minimal. Only three safety concerns were recorded, two concerning driving ability and the other wheelchair loading. These safety concerns were appropriately resolved. The MMAC will continue to encourage the filing of complaints through articles in the Metro Memo newsletter and the inclusion of the complaint process in the Rider's Guide which will be revised in July.

THAC has developed a list of riders rights and responsibilities which will be communicated to riders in a variety of ways including the Rider's Guide, Metro Memo, and vehicle signs.

All providers have been given signs regarding mandatory safety requirements, such as use of seat belts, to place in all vehicles assigned to Metro Mobility service.

The MTC has developed a general brochure that will be used to communicate to potential users of the service how the Metro Mobility program operates, safety procedures, the complaint process, the choice of providers based on equipment needs, the certification process, and the appeal process for those persons declared ineligible for services. MMAC will seek input from THAC on the content of this brochure prior to its completion.

The Metro Memo newsletter to riders will be published bimonthly beginning in July and will be sent to an increased readership to include agencies serving disabled and elderly persons.

In order to ensure the accuracy of program information, the MMAC is developing guidelines to be used when providers market their services to potential users of the system. These guidelines will require providers to inform the MMAC of all marketing presentations including a contact person, so that MMAC can periodically monitor these presentations for accuracy. Guidelines will also state that a provider must use the Rider Representative wherever possible to discuss the Metro Mobility program, must state that there are 19 providers in the system, must not assist the potential rider in filling out the application form and other instructions.

Other elements of the communications plan involve the dissemination of public service announcements and news releases, and the use of public meetings to seek comments from rider groups and the general public about any major changes in the Metro Mobility program. An example of this will be a public hearing to be held in October to solicit input from Metro Mobility users and the general public on the content of the provider and MMAC contracts.

At the May 6 providers' meeting, the MMAC and RTB clarified with providers the roles of these two agencies in the Metro Mobility program. Providers reacted favorably to this discussion.

Training Strategies

The objective of the training strategies is to develop and implement comprehensive training requirements for all Metro Mobility providers. To this end, MMAC convened a meeting on June 11 of the providers' training staff to assess the content of company-sponsored training programs and to identify deficiencies of the state-certified training courses used by the providers. In addition, several MMAC staff will attend the state-certified Passenger Assistance Training program offered by the Minneapolis Technical Institute to assess the relevance of its content for Metro Mobility providers.

At present, MMAC has developed criteria for drivers in the Metro Mobility program that can be used to measure the effectiveness of company-sponsored or other training courses.

RTB staff has developed a request for proposal (RFP) to develop a standardized driver training manual that can be used as a resource as well as an ongoing training mechanism for Metro Mobility drivers.

RTB staff is participating actively in the Minnesota Department of Transportation's (Mn/DOT's) rulemaking process to incorporate additional training requirements into the Operating Standards for Special Transportation Services. The rulemaking committee has representation from Mn/DOT, the State Patrol, the Metropolitan Center for Independent Living (MCIL), State Council on Disability, THAC, and RTB. In addition, the committee will be adding representation from taxi and van providers and from a social service agency. RTB staff will pursue the incorporation of sensitivity training content into these new standards. Any such changes would be incorporated into the 1988 provider contracts.

At the completion of the above mentioned tasks, the RTB will develop comprehensive standardized training requirements for providers which will include sensitivity training for disability, aging, and cultural/racial differences. These training requirements will be placed in the 1988 provider contracts.

RTB staff received and evaluated a training proposal from MCIL which offered an excellent program combining written information and oral presentations as well as field experience and communication exercises to increase Metro Mobility drivers' attitudinal awareness of disability as it relates to transportation. Following input from providers and from THAC, staff concluded that this sensitivity training course not be mandatory for all drivers for the following reasons: Some providers already provide training on this topic for their drivers which meant that the proposed training would be duplicative. Also according to Metro Mobility's complaint statistics, the sensitivity problem may not be systemwide and in any case appears to have improved since early days of the program. An option, then, that targets training on sensitivity to those providers with the majority of sensitivity-related complaints may be more appropriate. The training proposal was offered as an interim measure to deal with lack of sensitivity of drivers until the operating standards take effect in early 1988. However, a one-time training session is unlikely to correct a problem such as insensitivity which requires a long-term behavior change.

The proposal was also reviewed by the Minority Issues Advisory Committee (MIAC) to assess how it addressed the training needs of other protected class members. At its June 4 meeting, MIAC recommended that issues pertinent to racial/cultural biases be included in any sensitivity training for Metro Mobility drivers. The committee's experience shows that when there is a problem with sensitivity, it is likely that there are racial and cultural biases involved.

The staff recommended that MCIL's involvement in sensitivity training might be most effective if it offered elective workshops directly to providers, became certified by the state as a passenger assistance trainer, or developed a video presentation for ongoing use by providers. Prior to offering these recommendations to MCIL, MCIL withdrew its proposal.

Other Strategies

The MMAC is analyzing the change in the number of individuals certified for Metro Mobility before and after the initiation of an annual \$10 registration fee. It has designed a telephone survey which will be administered to a random sample of persons who have not recertified in order to identify their reasons. Once the results of the survey are known, RTB can proceed with any appropriate actions.

FINDINGS AND CONCLUSIONS:

- o The MMAC has established and communicated to providers and consumers complaint handling and reporting procedures as well as accident and incident investigation procedures.
- o MMAC has developed a schedule of penalties for non-compliance with provider contract clauses.
- o MMAC will increase the staff time dedicated to making field site visits and spot checks to monitor providers' performance.
- o The consultant selected to evaluate Metro Mobility will soon begin to evaluate several safety, communication and training issues.
- o A comprehensive communications plan has been developed and various communication pieces are in process.
- o Current passenger assistance training programs offered by providers and by state-approved courses are being assessed. RTB is participating in the Mn/DOT rulemaking process to incorporate additional training requirements into the Operating Standards for Special Transportation Services.

Attachment B

SUGGESTED REVISIONS TO
DRAFT 504 COMPLIANCE PLAN

VI. Documentation of Cost

In 1987, it is estimated that the total cost of the Metro Mobility program will be \$8,771,608. This estimate includes \$1,155,063 that will be paid through passenger fares, user registration fees, and user standing order fees in 1987. The amount paid for through passenger fares and user fees in 1987 represents approximately 13 percent of the estimated total operating costs to provide Metro Mobility service.

This budget permits approximately 946,342 passengers to be served. Based on actual ridership figures, approximately 35 percent, or 331,220 passengers, will be transported in wheelchairs and approximately 65 percent, or 615,122 will be transported as ambulatory riders.

The MTC operating budgets for the current year, 1987, and for the past two years are shown below:

1987 Projected	\$ 99,867,802
1986 Estimated Actual	\$100,196,282
1985 Audited Actual	\$ 99,032,173

For the purpose of determining compliance with the Section 504 requirement, the average of these three years is an operating budget of \$99,698,752. For the three percent standard to be met, \$2,990,963 must be spent to provide service to people with disabilities.

The 504 requirements specify that the cost of service provided to non-disabled elderly persons and mentally handicapped persons cannot be counted as an eligible expense when calculating compliance with the three percent standard. For the Metro Mobility program there are two general classifications of riders; people that use wheelchairs and people that are ambulatory. Within the general classification of people that are ambulatory there are seven categories under which a person can be certified. Each of the categories is differentiated by need for assistance, use of personal assistance device and vehicle type.

In reviewing the Metro Mobility certification categories for ambulatory riders, three of the categories describe people with physical disabilities and four of the categories describe people with no apparent physical disability. Outlined below is a summary of all Metro Mobility riders classified as ambulatory and a detailed description by certification category as of May 1, 1987.

<u>Number Certified</u>	<u>Percent of Ambulatory</u>	<u>Classification Code</u>	<u>Description</u>
2,520	45%	33	Use a personal assistance device and can travel in an automobile, van or taxi (with or without driver assistance in or out of the vehicle) but do not need an escort.
76	1%	34	Use a personal assistance device and can travel in an automobile, van or taxi and require an escort.

