



Minnesota Regional Transit
Board: Records.

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REGIONAL TRANSIT BOARD
Mears Park Centre
230 East 5th Street
St. Paul, Minnesota 55101
612/292-8789

MEETING OF THE REGIONAL TRANSIT BOARD
Tuesday, July 5, 1988
Mears Park Centre Chambers*
4:00 p.m.

AGENDA

1. Call to Order and Roll Call
2. Approval of Agenda
3. Approval of Minutes of the Board Meeting of June 6, 1988
4. Consent List
5. Establishment of a Public Hearing on the Appointment to the Metropolitan Transit Commission
6. REPORT OF THE AD HOC COMMITTEE ON OFFICE SPACE NEGOTIATIONS Rochelle Graves,
Chair
7. REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE Ruth Franklin,
Chair
 - A. 1987 Audited Financial Statements
 - B. Financial Statements - February 1988
8. REPORT OF THE POLICY COMMITTEE Doris Caranicas,
Chair
9. OTHER BUSINESS:
 - A. Chairman's Report
 - B. Members' Reports
 - C. Advisory Committee Reports
 - D. Staff Reports
10. PUBLIC COMMENT

Elliott Perovich
Chairman

* If construction is complete. If not, the meeting will be in the RTB conference room.



270 Metro Square Building, Saint Paul, Minnesota 55101
612/292-8789

Minutes of the Meeting of the
REGIONAL TRANSIT BOARD
Metropolitan Council Chambers
June 6, 1988

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

MEMBERS ABSENT: Alison Fuhr and Paul Joyce

OTHERS PRESENT: Gregory Andrews, Tom Beaver, Mary Fitzgerald, Judy Hollander, Kathy Christopherson, Mike Kuehn, Ed Kouneski, Katie Turnbull, Howard Blin, Linda Ehlers, Cyndie Mayer, Jerry Brechlin, Regional Transit Board Staff; Charles Weaver, legal counsel; Marcy Waritz and Karen Lyons, Metropolitan Council; Senator Rennekr and Representative Kelso, Arnie Entzel, Amalgamated Transit Union; Tom Vida, Greg Failor, Metropolitan Transit Commission (MTC) Lyle Frerichs, Metro Mobility Administrative Center; Mary Jo Nicols, Metropolitan Center for Independent Living (MCIL) ; Beverley Miller and Gary Peterson, Southwest Metro Transit Commission; Steven Bertrand, United Handicapped Federation, Kurt Strom, State Council on Disabilities, Sharon Hardy, Jim Johnson, Charles Kenow

The meeting was called to order at 4:00 p.m. and roll taken. Isaacs moved and Caranicas seconded that the agenda be approved.

Kranz moved that Item 7.A. be struck until there is a full complement of the board members present. Isaacs seconded the motion. Vote was taken; motion failed. Vote was then taken on the original motion to approve the agenda and the motion carried (Graves not present).

CONSENT LIST

City of Roseville Comprehensive Plan Amendments: Caranicas moved and Isaacs seconded that the consent list dated May 26, 1988 be approved. The motion carried unanimously (Graves not present).

APPROVAL OF METRO MOBILITY CUSTOMER SERVICE ENHANCEMENT PROJECT

Kouneski reviewed his staff report dated May 27, 1988. In response to Faricy's question, he said the drivers manual contains a section on passenger relations that discusses how to handle situations that commonly develop between passengers and drivers. This process proposes the complaint function be used to monitor driver performance. Individual providers will be able to evaluate the performance of their own companies.

Faricy said the process and the results will be extremely complex. Kouneski said the consultant will help implement the recommended changes. MMAC has expressed their willingness to participate. Isaacs said the board indicated in past discussions that it feels MMAC needs improvement. If we can take what is

pre-existing and improve it he would support the measure. Caranicas said one strength of the project is the involvement of MCIL, the Transportation Handicapped Advisory Committee and others who are effected by Metro Mobility Administrative Center.

Regarding THAC, Franklin said these things normally go to them before they come to the board. Kouneski said THAC members received copies and were asked to comment. Those comments will be incorporated into the negotiations. The chairman said the project will be reviewed by THAC before the final contract is drawn up. Kouneski said staff had hoped to start the project in June. By waiting, it may be August before it can be started. Isaacs agreed with Franklin that he would prefer to go through the usual channels. Hollander said intent is not to sidetrack input from THAC, but to respond to the complaints about the lack of customer service at MMAC.

Referring to the last sentence on the first page, Franklin asked what the financial arrangement would be. Kouneski said there would be a consulting contract. The chairman said the customer complaint process has been a very sensitive issue. Caranicas moved:

That the Regional Transit Board authorize the executive director to negotiate and enter into contract with Pine and Associates to conduct a Metro Mobility Customer Service Enhancement Project in an amount not to exceed \$10,000.

There was no second. The chairman asked for staff direction from the board. Isaacs moved and Franklin seconded:

That the Metro Mobility Customer Service Enhancement Project be referred to the Administration and Finance Committee.

The motion carried unanimously (Graves not present).

