



Minnesota Regional Transit
Board: Records.

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MEETING OF THE REGIONAL TRANSIT BOARD
Monday, April 2, 1990
Mears Park Centre Chambers
4:00 p.m.

AGENDA

1. Call to Order and Roll Call
2. Approval of Agenda
3. Approval of Minutes:
 - A. Audit Advisory Committee Meeting, March 15, 1990
 - B. Administration and Finance Committee Meeting, March 19, 1990
 - C. Regional Transit Board Meeting, March 19, 1990
 - D. Legislative Committee Meeting, March 19, 1990
4. CHAIR'S REPORT
5. ADMINISTRATION AND FINANCE COMMITTEE REPORT
 - OKA* A. Financial Statements - December 1989
 - OKB* B. Anoka County Contract
6. POLICY COMMITTEE REPORT
 - C* A. Review of the Ritz Block Development Draft Environmental Impact Statement
 - B. Reverse Commute Work Program
 - C. Approval of Metro Mobility Provider Contracts
 - D. Letter to UMTA from the Regional Requesting Approval of Planning Steps/ Studies Necessary to Make the Following Three Corridors Eligible Federal Mass Transit Funding: Hiawatha to GSA Building, I-35W South to 96th Street. and Minnesota Northeast to Northtown
7. OTHER BUSINESS
 - amended* A. Public Comment

Michael J. Ehrlichmann
Chair



REGIONAL TRANSIT BOARD
Mears Park Centre, 230 East 5th Street
St. Paul, Minnesota 55101
612/229-2700

Minutes of the Meeting of the
AUDIT ADVISORY COMMITTEE
Mears Park Centre, Room A
March 15, 1990

MEMBERS PRESENT: Mary DesRoches, Chair; Gregory Andrews, Michael Ehrlichmann, Ruth Franklin, Thomas Novak, Elwyn Tinklenberg

MEMBERS EXCUSED: Gerald Splinter

OTHERS PRESENT: Jim Johnson, Medicine Lake Lines; Diane Harberts and William Andrus, Anoka County; Jim Lorenz, North Suburban Lines; Dale Ulrich, Gerald Brechlin, Mary Fitzgerald

Committee Chair DesRoches called the meeting to order at 4:10 p.m. and roll was taken.

Update on Audit Work Plan

Ulrich reviewed the status of the Audit Work Plan.

Review of Medicine Lake Lines Audit, July 1986 - December 1987

The chair said the purpose of the meeting today is to finalize the action on this audit. The committee will review the responses and return at the next meeting to develop a recommendation to the RTB Administration and Finance Committee. Andrews discussed the intended acquisition of some of the Medicine Lake Lines Bus Company assets by Laidlaw Transit.

The chair invited James Johnson to make any additional responses. Ehrlichmann asked him if Medicine Lake Lines is incorporated in more than one entity and whether that entity will continue to exist with employees and assets. Johnson responded that it is one corporation, which will continue to exist. He is barred from discussing the matter beyond that which was reported in the newspapers.

There was committee discussion of the term "unit days." The chair asked staff to take into consideration that some analysis of variables should be included. Since this is such a large segment of the audit and the response, the chair asked what the result would have been if the auditors had taken a different concept of the interpretation.

In terms of resolving the matter, Johnson asked what the process will be. The company is asked to subsidize the transit operation through its school bus operation. He recommended that a staff auditor review the documentation of allocations. The chair said this is a new committee and cannot be too specific. The members are trying to expedite the process of audit review. She agreed that the point is well taken with respect to staff analysis and said the committee should have more facts at the next meeting to make that determination.

Review of North Suburban Lines Audit, July 1986 - December 1987

Jim Lorenz asked why the company was not audited for 1984 to 1986 and why the audits were moved ahead. He questioned why the assumptions with respect to insurance are not the same as for the State of Minnesota. The insurance allocation is not negotiated prior to the signing of the contract. DesRoche asked staff to pay particular attention to how the contract is negotiated with regard to insurance.

Review of Anoka County Audit Certificate Reports, 1986 and 1987

In response to Andrus' statement regarding the differences in policy and documentation between the county and the board, the chair said the committee shares the desire to close the matter quickly, but there is a great deal of documentation to review.

Hopkins Hop-A-Ride, 1986, 1987 and 1988

Franklin moved and Novak seconded:

That the Audit Advisory Committee approve the audit report and refer it to the Administration and Finance Committee.

Other Business

Discussion followed the the schedule for the next meeting. It was agreed that the next meeting of the committee will be April 26 at 4:00 p.m.

The chair adjourned the meeting at 5:30 p.m.

Respectfully submitted,

Mary Fitzgerald
Board Secretary

Approved by the Regional Transit Board on _____, 1990.

REGIONAL TRANSIT BOARD

ROLL CALL AND ATTENDANCE SHEET

DATE: April 2, 1990

BOARD OR COMMITTEE: _____

Member Name	Present	Vote							
Mike Ehrlichmann	✓								
Doris Caranicas (P)									
John Finley (A&F)	✓								
Ruth Franklin (A&F)									
Ed Kranz (A&F)									
Sandra Hilary (P)	✓								
Terry O'Toole (P)	✓								
Jeff Spartz (Chair-P)	✓								
Norbert Theis (P)	✓								
El Tinklenberg (Chair-A)									
Richard Wedell (A&F)	✓								

Visitors

Entzel, So Luman
Werner, Le Burrow
Smith, John Morley
de Vries
Gray, Vida

Staff

J H, C M



REGIONAL TRANSIT BOARD

Mears Park Centre, 230 East 5th Street
St. Paul, Minnesota 55101

Minutes of the Meeting of the
ADMINISTRATION AND FINANCE COMMITTEE
Mears Park Centre, Room A
Monday, March 19, 1990

MEMBERS PRESENT: Elwyn Tinklenberg, Chair; Ruth Franklin, Ed Kranz and Richard Wedell

MEMBERS EXCUSED: John T. Finley

OTHERS PRESENT: Michael Ehrlichmann, Doris Caranicas, Sandra Hilary, Terrance O'Toole, Norbert Theis, RTB Members; Charles Weaver, RTB Legal Counsel; Natalie Haas Steffen, Anoka County Board; Arnie Entzel, Amalgamated Transit Union; John Capell, Greg Failor, Tom Vida and Christopher Gran, Metropolitan Transit Commission; William Johnson, Laidlaw Transit, Inc.; Greg Andrews, Judy Hollander, Dale Ulrich, Sherry Munyon, Clete Luberts, Ed Kouneski, Cyndie Mayer, Regional Transit Board staff

The meeting was called to order at 4:10 p.m. and roll taken. Kranz moved and Wedell seconded approval of the agenda. The motion was unanimously approved.

Financial Statements - December 1989

Luberts reviewed the staff report dated March 13, 1990. Wedell moved and Kranz seconded:

That the Administration and Finance Committee recommend:

That the Regional Transit Board receive the December 1989 financial statements and direct that they be placed on file.

The motion was unanimously approved.

Anoka County Contract

The staff report dated March 12 was reviewed by Kouneski. Haas-Steffen presented a letter signed by herself and Commissioner Langfeld expressing strong support for the new service. There was discussion of the 16 percent farebox recovery rate for this service, which requires a much higher subsidy than regular route service. Franklin moved and Kranz seconded:

That the Administration and Finance Committee recommend:

1. That the Regional Transit Board authorize the executive director to enter into a contract with Anoka County for:
 - a) A new county-wide, accessible demand-responsive program between August 1, 1990 and December 31, 1991 in an amount not to exceed \$680,000; and

- b) The Linwood Traveler and General Volunteer Drive programs between August 1, 1990 and December 31, 1991, in an amount not to exceed \$62,514.

The motion was unanimously approved.

Franklin moved and Tinklenberg seconded:

2. That the Regional Transit Board amend the existing contract (Contract No. 88/11/07-35) with Anoka county for the Linwood and General Volunteer Driver programs for a one-month period in an amount not to exceed \$12,285.

The motion was unanimously approved.

Medicine Lake Lines Contract Assignments

Kouneski distributed and reviewed the revised staff report, dated March 19, 1990. There was discussion of what the board can do to assure that there will be adequate resources to satisfy Medicine Lake Lines Bus Company's (MLL) audit exceptions. Weaver said that until staff and legal counsel see the documents associated with the sale of MLL assets to Laidlaw Transit, Inc., they cannot determine exactly what the situation will be after the sale. Kouneski said funds have been withheld since the first of the year to cover audit exceptions. Kranz said there are no approved audits since 1979 and 1980 and asked counsel if RTB has exposure to audits for the period before RTB assumed responsibility. It is unlikely the amount withheld would be enough to cover all the audits. The 1988 audits have not been performed. O'Toole asked what the potential liability is.

Kouneski said that later this evening the City of Plymouth will decide on a provider for their service. On the Southwest Metro service, Laidlaw has not expressed interest in continuing the protest to UMTA.

Ehrlichmann said the recommendation should be approved on condition that MLL secure a bond to allow RTB to recover the potential liability on their audit exceptions.

There was discussion of disruption of service. Tinklenberg said staff will have to develop a estimated figure on audit exceptions and ask for a bond to cover that amount. Franklin offered a substitute motion to separate the issue of Route 52 since the audit situation is not the same. There was no second.

Tinklenberg commented that it is imprudent to ignore the outstanding audits. This action is appropriate and he expressed his desire that the three parties come to a provision that protects the interests of the RTB. Ehrlichmann added that RTB must attempt to ensure continuity of service for the routes and asked John Capell to indicate which services they can provide in the event the present contractor cannot fulfill the terms of the contract. Capell said MTC can provide service to the southern half of Plymouth and the Maple Grove area. On Route 52, however, they may need a month to six weeks lead time.

Weaver said he has had no communication from either party before they said today that service will be terminated. Johnson said without an agreement they cannot legally operate service.

Ehrlichmann said he will recess the board meeting at the call of the chair so that if an alternative is presented the board will be prepared to come together and respond immediately.

Tinklenberg recommended that the motion be approved on the condition that Medicine Lake Lines Bus Company secure a bond or such other security as may be sufficient to cover their potential liability with Regional Transit Board audit exceptions. Franklin seconded the motion.

Kranz suggested that the chair assign staff to look into establishing a position for a compliance officer to review private operator contract compliance. Ehrlichmann said he has been extremely concerned about the outstanding audits. The Audit Advisory Committee has a tentative work plan to deal with the problem. Kranz said his suggestion would carry the issue farther.