<u>Number Certified</u>	<u>Percent of Ambulatory</u>	<u>Classification Code</u>	<u>Description</u>
1,626	29%	35	Do not use a wheelchair or personal assistance device and can travel in an automobile, van or taxi but do not require an escort.
287	5%	36	Do not use a wheelchair or personal assistance device and can travel in an automobile, van or taxi and require an escort.
60	1%	37	Seasonal certification
1,047	18.5%	38	65 years of age or older and cannot walk to a bus route.
4	.5%	39	Conditional certification (people undergoing mobility training; i.e., blind or mentally retarded).
5,620	100%		TOTAL

Under the four categories that describe people with no apparent physical disability (35, 36, 37 and 39), there are 1,977 people certified, which represents approximately 35 percent of all ambulatory riders. This percentage was used to calculate the total number of trips attributable to non-disabled, elderly persons and mentally handicapped persons. In 1987 it is estimated that 215,292 trips will be attributable to non-disabled, elderly persons or mentally handicapped persons at a total cost of \$1,528,573. This calculation is summarized below:

<u>Total Ambulatory Trips</u>	<u>Trips Attributable to Non-Disabled Elderly or Mentally Handicapped</u>		<u>Cost/Trip¹</u>	<u>Total Cost</u>
	<u>Percentage</u>	<u>Number</u>		
<u>615,122</u>	35%	<u>215,292</u>	<u>\$7.10</u>	<u>\$1,528,573</u>

Therefore, to calculate eligible expenses for compliance with the 504 guidelines, the 1987 Metro Mobility budget of \$8,771,608 is reduced by ineligible expenses of \$1,528,573 for a total of \$7,243,035 in eligible expenses. The eligible expenses for Metro Mobility service in 1987, of \$7,243,035, represents 7.3 percent of the averaged MTC operating cost. Thus, in 1987, the Metro Mobility program will significantly exceed the federal requirements for expenditures on disabled transportation services.

¹The cost per trip is determined by taking the ambulatory subsidy payment (\$5.50), plus the estimated average fare (\$1.15), plus the average administrative cost/trip (\$.45) for a total of \$7.10 total cost per trip.

The Regional Transit Board may request an increase in the Metro Mobility appropriation from the 1988 Minnesota legislature for the current fiscal biennium period, which began July 1, 1987. Since the October 1986 restructuring of the program, the demand for Metro Mobility service has greatly exceeded expectations. To meet the new ridership levels without imposing any restrictions or limits on trip making, the RTB intends to pursue the use of other local sources of funding as well.

DRAFT

o Role of Contracting Agency. The involvement of the contracting agency in delivering the service should be clearly described in the RFP.

F. TIMETABLE

Adequate lead time is necessary for both the contractor's response to the RFP and preparation for the commencement of work. Typically, a contractor does not have personnel or vehicles standing idle waiting for a new contract. To submit a thoughtful proposal, a contractor must have sufficient time to review the details of the services requested; to evaluate personnel needs, vehicle requirements and availability; to obtain insurance quotes; and to accurately estimate operating costs.

A contractor should have a total of 30 to 45 days for preparation of the response, and proposals should be due no sooner than 30 days from the date of the pre-bid conference. A contractor should have up to 120 days, depending on the facility and equipment requirements, to commence service, from the date that the contract has been awarded or a binding notification to proceed has been given.

Lead time is also necessary for personnel recruitment, hiring, training, delivery and preparation of the vehicles. If the contractor is required to supply vehicles, the lead time should allow for adequate opportunity to locate the type of vehicles required and to arrange for financing. The successful start of a new service requires that resources be planned, assembled, and scheduled in an orderly manner.

The following is a suggested timetable for competitively contracting for transit services:

<u>Milestone Event:</u>	<u>Number of Weeks to Beginning Date of Service</u>
Announce and Mail RFP.....	29 Weeks
Pre-Bid Conference.....	27 Weeks
Deadline for Proposals.....	22 Weeks
Review and Preliminary Evaluation of Proposals.....	20 Weeks
Interviews with Providers.....	19 Weeks
Provider Selected.....	17 Weeks
Resolution of Any Disputes.....	9 Weeks
Contract Signed.....	8 Weeks
Service Begins.....	0 Weeks

G. BONDING REQUIREMENTS

Bonding is a form of contract security intended to assure the contracting agency that it has the contractor's undivided attention on a specific contract and that there is a source of funds to offset part of the cost if there is any default by the contractor.

REGIONAL TRANSIT BOARD

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

DATE: September 8, 1987
TO: Policy Committee
FROM: Mark Ryan, Senior Project Administrator *MR*
SUBJECT: Public Hearing on Proposed Standards, Procedures and Guidelines
for Competitive Procurement of Public Transit Services

SUMMARY

This memorandum recommends that the attached set of standards, procedures and guidelines for competitive procurement of public transit services, that have been reviewed by the RTB's Competitive Transit Advisory Team, be adopted for the purpose of a public hearing scheduled for October 21, 1987. This memorandum also outlines the process that has been followed to develop this document and summarizes the key points of the proposed standards, procedures and guidelines.

BACKGROUND

An important part of the RTB's efforts to implement new service is the development of standards, procedures and guidelines for the RTB and recipients of RTB funding to follow when competitively procuring transit services. The development of standards, procedures and guidelines is also a critical first step in the RTB's competitive transit study. Once the standards, procedures and guidelines are adopted, they will serve as RTB policy direction that will permit the procurement of transit services in a consistent and equitable manner by the RTB or recipients of RTB funding.

Prior to the adoption of standards, procedures and guidelines for service bidding by the RTB, it will be necessary for the RTB to receive input from the Competitive Transit Advisory Team and conduct a public hearing. Accompanying this memorandum is a report from the RTB's advisory team outlining several recommended changes to the draft set of standards, procedures and guidelines (the names of the team members are attached). The report also identifies issues on which the team could not reach consensus, along with some general comments. The advisory team has also incorporated their recommendations into a revised document (also attached) for purposes of a public hearing.

At the September 8 board meeting, the RTB set October 21 as the date to hold a public hearing on the proposed standards, procedures and guidelines. It is anticipated that the board will be asked to adopt a set of standards, procedures and guidelines for service bidding in December 1987.

DISCUSSION

The development of RTB standards, procedures and guidelines for competitive transit began in December 1986 with a draft document that was prepared by RTB staff and was based on work underway in other parts of the country. This first draft was discussed at the RTB's Policy Committee meeting on December 17, 1986. After the document was presented to the Policy Committee, input was solicited from transit providers and other interested parties. A summary of this input and a second draft was discussed at the Policy Committee meeting on February 25, 1987.

Since that time, the comments have been reviewed, additional information has been incorporated into the document, and a revised draft has been discussed with both the MTC and private operators. As a result of this process, staff prepared a new draft document for purposes of a public hearing so that the board could receive public input before adopting standards, procedures and guidelines for service bidding. In June, the revised draft was sent to the board with a request to hold a public hearing. At that time, the board chose to send the document to the advisory team for further review prior to setting a public hearing date. The advisory team completed its review on September 3 and has forwarded its report to the board.

The public hearing that is being requested will be held in accordance with recently enacted legislation that specifies:

At least 60 days before adopting any standards, procedures or guidelines for competitive bidding of transit service, the board shall hold a public hearing on the subject. The board shall publish notice of the hearing in newspapers of general circulation in the metropolitan area not less than 15 days before the hearing. At the hearing, all interested persons must be afforded an opportunity to present their views orally and in writing. Following the hearing, and after considering the testimony, the board shall revise and adopt the standards, procedures and guidelines.

Pending adoption of this draft document by the RTB at its meeting scheduled for October 5, it is anticipated that the public hearing will be held on October 21. With the public hearing completed by October 21, it is anticipated that the board will be asked to adopt standards, procedures and guidelines for service bidding in December 1987.

The document proposed for the public hearing and reviewed by the RTB's competitive transit team addresses several topics that provide specific direction on competitive procurement of public transit services. Summarized below are some of the key points in the draft document:

- o The standards, procedures and guidelines would serve as policy direction to be followed by the Regional Transit Board and recipients of RTB funding when competitively procuring public transit services. This policy will apply to any public transit services competitively awarded or funded through the Regional Transit Board.

why o Transit services would be procured through a proposal process rather than a bid process.

7 months! o The timetable proposed under these guidelines suggest issuance of an RFP at least 29 weeks prior to the start of service.

o A bid bond would be required along with some form of a performance bond.