REVIEW AND COMMENT ON MINNESOTA DEPARTMENT OF TRANSPORTATION'S PRELIMINARY PROCESS FOR ALLOCATION OF LIGHT RAIL TRANSIT FUNDS

Hollander reviewed the staff report dated May 26, 1988. Since Mn/DOT has asked for a response by June 20, the issue is being presented directly to the board without going through the committee process. Franklin complemented staff on its review on highlighting the weaknesses in the proposed process. She moved:

That the Regional Transit Board transmit the comments contained in the May 26, 1988 report to the Minnesota Department of Transportation for their consideration in refining their process and guidelines for allocating light rail transit funds.

Caranicas seconded the motion. The chairman said clarification is needed on when money is allocated. The law states only 60 percent of the money can go to one agency. If there is money left over the same agency could applied for it in the next year. The motion carried unanimously (Graves not present).

CHANGE OF DATE OF REGULAR BOARD MEETING FROM JUNE 20 TO JUNE 27, 1988

The Bylaws require that the regular meetings of the board must be rescheduled by board action. Caranicas moved and Isaacs seconded:

That the Regional Transit Board meeting scheduled for June 20 be rescheduled to June 27, 1988.

The motion carried unanimously (Graves not present).

REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE

REGIONAL TRANSIT BOARD CONTRACT WITH SOUTHWEST METRO TRANSIT COMMISSION

At its meeting of May 16 the board approved a motion to postpone action on the Southwest Metro Transit Commission contract until today's meeting. Committee Chair Franklin moved:

That the Regional Transit Board postpone action on the Southwest Metro Transit Commission contract until the board's June 6, 1988 meeting.

1. That the Regional Transit Board authorize the executive director to enter into contract with the Southwest Metro Transit Commission in an amount not to exceed \$518,150 for the period June 1 through December 31, 1988.
2. That the Regional Transit Board direct Southwest Metropolitan Transit Commission to rebid the service and complete the process by January 1, 1989.

Caranicas seconded the motion. ^{until} Kranz said there is no reason this matter cannot be held over as Member Joyce is present. Franklin said Joyce was the seconder of the motion to act on June 6. Kranz said it is in the interest of the board and the people of the Southwest Area that a full complement of the board should vote.

Chairman Perovich explained that the board discussed this several times in the past year and a half. It is important to look at the history of the Southwest Metro Opt-Out program and why we are considering a motion to rebid. In fall 1986, Southwest Metro went through a bidding process. RTBdisagreed with the process; there was some feeling on the board's part that the service should have been rebid at that time, but Southwest had already started a marketing program and had printed material. The board approved the service as an 18-month demonstration project with the understanding it would be rebid. The 18-month period ended May 31, 1988. In the meantime, RTB adopted its competitive bidding guidelines and procedures as mandated by the Legislature. Because there was not enough advance notice, the board offered to extend the service until the end of the year to allow time for a thorough bidding process. (Graves arrived.) The Urban Mass Transportation Administration (UMTA) and the board are concerned about bidding fully allocated costs.

Gary Peterson read the resolution passed by Eden Prairie, adding that recent events have put them in a defensive posture. He said Southwest was not aware of the board's deliberations and was not invited to meet with the board as they had requested. Their legal counsel has advised them that they are within their jurisdiction to continue to operate and it is their wish to continue the MTC service. On behalf of Southwest Metro and the people who use the service, he asked the board to reconsider its action until they can meet with the board. It would be disruptive to rebid now because the administrator and the staff person are very busy. Faricy asked Peterson if he had known this is a demonstration project with the May 31 deadline. Peterson said he had; they talked

in terms of an 18-month demonstration project and regrets saying they expect to rebid it. After he made that statement their counsel said rebidding is not required and they thought they could operate for three years. In response to Franklin's question, Peterson said they notified RTB; Miller said the Roger Pauley memo was sent a few weeks ago to some board members. Miller said Perovich wrote to them a year ago saying they had to rebid. They replied that they would not comply because there were no guidelines and they requested a meeting; there was no response. Perovich said the July 6, 1987 letter responds to a June 10 letter and states that RTB agreed to a 13-month contract with two one-year extension options. The contract was from December 1986 to December 1987. The whole bidding process and the ATE issue was discussed. When the competitive transit guidelines were finished in February it was decided to extend the contract, but that it should be rebid so the cost could be justified to the public. That should not be disruptive to the service.

Peterson said it is in everyone's best interest that the responsible agencies communicate and get a response to the June 10 letter. Since there is only one staff person with a tight schedule, subjecting Southwest to a rebidding process will be disruptive and may not be in the public interest. Perovich said the legislative assumption is that when cities commit to opt-out they are committing to operating the program with their own staff.

Isaacs said some board members are influenced by the fact that UMTA is calling for us to rebid the service. Franklin said that is not her reason; it should have been rebid immediately and it is unfortunate ATE was the low bidder since they are the MTC's general manager and MTC would not allow them to bid. MTC did not use proper costs in figuring their bid. The board has already extended the service too long--seven months beyond the 18 months. Peterson said whatever the motivation, Southwest did not have to accept the low bid. He hopes the RTB will not capitulate to UMTA. Perovich said UMTA became involved because the board did not act. They own 80 percent of the buses in the Southwest service and use those buses are used the bids must use fully allocated costs, which was not done. Consequently, the service is subsidized outside the opt-out monies. Based on the way the process came apart, it was decided it should be rebid.