That the Administration and Finance Committee recommend:

That the Regional Transit Board authorize its executive director to amend current transit service agreements on the effective date of the sale of Medicine Lake Lines Bus Company's assets to Laidlaw Transit as follows:

1. Approve Laidlaw Transit, Inc. as the subcontractor to Medicine Lake Lines for the regular route service in the western suburbs of Crystal, Golden Valley and New Hope through March 31, 1990.
- 2) Approve Laidlaw Transit as the contractor for the ABC Weekender service in Anoka County through July 31, 1990, in an amount not to exceed \$21,400;
- 3) Approve Laidlaw Transit as the subcontractor for the University of Minnesota/Route 52 service; and
- 4) Support the decision of the Plymouth City Council in selecting a subcontractor.

The above actions are contingent upon MLL fulfilling its obligations to provide service under contracts with the RTB and with Plymouth through March 31, 1990.

This approval is contingent upon Medicine Lake Lines Bus Company securing a bond or such other security as may be sufficient to cover their potential liability with Regional Transit Board audit exceptions.

The motion was unanimously approved.

Contract to Operate Transit Service in the Cities of Crystal, Golden Valley and New Hope

Kouneski distributed and reviewed the revised staff report dated March 12. Franklin moved and Wedell seconded:

That the Administration and Finance Committee recommend:

Contingent upon the sale of Medicine Lake Lines Bus Company's assets to Laidlaw Transit, Inc., the Regional Transit Board authorize its executive director to enter into an hourly rate contract of \$58.00 per hour with Laidlaw Transit, Inc. for the period April 1, 1990 through March 31, 1991, to operate regular route service from the cities of Crystal, Golden Valley, New Hope to Downtown Minneapolis and to provide service in the City of Maple Grove for the period April 1, 1990 through June 11, 1990 for an amount not to exceed \$832,577.

This approval is contingent upon Medicine Lake Lines Bus Company securing a bond or such other security as may be sufficient to cover their potential liability with Regional Transit Board audit exceptions.

The motion was unanimously approved.

Metro Mobility Administrative Center 1990 Contract

Mayer reviewed the February 6, staff report and noted that the report incorporates the comments of the Transit Access Advisory Committee. In response to Franklin's remark concerning increased support, Mayer said the increase is due to labor costs. Staff was added in the second half of last year. Tinklenberg moved and Kranz seconded:

That the Administration and Finance Committee recommend:

That the Regional Transit Board authorize its executive director to enter into a contract with the Metropolitan Transit Commission to provide Metro Mobility Administrative Center (MMAC) services during calendar year 1990 in an amount not to exceed \$834,647, given the following conditions:

1. Street supervision must meet the RTB standard beginning January 1990, and provider contract monitoring should include stricter enforcement of vehicle use.
2. Procedures for certification of riders should be reviewed immediately to streamline the process and bring processing timeliness within the RTB standard.
3. An evaluation of the computer system should be undertaken and completed by August 1990. This should include a cost benefit analysis to justify additional investment. Alternative systems should be identified and compared.
4. The MMAC's service analysis capabilities must be enhanced to include routine examination of vehicle utilization and ridership by hour of day. Beginning July 1990, the monthly reports should be enhanced with this data and should also document trip denials sorted by community, destination, time of day and distance, and contain a detailed breakdown of standing order, demand trips, and agency oriented trips delivered by provider.

5. A plan should be developed for RTB review by September 1990 to coordinate and disseminate information about other travel options available to persons with disabilities, including social service and community based programs.
6. The MMAC should consider new administrative policies related to advance reservations, trip cancellations, and other actions that would improve system effectiveness. Recommendations should be implemented no later than July 1990, and first submitted to the RTB for review by May 1990.
7. The MMAC should immediately begin to develop procedures for administering a new reimbursement method based on trip distance that will become effective July 1, 1990.
8. The MMAC should adopt service quality and safety performance measure by April 1990 and, based on data collected throughout the year, establish performance standards by December 1990.
9. The MMAC should file summary reports with the RTB monthly, beginning January 1990, describing the activities and results of provider contract compliance and enforcement efforts.
10. The MMAC shall develop goals and objectives oriented 1990 work plan by May 1, 1990.

The motion was unanimously approved.

There being no other business, Franklin moved and Tinklenberg seconded that the meeting be adjourned. The motion carried and the meeting was adjourned at 5:25 p.m.

Respectfully submitted,

Mary Fitzgerald
Board Secretary

Approved by the Regional Transit Board on _____, 1990.



REGIONAL TRANSIT BOARD
Mears Park Centre, 230 East 5th Street
St. Paul, Minnesota 55101
612/229-2700

Minutes of the Meeting of the
REGIONAL TRANSIT BOARD
Mears Park Centre Chambers
March 19, 1990

MEMBERS PRESENT: Michael Ehrlichmann, Chair; Doris Caranicas; ; Ruth Franklin; Sandra Hilary, Ed Kranz; Terrance O'Toole; Norbert Theis; Elwyn Tinklenberg; and Richard Wedell

MEMBERS EXCUSED: John T. Finley and Jeff Spartz

OTHERS PRESENT: Charles Weaver, RTB Legal Counsel; Natalie Haas-Steffen, Anoka County Board; Arnie Entzel, Amalgamated Transit Union; John Capell, Greg Failor, Tom Vida and Christopher Gran, Metropolitan Transit Commission; William Johnson, Laidlaw Transit, Inc.; Greg Andrews, Judy Hollander, Dale U'rich, Sherry Munyon, Clete Luberts, Ed Kouneski, Cyndie Mayer, Regional Transit Board staff

The meeting was called to order at 5:45 p.m. The chair noted that members Finley and Spartz were excused because they are attending a county commissioners' meeting in Washington.

Franklin moved and Theis seconded approval of the agenda. The motion was unanimously approved.

The chair noted that the minutes of the board meeting of March 5 had inadvertently been omitted from the mailing of the packet but had been placed before the members at the beginning of the meeting. Caranicas moved and Kranz seconded approval of the minutes of the following meetings:

Policy Committee Meeting, February 26, 1990
Administration and Finance Committee Meeting, March 5, 1990
Regional Transit Board Meeting, March 5, 1990

The motion was unanimously approved.

CHAIR'S REPORT

Ehrlichmann reported on the meeting of the American Public Transit Association (APTA) Legislative Committee in Washington and the meetings with our congressional delegation. There is some possibility of soliciting funds for light rail transit in small amounts this year.

Andrews said RTB has submitted its Affirmative Action Plan to the Department of Employee Relations, which will hold a hearing tomorrow for the Legislature.

Hilary thanked Becky Scudder for the work on the RTB Bulletin and noted that it was Dottie Rietow who put together a series of meetings.

Theis reported that he attended two hearings on the Airports Commission, which is looking for \$2 billion and 25,000 acres for a new airport. Three areas are under consideration.

Kranz said he and Terrance O'Toole, along with members of the Metropolitan Council, met with the chair in Washington. They also had an all-day tour of the Baltimore system. Baltimore spent \$165,000 for planning before awarding contract. The system is similar to that being considered for this metropolitan area. The initial system was 29 miles long. Kranz and O'Toole explained the funding mechanism. Only three jurisdictions are involved as opposed to over 200 in this area.

ADMINISTRATION AND FINANCE COMMITTEE REPORT

Committee Chair Tinklenberg reviewed the report of the meeting of March 5.

Workscope, Schedule and Budget for Preparing Light Rail Transit Regional Coordination Plan

Tinklenberg moved and Wedell seconded:

That the Regional Transit Board approve approve the 1990 Workscope, Schedule and Budget, dated March 6, 1990, with the following amendments:

1. Add an introductory preamble stating the autonomy and authority of the county regional railroad authorities to implement light rail transit within their respective jurisdictions; and
2. Modify the language in the Executive Summary, Tasks 1 and 2, stating that the Regional Transit Board will not prescribe or mandate any particular implementation strategy or organization plan for light rail transit implementation that is binding on the county regional railroad authorities.

The motion was unanimously approved.

Consultant Contract Amendment with Strgar-Roscoe-Fausch and BRW, Inc. for Assistance in Preparing Light Rail Transit Regional Coordination Plan

Tinklenberg moved and Hilary seconded:

That the Regional Transit Board authorize the executive director to amend the existing contract with Strgar-Roscoe-Fausch and BRW, Inc. for work in preparing the Light Rail Transit Regional Coordination Plan for an amount not to exceed \$200,000 and based on the Workscope, Schedule and Budget, dated March 6, 1990 with the following changes to the workscope:

1. Add an introductory preamble stating the autonomy and authority of the county regional railroad authorities to implement light rail transit within their respective jurisdictions; and

2. Modify the language in the Executive Summary, Tasks 1 and 2, stating that the Regional Transit Board will not prescribe or mandate any particular implementation strategy or organization plan for light rail transit implementation that is binding on the county regional railroad authorities.

The motion was unanimously approved.

Authorization to Issue Request for Proposal (RFP) for Subconsultant for Assistance in Preparing Light Rail Transit Regional Coordination Plan

Tinklenberg said the committee discussed the issue of a turnkey operation since the prime contractor would be the operator for five years, which is in conflict with the legislation that requires MTC to be the operator. The language should be modified to reflect this. The chair said he discussed this with David Minister at length and is assured that the statute would require any turnkey operator to negotiate with MTC as the operating agency. The provision is subordinate to state statute. Tinklenberg moved and Caranicas seconded:

That the Regional Transit Board authorize the executive director to approve and issue an Request for Proposal for a subconsultant who would become part of the Stigar-Roscoe-Fausch and BRW, Inc. Team assisting the Regional Transit Board and the Joint Light Rail Transit Advisory Committee in preparing the Light Rail Transit Regional Coordination Plan.

That the Regional Transit Board amend the subconsultant workscope to include the following changes:

1. Add an introductory preamble stating the autonomy and authority of the county regional railroad authorities to implement light rail transit within their respective jurisdictions; and
2. Modify the language in the Executive Summary, Tasks 1 and 2, stating that the Regional Transit Board will not prescribe or mandate any particular implementation strategy or organization plan for light rail transit implementation that is binding on the county regional railroad authorities.

That the Scope of Services (Appendix B-2) be amended to stipulate that the subconsultant be required to forego participation in any turnkey consortium or final design team for the LRT project in the Twin Cities Metropolitan Area for a period of three years following the letting of the first contract for construction of one or more light rail segments in the Metropolitan Area.