*Not only!!
Can be criteria
used to decide* o Selection of a provider may be based on a provider's experience and qualifications including the company's past experience.

o Proposal prices would be required to include all costs associated with providing the service including 100 percent of the cost of any capital, regardless of the source of funding for the capital.

o Capital assets will be included in the bid prices as a depreciation expense and based on generally accepted depreciation methods approved by the RTB.

o Public sector costs that benefit both public and private operators will not be included in the bid price. The RTB will work with the MTC to identify these regional services and their associated costs.

o Bid prices will not be adjusted for the unique characteristics (i.e., MTC is exempt from most taxes, MTC is required to have a pension plan, private operators pay taxes) that are inherent to a public or private operator.

*Is this
consistent with
other gov't contracts?* o Service awarded under these guidelines will be required to be consistent with TRB regulations, UMTA policy, Minnesota State Law, equal employment, affirmative action and WBE/DBE requirements of the RTB.

FINDINGS AND CONCLUSIONS

o Prior to the adoption of standards, procedures and guidelines for service bidding by the RTB, it will be necessary for the RTB to conduct a public hearing.

o It is anticipated that the board will be asked to adopt a set of standards, procedures and guidelines for service bidding in December 1987.

o The RTB's Competitive Transit Advisory Team completed its review of the draft set of standards, procedures and guidelines on September 3, 1987.

Policy Committee
September 8, 1987
Page 4

RECOMMENDATION

That the Regional Transit Board adopt the attached draft set of standards, procedures and guidelines for competitive procurement of public transit services for purposes of a public hearing to be held October 21, 1987.

MER:jmo
Attachment
MRPC21/TX2

DATE: September 3, 1987
TO: Regional Transit Board
FROM: Competitive Transit Advisory Team
SUBJECT: Proposed Standards, Procedures and Guidelines for
Competitively Awarding Public Transit Services.

BACKGROUND

At the Regional Transit Board (RTB) meeting on June 16, the board forwarded a draft set of standards, procedures and guidelines for competitively awarding public transit services to the RTB's competitive transit advisory team for review and comment. As part of its action, the RTB directed the team to submit a report to the board by August 15. The advisory team has held six meetings to review and discuss the proposed document.

DISCUSSION

Many issues were discussed by the team members as part of the review. On some of the issues, team members were able to reach a consensus, while on other issues the opinions were mixed. This report summarizes the topics that were discussed at the advisory team meetings and recommends specific changes to the public hearing document for those issues on which team members reached a consensus. The topics on which there was no consensus reached are also identified and the issues that were raised are presented. A third section of this report summarizes several general comments made by committee members.

The advisory team reached a consensus on the following issues and recommends specific changes to the draft document.

Recommendation

1. In the first chapter, add more information about why this study is being undertaken. Clarify whether this is an effort to lower costs on selected services or an effort to lower overall system costs.

Action Taken

The first chapter was rewritten to include a section that summarized the purpose of the study and the role of the standards, procedures and guidelines. The application of the standards, procedures and guidelines was summarized and moved to this section. The background section was rewritten to provide more information on funding and ridership of public transit services in the Minneapolis/Saint Paul area since 1980.

Recommendation

Action Taken

2. Passenger fares for the service must be clearly stated in the RFP.
3. It should be made very clear who has responsibility for major repairs in the event that a vehicle is provided to the successful operator.
4. Any requests for proposals (RFP's) developed under this document should include specific vehicle requirements.
5. First aid training should not be a requirement for regular route drivers.
6. Potential driver problems should be addressed through performance standards for providers.
7. Operators should provide an outline of how they intend to deal with customer service issues such as passenger complaints.

Additionally, a preface was added that provided a summary description on the role of this document.

The "Background Information" section on page 5 in Chapter II was reviewed. The statement about passenger fares was slightly modified.

In Chapter II under the "Background Information" section on page 5, a sentence was added that emphasized the need to include responsibility for major repairs to vehicles in the RFP.

In Chapter II (page 6) under the "Requested Scope of Work" section, the language on vehicle requirements was reworded to emphasize the need for including specific vehicle requirements in the RFP.

This requirement was eliminated from the "Requested Scope of Work" section on page 6 in Chapter II.

In Chapter II under "Requested Scope of Work", a statement was added that recommended the performance standards for drivers be included in the RFP. (Page 6)

Under the administrative requirements section on page 6, the sentence on passenger complaints was rewritten to be more comprehensive.

Explain why?

Why not?



Recommendation

Action Taken

8. The document should address how revenues (fares, advertising, etc.) will be handled.

In Chapter II (page 7) under the "Other Considerations" section, a statement was added that described information related to revenues that should be included in the RFP.

9. Describe the role of communities in making operating decisions about the service.

It is expected that the involvement of communities in operations will vary by service type and by the communities desire and capabilities to become involved in operations matters. The involvement of the contracting agency in operating decisions was addressed by adding language on page 8 in the "Other Considerations" section of Chapter II.

10. It is not necessary to include a provision that addresses non-public data since existing law addresses this topic.

In Chapter II, the section on proprietary information was removed. (page 9)

11. Clarify the dispute resolution process and the role of the RTB's Executive Director. The dispute resolution process should include a specific timeframe and should be coordinated with the efforts currently underway to establish a metropolitan wide transit dispute resolution process.

The dispute resolution process outlined in Chapter III was rewritten and made more specific. A statement was added that emphasized the need to coordinate this process with the metropolitan wide transit dispute resolution process.

12. Potential contractors should be aware of the relative importance of each of the selection criteria.

The "Selection Criteria" section in Chapter III was amended. This included specific direction that RFP's should include the evaluation criteria that will be used to select a provider and the weight of each criterion. (page II)

<u>Recommendation</u>	<u>Action Taken</u>
13. Compliance with the terms of the RFP and the proposed cost of the service should be listed as selection criteria.	On page 11 in Chapter III, compliance with the terms of the RFP and proposed cost of the service were added as selection criteria.
14. Clarify the capital cost requirements of the full allocation of cost policy.	The introductory section (page 12) to the full allocation of cost policy was rewritten.
15. Clarify if the full allocation of cost policy applies only to federally funded equipment.	On page 15, the capital assets section was rewritten to include all physical assets.
16. Clarify the provider approval process and the role of the RTB. Describe in more detail what awarding transit contracts will be based on.	The section on awarding the contract in Chapter IV was rewritten to clarify the role of the RTB.

The following issues were raised by various members of the team during the review. Throughout the discussion of these issue team members were unable to reach a consensus. It is recommended that the RTB solicit comments during the public hearing on these issues and the general comments that follow.

what would be prevailing wage?

A. The topic of prevailing wage was discussed at several of the team's meetings. Some members felt that it was important to include a provision in the document that required operators to pay their employees a prevailing wage. It was felt that without such a provision, some providers would win all the service contracts because their drivers would be paid at the minimum wage. Also stressed was the concern that quality service could not be provided for less than the prevailing wage.

Others expressed the concern that the public may not be best served by establishing a prevailing wage. With more public transit funding going to pay for wages, fewer dollars will be available to expand service and to serve the unmet needs in the metropolitan area. Also stressed was the opinion that providers have to offer a competitive wage in order to attract people to work for them.

B. A second issue that was raised and resulted in mixed opinions, was the proposal to require private companies to utilize the full allocation of cost policy when submitting a proposed price for operating the service. Some committee members felt that it would be unfair for a public agency to be required to determine their proposed price for operating service based on the full allocation of cost policy, while private companies did not have the same requirement. It was felt that if this were to be permitted, then

public and private agencies would not be competing equally for contracts. It was also argued that marginal costs represent the lowest cost to the taxpayers and cost decisions should be made based on marginal costs.

Other committee members argued that if a public agency does not follow the full allocation of cost policy to develop their proposed cost for the service, then public funds would be used to subsidize the public agency's proposed price for providing the service. Therefore, the public agency would actually be receiving an additional subsidy over and above the subsidy to operate the service. It was also argued that the fully allocated costs policy spreads the burden across the entire region and does not provide a benefit to any select group at the expense to the region as a whole.

It was also argued that a private company should be permitted to underwrite their costs for the service with revenues from other activities of their company, when no public funds are involved. When a private company does not include all their costs in the proposed price for the service, the company and not the public, pays for the difference.

Some committee members also felt that it would be difficult to guarantee that private companies are including all their costs in the price for the service.