Bob Repke, Mayor of Chaska, said his key question is how the RTB views its role and the relationship to their system and services. Perovich said the opt-out legislation is drafted so that any community that wishes to opt-out can do so and make application to the RTB. A service plan must be prepared for their area and must be approved by the RTB. RTB then enters into a contract to fund the service plan. Repke said the board is not sensitive to the fact that the service is effective and is not working with the communities to improve it.

Graves asked for clarification; this is a demonstration project with a specific time line. The contract was extended twice. She asked if that indicates a lack of good faith. Repke said their legal advice puts them on firm ground regarding the three-year timeline.

Representative Becky Kelso, representing Chanhassen, said that in talking to the various parties, it is clear there is a great lack of communication and a lot of confusion with needless hard feelings. When there is a conflict between local units of government and regional government, the parties should work things out. There is no question RTB has control of the situation and the ability to impose its will. However, the board must be fair, flexible, and sensitive to local opinion. These communities are fiscally conservative and

mindful of the taxpayer. She asked the board to compromise and not rush into an arbitrary decision. She asked how many opt-out communities went through a bidding process. Perovich said none have done so. We are now in the process of putting together a process for doing this on a timely basis. Kelso said this is a new process for everyone.

Senator Earl Renneke, representing the Chaska area, said interpretations vary on where we are going. The facts of the case should be established before a decision is made. There seems to be a legal question on the contract terms. He is disappointed to hear there was not close communication between the groups and recommends that this be delayed until the facts are sifted out.

Marcy Waritz, Metropolitan Council District 14, asked to delay the process until a compromise is reached. She asked for support of the communities.

Kranz said these are complex issues that some people are hearing for the first time. The cities are very happy with the service and do not wish to rebid the service. The University's contract with Medicine Lake Lines was not rebid for a number of years. He moved:

That the Regional Transit Board table the issue until there can be a meeting with the Southwest Metro Transit Service Commission.

Faricy seconded the motion. Motion failed.

Kranz asked for a roll call vote on the original motion. The motion carried with Faricy and Isaacs voting no.

Kranz asked for a legal interpretation. The chairman said Kranz said he had voted on the prevailing side so he can ask for reconsideration at a regular board meeting. Franklin asked if that would require nine members. Weaver said it the only requirement is that it be a regular board meeting. Kranz said that is his intention.

REPORTS OF THE POLICY COMMITTEE

Committee Chair Caranicas reviewed the actions of the committee taken at its meetings of May 16 and May 23, 1988.

DRAFT ENVIRONMENTAL IMPACT STATEMENT FOR SHEPARD ROAD/WARNER ROAD FROM RANDOLPH AVENUE TO EAST CBD BYPASS AND EAST BYPASS FROM WARNER ROAD TO I-35E

Franklin moved and Isaacs seconded:

That the Regional Transit Board notify the City of St. Paul that it has completed its review of the Draft Environmental Impact Statement for Shepard Road/Warner Road from Randolph Avenue to East CBD Bypass and East CBD Bypass from Warner Road to I-35E. Furthermore, the Regional Transit Board suggests that the city include a review of locating an LRT line along Shepard Road in the Environmental Impact Statement pending future decisions by the Ramsey County Regional Railroad Authority and also examine possible preferential treatments for high occupancy vehicles such as ramp bypass lanes.

The motion carried unanimously.

AD HOC COMMITTEE ON LIGHT RAIL TRANSIT

Caranicas moved and Isaacs seconded:

That the Regional Transit Board appoint an Ad Hoc Light Rail Transit Committee.

The motion carried unanimously. Perovich noted that he has asked Isaacs to serve as chair of the committee.

RESOLUTION NO. 88-06 - RATIFYING RESOLUTION OF THE REGIONAL TRANSIT BOARD PROVIDING FOR ISSUANCE OF GENERAL OBLIGATION TRANSIT SYSTEM CERTIFICATES, SERIES 1988B, AND RELATED MATTERS.

Caranicas moved and Franklin seconded:

That the Regional Transit Board approve Resolution No. 88-06.

Roll call vote was taken; the motion and resolution were unanimously approved. (Faricy not present.)

OTHER BUSINESS

CHAIRMAN'S REPORT

Perovich urged board members and staff to attend the tour and orientation of the Metropolitan Center for Independent Living on June 7. There was discussion of the date of the next joint meeting with the Ramsey County Regional Rail Authority. Faricy said she would like the whole board to meet with the Mayor of St. Paul and the city council.

The chairman said he will be on call for jury duty in July and August.

STAFF REPORTS

As agreed at the board's retreat, Andrews asked members to call Mary Fitzgerald with information on their availability for another retreat in July.

There being no public comment or further business, Franklin moved and Caranicas seconded that the meeting be adjourned. The motion carried unanimously. The meeting was adjourned at 5:50 p.m.

Respectfully submitted,

Mary Fitzgerald
Secretary

Approved by the board: _____, 1988.