The motion was unanimously approved.

Community Transit Planning Grant Program

Tinklenberg moved and Hilary seconded:

That the Regional Transit Board authorize staff to solicit proposals from communities within the seven-county area for the purpose of planning transit services responsive to their needs and approve the proposed guidelines for evaluating applications.

The motion was unanimously approved.

Tinklenberg reviewed the actions taken at the Special Administration and Finance Committee meeting held immediately before this meeting.

Medicine Lake Lines Contract Assignments

Tinklenberg moved and Hilary seconded:

That the Regional Transit Board authorize its executive director to amend current transit service agreements on the effective date of the sale of Medicine Lake Lines Bus Company's assets to Laidlaw Transit as follows:

1. Approve Laidlaw Transit, Inc. as the subcontractor to Medicine Lake Lines for the regular route service in the western suburbs of Crystal, Golden Valley and New Hope through March 31, 1990.
- 2) Approve Laidlaw Transit as the contractor for the ABC Weekender service in Anoka County through July 31, 1990, in an amount not to exceed \$21,400;
- 3) Approve Laidlaw Transit as the subcontractor for the University of Minnesota/Route 52 service; and
- 4) Support the decision of the Plymouth City Council in selecting a subcontractor.

The above actions are contingent upon MLL fulfilling its obligations to provide service under contracts with the RTB and with Plymouth through March 31, 1990.

This approval is contingent upon Medicine Lake Lines Bus Company securing a bond or such other security as may be sufficient to cover their potential liability with Regional Transit Board audit exceptions

The motion was unanimously approved.

Contract to Operate Transit Service in the Cities of Crystal, Golden Valley and New Hope

Tinklenberg moved and Caranicas seconded:

That contingent upon the sale of Medicine Lake Lines Bus Company's assets to Laidlaw Transit, Inc., the Regional Transit Board authorize its executive director to enter into an hourly rate contract of \$58.00 per hour with Laidlaw Transit, Inc. for the period April 1, 1990 through March 31, 1991, to operate regular route service from the cities of Crystal, Golden Valley, New Hope to Downtown Minneapolis and to provide service in the City of Maple Grove for the period April 1, 1990 through June 11, 1990 for an amount not to exceed \$832,577.

This approval is contingent upon Medicine Lake Lines Bus Company securing a bond or such other security as may be sufficient to cover their potential liability with Regional Transit Board audit exceptions

The motion was unanimously approved.

Metro Mobility Administrative Center 1990 Contract

Tinklenberg moved and Caranicas seconded:

That the Regional Transit Board authorize its executive director to enter into a contract with the Metropolitan Transit Commission to provide Metro Mobility Administrative Center (MMAC) services during calendar year 1990 in an amount not to exceed \$834,647, given the following conditions:

1. Street supervision must meet the RTB standard beginning January 1990, and provider contract monitoring should include stricter enforcement of vehicle use.
2. Procedures for certification of riders should be review immediately to streamline the process and bring processing timeliness within the RTB standard.
3. An evaluation of the computer system should be undertaken and completed by August 1990. This should include a cost benefit analysis to justify additional investment. Alternative systems should be identified and compared.
4. The MMAC's service analysis capabilities must be enhanced to include routine examination of vehicle utilization and ridership by hour of day. Beginning July 1990, the monthly reports should be enhanced with this data and should also document trip denials sorted by community, destination, time of day and distance, and contain a detailed breakdown of standing order, demand trips, and agency oriented trips delivered by provider.

5. A plan should be developed for RTB review by September 1990 to coordinate and disseminate information about other travel options available to persons with disabilities, including social service and community based programs.
6. The MMAC should consider new administrative policies related to advance reservations, trip cancellations, and other actions that would improve system effectiveness. Recommendations should be implemented no later than July 1990, and first submitted to the RTB for review by May 1990.
7. The MMAC should immediately begin to develop procedures for administering a new reimbursement method based on trip distance that will become effective July 1, 1990.
8. The MMAC should adopt service quality and safety performance measure by April 1990 and, based on data collected throughout the year, establish performance standards by December 1990.
9. The MMAC should file summary reports with the RTB monthly, beginning January 1990, describing the activities and results of provider contract compliance and enforcement efforts.
10. The MMAC shall develop goals and objectives oriented 1990 work plan by May 1, 1990.

The motion was unanimously approved.

LEGISLATIVE COMMITTEE REPORT

The committee met today and was briefed on the status of legislative initiatives. No action was taken at that meeting.

OTHER BUSINESS

There being no other business O'Toole moved and Caranicas seconded that the meeting be recessed at the call of the chair. The motion was unanimously approved and the meeting recess at 6:05 p.m.

Respectfully submitted,

Mary Fitzgerald
Board Secretary

Approved by the Regional Transit Board on _____, 1990.



REGIONAL TRANSIT BOARD

Mears Park Centre, 230 East 5th Street
St. Paul, Minnesota 55101
612/229-2700

Minutes of the Meeting of the
LEGISLATIVE COMMITTEE
Mears Park Centre, Chambers
March 19, 1990

MEMBERS PRESENT: Ed Kranz, Chair; Doris Caranicas; Ruth Franklin; Terrance O'Toole; Norbert Theis; Elwyn Tinklenberg; Richard Wedell

MEMBERS EXCUSED: Ed Kranz, John T. Finley and Jeff Spartz

OTHERS PRESENT: Michael J. Ehrlichmann, RTB Chair, Arnie Entzel, Amalgamated Transit Union; Sherry Munyon, Greg Andrews, Judy Hollander, Dale Ulrich and Mary Fitzgerald, RTB Staff

The meeting was called to order at 4:00 p.m. Ehrlichmann noted that Committee Chair Kranz had been delayed so he would conduct the meeting. No action will be requested. Members Finley and Spartz were excused because they are out of town.

STATUS OF REGIONAL TRANSIT BOARD LEGISLATIVE INITIATIVES

Metro Mobility Supplemental Appropriations Request

Ehrlichmann said the anticipated expenditures are \$28 million, which includes a \$4 million deficit. Meetings have been held with chairs of both appropriations committees, who indicated they will not entertain RTB's request and there is no support for a supplemental appropriation. RTB will be required to transfer money from the fund balance to the Metro Mobility account. That can only be done on a one-time basis. Next year our appropriation must be increased or the Legislature must change the statutes to limit who can be certified for service.

Light Rail Transit Financing

The Legislature will not hear any tax increase this year. This will have to be pursued in the next biennium. A bill by Representative Battaglia, later assumed by Representative Carruthers, called for \$10 million in bonding this year and \$90 million in the next biennium. It was heard in the House where it was amended to delete the \$91 million for 1991. The bill is waiting for a hearing in the House Appropriations Committee; however, in the Senate we have been unsuccessful in securing a hearing. We will attempt to amend our \$10 million LRT request onto the state-wide bonding bill. Members discussed the financial climate of the state and the bonding process.

Transportation Regulation Board (TRB) Exemption

Munyon said the initiative called for RTB providers to be exempted from TRB provisions. Southwest Metro drafted legislative and notified RTB that Rep. Pauly was the author. Due to lack of communication between Southwest Metro and Rep. Pauly, the bill was never entered.

Metro Mobility

Language has been incorporated into the Health and Human Services Omnibus bill, which will allow the RTB to recover medical assistance funds, and is on its way to the floor in both houses.

Data Privacy Provisions

The Data Privacy provision RTB was pursuing this year is in the Omnibus Data Privacy bill and is on the floor for a vote in both houses.

There being no other business, the meeting was adjourned a 4:10 p.m.

Respectfully submitted,

Mary Fitzgerald
Board Secretary

Approved by the Board _____, 1990.



REGIONAL TRANSIT BOARD

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

MICHAEL J. EHRLICHMANN
Chair

April 2, 1990

The Honorable Doug Johnson
205 Capitol
St. Paul, Minnesota 55155

Dear Senator Johnson:

The Regional Transit Board has been informed of the Tax Committee's provision for FY 1990 reductions in levies by special taxing districts by approximately 2.11 percent. The budgetary effect for the RTB equates to \$1,374,241. This figure represents nearly 52 percent of the total levy reduction for all special taxing districts and constitutes a significant hardship on the RTB's ability to provide transit services in the Metropolitan Area. We are very much concerned that the levy base of \$65,129,901 not only includes our operating subsidies, but also includes debt service levies of \$6,079,103 for transit bonds outstanding. A 2.11 percent reduction of state aid could severely impair our ability to pay principal and interest due on those bonds, and jeopardize future capitol purchases.

As you know, in the last legislative session the RTB and the MTC were restructured. As a part of that restructuring (M.S. 473.373), we were directed to "increase transit services in suburban areas" in addition to a number of other initiatives. RTB operates from two main sources of revenue, its property tax levy and its direct state appropriation. As you may know, our request for a supplemental appropriation to meet a nearly \$4,000,000 shortfall in state revenue was denied. Therefore, to absorb an additional nearly \$1.4 million cut annually would be extremely detrimental to transit services.

At a time when more and more of the public are becoming dependent on public transit and the need to alleviate significant traffic congestion increases, support for public transit cannot afford to be diminished. We have attempted to be responsible in our request for additional revenue, but anticipate extreme hardship if we are not permitted to utilize those resources for which we have already planned services. I firmly believe that a significant increase in the current fare structure to support existing transit services would not be well received by the transit-dependent public or policymakers.

We ask your support and consideration in this matter.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Michael J. Ehrlichmann', with a long horizontal line extending to the right.

Michael J. Ehrlichmann
Chair

MJE/mf



REGIONAL TRANSIT BOARD

Mears Park Centre, 230 East 5th Street
St. Paul, Minnesota 55101

ADMINISTRATION AND FINANCE COMMITTEE REPORT

At its meeting of March 19, 1990, the committee discussed and approved the following recommendations:

Financial Statements - December 1989

The Administration and Finance Committee recommends:

That the Regional Transit Board receive the December 1989 financial statements and direct that they be placed on file.