General Comments

1. The RTB should work with the Transportation Regulatory Board (TRB) to streamline the TRB's process for issuing authority to operate service while under contract to the RTB.
2. The MTC asked for clarification on how reimbursement for fully allocated costs would be made to the MTC. For example, if the MTC includes in their proposed cost for service a depreciation expense for federally funded vehicles, would they actually be reimbursed for this as an expense?
3. The RTB should consider evaluating and monitoring the satisfaction level of people using transit services that will be competitively awarded. It is important that riders have a voice in this process. This information would also help to determine if the change has resulted in an improvement. The information will also be helpful to potential contractors as they will be able to learn from the survey what is important to the people that use the service.
4. Companies that are based out of state may have an unfair advantage, since they may be able to purchase insurance at a lower cost.
5. The RTB needs to develop a process to resolve disputes that are not directly related to the bidding process.
6. The RTB should evaluate the minimum levels of insurance that are required by state law. It was felt by some members that the minimum limits outlined in the law are too low.

DRAFT

REGIONAL TRANSIT BOARD
STANDARDS, PROCEDURES AND GUIDELINES for COMPETITIVE PROCUREMENT
of
PUBLIC TRANSIT SERVICES

PUBLIC HEARING DRAFT - SEPTEMBER 1987

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

(612) 292-8789

DRAFT

Preface

The information contained in this document is intended to serve as policy direction that is to be followed by the Regional Transit Board and recipients of Regional Transit Board funding when competitively procuring public transit services. This policy will apply to any public transit services competitively awarded or funded through the Regional Transit Board.

DRAFT

REGIONAL TRANSIT BOARD
STANDARDS, PROCEDURES AND GUIDELINES for COMPETITIVE PROCUREMENT
of
PUBLIC TRANSIT SERVICES

Table of Contents

<u>Chapter</u>	<u>Page</u>
I. INTRODUCTION	
A. Purpose Statement	1
B. Background	1
II. SOLICITATION AND REVIEW OF TRANSIT CONTRACTORS	
A. Format	4
B. General Procedures for Requests for Proposals	4
C. Background Information	5
D. Requested Scope of Work	5
E. Other Considerations	7
F. Timetable	8
G. Bonding Requirements	8
III. EVALUATION OF PROPOSALS	
A. Selection Criteria	11
B. Dispute Resolution	11
C. Full Allocation of Cost Policy	12
D. Application of Full Allocation of Cost Policy	14
IV. TRANSIT SERVICE CONTRACTS	
A. Minimum Contract Provisions	18
B. Compliance with Local, State and Federal Requirements	22
C. Documentation	22
D. Awarding of the Contract	22

DRAFT

CHAPTER I

INTRODUCTION

DRAFT

A. PURPOSE STATEMENT

The Regional Transit Board (RTB) has initiated a competitive transit demonstration project that will study the feasibility and effectiveness of competitively awarding contracts to provide public transit service in the Twin Cities Metropolitan area. Through this study the RTB expects to determine if competitive transit is a viable alternative for addressing the metropolitan area's unmet transit needs and the fiscal constraints brought on by rising transit operating costs coupled with limited public funding.

An important first step in this demonstration project is to develop standards, procedures and guidelines that will permit the procurement of quality public transit services in a consistent and equitable manner by the RTB or recipients of RTB funding. These standards, procedures and guidelines will serve as RTB policy direction and will be applied when the RTB or recipients of RTB funding competitively procure public transit services.

B. BACKGROUND

Transit agencies across the country have faced increased financial pressures, either as the result of a decrease in ridership or a reduction in public funding, while the cost to operate transit service has increased. In the Twin Cities area, ridership on regular route transit services has declined from 93.3 million passengers in 1980 to an estimated 69.7 million passengers in 1987. During this same period, the cost to provide regular route service has increased from \$74.2 million in 1980 to an estimated cost of \$97.5 million in 1987.

Funding for public transit services in the metropolitan area comes primarily from four sources: the State general fund, federal grants, passenger fares and property taxes. In 1980, \$12.8 million in federal operating assistance was used to finance regular route transit service, while in 1987, the amount of federal funding for operating expenses is expected to be \$8.7 million. Funds from the State of Minnesota for public transit in the metropolitan area have declined from \$23.1 million in 1980 to \$10.8 million in 1987. Even though ridership has declined since 1980, revenues from passenger fares have increased by approximately 14%. This increase in revenues from passenger fares during a period of declining ridership has occurred due to a fare increase that took effect in 1982.

The one source of funding that has significantly increased since 1980 is proceeds from property taxes assessed for transit in the metropolitan area. Proceeds from property taxes levied in the metropolitan area for transit have increased and financed a larger share of regular route operating costs since 1980. In 1980, property tax proceeds for transit were \$16.2 million and accounted for approximately 22% of the total operating cost for regular route service. In 1987, property tax proceeds for regular route operating expenses are estimated at \$48.5 million and account for approximately 50% of the total operating costs for regular route service.

DRAFT

Over this same period, the metropolitan area has undergone significant growth that has resulted in the development and expansion of new suburban areas. This diffusion of population densities has mixed with an intensification of major employment centers such as Downtown Minneapolis and Saint Paul, the I-494 area and several suburban office parks. The result has been an increase in overall travel, dispersal of destinations and change in trip making patterns.

During this period, the delivery of public transit service has focused primarily on providing radial oriented, fixed route services to the two downtown areas with relatively minor modifications and improvements. The gap between available public transit services and the metropolitan area's unmet transit needs is well documented in the RTB's recently completed Transit Service Needs Assessment.

Along with the past and present performance of public transit in the metropolitan area, several issues lie ahead for the Regional Transit Board. For example, federal funding, which accounts for approximately 80 percent of all capital funding and approximately 8 percent of all operating funds for the Twin Cities area, is expected to decrease or at best remain fixed at current levels. Nationally, operating assistance has been cut twice since 1981; 10 percent in 1982 and 5 percent in fiscal year 1987. Urban areas with populations over one million people have received the brunt of these cuts. Additionally, federal capital funds have been cut by 20 percent since 1983.

Also on the national level, the Highway/Transit bill that authorizes the current transit programs expires in 1991. It is likely that Congress will begin to look at legislation to reauthorize transit programs as early as 1990. This action could result in significant changes in the federal government's role in funding and administering public transit services. Locally, funding from the State is an ongoing concern since there is no dedicated source of funding for public transit services. Each biennium, public transit services must compete with other interests for funding from the State's General Fund.

Traditionally, the alternatives most commonly used when transit agencies have faced financial pressures are to reduce service levels or to raise fares. Other alternatives are now being considered and one that has generated significant interest and support both locally and nationally, is to introduce the element of competition to public transit. Dozens of cities across the country have implemented public transit service through a competitive process, while several others have begun to develop a process.

DRAFT

CHAPTER II

SOLICITATION AND REVIEW OF
TRANSIT SERVICE CONTRACTORS

DRAFT

A. FORMAT

The development of a Request for Proposal (RFP) is an important document that begins the formal process of securing a contract to provide the type, quality, and quantity of service that will best meet the needs of the region within the available funding. A properly drawn RFP will minimize any misunderstandings and delay that could occur before and during the contract period.

It is important to note that there is a distinction to be made between a "bid" process and a "proposal" process. If "bids" are requested, the award is given to the lowest responsible and responsive bidder; i.e, if the bidder can supply what has been requested (responsive); has the financial and technical ability to do so (responsible); and has the lowest bid price-- then that bidder must be awarded the contract.

When "proposals" for professional services are requested, the price is not the sole determining factor. Under a proposal process, the contracting agency can base its selection on the proposer's experience and qualifications. These factors should be included when developing the selection criteria used by the RTB or its recipients.

B. GENERAL PROCEDURES FOR REQUEST FOR PROPOSALS

It is important that all prospective contractors understand the proposal procedures so that each has the same opportunity to submit accurate and complete proposals for the service required by the RTB or its recipients.

The RFP process should be administered in a manner that permits each prospective contractor to receive the same information. Elements to be included in the RFP are the following:

- o Announcement of the RFP so that all interested parties are likely to see it. All existing and potential transit service providers should be notified by mail of the RFP. If appropriate, a notice may be published in a major local newspaper and in a trade journal.
- o The date on which the proposals are due and the timetable that will be followed in reviewing and evaluating the proposals.
- o The date the service identified in the request for proposal is to start.
- o Methods of communication permitted during the RFP process including oral and written communications and acceptable areas of discussion.
- o The date of a "pre-bid" conference. The convening of a "pre-bid" conference allows prospective contractors to ask questions about the specifications of the RFP and the competitive bidding process. Any changes made as a result of this conference will be reported to all prospective contractors by written, numbered addenda.
- o A standard format for contractors to use that will include budget category details.