REGIONAL TRANSIT BOARD

Mears Park Centre, 230 E. Fifth St., St. Paul, MN 55101
292-8789

DATE: June 27, 1988
TO: Regional Transit Board
FROM: Elliott Perovich, Chair
SUBJECT: Consent List

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

Project Path Report and Environmental Assessment for
Proposed Widening of Minnesota Trunk Highway 13 in
Burnsville, Minnesota

The RTB has been asked to comment on the Project Path Report by the Minnesota Department of Transportation. The RTB has reviewed this report and finds no significant impact on Transit will occur by the widening of Highway 13 in Burnsville.

REGIONAL TRANSIT BOARD

Mears Park Centre, Saint Paul, Minnesota 55101
292-8789

DATE: June 21, 1988
TO: Members of the Regional Transit Board
FROM: Mike Kuehn, Assistant to the Chairman
SUBJECT: Establishment of a Public Hearing on the Appointment to the
Metropolitan Transit Commission

ACTION REQUESTED

The board is asked to establish a public hearing for the purpose of receiving public comment on the appointment to the Metropolitan Transit Commission for the term that expires on August 27, 1988.

BACKGROUND

Each year, in accordance with RTB's enabling legislation and the directives of Minnesota's Open Appointments Law, the RTB is responsible for making an appointment of a person to the Metropolitan Transit Commission for the expiring term. This year the term expires for the commission member who must reside in the City of St. Paul. The commission member who holds this position is Carolyn Cochrane. The term expires on August 27 and the new term will run through August 27, 1991. The Secretary of State's Office advertises the vacancy and receives all applications. Following the application deadline, the Secretary of State's Office forwards all applications to the RTB. A legal notice on the public hearing will be published in newspapers of general circulation to meet legal requirements for conducting this public hearing.

RECOMMENDATION

That the Regional Transit Board conduct a public hearing on Monday, August 1, 1988 at 4:00 p.m. for the purpose of receiving public comment on the appointment of a member of the Metropolitan Transit Commission (MTC) and that proper legal notices be placed in appropriate newspapers.

MK/mf



270 Metro Square Building, Saint Paul, Minnesota 55101
612/292-8789

REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE

At its meeting of June 27, 1988, the committee reviewed and approved the following recommendations:

1987 AUDITED FINANCIAL STATEMENTS

That the Regional Transit Board approve the Financial Statements for the Year Ended December 31, 1987 and Auditors' Opinion; and the Federal Financial Assistance Schedule for the Year Ended December 31, 1987 and Reports of Independent Certified Public Accountants and direct that they be placed on file.

FINANCIAL STATEMENTS - FEBRUARY 1988

That the Regional Transit Board approve the February 1988 financial statements and direct that they be placed on file.

The committee discussed but took no action on the First Quarter 1988 Work Program Review.

Ruth Franklin
Chair

RF/mff
AFtoBD
RTBTX1@6

Arnie Entzel
Kurt Strom
Steve Bettrand
Greg Taylor

Korstad
Wagner
GA
KC
RP
Jim
KT
TB
EK

REGIONAL TRANSIT BOARD
ROLL CALL AND ATTENDANCE SHEET

DATE: 7.5

BOARD OR COMMITTEE: B

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	✓					

*Ad Hoc
report*

July 5, 1988

To: Regional Transit Board Members

From: Rochelle Graves,
Chair Ad Hoc Committee

Carole Faricy
Ed Kranz

Subject: 7-Day Shutdown of the Regional Transit
Board Headquarters

On June 6, 1988, the Regional Transit Board began a seven-day wait to determine where they would be officed after a lock out of its 28 employees.

This incident received coverage in both major newspapers for four days. The day one article, with photographs, became an alert message to its board members. Unfortunately, we had only three members in the state during this crises. It was because of this incident; ongoing confusion and bad publicity regarding the agency's functioning that an Ad Hoc Committee was formed.

Its function was to determine who knew about the problems surrounding the move; why the board was not informed; the procedural plan for the move and to seek information regarding the total additional costs to the taxpayers.

The Ad Hoc Committee members felt its charge to maintain the public's trust regarding the agencies functioning and expenditures.

The enclosed review addresses the following issues: meetings prior to the move; old and changed lease agreement; could the shutdown have been foreseen by the staff; why wasn't the board informed; and what were the total additional costs to the taxpayers.

The RTB moved its offices from the Metro Square Building to the Mears Park Centre Building located at 230 East 5th Street in St. Paul. Most of the physical move took place on Friday, June 3, and Saturday, June 4; the executive director of the RTB intended to have the entire staff of the RTB begin work in the new location on Monday, June 6, 1988. All office furnishings including the phones were moved from the Metro Square facility, leaving no secondary office facilities available on June 6, when the RTB was unable to occupy the Mears Park Centre office complex. The RTB did not have a functional office until Wednesday, June 15, 1988. On Friday, June 17, 1988, the RTB Board established an ad hoc committee to review the events surrounding the move. Included is a synopsis of those events and newspaper clippings. Staff documentation used is also available upon request.

The committee determined that the Regional Transit Board was not adequately informed of the complexities surrounding the move. The executive director and staff responsible for the move did not have a back-up plan for office space and phones. There should have been an alternative plan considering the ongoing negotiations; the issue of the occupancy permit, and the discussion with Mr. McDonald on June 2. Communications between the staff and the Regional Transit Board members was poor; Most information was communicated to the Board members via the newspapers.