Anoka County Contract

The Administration and Finance Committee recommends:

1. That the Regional Transit Board authorize the executive director to enter into a contract with Anoka County for:
 - a) A new county-wide, accessible demand-responsive program between August 1, 1990 and December 31, 1991, in an amount not to exceed \$680,000; and
 - b) The Linwood Traveler and General Volunteer Drive programs between August 1, 1990 and December 31, 1991, in an amount not to exceed \$62,514.
2. That the Regional Transit Board amend the existing contract (Contract No. 88/11/07-35) with Anoka county for the Linwood and General Volunteer Driver programs for a one-month period in an amount not to exceed \$12,285.

At the Regional Transit Board meeting that was held immediately following the committee meeting, the board acted upon the following recommendations:

Medicine Lake Lines Contract Assignments

The Administration and Finance Committee recommends:

That the Regional Transit Board authorize its executive director to amend current transit service agreements on the effective date of the sale of Medicine Lake Lines Bus Company's assets to Laidlaw Transit as follows:

1. Approve Laidlaw Transit, Inc. as the subcontractor to Medicine Lake Lines for the regular route service in the western suburbs of Crystal, Golden Valley and New Hope through March 31, 1990.

- 2) Approve Laidlaw Transit as the contractor for the ABC Weekender service in Anoka County through July 31, 1990, in an amount not to exceed \$21,400;
- 3) Approve Laidlaw Transit as the subcontractor for the University of Minnesota/Route 52 service; and
- 4) Support the decision of the Plymouth City Council in selecting a subcontractor.

The above actions are contingent upon MLL fulfilling its obligations to provide service under contracts with the RTB and with Plymouth through March 31, 1990.

This approval is contingent upon Medicine Lake Lines Bus Company securing a bond or such other security as may be sufficient to cover their potential liability with Regional Transit Board audit exceptions.

Contract to Operate Transit Service in the Cities of Crystal, Golden Valley and New Hope

The Administration and Finance Committee recommends:

Contingent upon the sale of Medicine Lake Lines Bus Company's assets to Laidlaw Transit, Inc., the Regional Transit Board authorize its executive director to enter into an hourly rate contract of \$58.00 per hour with Laidlaw Transit, Inc. for the period April 1, 1990 through March 31, 1991, to operate regular route service from the cities of Crystal, Golden Valley, New Hope to Downtown Minneapolis and to provide service in the City of Maple Grove for the period April 1, 1990 through June 11, 1990 for an amount not to exceed \$832,577.

This approval is contingent upon Medicine Lake Lines Bus Company securing a bond or such other security as may be sufficient to cover their potential liability with Regional Transit Board audit exceptions.

Metro Mobility Administrative Center 1990 Contract

The Administration and Finance Committee recommends:

That the Regional Transit Board authorize its executive director to enter into a contract with the Metropolitan Transit Commission to provide Metro Mobility Administrative Center (MMAC) services during calendar year 1990 in an amount not to exceed \$834,647, given the following conditions:

1. Street supervision must meet the RTB standard beginning January 1990, and provider contract monitoring should include stricter enforcement of vehicle use.
2. Procedures for certification of riders should be reviewed immediately to streamline the process and bring processing timeliness within the RTB standard.

3. An evaluation of the computer system should be undertaken and completed by August 1990. This should include a cost benefit analysis to justify additional investment. Alternative systems should be identified and compared.
4. The MMAC's service analysis capabilities must be enhanced to include routine examination of vehicle utilization and ridership by hour of day. Beginning July 1990, the monthly reports should be enhanced with this data and should also document trip denials sorted by community, destination, time of day and distance, and contain a detailed breakdown of standing order, demand trips, and agency oriented trips delivered by provider.
5. A plan should be developed for RTB review by September 1990 to coordinate and disseminate information about other travel options available to persons with disabilities, including social service and community based programs.
6. The MMAC should consider new administrative policies related to advance reservations, trip cancellations, and other actions that would improve system effectiveness. Recommendations should be implemented no later than July 1990, and first submitted to the RTB for review by May 1990.
7. The MMAC should immediately begin to develop procedures for administering a new reimbursement method based on trip distance that will become effective July 1, 1990.
8. The MMAC should adopt service quality and safety performance measure by April 1990 and, based on data collected throughout the year, establish performance standards by December 1990.
9. The MMAC should file summary reports with the RTB monthly, beginning January 1990, describing the activities and results of provider contract compliance and enforcement efforts.
10. The MMAC shall develop goals and objectives oriented 1990 work plan by May 1, 1990.

Elwyn Tinklenberg
Chair

mff
3/25/90



REGIONAL TRANSIT BOARD
Mears Park Centre, 230 East 5th Street
St. Paul, Minnesota 55101
612/229-2700

REPORT OF THE POLICY COMMITTEE

At its meeting of March 26, 1990, the Policy Committee considered and approved the following:

Review of the Ritz Block Development Draft Environmental Impact Statement

The Policy Committee recommends:

That the Regional Transit Board transmit to the City of Minneapolis the comments contained in the staff report of March 15, 1990, which summarize concern that the projected impacts on the regional transportation system have not been thoroughly examined.

Further, the RTB advocates a timely development of an overall transportation plan for Downtown Minneapolis and formation of a Transportation Management Organization.

Reverse Commute Work Program

The Policy Committee recommends:

That the Regional Transit Board endorse the Reverse Commute Transit Service Work Program dated March 1990.

Approval of Metro Mobility Provider Contracts

The Policy Committee recommends:

That the Regional Transit Board approve the Metro Mobility provider contract, amended as outlined in the staff report dated March 22, 1990 and further amended as follows:

1. The administrative fee to be \$50 with implementation in 90 days.
2. That driver reference checks include criminal history checks, eliminating the words "where appropriate."
3. That the MMAC have authority to withhold a one-percent service quality fee if a provider does not meet performance and safety standards.
4. Staff is directed to develop a uniform fare structure for providers for guest fares..

Letter to Urban Mass Transportation Administration (UMTA) from the Region Requesting Approval of Planning Steps/Studies Necessary to Make the Following Three Corridors Eligible for Federal Mass Transit Funding: Hiawatha to GSA Building; I-35W South to 96th Street; and Minnesota Northeast to Northtown

The Policy Committee recommends:

That the Regional Transit Board approve above-described letter to the Urban Mass Transportation Administration with the following changes:

1. Page 4, 2nd Paragraph should be amended to state:

"...UMTA has stated its intention in a May 30, 1989 letter (see Attachment A) to participate in the Stage I system with an expenditure of \$24 million in federal funds. The grant is contingent upon meeting all the legal, cost-effectiveness, and environmental requirements.
2. Page 18, last sentence amended to state:

"...No federal funds will be requested to assist in paying for the AA/DEIS in order to expedite the study and reduce the overall cost of the system. Only state and county funds will be used."
3. Remove the word "draft" from the maps and change date to February 1990.

Jeff Spartz
Chair

mff
3/26/90

Ex A

REGIONAL TRANSIT BOARD

Mears Park Centre
230 East Fifth Street, St. Paul, Minnesota 55101
612/292-8789

DATE: April 2, 1990
TO: Regional Transit Board
FROM: Cyndie Mayer, Senior Project Manager
SUBJECT: Metro Mobility Provider Contract

SUMMARY

This memorandum presents revised staff recommendations on the Metro Mobility provider contract to become effective July 1, 1990. Attached is the new final version of the amended contract form.

BACKGROUND

Several issues relating to the Metro Mobility provider contract were identified by the Transit Accessibility Advisory Committee (TAAC) task force members and the providers after the Policy Committee meeting last Monday. This memorandum presents the four Policy Committee contract recommendations. Those four recommendations were discussed further and clarified by the TAAC task force members and providers on Friday, March 30, 1990. They have discussed the issues and agree with the following recommendations. Two of the recommendations differ from the recommendations made by the Policy Committee.

DISCUSSION

- **Guest fare.** It was recommended by the Policy Committee that staff develop a uniform guest fare structure for providers. It was suggested by the task force and providers that all guests should pay five dollars whether they are ambulatory or in a wheelchair. This will become an RTB policy and the five dollar guest fare will be incorporated into the contract.
- **Driver reference checks.** It was recommended by the Policy Committee that driver reference checks include criminal history checks and that the contract language not include the language "where appropriate." The new contract language reflects this change.

Metro Mobility Provider Contract
April 2, 1990
Page Two

- **One percent service quality fee.** As recommended by the Policy Committee, the new contract language will reflect that the MMAC has the authority to withhold the one percent service fee should the provider not meet performance and safety standards. To emphasize the commitment to this process it was suggested that a committee of four representatives from the RTB, MMAC, TAAC and providers meet regularly to review, monitor and recommend administrative issues related to the trip assurance program.
- **Fifty dollar penalty fee.** The Policy Committee recommended that the penalty for missed or denied trips be \$50 per occurrence with implementation in 90 days. It was suggested after discussion by the TAAC task force members and providers that one percent of the daily subsidy or twenty dollars per day whichever is greater be imposed on the providers who do not provide the assigned trips. The loss of one percent of the daily subsidy would begin immediately on July 1, 1990. The administrative committee mentioned above will meet within thirty days to review the trip assurance program and again in sixty days so that at the end of ninety days the recommendation can be made as to the future of the trip assurance program.

ACTION REQUESTED

That the Regional Transit Board approve the Metro Mobility provider contract amendments, including changes in reimbursement rates and operating policies and procedures for the Metro Mobility program to become effective July 1, 1990.

private person designed to serve handicapped persons, elderly persons, and others with special transportation needs who are unable to use mainline bus service. Special Transportation Services shall be as authorized by Minnesota Statutes, Section 174.30, Minnesota Statutes, Section 473.386, and Minnesota Rules, Parts 8840.0100 to 8840.6300.

B. METRO MOBILITY ADMINISTRATIVE CENTER

"The Metro Mobility Administrative Center" (MMAC) shall mean the organizational unit staffed and operated by the Metropolitan Transit Commission (MTC) pursuant to a contract with the RTB. The MMAC administers, supervises, and manages the daily operation of the provision of Special Transportation Services by Contractor and other contractors.

C. USER

"User" shall mean any person or persons eligible to receive Special Transportation Services under the rules of the RTB or the MMAC and who receive or request Special Transportation Service.

II. STATEMENT OF WORK

A. RESPONSIBILITY OF CONTRACTOR

The Contractor shall coordinate, manage, provide, and control all necessary activities to operate the Special Transportation Service as described in this Agreement. Contractor's responsibilities shall include: providing, operating, and scheduling vehicles and personnel; maintaining equipment; collecting and accounting for fares; developing administrative procedures; compiling performance statistics and financial reports; and developing methods to maximize service quality and User safety; and such other activities as are necessary to provide Special Transportation Service.