DRAFT

C. BACKGROUND INFORMATION

An important part of any RFP, is a section that includes relevant background information giving prospective contractors a good understanding of the operating characteristics and parameters of the proposed service. The following information should be included in the background section of the RFP:

- o If vehicles are to be provided to the successful respondent, the RFP should list all such vehicles noting age, model, special features, mileage, and major repair history. The RFP should specify the responsibility for any major repairs to the vehicles.
- o If facilities are to be provided to the successful respondent, the RFP should describe the operating facilities including the total space, parking or storage space, vehicle servicing facilities, vehicle maintenance facilities (number of bays and special equipment), and office space. The location of the facility should also be noted by address on a map.
- o A description of the passenger fares that will be required for the proposed service, including any special fare categories for elderly and disabled, students, and children. If passes or tokens are used, the rates charged and paid (if discounts are available) should be listed. Also, a description of any transfer policies should be included.
- o Historical ridership data should be summarized on an annual basis noting total passenger boardings by fare category and route, if possible. In addition, expected passenger loads (passengers per vehicle) should be noted.
- o A discussion of the service area is also important. This should include the physical size and population of the service area and its projected future growth, if relevant. Information related to employment centers, housing areas, and special attractors such as hospitals, shopping centers, and schools or universities should also be highlighted.

D. REQUESTED SCOPE OF WORK

A second section to include in the RFP should detail the exact services expected from the transit operators so that they can determine vehicle, personnel and administrative requirements necessary to provide the service. Detailed descriptions of each aspect of service should be made explicit so that the contractors can assess their ability to perform the required service. This section should include the following:

- o A route map, the days or time periods when service operates, and a list of route characteristics such as service type (e.g., commuter express, circulator, crosstown) and normal operating speeds. A set of timetables and schedules should be included if available. An accurate estimate of the annual scheduled vehicle service hours and miles should also be stated.

DRAFT

- o Specific vehicle requirements for the providers that include the following:
 - safety inspections of vehicles at specified intervals by qualified personnel;
 - a preventive maintenance schedule;
 - vehicle cleaning requirements;
 - equipment features (e.g., wheelchair lift, air conditioning, seat belts, grab rails, two-way radios) that may be required; and
 - adequate standby vehicles and drivers.

- o Personnel requirements designed to assure that trained, competent drivers will provide the service, and include the following:
 - driver selection procedures in terms of capabilities, screening, licensing and training requirements;
 - performance review requirements.

- o Administrative requirements designed to ensure effective operation of a transit operator and include:
 - performance standards for drivers;
 - the number of qualified personnel employed to manage and supervise the service and to ensure smooth operations of all aspects of the organization;
 - an administrative system in place that allows for secure revenue collection and reporting of ridership and other data required; and
 - a process for identifying and addressing customer issues that includes a mechanism for receiving and handling passenger complaints.

- o Facility requirements should include:
 - adequate, secure overnight parking for vehicles;
 - adequate maintenance equipment and facilities for in-house maintenance programs;
 - location of facilities in proximity to the service area; and
 - whether inside storage is required.

- o A comprehensive driver's training program that includes the following:
 - defensive driving
 - safety procedures
 - passenger assistance
 - sensitivity training
 - on-the-road practice runs of the routes and schedules

DRAFT

E. OTHER CONSIDERATIONS

Other factors play an important part in developing successful RFPs. Discussion of some of these factors and the related issues follows:

- o Pricing Methods. The cost section of the RFP may call for prices to be quoted on an hourly rate and/or mileage rate basis. Regardless of the pricing method, it is necessary to inform prospective contractors about how the total contract price will be adjusted if the quantity of service purchased is increased or decreased. Within narrow limits; i.e., plus-or-minus 10 percent, changes in the quantity of service purchased can often be accommodated at the unit price submitted in the proposal. Greater changes in the quantity of services, however, may have a greater impact on a contractor's unit costs. Mechanisms must be provided at the outset to accommodate service level changes.
- o Payment. Progress payments have been used in contracts for transit services and are typically made monthly. Terms for payment should be clearly explained in the RFP. Lengthy billing recovery cycles are costly since the contractor must finance the operator until payment is made. The cost of financing this "float" will usually be built into the contractor's bid price. Some contractors may offer discounts for early payment of invoices, and this should be treated as a reasonable issue in contract negotiations.
- o Administrative and Reporting Requirements. The RFP should state what information is to be reported, when it is due, to whom it is to be reported, and in what format. The expectations of the contractor related to monitoring and supervision of the transit service should be included in the RFP. Also, it should be clearly stated what authority and limitations the contracting agency will have over the contractor and its employees.
- o Insurance. Minimum insurance requirements should be clearly described in the RFP. If contractors are permitted to propose a self-insurance program, the conditions for accepting such a proposal should be described.
- o Contract Length. The term of the contract, along with any options for extensions, should be clearly described in the RFP.
- o Compliance with Applicable Requirements. The contractor may be required to meet certain federal, state and local requirements. The RFP should clearly state any guidelines or requirements to be met.
- o Standards, Penalties and Incentives. If it is anticipated that the contract will incorporate performance or financial standards, incentives or penalties related to providing the service, then the RFP should include a description of each and describe how monitoring for compliance will occur.
- o Revenues. The RFP should include an estimate of the passenger fares for the service in the RFP, how fares will be recorded, if and when vehicles can be used in charter service and how advertising revenues will be addressed.

DRAFT

o Role of Contracting Agency. The involvement of the contracting agency in delivering the service should be clearly described in the RFP.

F. TIMETABLE

Adequate lead time is necessary for both the contractor's response to the RFP and preparation for the commencement of work. Typically, a contractor does not have personnel or vehicles standing idle waiting for a new contract. To submit a thoughtful proposal, a contractor must have sufficient time to review the details of the services requested; to evaluate personnel needs, vehicle requirements and availability; to obtain insurance quotes; and to accurately estimate operating costs.

A contractor should have a total of 30 to 45 days for preparation of the response, and proposals should be due no sooner than 30 days from the date of the pre-bid conference. A contractor should have up to 120 days, depending on the facility and equipment requirements, to commence service, from the date that the contract has been awarded or a binding notification to proceed has been given.

Lead time is also necessary for personnel recruitment, hiring, training, delivery and preparation of the vehicles. If the contractor is required to supply vehicles, the lead time should allow for adequate opportunity to locate the type of vehicles required and to arrange for financing. The successful start of a new service requires that resources be planned, assembled, and scheduled in an orderly manner.

The following is a suggested timetable for competitively contracting for transit services:

<u>Milestone Event:</u>	<u>Number of Weeks to Beginning Date of Service</u>
Announce and Mail RFP.....	29 Weeks
Pre-Bid Conference.....	27 Weeks
Deadline for Proposals.....	22 Weeks
Review and Preliminary Evaluation of Proposals.....	20 Weeks
Interviews with Providers.....	19 Weeks
Contract Award.....	17 Weeks
Resolution of Any Disputes.....	11 Weeks
Contract Signed.....	10 Weeks
Service Begins.....	0 Weeks

G. BONDING REQUIREMENTS

Bonding is a form of contract security intended to assure the contracting agency that it has the contractor's undivided attention on a specific contract and that there is a source of funds to offset part of the cost if there is any default by the contractor.

DRAFT

Bonds are a form of contract security that is obtained by pledging company assets to the bonding company, which then issues the bond security to the contracting agency. Usually these assets are irrevocable letters of credit from the contractor's bank or some other form of liquid assets, such as cash. Because bonds may tie up significant levels of a contractor's available credit, this cost is often built back into the bid price so that the contracting agency is, in fact, paying the cost. The higher the amount of the bond, the greater the cost.

It is also important to note that calling a contractor's bond is not necessarily an immediate solution to a default situation. The bond company has certain remedies available to it before resorting to the disbursement of the bond sum and often these remedies may take time. There are two types of bonds that the RTB and its recipients shall utilize and they are discussed below:

- o Bid bonds are used to ensure that a respondent who submits a proposal will follow through and enter into a contract if selected to perform the work. Bid bonds typically range from 5 to 20 percent of the amount bid.