[Handwritten notes in cursive script, including the number 201]

RTB MOVE TO MEARS PARK LOCATON

WEDNESDAY, JUNE 1, 1988

Meeting called by David Renz, MET Counsel
Present: MET Council Ex.Dir. & Counsel
MWCC " " "
RTB " " "
McDonald & Counsel

Lease problems are still not ironed out. MET Council & Waste Commission have acquired 9000 additional sq. feet since the original lease agreement for 97,000 sq. feet at \$12.00 a sq. foot. Hence, there is no lease for the additional space. McDonald and the Port Authority need to somehow bring in more revenue during the first few years to make the project economically viable.

At this meeting, Mr. McDonald indicated that he would provide a certificate of occupancy & a security plan for the RTB by the close of business on Thursday, June 2.

THURSDAY, JUNE 2, 1988

Ex. Director of RTB assured by representative of Kraus Anderson Construction Co. that the RTB would have the certificate of occupancy by Friday morning, June 3.

At the close of the business day, Mr. McDonald contacted Kathy Christopherson, comptroller for the RTB, indicating that the Port Authority was objecting to the RTB's possession of the premises on June 6, 1988. He did agree that the RTB could move the remainder of their furniture & equipment over the weekend which was done on Friday, June 3 & Saturday, June 4.

FRIDAY, JUNE 3, 1988

Phone system in Metro Square dismantled.

Furniture & equipment moved to Mears Park Building

RTB unable to obtain a partial certificate of occupancy.

MONDAY, JUNE 6, 1988

RTB employees locked out of Mears Park Building by agents of the developer, John McDonald.

Phone system in Metro Square previously sold picked up, no secondary means of communication.

RTB out of business & 28 employees' activities appear to be paralyzed.

TUESDAY, JUNE 7, 1988

RTB locked out

Elliot Perovich, Chm. of RTB, & several employees were allowed approximately 5 minutes to look at files & bring some files back to the Metro Square Building where the MET council had provided some temporary space for a few employees.

WEDNESDAY, JUNE 8, 1988

RTB Locked out

Lease problems are still not ironed out....

THURSDAY, JUNE 9, 1988

RTB locked out

Four Board members went to the old RTB office space at the Metro Square Bldg. to inquire what was going on? The Chairman & Executive Director assured Board members that they were in the process of obtaining a temporary restraining order from the Ramsey County Court System that would allow them to occupy their new space on Friday, June 10 or if this was not possible, they would move back to Metro Square & begin operations on Friday, June 10. Board members requested that they be kept informed of the agencies activities. By Friday, June 10, there were only 3 board members left in town.

FRIDAY, JUNE 10, 1988

RTB locked out.

RTB unable to obtain restraining order from Ramsey County Judge John Connolly as he referred it to the U.S. District Court.

MONDAY, JUNE 13, 1988

RTB locked out.

Executive director called Board Members to notify them of the status of the restraining order.

TUESDAY, JUNE 14, 1988

U.S. District Court Judge David Doty issued a temporary restraining order forcing Ameritas to open the office to the agency.

RTB and employees occupy new space...

WEDNESDAY, JUNE 15, 1988

THURSDAY, JUNE 16, 1988

Met Council approves the new lease agreement...

FRIDAY, JUNE 17, 1988

RTB special board meeting. Board approves lease agreement. Ad hoc committee was formed.

St. Paul/Transit Board gets court order to allow it to move into new headquarters

Employees of the Regional Transit Board should be able to have an office warming soon.

been suspended. We're just pleased at the decision. We want to put those state employees back to work."

The board received a temporary restraining order from a federal court Monday allowing its staff to move into its new headquarters in the Mears Park Centre in downtown St. Paul.

The board's staff had been without offices for more than two weeks after the agency was unable to reach an agreement with Ameritas Inc. over a lease. The agency, which handles planning for transportation needs in the Twin Cities, previously had offices in the Metro Square building in downtown St. Paul.

"We really had a victory today," attorney Christopher Dietzen said. "We argued to the judge that without a home, our operations have

*Star-Trib
6/14/88*

Regional Transit Board will move into new offices today

St. P.P.P.
6/14/88

By Bruce Orwall
Staff Writer

The Regional Transit Board should move into its new Lower-town offices this morning — at least temporarily — after a U.S. District Court judge in Minneapolis issued a temporary restraining order Monday.

The 10-day order issued by Judge David Doty will end a week without office space for the state transit agency. The agency moved

phone service for six working days, and RTB attorney Christopher J. Dietzen argued in court Monday that the agency's work had been slowed almost to a halt.

The RTB, the Metropolitan Council and the Metropolitan Waste Control Commission are all scheduled to move into 97,000 square feet of space in the new building this month. But the developer of the project, Ameritas Inc. of Atlanta, has refused the RTB en-

The St. Paul Port Authority financed the project with \$11 million in bonds.

In court Monday, Doty said the public interest — putting a state agency back to work — was more important now than the developer's claims about the lease.

"The court is most concerned with what it perceives to be the harm being done to the agency," Doty said. "It's obvious that the public is paying, through its taxes, an agency to perform its duties."

out of its offices in the Metro Square building early this month, but a lease squabble with the owners of the new Mears Park Centre building has prevented the RTB from moving into its new work space.