The Contractor shall provide competent technical services to handle and correct any and all problems that arise associated with the Contractor's services under this Agreement.

B. DESCRIPTION OF TRANSPORTATION SERVICE

Contractor shall provide Special Transportation Services pursuant to User requests or standing orders and as described in Contractor's approved Management Plan dated _____ on file at the offices of the RTB, and any subsequent amendments thereto which

Management Plan is incorporated herein by this reference, and as described below:

1. Service District. Contractor shall provide Users with Special Transportation Service originating in the Metropolitan Transit Services Taxing District from Area I and/or Area II communities, as described in the Management Plan. Only trips having a User's final destination terminating within the Metropolitan Transit Service Taxing District shall be provided under the Special Transportation Service program. **On and after August 1, 1990, Contractor shall not receive subsidy under this Agreement for trips provided in the area served by the Anoka Traveller Service.** The identification of the service area and the Area I and Area II communities is attached hereto as Exhibit I.
2. Door-Through-Door Service. Contractor shall assist users from the entrance of the building at the pickup location to the vehicle and from the vehicle through the first door at the user's destination. Provider assistance shall include support when walking, assistance in getting wheelchairs up and down steps, and pushing wheelchairs to and from the building entrance.
3. Wheelchair Lifts. Where applicable, Contractor shall properly position users wheelchair on any vehicle lift or ramp, operate the vehicle's lift, and properly secure the wheelchair in the vehicle.
4. Designated-Vehicles---In-Area-I-communities, Contractor shall provide----->vehicles which shall be designated and used for the provision of Special Transportation Services as the first priority----->backup vehicles, available for providing Special Transportation Services shall also be designated by Contractor. Contractor shall provide----->Special Service vehicles on weekends.---These designated vehicles shall include a minimum of-----> wheelchair-accessible vehicles.---
5. Designated-Vehicles---In-Area-II-communities, Contractor shall provide----->vehicles which shall be designated and used for the provision of Special Transportation Services as the first priority----->backup vehicles, available for providing Special Transportation Services shall also be designated by Contractor. Contractor shall provide----->Special

~~Service-vehicles-on-weekends.--These-designated
vehicles-shall-include-a-minimum-of-----
wheelchair-accessible-vehicles.--~~

6. Hours of Operation. Contractor shall provide Special Transportation Services on the days specified in the Management Plan, and shall be available and provide scheduled service at least between 6:00 a.m. and 11:00 p.m. on weekdays. On weekends and holidays, the first pickup time available shall not be later than 8:00 a.m., and service shall be available at least until 11:00 p.m. Contractor at its option may provide Special Transportation Service at other times after notice to MMAC.
7. Special Communication Equipment. Provider shall install equipment and train operators to receive service requests using a Telecommunications Device for the Deaf (TDD), unless an alternative arrangement is approved by the MMAC.
8. Guests. Contractor shall provide Special Transportation Service for one scheduled guest of a User in the company of a transported User (if ~~space-is-available~~ requested at the time of the trip request) and certified-escorts. Contractor shall not, however, transport more persons in a vehicle than normal seating capacity. ~~Contractor shall establish a uniform fee policy for transported guests--~~ All guests shall be charged \$5.00 per trip according to the RTB guest policy.
9. Timely Service. Contractor shall pick up all Users to be transported within ~~ten-(10)-~~ fifteen (15) minutes of the scheduled pickup time and provide for all scheduled return trips.
10. Daily Funding Limits. The MMAC with prior RTB approval may from time to time determine that available daily funding allocation for Special Transportation Service has been exhausted and may notify Contractor of that situation by telephone or otherwise. MMAC shall notify Contractor when 90% of the available daily funding allocation has been reached. After notice that daily funding allocations have been exhausted, Contractor shall accept no further requests by Users for Special Transportation Service for that day. Contractor shall not be paid for any services performed for requests that were received after notice funding allocation limits were exhausted.

11. Toured or Shared Trips. Contractor is encouraged to share or set up toured trips provided, such toured or shared Special Transportation Service shall be arranged so that no user trip exceeds 90 minutes.
12. Radio and Telephone Communication. Contractor shall provide and maintain equipment in vehicles used for Special Transportation Services so that drivers are able to maintain two-way radio communication with Contractor at all times vehicles are in service. Contractor shall also provide telephone service for Users during all periods when its vehicles are in service under this Agreement.
13. Unavailability-of-Service Trip Assurance Program. Contractor shall provide all requested transportation service unless it has been previously notified by MMAC or RTB the daily funding allocations have been exhausted, ~~or unless all designated Special Transportation Service vehicles and/or drivers are otherwise engaged in providing Special Transportation Services.~~ In the case of a ~~denial~~ **initial unavailability** of service, Contractor shall advise MMAC requesting Users **Service request be assigned under the Trip Assurance Program described of the name and telephone number of at least one other Special Transportation Service contractor providing service in the area where the User resides in Section IV(B)(6)-(8) of this Agreement, whereby certain Special Transportation Service providers may receive additional increased subsidy by agreeing to accept and provide user trips initially unaccepted by other providers.**
14. Legal Requirements. Services provided hereunder by Contractor shall conform with all applicable local, state, and federal laws, rules, and regulations, including without limitation the following: Minnesota Statutes, Section 473.386, subdivision 6; Minnesota Rules, Parts 8840.5100 through 8840.6300 as may be amended from time to time; Minnesota Statutes, Section 299A.11 through 299A.18; municipal regulations and ordinances, federal and state laws relating to child restraint devices.
15. Certificate of Compliance. At all times when providing Special Transportation Service, Contractor shall have and maintain in good standing ~~a the~~ **Certificate of Compliance as**

required by Minnesota Rules Part 8840 issued pursuant to Minnesota Statutes, Section 174.30, subdivision 4. ~~Verification of compliance with Department of Public Safety Vehicle standards shall be provided to MMAC stating the compliance of any vehicle before it is used for Special Transportation Service.~~ A Contractor who is unable to obtain a Certificate of Compliance because of the exemption of Minn. Rules Part 8840.5300, subp. 3 shall prove compliance with the standards set forth in Minn. Rules Part 8840.5400-8840.6300 in a method acceptable to MMAC. Contractor shall immediately advise MMAC if, at any time, Contractor is notified of any revocation, suspension, expiration without renewal, or limitation of the Certificate of Compliance or proceedings where the revocation, suspension, nonrenewal, or limitation of said certificate is sought.

16. Scheduling of Trips. Contractor shall schedule special transportation service trips as follows:
- a. All standing order trips provided under this Agreement shall be registered with the MMAC. Any trip shall be considered to be a standing order if the User is transported between the same locations at approximately the same time on three or more days per week. Contractor shall request MMAC to cause registration of all standing orders known to it before service under that order.
 - b. Demand order trips shall be immediately confirmed if possible; in all cases the confirmation decision shall be made by 2:30 p.m. on the previous-day of the request. ~~No subsequent denial or referral of a trip previously accepted may be made after 2:30 p.m. on the previous scheduling day except in the case of equipment or personnel unavailability not within the control of Contractor.~~
 - c. Trips to be provided on the same day of request shall only be assigned by MMAC. Contractor seeking same day trips may request assignments from MMAC.
 - d. Contractor shall confirm all trips assigned under the Trip Assurance Program at its first opportunity, but not later than 7:30 p.m. the previous-day of the request.

17. Contractor Meeting. RTB or MMAC may from time to time request the attendance of a representative of Contractor at Contractor meetings upon reasonable notice. Contractor shall provide an authorized representative who shall attend Contractor meetings on behalf of Contractor.
18. Marketing. Contractor shall undertake no marketing activities referring to the provision of Special Transportation Services as part of the Metro Mobility program without first receiving approval by MMAC of those marketing activities. MMAC shall approve all marketing activities which do not in MMAC's judgment result in an unfair competitive advantage for any provider.
19. Management Plan Amendments. Service shall be provided as described in the Management Plan and any amendments thereto. No amendment to the Management Plan shall be effective until the RTB shall have consented thereto.
20. MMAC Computer. Contractor shall use the MMAC computer database to timely compile all Special Transportation Service data. Any computer equipment owned by MMAC and used by Contractor shall be repaired by Contractor if damaged by Contractor's abuse or negligence. At the end of the Term all computer equipment owned by MMAC shall be returned undamaged to MMAC. Contractor shall timely post all information required by MMAC or this Agreement into the MMAC computer system.
21. MMAC Policy and Procedures. Contractor shall become familiar with and comply with the policy and procedure requirements stated in the MMAC Policy and Procedure manual for the Metro Mobility program.
22. DHS Transportation Regulations. For any service provided to Users who receive funding for use of Special Transportation Service from a program subject to regulations of the Department of Human Services (DHS), Contractor shall comply with all regulatory requirements of Minnesota Rules part 9525.1690.

III. TERM

This Agreement shall be in effect for transportation services rendered from May-17-1990-July 1, 1990 through June 30, 19891.7-and-during-any-extensions-thereof.
~~Contractor may obtain the extension of this Agreement for~~

~~two additional one-year periods by providing 90 days' advance notice to the RTB of its intention to so extend this Agreement.~~

~~Any extension of this Agreement shall be on the same terms and conditions unless Contractor has been notified of changes 120 days before the extension become effective.~~

IV. FUNDING OF SERVICES

A. FARES

As partial payment for the Special Transportation Services provided hereunder, the Contractor shall earn and collect the following passenger fares:

1. Passenger Fares. Contractor shall, except for Medical Assistance funded trips, collect the fare of \$1.00 per one-way trip from each and every transported User and guest, but not from ~~certified escorts.~~ **For Medical Assistance funded trips, any compensation provided under the Medical Assistance program shall be Contractor's exclusive compensation.**
2. Extra Mileage Charge. Contractor may collect an additional fare in an amount not to exceed \$1.00 per mile or portion thereof from each transported User and ~~first guest~~ for the portion of any trip exceeding eight miles, up to a maximum additional mileage charge of \$2.75.
3. Guest Fares. ~~For additional guests, after the first, Contractor may charge and retain a fare for guests as established by RTB Contractor. The guest additional fare shall not be charged to Users or guests unless Contractors only compensation for transporting the guest shall have first established and filed with MMAC a uniform fare schedule describing the additional charges.~~
4. Contractor shall accept cash or Metro Mobility commuter tickets and extra mileage coupons in payment of fares. All Metro Mobility commuter tickets and extra mileage coupons received as payment for providing Special Transportation Services shall be redeemable from the MMAC when submitted as part of an invoice as provided in this Agreement.
5. Contractor shall not collect any fare for Special Transportation Services for which Medical Assistance is received and shall be entitled to any compensation provided by Medical Assistance

for that trip as Contractor's exclusive compensation.