Bid bonds shall be returned to unsuccessful bidders within 15 days after the selection of a contractor. The selected contractor's bid bond will be held as security until a contract has been signed for the work.

- o Performance bonds are used to ensure that the contractor will perform the work in accordance with the terms of the contract, or consequently, compensate the contracting agency for damages suffered in the event of the contractor's default. Performance bonds range widely, from five to 100 percent of a contract amount, and will be returned after the successful conclusion of a contract or project.

There are alternatives to performance bonds that the RTB and its recipients may permit. These can include a cashier's check, rights to withhold an agreed upon percentage of contract payments, and contractual language permitting the contracting agency to seek damages from the contractor in the event of default.

DRAFT

CHAPTER III

EVALUATION OF PROPOSALS

DRAFT

A. SELECTION CRITERIA

The process used to rate and select a contractor should be included in the RFP. Criteria that will be used to evaluate the proposals shall be clearly stated and the relative importance of each criterion shall also be stated. Points shall be assigned to areas according to the importance of each category and shall include:

- o experience in providing public transportation services;
- o size or scope of past experience, in relation to that required in the request for proposals;
- o driver training and selection program;
- o management, administrative, financial and technical capabilities;
- o fleet size, vehicle types and maintenance practices;
- o reporting capabilities;
- o compliance with the RFP; and
- o proposed cost of providing the service.

The evaluation process may include the use of an advisory group composed of people who are not associated with any of the bidders to assist with the evaluation of the proposals. The role of the advisory group may include interviews with the top choice(s) and visits to their proposed facility.

As noted earlier, the RTB or its recipients may base its selection on the proposer's experience and qualifications including the company's reputation and past experience as the expected quality of the professional services to be rendered.

B. DISPUTE RESOLUTION

When proposals are solicited, a written dispute resolution process shall be included in the RFP. When an operator is selected under these guidelines, all unsuccessful respondents will be notified, in writing, of the decision. All disputes arising from the RFP process must be heard by the agency that releases the RFP and a written determination rendered by that agency prior to RTB approval of the contract.

The dispute resolution process for hearing and resolving disputes for contracts awarded under these guidelines shall emphasize a quick and comprehensive review as disputes are filed, shall minimize delay and shall discourage frivolous protests.

The burden of proof in filing a protest is on the protester, who must allege facts which, if proven, show that the RTB or its funding recipient has acted in an arbitrary and capricious manner. In addition:

- o Bid disputes arising prior to bid opening (for example, protests of specifications), may only be lodged prior to the bid opening.
- o Protest issues not initially raised with the agency that releases the RFP will not be entertained by the RTB or recipients of RTB funding.
- o Protesters should file a written appeal with the agency that releases the RFP within seven working days of the aggrieved action.

DRAFT

Timeframes and other suggested procedures are as follows:

- o The protester(s) shall state the exact reasons for the appeal and the remedy requested. If applicable, a copy of the written protest shall be immediately forwarded to the RTB by the funding recipient.
- o A meeting(s) should then be called within five working days from receipt of the protest that will include representatives from the RTB, the protester (and RTB funding recipient if applicable), to discuss the issues related to the protest.
- o A decision on the protest should be reached within seven working days from the date of the initial meeting and at that time, the protester shall be notified of the decision in writing by the agency that released the RFP. (If applicable, the RTB funding recipient shall also notify the RTB in writing).
- o The RTB executive director will review all decisions on protests and if the outcome is not consistent with RTB policies or procedures, will recommend action to the Regional Transit Board within seven working days from the date of the decision.
- o If the protester is not satisfied with the decision of the agency that released the RFP or with the review and action at the RTB, a written appeal may then be made to the Metropolitan Transit Dispute Resolution Board. The written appeal shall be made within seven working days from the date of notification of RTB action.

All communications with the parties involved, including RTB staff or board members concerning a protest, whether in writing or oral, must be made part of a docket, open for public inspection. The agency that releases the RFP shall be responsible for maintaining the docket. The disposition of each bid protest should also become a part of the docket.

C. FULL ALLOCATION OF COST POLICY

In order to promote equal competition among bidders, all direct and indirect costs associated with providing the service shall be included in the prospective contractor's proposed price for the service. Additionally, the cost of any equipment or facilities used in the provision of the service shall also be included and based upon the total cost of the equipment or facilities, regardless of the source of funding used for its acquisition.

DRAFT

This is consistent with current federal policy. The Urban Mass Transportation Administration (UMTA) published its private enterprise participation policy in the Federal Register (Volume 49, No. 205) dated October 22, 1984, and UMTA guidance for implementation of this policy stipulates that:

When comparing the service proposals made by public and private entities all the fully allocated costs of public and non-profit agencies should be counted. Subsidies provided to public carriers, including operating subsidies, capital grants, and the use of public facilities should be reflected in the cost comparisons.

This policy was reaffirmed in UMTA Circular C7005.1, that was distributed on December 5, 1986. The circular addressed "Documentation of Private Enterprise Participation Required for Sections 3 and 9 Programs." This circular reiterated the UMTA policy calling for full allocation of costs attributed to the provision of transit service.

This policy has the effect of treating public and non-profit agencies as if they are required to recover the full costs of production, like a private firm. Furthermore, it prohibits operators from submitting a bid price that is lower than the actual cost of providing the service. The principle underlying this policy is that the total costs incurred in delivering a specific service should be attributed to that service.

For example, direct and indirect costs are often used by public agencies to determine the appropriate sharing of fiscal responsibility for deficits. A regional transit authority which receives local subsidies from a central city and several suburban communities often determines the fiscal responsibility of each community on the basis of fully allocating the cost of the service received including (1) the direct cost of service and (2) a portion of the shared (indirect) costs of the management, administration and underlying organizational structure supporting the service received by the communities.

The fully allocated cost policy also will require respondents to include in their bid price the full cost of any publicly funded equipment or facilities associated with providing the service. When publicly funded equipment or facilities are used, the bid price must include a depreciation expense that reflects the full purchase price, age and salvage value of the asset. This depreciation expense shall be based on generally accepted depreciation methods, approved by the RTB, for computing depreciation expense of physical assets.

The full allocation cost policy also accounts for fixed and variable costs that contribute to the delivery of any specific segment of transit service. These are costs that are constant over very large increments of service (fixed) or costs that vary with the level of service provided (variable). A fully allocated cost estimate, therefore, represents a complete accounting of all the labor, capital and material resources used in the delivery of a segment of transit service.

DRAFT

By contrast, a marginal cost analysis recognizes only the variable costs of any specific segment of service. The marginal cost approach understates the cost of service because it does not account for the fixed costs incurred with providing the service.

The fully allocated costing policy, therefore, requires the identification and estimation of:

- o Fixed costs, which are constant over very large increments of service and, therefore, do not vary with small changes in the level of transit services. Examples of fixed costs include most administrative labor costs, facility-related capital costs, and materials and supplies costs other than those costs incurred directly to support revenue service.
- o Variable costs, which normally vary with the level of transit service provided. Variable costs include driver wages and vehicle fuel costs which vary directly with the level of service.
- o Direct costs of a segment of transit service. These are the costs which can be associated exclusively with the service. For example, at the route level, direct costs generally consist of operator, mechanic and other wages, associated fringe benefits, fuel and lubricants, tires and tubes, and the depreciation costs associated with the vehicles used to operate that service, including spare vehicles.
- o Shared costs of a segment of transit service. These are the costs which cannot be associated exclusively with a specific segment of transit service. The shared costs relevant to an individual route, for example, at a minimum consist of the costs to operate the facility from which the route or vehicle is dispatched. Shared costs must be allocated in a logical manner which reflects the rate at which the cost is incurred to support the specific segment of service.
- o Capital costs of all facilities and equipment, regardless of the source of funding used to acquire the asset.

D. APPLICATION OF THE FULL ALLOCATION OF COST POLICY

The following examples address specific aspects of contract pricing for bidders to follow that will ensure fair cost comparisons and an adequate assessment of long-term versus short-term savings. Most of the information for this section is based on the principles on cost comparisons in competitive bidding adopted by the Competitive Services Board on November 16, 1986 (see Attachment I). Each of these examples is discussed in more detail below.