RTB staffers have tried to cope with the situation by conducting meetings away from the office and working on temporary tables in the old Metro Square offices. However, the agency has been without tele-

try to the building.

The problem has revolved around 9,000 square feet of additional space, needed primarily by the Metro Council and the waste commission. The first 97,000 square feet in the building is being rented at \$12 per square foot, but Ameritas says the additional space must be rented at a higher rate for the project to remain economically viable.

The legal wrangling is far from over. William Pentelovitch, an attorney for Ameritas, said the developer will again refuse entry to the waste commission and the Metro Council if the problems remain unresolved.

The waste commission is scheduled to move next weekend, with the Metro Council following June 27.

Meanwhile, the RTB will seek an injunction against the developer that would allow it to remain in the new office, Dietzen said.

H3

Legal Ledger

6/2/88

Metro Council, Metro Waste, Regional Transit Board To Move To Lowertown In June

The Metropolitan Council, Regional Transit Board and Metropolitan Waste Control Commission will move from their current location in the Metro Square Building to new quarters in St. Paul's Lowertown area during June.

The three agencies will share space in Mears Park Centre, a newly renovated pre-1900 building located at 230 E. 5th St. The building is on the corner of E. 5th and Wacouta Sts., facing Mears Park.

The transit board will be in the new quarters on June 6, the waste control commission on June 20, and the Council on June 27.

The Council began looking at office space proposals in St. Paul a few years

ago because its lease was due to expire. The new building will allow the three metro agencies to share space and services and it will have better access for people with handicaps.

In addition to a new address, the Council has designed a new logo. The modern seven-triangle design of the logo suggests the seven-county Metropolitan Area, which comprises the boundary of the Council's planning jurisdiction.

The move provided an ideal opportunity to update the logo because the Council's stationary must be changed to include the new Mears Park Centre address.

H.P.P.F.
10/17/88

Snafus plague move to Lowertown offices

By Bruce Orwal
Staff Writer

Most employees of the Regional Transit Board were the beneficiaries of an unexpected day off Monday, even though the calendar didn't call for a special holiday.

The extended weekend was the result of a last-minute problem the agency encountered as it tried to move into a renovated office building in St. Paul's Lowertown that eventually will be the home of the board, the Metropolitan Council

and the Metropolitan Waste Control Commission.

Getting into the building has turned into a bureaucratic nightmare, with lease negotiations for the agency's space in the 111,000-square-foot Mears Park Centre hitting a variety of landmines.

The transit board's problems with moving are not related to the lease squabble, however. Rather, the building contractor has not received approval from the city to allow people to work there. The

latest hassle is part for the course in what has become a trying project for the three agencies: the developer and the St. Paul Port Authority, which provided the financing.

According to David Renz, executive director of the Metropolitan Council, the three agencies decided several years ago to leave their offices at the Metro Square building for the renovated 100-year-old building at 230 E. Fifth St.

The agencies originally negotiat-

ed with the developer, Ameritas Inc. of Atlanta, for 97,000 square feet of space at a rate of \$12 per square foot. The deal was signed and ready to go, Renz said, until the waste commission and the Metro Council added staff this year. That caused a need for about 9,000 square feet of additional space.

But according to Renz, the developer did not want to lease out the additional space at the \$12 rate. The rest of the building, Ameritas told the Metro Council, had the potential to be leased at \$16 per square foot.

Nonetheless, Renz thought the problem had been solved three weeks ago when the parties banged out an informal agreement to keep the price at \$12.

Enter the Port Authority, which was examining the building's financial situation. The Port Authority, Renz said, decided that Ameritas had to find a way to bring in more money during the first few years of the building's life in order to make the project work.

That threw the negotiations for the additional 9,000 square feet into a tailspin that the agencies haven't come out of. The transit board is not affected because it doesn't need additional space. But the Metropolitan Council and the waste

management board do need the space, and they remain uncertain of their final lease terms — even though they're scheduled to move in later this month.

Renz said metro officials have spent the last 10 days trying to work out a deal that would be no more costly to the agencies, but would provide more money during the first few years of the project to satisfy the cash flow concerns.

That has proved difficult, though, and Ameritas President John McDonald was scheduled to fly into St. Paul Monday night in hopes of hashing out the final deal.

Meanwhile, transit board officials were waiting to hear whether a Certificate of Occupancy had been issued by the city, which would give their workers the go-ahead to begin occupying the new space.

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Transit board lockout case moves to U.S. District Court

The Regional Transit Board's request for a court order allowing its employees to occupy new Lowertown offices was moved from Ramsey County District Court to U.S. District Court Friday.

The RTB's motion for a temporary restraining order against the owners of Mears Park Centre, the restored Lowertown building, will be heard by Judge David Doty in Minneapolis on Monday. The case was sent to federal court because the developer of the building, Ameritas Inc., is located in Atlanta.

The transit agency has been without a home for a week. The agency was scheduled to move into the new building Monday. But last-minute lease discussions between Ameritas and three metropolitan agencies scheduled to occupy the building led to an impasse.

Ameritas then locked the RTB out of the new building, even though the agency's furniture and work materials had been moved in last weekend.

The Metropolitan Council and the Metropolitan Solid Waste Commission are slated to move to the building later this month.