B. OPERATING SUBSIDY

1. Compensated Trips. As additional consideration for the provision of Special Transportation Service, RTB shall pay Contractor for each one-way trip (whether outgoing or returning) made by Contractor transporting a User. Operating subsidy shall be paid for each User plus certified-escort. No operating subsidy shall be paid for:
 - a. Transportation of User's guest;
 - b. Any trip provided contrary to any provision of this Agreement relating to the method of providing services, qualification of drivers, vehicle requirements, or reporting requirements;
 - c. Special Transportation Service originating outside Contractor's service area exclusive of return trips (unless with prior MMAC approval or at MMAC direction);
 - d. Trips originating outside the Metropolitan Transit Taxing District;
 - e. Trips, any portion thereof where the User's ultimate destination is outside the Metropolitan Transit Taxing District;
 - f. Special Transportation Services for which Medical Assistance compensation is received;
 - g. Trips taken over 30 days ~~from~~-before the submittal of the invoice.

2. Amount. The subsidy is based upon the type of vehicle used, the area communities served, the User's certification code, and the number of passengers transported to the destination. The subsidy amounts for each one-way ambulatory or wheelchair trip are as follows:

<u>Individual-Subsidy-Rates</u>	<u>Area-1-- Communities</u>	<u>Area-2-- Communities</u>
TAXI-SERVICE		
e-Ambulatory	\$6.50	\$-8.00
e-Wheelchair	\$9.50	\$11.00

VAN-SERVICE		
o-Ambulatory	\$6.50	\$-8.00
o-Wheelchair	\$14.50	\$17.50

Volume-Subsidy-Rates:

TAXI-SERVICE		
o-Ambulatory	\$4.50	\$-4.50
o-Wheelchair	\$8.00	\$-8.00

VAN-SERVICE		
o-Ambulatory	\$4.50	\$-4.50
o-Wheelchair	\$10.00	\$10.00

<u>Area I Individual</u>	<u>1-11 Miles</u>	<u>12-or More</u>
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TAXI SERVICE		
o Ambulatory	\$6.75	\$8.00
o Wheelchair	\$10.25	\$11.50

VAN SERVICE		
o Ambulatory	\$6.75	\$8.00
o Wheelchair	\$17.25	\$19.75

Area II Individual

TAXI SERVICE		
o Ambulatory	\$8.25	\$9.50
o Wheelchair	\$11.50	\$12.75

VAN SERVICE		
o Ambulatory	\$8.25	\$9.50
o Wheelchair	\$19.00	\$22.00

Volume

TAXI SERVICE		
o Ambulatory	\$4.25	\$4.25
o Wheelchair	\$7.50	\$7.50

VAN SERVICE		
o Ambulatory	\$4.25	\$4.25
o Wheelchair	\$9.50	\$9.50

3. Ambulatory and Wheelchair Trips. Determination of the applicability of the ambulatory or wheelchair subsidy rate shall be based on the two-number prefix of each User's certification code.

- a. Certification codes with the following prefixes shall be defined as ambulatory trips: 33, 34, 35, 36, 37, 38, 39, 42 and 53.

- b. Certification codes with the following prefixes shall be defined as wheelchair trips: 21, 22, 23, 24, 31, 32, 40 and 50.
4. Area I and Area II Trips. Determination of the applicability of the Area I or Area II community subsidy rate shall be based on the User's place of residence, as registered with the MMAC, for one-way trips that are either outgoing or returning, with this exception: one-way trips provided that begin and end in Area I -- for Users that reside in Area II -- shall be reimbursed at Area I subsidy rates; similarly, one-way trips provided that begin and end in Area II -- for Users that reside in Area I -- shall be reimbursed at Area II subsidy rates.
5. Volume Trips. The volume trip rates apply to trips in either of the following categories:
 - a. One provider transporting five (5) or more Users to or from the same address at least five times per week and either dropoff or pickup is between either 6:00 a.m. and 10:00 a.m. or 2:00 p.m. and 6:00 p.m.
 - b. One provider transporting three (3) or more Users together in the same vehicle between the same locations.
6. Trip Assurance Program. Contractor ~~may~~ shall participate in the Trip Assurance Program and shall ~~by-accepting-and~~ providing trips remaining unaccepted at 2:30 p.m. ~~the previous~~ on any day as assigned by MMAC. Contractor shall be paid a daily participation fee of 1% of the Contractor's average daily total subsidy for the month for which the participation fee is earned as its additional compensation for each day it provides all of the trips as assigned by MMAC.
7. Undelivered Trips. In the event Contractor does not provide a trip assigned by MMAC, Contractor's compensation for the month shall be reduced by the greater of \$20.00 for the amount of the Service Quality Fee for each day an assigned trip is not delivered.
8. Service Quality Fee. If Contractor earns the participation fee pursuant to paragraph 6 above, Contractor shall also be paid an additional Service Quality Fee of 1% of the subsidy for each month if, during each day of the month, Contractor meets all requirements of this

Contract relating to timely service, performance, service delivery, personnel, and equipment.

9. ^{September} ~~December~~ Trip Assurance Program Evaluation. During ~~December~~ of 1990, the RTB and MMAC shall evaluate the effectiveness of the Trip Assurance Program in eliminating trip denials and assuring service quality. Contractor and RTB agree to co-operate in making appropriate modifications to improve the effectiveness of the Trip Assurance Program. ✓

- C. Payments shall be made by RTB to Contractor based on the invoice reporting forms and trip vouchers processed by MMAC. No payment shall be made for trips unless the voucher is 100% complete and accurate. MMAC shall process all vouchers submitted to date as of the first and the fifteenth (15th) day of each month. Payment of trips will be made only for those trips taken within thirty (30) days from the date of submittal to the MMAC.
- D. RTB may, in its discretion, change the passenger fares and/or subsidy to be paid during this Agreement or any extension of this Agreement, by giving Contractor 120 days advance notice thereof.
- E. Trip vouchers and invoice reporting forms shall be sent to:

Metro Mobility Administrative Center
570 Sixth Avenue North
Minneapolis, Minnesota 55411-4398

Contractor's payment request shall be prepared in a form acceptable to the MMAC and shall be supported by such copies of invoices, payrolls, driver trip sheets, dispatch logs, and other documents as may be required. All payment requests shall be processed within 30 days.

- F. A total of 12 percent of the last two payments to Contractor shall be withheld from the Contractor's payments until completion of an audit by the RTB.
- G. All invoices and related records are subject to audit by the MMAC or the RTB. If, at the end of the Term, as a result of final audit, it is determined that RTB has overpaid the Contractor, the Contractor shall immediately refund to RTB the amount of the overpayment. RTB may retain the amount of any overpayment arising out of a previous funding agreement, Special Transportation Services provided by Contractor in a previous year or under funds otherwise payable under this Agreement. Upon completion of the

final audit, RTB shall make a final payment to the Contractor of the amount of any unpaid balance in accordance with the provisions of this contract.

- H. The compensation authorized in this section IV shall constitute Contractor's exclusive compensation for the services provided under this Agreement. Contractor shall not charge or accept any payment for the services provided under this agreement other than as provided herein.

V. SCOPE OF CONTRACTOR'S RESPONSIBILITIES

A. SUBCONTRACTING BY CONTRACTOR

Contractor shall not assign or subcontract its obligations under this contract to any third parties unless RTB shall have first approved the subcontractor and terms of any subcontracts. The RTB retains the right to disapprove any such third party contracts. Consent to any subcontract or assignment shall not relieve Contractor of its primary responsibility for performance hereunder.

B. INDEPENDENT CONTRACTOR

Under the terms of this contract, Contractor is an independent contractor and has and retains full control and supervision of the services and full control over the employment and direct compensation and discharge of all persons assisting in the performance of its services hereunder. Contractor agrees to be solely responsible for all matters relating to payment of employees, including compliance with social security, all payroll taxes and withholdings, unemployment compensation, and all other regulations governing such matters. Contractor agrees to be responsible for its own acts and those of its subordinates, employees, and any and all approved subcontractors during the Term.

C. MMAC MANAGEMENT FEE

Contractor shall pay to MMAC a management fee of \$160 per month for computer-related services plus \$95.00 per each additional modem line connection.

VI. MANAGEMENT OPERATIONS

The Contractor shall provide project management according to this Agreement and RTB policies for Special Transportation Service. The RTB may establish or modify rules which are reasonable for operation of this service after consultation with the Contractor.

A. PERSONNEL

All personnel providing transit Special Transportation Service shall know and understand the system. Contractor's personnel shall maintain a courteous attitude, answering to the best of their ability any passenger questions regarding the provision of service. Personnel shall record all passenger complaints and/or operational problems. **The Contractor shall be solely responsible for the satisfactory work performance of all personnel and drivers pursuant to reasonable performance standards established by the RTB. Contractor shall remove from the project any personnel, including drivers, that do not meet these standards.**

1. Project Manager. The Contractor shall at all times have designated a Project Manager who shall have ultimate-responsibility for the operation of the project. The Project Manager shall provide supervision and management of the project's accounts including all revenues collected, operating records, and personnel. Delegation of management responsibilities may be distributed to personnel as deemed qualified by the Project Manager.

The Project Manager shall be available at all reasonable times to report to and consult with MMAC or RTB. Contractor shall promptly notify MMAC of the identity of the Project Manager and any changes of Project Manager.