DRAFT

1. Government Financial Support

The total cost of delivering the transit service, regardless of source of financial support, should be included as part of the prospective contractors bid price for the service. This permits comparisons to be made that reflect the actual cost to the taxpayer. For example, if vehicles are purchased with 75 percent federal funds, 10 percent state funds, and 15 percent local funds, the full 100 percent cost shall be included in the operator's price to provide the service. All assets used in the delivery of the service, regardless of ownership, shall be included in the proposed price.

2. Contributions from Other Government or Agency Units

Some transit operators may use without charge the services or facilities of a public agency or governmental unit (for example, legal or clerical services, vehicle storage, office space, or parking lots). Because these contributions are actual costs to the taxpayer, they shall be included in a prospective contractor's proposed price for the service.

3. Administrative Costs

The portion of a transit operator's administrative costs that are attributable to the service shall be included in the proposed price (for example, the attributable portion of senior management compensation).

4. Non-attributable Public Sector Costs

Public-sector costs that benefit both public and private operators should not be included in the proposed price if these costs are not attributable to the service. For example, some services provided by the Metropolitan Transit Commission (MTC) may serve both the MTC and other public transit operators. Examples of these regional services could include transit marketing, telephone information services, financial reporting for federal grants, and bus shelter maintenance. Prior to awarding transit service contracts under these guidelines, the RTB will work with the MTC to identify these regional services and their associated costs.

5. Capital Assets

Any physical assets related to the provision of the service, shall be itemized as a depreciation expense and included in the operator's proposed price. This depreciation expense shall reflect the full cost of the physical asset along with a reasonable salvage value and shall be based on generally accepted depreciation methods, approved by the RTB.

DRAFT

However, if the capital assets (such as vehicles or facilities) will be provided to the successful respondent, those capital costs should not be included in the operator's proposed price for providing the service.

6. Interest

The cost of capital equipment used to provide transit service will often include interest charges. These charges shall be included in the proposed price to reflect the cost of capital. A public agency may have access to lower interest rates than private operators. There will be no adjustment to proposed prices to compensate for differences in interest rates.

7. Donations

Some transit operator's costs are offset by contributions of services or facilities from private organizations or individuals (for example, volunteer drivers for specialized services) and shall not be included in the proposed price.

8. Cost of Contracting

Certain costs will arise to the RTB or recipients of RTB funding when contracting for service. This may include costs such as RFP preparation, labor protection, and contract management. These costs should be considered in both the long-term and short-term analysis of costs.

9. Exemptions and Costs Imposed by Federal or State Requirements

There are certain exemptions and costs that are imposed upon both public and private operators through various state and federal requirements. For example, the Metropolitan Transit Commission (MTC) is required to establish a pension plan for its employees; however, the MTC is exempt from paying any state or federal taxes on items such as vehicle licenses, purchases, fuel, property or corporate income. With a few exceptions, businesses operating for a profit are obligated to pay these types of taxes; however, they also have access to tax credits to offset their obligations. When making cost comparisons between public and private operators, adjustments will not be made for the characteristics that are inherent to the public or private sector.

DRAFT

CHAPTER IV

TRANSIT SERVICE CONTRACTS

DRAFT

A. MINIMUM CONTRACT PROVISIONS

The contract that is entered into must be written to prevent misinterpretation of its content, and it must provide for adequate, workable remedies should they become necessary. A sample agreement should be attached to the RFP and reviewed by the RTB recipient's or RTB's legal counsel before public release. (This agreement can be modified to accommodate requirements specific to the selected contractor and any later needs that may be identified.)

Following are criteria for some of the basic elements to include in the contract:

- o clear and accurate identification of the parties;
- o exact and complete statement of the service to be provided including information such as:
 - the level of service, days of operation
 - the routes and schedules to be operated
 - a description of the vehicles to be used for the service
 - vehicle maintenance and servicing standards
 - personnel standards
- o penalties (liquidated damages) for noncompliance;
- o maximum total amount to be paid and the basis upon which payment is to be made;
- o the contract duration or period for completion;
- o insurance and performance bond requirements.

The development of specific contract language should be based upon the RFP developed for the service. Some of these areas are explained in more detail below.

- o Service levels. For effective contract management, the route service levels needs to be clearly stated. This description can include but is not limited to detailed maps of routes, the exact number of vehicle service hours on a given route, the daily schedule, hours of operation operation, and the fare structure with variations in fares. The use of transfers from other routes and passes should also be described in the contract language. Finally, a methodology should be provided to cost out and implement any adjustments in service levels, that may be required during the contract period.
- o Service Criteria. All applicable safety regulations or operating standards should be referenced. Driver qualifications, skills, courtesy and appearance should be delineated. Some examples of these include:
 - Operating ahead or behind schedule.
 - On-time performance.
 - Proper attire for drivers.

- o Vehicle Issues. The contract may also specify vehicle markings, with flexibility for changes or additions. Limitations on vehicle usage on charters or in other services may also be imposed.
- o Routine Vehicle Maintenance and Repair. Preventive maintenance intervals and levels of inspections should be specified along with any related state or local regulations. Also, the contract should indicate whether cleaning will be measured on an effort basis (weekly washing) or on a results basis (a specified level of cleanliness). There should also be a requirement to keep maintenance and repair records, detailing the level and timeliness of recordkeeping and the retention and availability of records for inspection. Special records or notification in the event of accident damage or a long-term vehicle outage (perhaps with penalty payments) should also be considered.

In the event that the contracting agency provides the vehicles for the service, additional measures should be included in the contract. This would include responsibility for supplying parts, specifications regarding the quality of parts to be used in repairs, and compliance with the manufacturer's warranty. It is also important to outline the procedure for monitoring compliance with these contract requirements. At the completion of the contract, the condition of the vehicles should be stipulated, along with remedies to cover the cost of any necessary repairs.

- o Supervision and Administrative Roles. Provisions need to be made regarding the extent of service changes the contractor can make without requiring a contract change. The contract should also clearly define the role of the contracting agency and its ability (authority and limitations) to take appropriate actions related to the employees of the contractor. Finally, all contracts should include a requirement to provide regular and specific operating reports, plus other reports as needed.
- o Compensation Methods. Submittal of bills, approval methods, timeliness, and method of payment should be specified in the contract. Periodic cost adjustments, escalator clauses, incentives and penalties also may be a part of the agreement and should be clearly described. If the right to take offsets against payments is desired, it should be stipulated, as should the right to withhold payments or partial payments. Some examples of incentives could include:

- Contractor receiving bonus payment for higher passenger load factors.
- Contractor receiving monthly bonus depending upon the available percentage of vehicles maintained at a certain high standard; e.g., cleanliness.

Some examples of penalties could include:

- Contractor not receiving payment for runs not on schedule.
- Contractor paying damages for runs extremely off schedule.
- Contractor not receiving compensation if vehicle has not been serviced within the specified inspection interval.

DRAFT

If incentives and/or penalties are to be a part of the service, then a process for monitoring compliance should be clearly described in the contract. Finally, the contract should provide a means for adjusting payments based on audits and for handling any disputes that might arise.

- o Insurance Requirements. Insurance requirements are designed to protect the contracting agency. Therefore, the contract should specify the type and amount of coverage desired. This means that the contracting agency should consider what risks are to be protected against and what limits of liability are deemed appropriate. The nature of the service that is being bid will be a major factor in determining the minimum insurance requirements.

Following is an explanation of the different types of insurance requirements that may be specified in the contract:

- Automotive liability is perhaps the most important insurance to be considered. It protects against claims for personal injury and property damage arising out of the operation of buses, cars, and trucks. In Minnesota, state law suggests that limits of coverage of \$200,000 for a single claim and of \$600,000 for multiple claims arising from a single accident are adequate.

Risk can generally be measured based on the number of passenger miles. In other states and in cities across the country that are contracting for transit services, the minimum coverage for a regular route service is typically \$1 million. Medium to large sized contracts require from \$5 million to \$10 million of coverage, if not more.

- Physical damage insurance protects against damage to property from a variety of causes including fire, theft, flood, hurricane, tornado, collision, and other causes. The coverage can be obtained for the specific risks needed. The amount of insurance will depend on the assessment of the likelihood of a loss occurring.
- General liability insurance protects against claims for personal injury and property damage as a result of the claimant being on or near the property when an accident occurs. The amount of insurance protection needed depends on how accessible the property is and the likelihood of accidents. Some important considerations in determining the premium price are fencing, lighting, facility condition, and special hazards.
- Property insurance includes such coverage as fire, theft, windstorm, flood, hail, and other potential damage to building and contents. The amount of coverage will depend on the value of the facilities and the replacement costs.
- Workers compensation insures against claims for injuries to employees arising from their employment. The state of Minnesota has specific requirements for this kind of insurance.