According to briefs filed by RTB attorney Christopher J. Dietzen, the transit agency pays about \$4,000 a day in salaries, and its ability to do business has been seriously impaired by the lack of office space. Dietzen said the motion to move the case to federal court was an attempt to "delay and obfuscate" the RTB's claims.

The transit board also has filed a claim seeking \$50,000 in damages, plus attorney's fees, from the developer.

MET COUNCIL MOVES TO NEW DIGS

ST. PAUL — The Metropolitan Council, Regional Transit Board and Metropolitan Waste Control Commission will move from their Metro Square location to new quarters in St. Paul's Lowertown area this month.

The three agencies will share space in Mears Park Centre, a newly renovated pre-1900 building located at 230 E. 5th St. The building is at E. 5th and Wacouta Streets, facing Mears Park.

The transit board will be in the new quarters on June 6, the waste control commission on June 20 and the Council on June 27.

The Council began looking at office space proposals in St. Paul a few years ago because its lease was due to expire. The new building will allow the three metro agencies to share space and services, and it will have better access for people with handicaps.

And there's more. In addition to a new address, the Council has designed a new logo: The modern seven-triangle design of the logo suggests the seven-county Metropolitan Area, which comprises the boundary of the Council's planning jurisdiction.

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Fight over Lowertown lease may go to court

By Bruce Orwall
Staff Writer

The Regional Transit Board will seek a court order today to allow the agency to move into its new offices in a renovated Lowertown building.

The transit agency has been stranded without offices this week because of last-minute difficulties in lease negotiations with the developer of the project, Ameritas Inc. of Atlanta.

The RTB, the Metropolitan Council and the Metropolitan Waste Control Commission are scheduled to move into the Mears Park Centre building, 230 E. Fifth St., by the end of the month.

The RTB will seek a restraining order in Ramsey County District Court, a move that threatens to further muddle what the agency chiefs already regard as a bureaucratic nightmare.

Ameritas attorney Bob Chandler of St. Paul said the developer would terminate lease negotiations with the metro agencies if a court order is obtained. That could throw the entire project into an even greater state of uncertainty.

The biggest impact, by far, has been on the RTB, the regional transportation planning agency that moved all of its office equipment, computers and materials out of its current Metro Square office last weekend. But the agency now finds its employees unable to go to work in the new office because of the lease squabble.

The agencies have signed leases for 97,000 square feet of space in the building at \$12 a square foot. However, the agencies — primarily the Metro Council and the waste commission — need 9,000 more square feet of space because they have added staff this year.

To get the additional space, more negotiations have been necessary because the developer

wants better compensation, but the going has been tough. The developer is reacting partly to the urging of officials of the St. Paul Port Authority, which has provided \$11 million worth of financing.

Port Authority officials say that, because of the low rental rate the three metro agencies will receive, the entire project needs to generate more revenue during the first few years of operation to remain economically viable.

Regional Transit Board just looking for a home

There was one displaced metropolitan agency in the Twin Cities Thursday.

The Regional Transit Board is moving, and it has sent all its office equipment to its new headquarters in a St. Paul office building. But the board is embroiled in a dispute with the building's developer, so for the past several days its 28 employees have not been allowed to join their equipment.

Today the board will ask a Ramsey County district judge to grant its employees temporary access to the new office space until they can untangle snags in a lease agreement.

The agreement is between the board, two other metro agencies and Ameritas Inc., which is developing Mears Park Centre. That's the office building in St. Paul's Lowertown district that is to be the new headquarters for the board, the Metropolitan Council and Metropolitan Waste Control Commission.

The agencies now have their offices in the Metro Square building in St. Paul, and the Transit Board was to be the first to move to Mears Park Centre.