2. Dispatcher. Contractor shall provide dispatch services including dispatching and communication with drivers at all times a vehicle is in service, to facilitate changes in services or emergency response.
3. Driver Requirements. The Contractor shall furnish ~~at-least-----~~ **sufficient**, all trained, qualified, and licensed drivers necessary for the safe operation of vehicles used in providing the service and substitute drivers. All drivers providing services hereunder shall possess all licenses, permits, and medical certificates required by law and be fully trained in all operational procedures, including emergency medical procedures. Without limitation, all drivers of vehicles (including taxicabs) when providing Special Transportation Services, shall meet the following requirements:

a. No driver shall operate a vehicle used for providing Metro Mobility service unless that driver:

- (1) has visual acuity of 20/40 in each eye corrected and a field of vision of at least 70 degrees in the horizontal meridian of each eye;
- (2) does not have a hearing loss greater than 30 db in the better ear with or without a hearing aid; and
- (3) has no current medical condition which interferes with the ability to drive safely.

b. Every two years each driver shall obtain, on a form prescribed by the Commissioner of Transportation, a physician's statement that the driver has no current medical condition which interferes with his or her ability to drive safely. This shall be obtained prior to employment as a driver of a Metro Mobility vehicle. School bus drivers or employees of facilities which are licensed by the Department of Health or the Department of Public-Welfare-Human Services, who are required to provide a physician's statement of health on a regular basis, may substitute that form or statement for the form required in this section.

c. Each driver shall be able to perform a vehicle safety inspection and each driver and attendant, in the case of a vehicle which is staffed by a driver and an attendant, shall be able to assist a passenger into the vehicle and operate a wheelchair lift or ramp if the vehicle is equipped with it.

d. Each driver shall also meet the following criteria:

- (1) ~~Except-for-taxicab-drivers,~~ Possess **such** a Class-B-driver's license, valid in Minnesota as is required by law to **operate the Special Transportation Vehicle provided;**
- (2) be at least 18 years of age and have not less than one year of experience as a licensed driver; and

- (3) have a driving record clear of revocations, suspensions, and cancellations for the past three years. Contractor shall submit proof of compliance with the requirements of this part (d) by July 1 each year.
- e. Each driver and attendant shall successfully complete a first aid or emergency care course of sufficient time to adequately include instruction in the following elements:
- (1) treatment of shock;
 - (2) control of bleeding;
 - (3) airway management;
 - (4) prevention and treatment of frostbite and exposure to cold;
 - (5) prevention and treatment of heat exhaustion and heat stroke;
 - (6) identification of sudden illness such as stroke, heart attack, convulsions, fainting, and seizures; and
 - (7) appropriate use of emergency medical assistance services.
- f. Each driver and attendant who transports Users shall complete a minimum of eight (8) hours training in the techniques of transporting and assisting elderly and physically handicapped users which shall be approved by Minnesota Department of Transportation and shall include instruction in the areas of instruction required by Minn. Rules Part 8840.5900 and include the following elements:
- (1) discussion of characteristics of the aging process and major disabling conditions;
 - (2) discussion of common assistive devices used by elderly and handicapped persons;
 - (3) discussion of attitudes toward elderly and handicapped persons which includes

the participation and handicapped and elderly persons;

- (4) instruction in methods of handling wheelchairs;
 - (5) instruction in moving, lifting, and transferring passengers;
 - (6) guidelines for transporting handicapped persons; and
 - (7) instruction and experience in the operation of the lifts, ramps, and wheelchair securement devices of any vehicle to be operated by the driver.
- g. Each driver and attendant shall receive instruction in the use of the fire extinguisher.
 - h. Each driver or attendant shall successfully complete the training requirements of this Agreement prior to the effective date of this Agreement. Copies of certificates indicating successful completion of courses shall be maintained in the Contractor's files.
 - i. Each driver and attendant shall successfully complete a refresher first aid or emergency care course every three years. The refresher course shall include instructions in the elements listed in item (e).
 - j. Contractor shall provide all Special Transportation Service drivers with such identification as is specified by RTB. Drivers shall display such identification as required by RTB.
 - k. Contractor shall ~~cause~~**provide** all drivers ~~to-become-familiar-with~~ **orientation to state law relating to sexual abuse and vulnerable adult abuse and-instructing-in-appropriate responses-to-and-report-of-such-incidents within three (3) days of beginning employment and annually thereafter.**
 - l. Each driver shall attend and participate in all scheduled safety and informational meetings held by Contractor. Contractor shall establish an information and safety meeting policy providing a means of

instructing drivers on safety issues and updating drivers on administrative procedures relating to services provided under this Agreement.

- m. Contractor shall provide each driver with a copy of Metro Mobility trainee manual "Vehicle Operator Training Manual and Resource Guide." RTB shall provide one camera-ready copy of the manual and an initial copy for each driver designated in paragraph VI A 3. Contractor shall submit to the MMAC a plan for using the training units from this manual to complement Contractor's driver training program.
 - n. Contractor's driver selection procedures shall include a background reference check **including, where appropriate, criminal history** for all driver applicants before hiring.
- 4. Complaint Administration - Contractor shall designate on or more individuals to handle complaints as described in Section VI(B)(3) of this Agreement, who shall be adequately trained in complaint procedures and who shall be responsible for administration of contractor's complaint procedures.
 - 5. Other Personnel. The Contractor shall supply and furnish all other personnel and services as are necessary for the safe, sound, and efficient delivery, operation, supervision, and maintenance of the transit service and the vehicles and equipment used therein.

~~The Contractor shall be solely responsible for the satisfactory work performance of all personnel and drivers pursuant to reasonable performance standards established by the RTB. Contractor shall remove from the project any personnel, including drivers, that do not meet these standards.~~

B. CUSTOMER SERVICE

- 1. Telephone Information Service - Contractor shall maintain a telephone information service for contract operations.
- 2. Lost and Found - Contractor shall maintain a "lost and found" service for items left on the vehicles.

3. Complaint Procedures - Contractor shall maintain a complaint procedure through which users may make complaints concerning any matter related to the Metro Mobility service. This complaint procedure shall include the following components:
 - a. Users shall be informed of the existence of the complaint procedure, how to make a complaint, and who to contact to make a complaint;
 - b. Contractor shall report complaints to MMAC the next business day following receipt;
 - c. Within one week after receipt of the complaint, Contractor shall respond to user in writing, resolving the complaint, and report the resolution of the complaint to MMAC;
 - d. Any user not satisfied with contractor's resolution of the complaint shall be referred to MMAC for review of the complaint by MMAC.

VII. VEHICLES

All designated vehicles and equipment shall meet the standards of this Section VII. The RTB shall be provided with current vehicle inventory forms to be included as part of the Management Plan covering each vehicle used for Special Transportation Service.

A. VEHICLE REQUIREMENTS

1. Repair or Replacement. In the event of any breakdown or malfunction of a regularly assigned vehicle, such vehicle shall be immediately removed from service and repaired or replaced within a period of seven (7) calendar days from the date of breakdown. Any replacement vehicle shall be of equal or better general condition as the vehicle which it replaces.
2. Markings. All vehicles providing Special Transportation Service shall display a clearly visible **company name and service identity** marking provided by the RTB.

B. GENERAL VEHICLE SPECIFICATIONS

All vehicles operated in Metro Mobility service shall meet the following specifications. In addition, all vehicles must comply with the State Operating

Standards for Special Transportation Service
(Minnesota Statutes, Section 174.30) and all other
application federal and state regulations.

1. Whether new or used, all vehicles purchased and put into service during the term of this Agreement shall meet rollover standards contained in Federal Motor Vehicle Standard Number 220.
2. In all vehicles, doors and windows shall open and close as intended by the manufacturer.
3. There shall be no holes in the vehicle that admit exhaust gases.
4. The interior and exterior of the vehicle shall be free of jagged edges.
5. Vehicles shall be equipped with heating, maintained in working order.
6. The following minimum safety equipment shall be provided and secured within each vehicle:
 - a. Warning Devices. Six (6) 30-minute road flares and/or three (3) portable warning reflectors mountable on stands (provided) shall be furnished.
 - b. Fire Extinguisher. One dry chemical fire extinguisher of at least five (5) pound capacity shall be furnished and shall be bracket mounted and easily accessible to the driver.
 - c. First Aid Kit. An adequate first aid kit shall be furnished and mounted in a location easily accessible to the driver.
7. In all vehicles, seats shall be securely fastened to the floor or frame of the vehicle. Seat covering shall be of fully padded construction. Seat covering and padding material shall be fire resistant and shall not support combustion.
8. In all vehicles (except those certified as school buses), each ambulatory passenger seat shall be equipped with a quick-release seat belt. Seat belts shall be securely attached to structural members of the vehicle at two points. Attachment to the vehicle floor is acceptable when a 2 1/2" or 3" washer is used.

9. Vehicles shall have available upon advance notice by User a federally approved child restraint device.
10. An extension seat belt shall be available for use as needed.

C. SPECIFICATIONS FOR WHEELCHAIR TRANSPORT VEHICLES

In addition to the general vehicle specifications, vehicles used to transport persons in wheelchairs, with the exception of taxicabs, shall meet the requirements of Minnesota Rules parts 7450.0100 to 7450.0900 following specifications:

1. Structural.

- a. Emergency Exits. Each wheelchair transport vehicle shall have a front passenger entrance door in addition to the wheelchair accessible door. The location of all exits must be clearly marked on the interior of the vehicle. Vehicles shall also be constructed with at least one of the following:
 - (1) windows which open to provide a clear opening;
 - (2) at least one roof hatch; or
 - (3) a rear exit door that can be opened from both the inside and outside of the vehicle.
- b. All wheelchair transport vehicles purchased and put into service during the term of this Agreement shall have a wheelchair service door with a minimum clear opening of 36" x 54".

2. Interior.

- a. Head Room. All wheelchair transport vehicles purchased and put into service during the term of this Agreement shall have a minimum of 57 inches of head room at the aisle.
- b. Flooring. All wheelchair transport vehicles purchased and put into service during the term of this Agreement shall have heavy-duty transit flooring.

- c. Air Conditioning. All wheelchair transport vehicles purchased and put into service during the term of this Agreement shall be equipped with air conditioning. A variance may be granted by RTB for vehicles exceeding 12,000 lb. gross vehicle weight.

3. Seating.

- a. Flip Seating. Flip seating shall include a locking mechanism which secures the seat in an upright position when not in use. Flip seats, when in an upright position, shall not interfere with proper securement and restraint of wheelchair passengers.