DRAFT

- Fidelity bonds insure against theft, fraud, misappropriation, misapplication, carelessness, or other misuse of money, property, or other valuables. The amount of coverage depends on how many employees have access to such property, how much value is accessible at any given time, and security measures in effect.

The contract should indicate whether the contracting agency will procure insurance or if the contractor is required to provide it. The contract should also note whether the contracting agency will pay the insurance premium directly, on a pass-through basis, or as part of the contract price. If the contracting agency does not pay the premium directly, there may be additional costs built into the bid price because of the interest expense to the contractor for paying the premium upfront.

If a contractor proposes a self-insurance program, the contracting agency must require evidence of the contractor's financial capacity to meet the insurance requirements of the contract. In such cases, the self-insurance program must provide the contracting agency, and any others named as an additional insured, at least the same protection from liability and defense of suits as would be afforded by first-dollar insurance.

The RTB (and its recipients) should be named as additional insured and should require periodic certification by the insurer to keep on file verification of all covered vehicles assigned to the contract.

- o Length of Contract. The length of the contract should be related to the level of investment in physical assets that contractors are required to make in order to perform the service. In general, the larger the investment, the longer the contract term must be to attract reasonable responses from prospective contractors.

Below is a table which displays suggested contract terms as a function of investment requirements on the part of a contractor.

SUGGESTED LENGTH OF CONTRACT TERMS

	<u>Minimum Term</u>	<u>Maximum Term</u>
Investment Required by Contractor:		
New heavy duty buses	5 years	7 years
Used heavy duty buses	2 years	5 years
New light buses and vans	3 years	5 years
Used light buses and vans	2 years	5 years

The above contract terms can be shortened if the contracting agency provides the capital assets.

DRAFT

B. COMPLIANCE WITH APPLICABLE LOCAL, STATE AND FEDERAL REQUIREMENTS

Any service entered into contract under these guidelines must be consistent with any applicable local, state and federal requirements. This shall include, but is not limited to regulations of the Transportation Regulatory Board (TRB), state law regarding MTC impact assessment, federal policies regarding UMTA grant recipients, affirmative action requirements, equal employment opportunity requirements and participation of Disadvantaged or Women Business Enterprises requirements of the RTB.

C. DOCUMENTATION (For Recipients of RTB Funding)

At least three weeks prior to commencing service, recipients of RTB funding shall provide written documentation on the RFP and contractor selection process that includes any evaluation forms used, justification for selecting the preferred contractor, a detailed breakdown of all cost elements, a copy of the proposed contract, verification that proper insurance coverage and a performance bond will be in place prior to service beginning.

D. AWARDING OF THE CONTRACT

For any transit service awarded under these guidelines, the Regional Transit Board shall review and approve the provider and the contract (along with any subcontracts) prior to the provision of service by the provider. The review and approval by the RTB shall be completed within 30 days of receipt of a written notice and the documentation required in (C) above from the agency that released the RFP. Review by the RTB shall include consistency with the RTB's standards, procedures and guidelines for competitively awarding public transit service contracts, compliance with the Metropolitan Council's and RTB's implementation plans and compliance with applicable local, state and federal requirements.

REGIONAL TRANSIT BOARD'S COMPETITIVE TRANSIT ADVISORY TEAM
September 1987

Donna Allan, Project Manager
Mn/DOT Office of Transit
815 Transportation Building
St. Paul, MN 55155

Bev Auld, Assistant Chief
Administrator for Administration
Metropolitan Transit Commission
560 Sixth Avenue North
Minneapolis, Mn 55411-4398

*J. Arthur Boschee, Vice President and
Executive Operating Officer - Alpha
Center for Public/Private Initiatives
955 Southgate Office Plaza
5001 West 80th Street
Bloomington, MN 55437

Frank Boyles, Asst. City Manager
City of Plymouth
3400 Plymouth Boulevard
Plymouth, MN 55447

Richard Braun, Director
Center for Transportation Studies
110 Civil & Mineral Engineering Bldg.
500 Pillsbury Drive Southeast
Minneapolis, MN 55455-0220

Natalio Diaz, Manager
Transportation Planning
Metropolitan Council
Metro Square Building
St. Paul, MN 55101

Steve Dress, Business Representative
St. Paul Trades and Labor
411 Main Street, No. 103
St. Paul, MN 55120

Arnie Entzel, President
Amalgamated Transit Union
312 Central Avenue, Room 438
Minneapolis, MN 55414

Dick Graham, Executive Director
DARTS
60 East Marie Avenue
West St. Paul, MN 55118

Bob Janecek, President
Transportation Management, Inc.
P.O. Box 14784
Minneapolis, MN 55414

Jim Johnson, Vice President
Medicine Lake Lines
835 Decatur Avenue North
Minneapolis, MN 55427

Beverley Miller, Transit Admin.
Southwest Metro
7600 Executive Drive
Eden Prairie, MN 55344

*Jim Morgan
Mpls. Taxi Owners Association
2201 Second Street Northeast
Minneapolis, MN 55418

Anne Pfankuch, Director
Advanced Legal Education
Hamline--School of Law
1536 Hewitt Avenue
St. Paul, MN 55104

Dave Aarsvold, Director of Regular
Route System, Jefferson Lines
P.O. Box 978
Minneapolis, MN 55440

RTB Staff

Mark Ryan, Senior Project Admin.
Regional Transit Board
270 Metro Square Building
St. Paul, Mn 55101
292-8789

Edward Kouneski, Programs Manager
Regional Transit Board
270 Metro Square Building
St. Paul, MN 55101
292-8789

*Resigned

Bd Harlan

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: October 5, 1987
TO: Regional Transit Board
FROM: Judith G. Hollander
Director of Planning and Programs
SUBJECT: Providers' Advisory Committee

Summary

The purpose of this memorandum is to outline a process and timetable for appointing members of the Providers' Advisory Committee.

Background

Within recent weeks, both the Regional Transit Board and the Metropolitan Council have approved the Twin Cities Metropolitan Area's Transit Operator Participation Process. As part of that process, it was determined that the Regional Transit Board should establish a Providers' Advisory Committee. This Providers' Advisory Committee would act as a regional forum for open discussion by providers and community officials of issues related to transit service planning and implementation. The major role of the Committee will be to advise the RTB on plans involving new or restructured services, as well as periodic re-examination of existing services.

Discussion

The composition of the Providers' Advisory Committee, as adopted by the RTB and the Metro Council, is as follows:

- 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.

Now that the basic structure of the committee has been established, solicitation of members can begin and procedural committee details can be worked out. Staff proposes that the solicitation of committee members be initiated and carried out according to the timetable presented below. It should be noted that it is proposed that committee members be approved by the Regional Transit Board, based on recommendations from its staff, and that the Chair of the RTB appoint the Providers' Advisory Committee Chair, as he appoints other advisory committee chairs. Board members are urged to suggest potential candidates for committee membership.

October 9	Send out notice of committee openings
November 6	Applications due to the RTB
November 9--13	Review applications/develop staff recommendations for committee membership
November 16	Present staff recommendations for committee selection for board approval/present chairman's committee chair appointment
December 1-4	First meeting of the Providers' Advisory Committee

Concurrently, staff will develop other appropriate materials (purpose statement, by-laws, agendas/work program) for board and committee consideration.

Findings and Conclusions

- o Recently, the Regional Transit Board and the Metropolitan Council approved proposal for the Twin Cities Metropolitan Area's Private Transit Operator Participation Process. A Providers' Advisory Committee is a key element of this proposal.
- o The Provider's Advisory Committee will primarily advise the RTB on plans involving new or restructured services, as well as periodic re-examination of existing services. The Committee will be comprised of representatives of the private for-profit, private non-profit, and public transit operators, taxi companies, and community representatives.
- o Staff proposes that solicitation of Providers' Advisory Committee members begin and that other procedural committee details be worked out by for presentation to the RTB on November 16, 1987, so that the Committee can hold its first meeting during the first week of December.

Recommendation

That the Regional Transit Board direct staff to proceed with the solicitation of members to the Providers' Advisory Committee and develop appropriate related materials to the start-up of the committee for board approval on November 16, 1987.