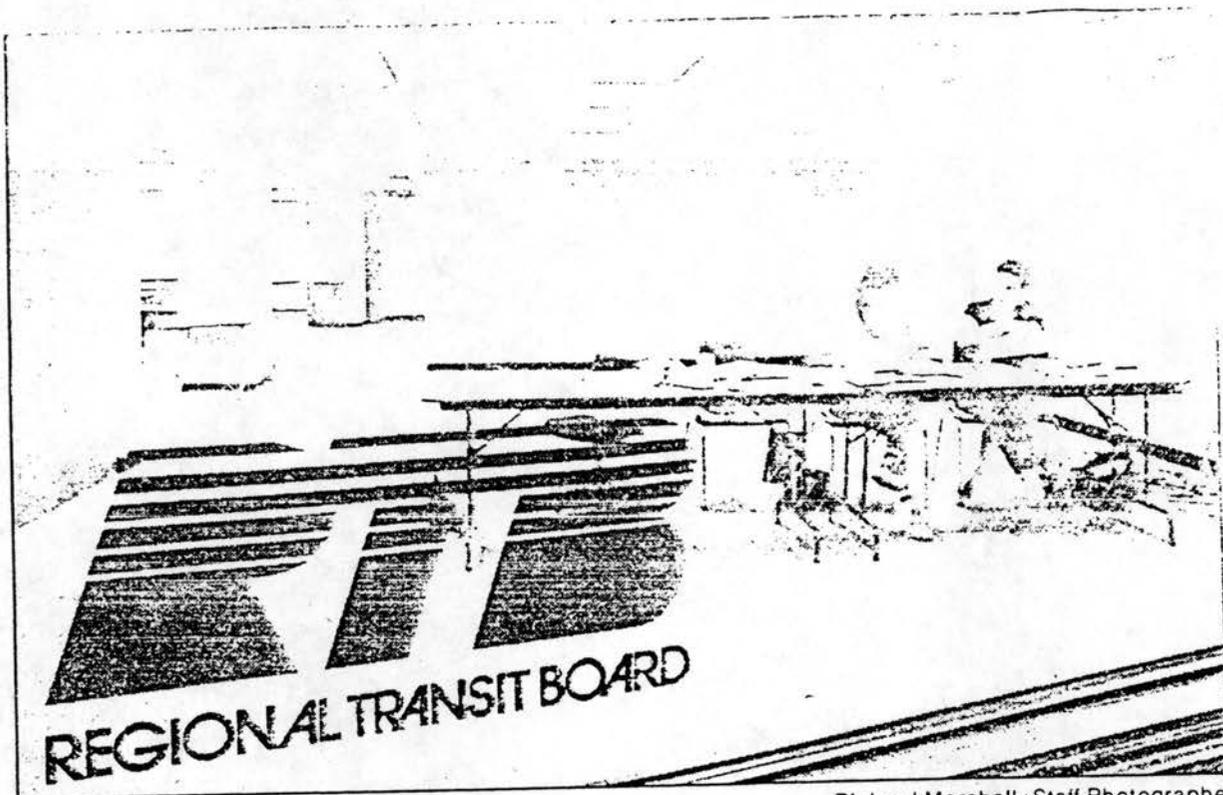
However, the Metro Council and the waste commission recently determined that they had underestimated the office space they would need in the building. They and the Transit Board then proposed changes in their 10-year lease with Ameritas, based in Atlanta, Ga. The company didn't like the proposal and has refused to allow the board's employees to follow their office equipment into Mears Park Centre.

While they wait for the issue to be resolved, employees are occupying their old offices in the Metro Square building and are using equipment borrowed from the other metropolitan agencies, said Greg Andrews, the board's executive director.

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Richard Marshall / Staff Photographer

Accountant Lori Oison, left, and Judy Hollander, director of planning, at the Regional Transit Board's almost-vacant office in the Metro Square Building on Wednesday.

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Lease problem strands metro transit board

By Bruce Orwall
Staff Writer

The sound of a portable radio playing in the office of the Regional Transit Board was interrupted only by the turning of newspaper pages and the laughs of RTB staffers joking among themselves.

There they were, public bureaucrats stripped of their desks, their phones, even their nameplates. Instead of planning the future of public transportation in the Twin Cities, they planned to locate a spot to get some work done — if only they could get their hands on the work materials.

The stark surroundings at the Regional Transit Board's soon-to-be-former office in St. Paul's Metro Square building were not very attractive to the 26 stranded staff members Wednesday. The transit agency has encountered a series of problems as it has tried to move from its present location to a newly renovated building in Lowertown.

The snafu has made RTB staffers the nomads of metropolitan government. The agency has

staff went back to work Wednesday, but executive director Gregory Andrews said it was a frustrating exercise for anyone who didn't have appointments away from the office.

The situation could come to a boil today. The city of St. Paul may issue a Certificate of Occupancy for the board's new space. But the developer, Ameritas Inc. of Atlanta, is threatening to lock the transportation planning agency out until all of the lease problems are ironed out.

If the RTB can't get into its office, according to Andrews, the agency may seek a court injunction to gain entry.

The transportation board, the Metropolitan Council and the Metropolitan Waste Commission are all scheduled to move into the building this month. Under a lease agreement with Ameritas, the

moved everything out of Metro Square, but can't get into the Mears Park Centre location because of last-minute problems negotiating a lease amendment.

"People here want to work," said board spokesman Tom Beaver. "They've got a lot of things to do."

But as of this morning, most of those things still weren't getting done. Most employees had Monday and Tuesday off, simply because they had no place to work. The

agencies would pay \$12 a square foot for 97,000 square feet of space.

But because the Metro Council and the waste commission underestimated the number of employees that would move into the building, the agencies need 9,000 more square feet. Ameritas President John McDonald said the agency needs more money for the additional space, though, to make the project economically viable.

That's also the opinion of the St. Paul Port Authority, which provided \$11 million in financing for the renovation of the building. James Terrell, assistant director of industrial development for the authority, said the project needs to somehow bring in more revenue during the first few years to make it all work.

As of Wednesday night, the opposing sides remained at a stand-

off, causing vexing problems for administrators at the Metro Council and the waste commission. But those two agencies aren't scheduled to move until later this month.

The RTB, however, was allowed to move all of its material to the Lowertown site over the weekend. This week, still without permission to work in the new office, Andrews has had to watch his agency's business grind to a near-halt.

McDonald said Ameritas has tried hard to resolve the issue, and has offered a deal in which the metro agencies would pay some additional money now that they would get back later. Until the issues are settled, however, McDonald said he doesn't want anyone to move in.

"We have an undeniable concern with that much space for which there is no lease," McDonald said from his Atlanta office.

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