4. Wheelchair and Passenger Restraints.

- a. Wheelchair Restraints. The wheelchair restraint system shall be securely attached to structural members of the vehicle and shall attach to the wheelchair at three or four separate positions. The restraint system shall attach to the wheelchair frame, rather than the wheels at each of the three or four points. Wheelchair restraints shall be adjustable so as to secure the various sizes and types of wheelchairs, with the exceptions of "Amigo" brand or similar types.
- b. Wheelchair Passenger Restraints. A Type 1 or Type 2 state-approved seat belt **certified** to meeting the standard of Minn. Rules Part 7450.0600 shall be provided for each wheelchair. This belt must be secured to the vehicle floor or be secured to a combination of floor (lap portion of belt) and roof/sidewall (chest portion of belt). The wheelchair restraint and wheelchair passenger restraint shall be independent systems; i.e., passenger restraint shall not be used as a wheelchair restraint. Wheelchair passenger restraints shall be quick-release, automotive-type and be designed and installed in such a manner that the restraint belts transfer crash forces to the hips and upper torso portions of the passenger and shall not transfer these forces to the abdomen portion of the passenger.

5. Wheelchair Lifts and Ramps.

- a. Ramps. Wheelchair ramps shall have a non-skid surface. One end of the ramp shall be secured to the floor of the vehicle when in use. Each side of the ramp shall have an edge barrier at least 1 1/2" high. A wheelchair shall not be moved on a ramp unless all wheels fit securely within the edge guard.
- b. General Wheelchair Lift Requirements. Automatic and semi-automatic lifts shall meet the following requirements:
 - (1) In addition to these specifications, lifts shall be designed, built, attached, and operated in accordance with applicable safety codes and design standards.
 - (2) In addition to normal operating power, lifts shall be designed to allow a manual method of unloading passengers and returning the lift to the stowed position in the event of power failure.
 - (3) The design load, defined as the heaviest static load that can be applied to the lift when evenly distributed, shall be not less than 600 pounds.
 - (4) Placement of the lift or the method of attachment shall not significantly diminish the structural integrity of the vehicle or cause a hazardous unbalancing of the vehicle by its weight when the vehicle is moving or by its weight and load when the vehicle is stopped.
 - (5) All exposed edges or hazardous protrusions on lifts which are stowed inside the passenger compartment shall be equipped with padding of a thickness to the manufacturer's recommendation. Padding shall be of an energy absorption material capable of minimizing injury-producing forces and shall extend to within 3" of the vehicle floor.

- (6) Lift door shall have a minimum clear opening of 36" x 54".
 - (7) Interior padding shall be provided above the door opening for the lift to avoid injury to wheelchair passengers and attendants during loading and unloading. Padding shall extend the entire width above the door opening and shall also be provided along the interior roof-ceiling mating edge, and at all other locations where sharp or potentially hazardous edges occur.
 - (8) Lifts shall be capable of being raised and lowered with no sudden acceleration, deceleration, or jerking motion.
- c. Lift Platforms. Lift platforms shall meet or exceed the following requirements:
- (1) Platform size shall be a minimum of 30" x 42".
 - (2) Platform shall have a non-skid surface.
 - (3) Platforms shall be equipped with an automatically actuated rolloff barrier across the full length of the end of the platform. Each barrier shall be not less than 3 1/2" higher than the platform surface and shall be of sufficient thickness and strength to prevent the wheels of the wheelchair from rolling over or through the barrier. Platforms shall also be equipped with permanent vertical side rims at least 2" higher than the surface of the platform.
 - (4) Platforms shall have a transition plate mounted as an integral part of the lift to provide transfer from the platform to the interior of the vehicle.
- d. Auxiliary Steps. Any item or device used as an aid to entry into vehicles shall be of a design approved by MMAC. All auxiliary steps shall be adequately secured when not in use.

D. VEHICLE OPERATION, MAINTENANCE, AND HOUSING

Vehicles shall be operated in conformance with RTB policies, MMAC operating standards and procedures and all lawful orders, rules, statutes, or regulations of any federal, state, or local agency having jurisdiction over Contractor, and with due regard for the safety, comfort, and convenience of passengers and the general public. Drivers shall be responsible for assuring passenger use of all provided safety equipment.

The Contractor shall provide and maintain appropriate fixed vehicle storage and maintenance facilities for the garaging and servicing of the vehicles.

Contractor shall submit all vehicles used to provide service hereunder to an inspection program approved by RTB which shall include a pre-trip inspection by the driver each day prior to being placed in service and shall be supplemented with periodic road testing by a mechanic to ensure the vehicle's proper operating condition. A record of all such inspections shall be kept by the Contractor and made available to the MMAC upon request. MMAC may direct, and Contractor shall remove any vehicle not in proper operating condition.

The Contractor shall also be responsible for ensuring the vehicle's high quality appearance. Vehicles shall be kept in a clean condition. Exterior washing shall be performed at least weekly, and vehicle interiors shall be swept or vacuumed daily to remove all dirt and debris.

VIII. DOCUMENTATION OF SERVICE DELIVERY

A. RECORDS

Contractor agrees to keep and maintain all records required by RTB or MMAC under this contract for a period of three (3) years from the date of final payment and to allow RTB or MMAC to copy and inspect all of the required records at any time during regular business hours. Authorization for disposal of records before three (3) years may be obtained from the RTB at Contractor's request, if RTB's purpose for retaining the records is otherwise satisfied.

Upon request, the Contractor shall furnish to MMAC copies of all reports required by law or regulation to be furnished to the RTB or any other governmental body or authority having legal jurisdiction over operational matters of the Contractor.

The Contractor shall, at the end of the term of this Agreement, turn over in a timely fashion any and all records that are reasonably requested by the RTB.

B. PROJECT OPERATIONAL RECORDS

Contractor agrees to maintain operational records documenting the performance of the special transportation service. Operational records shall include, but are not limited to, the following:

1. Monthly Summaries. The Contractor, in accordance with the reporting schedule and requirements established by the MMAC, shall prepare and submit to MMAC a monthly summary report. This summary shall include:
 - a. Contractor requests for payment submitted on the Metro Mobility daily invoice reporting forms supplied by the MMAC. Contractor shall list, by rider's certification number, each ambulatory trip provided, each wheelchair trip provided, each no-show, and each cancellation. Additionally, the Contractor shall provide a listing of each trip denied due to the Contractor's inadequate capacity in the form required by the MMAC.
 - b. Documentation of operational problems, significant variations in ridership, service timeliness, missed trips, trip denials, and basis for denials, passenger complaints and commendations, along with descriptions of actions taken.
 - c. Drivers' trip sheets, the content, and form of which shall be mutually agreed upon by the MMAC and Contractor.
2. Financial Records. The Contractor shall separately account for all project expenditures and keep any other relevant financial records or documents. The Contractor and its subcontractors shall keep full and complete books of account following generally accepted accounting principles reflecting its operations pursuant to this Agreement.
3. Incidents and Accidents. All-As soon as known, all occurrences involving injury-and/or, property damage, and/or vulnerable adult abuse during provision of Special Transportation Services (including vehicle accidents) shall be reported

to MMAC riders liaison or administration as soon as possible **but not later than** within 24 hours **after the event**. Within 48 hours contractor shall cause a written accident-report of the **event** to be received by MMAC.

C. AUDITS

As required by Minn. Stat. Section 15.17, the records, books, documents, and accounting procedures and practices of the Contractor and of any subcontractor relating to work performed pursuant to this Agreement shall be subject to audit and examination by RTB and the legislative auditor or state auditor.

The Contractor and any subcontractor shall permit the RTB or its designee to inspect, copy and audit its accounts, records and business documents at any time during regular business hours, as they may relate to the performance under this Agreement.

D. INSPECTIONS

The RTB and MMAC shall have the right in its discretion to monitor, examine, and investigate, all elements of the contractors Special Transportation Service delivery system under this Agreement. The Contractor shall cooperate with the RTB and assist with inspections as requested by RTB and as authorized by Minn. Stat. § 473.375, subd. 6.

E. SURVEYS

On board passenger surveys may be required by RTB for the purpose of project evaluation; if so, the Contractor agrees to distribute passenger surveys in the manner and at the times specified by RTB. The results of the surveys required under this contract shall be provided to RTB.

IX. INDEMNITY AND INSURANCE

A. INDEMNIFICATION

Contractor undertakes and agrees to defend, indemnify, and hold harmless the RTB and all of the RTB's board members, agents, and employees from and against all suits and causes of action, claims, losses, demands, and expenses, including, but not limited to, attorney's fees and cost of litigation, damage, or liability of any nature whatsoever, for death or injury to any person, including Contractor's employees and agents, or damage to or destruction of any property of either party hereto or of third parties,

arising in any manner by reason of or incident to the performance of the contract on the part of Contractor or a subcontractor; except that indemnification shall not be required hereunder for the share of any liability apportioned to RTB because of RTB negligence.

B. INSURANCE

The Contractor shall provide, keep in force, and furnish evidence of, a contract or contracts of insurance with reliable companies authorized to do business in the state of Minnesota by which contracts the Contractor and the RTB are insured against any claim, demand or loss for injury to persons or damage to property resulting from, growing out of or connected with the management, supervision, and operation of the transit service provided under this Agreement or its appurtenant facilities or any act or omission to act by Contractor or any of Contractor's personnel.

The required minimum limits of coverage for insurance are \$200,000 per claimant for injury, death, or property damage by wrongful act or omission, and \$600,000 for any number of claims arising out of a single occurrence. A variance to this requirement may be granted if the above coverage limits are not available.

The Contractor shall provide a Certificate of Insurance in acceptable form as verification of compliance with these provisions at least ten (10) days before the commencement of service hereunder and ten (10) days before any contemplated renewal or change in coverage.

With respect to the interests of the RTB, such insurance shall provide that it may not be cancelled, reduced in coverage or limits, or non-renewed except after thirty (30) days' written notice has first been given to the RTB.

No compensation for services provided shall be paid for any period during which required insurance is not in force. Any payment for services shall be withheld until an approved certificate of insurance is on file.

C. WORKER'S COMPENSATION

The Contractor shall at all times keep fully insured at its own expense all persons employed in connection with performance of the contract as required by the laws of the State of Minnesota relating to Worker's

Compensation Insurance and shall hold the RTB harmless from any liability, damages, claims, costs, and expenses of any nature arising from any allegation of violations of personnel practices or from any allegation of an injury to an employee of the Contractor performing work or labor necessary to carry out the provisions of the contract. Such policy shall provide for fifteen (15) days' prior notice to the RTB of any change, cancellation, or lapse of such policy. Prior to the effective date of the contract, the Contractor shall file a copy of such policy with the RTB.

D. MODIFICATION OF COVERAGE

The RTB reserves the right at any time during the Term to change the amounts and types of insurance required hereunder by giving Contractor ninety (90) days' written notice.

E. UNDERLYING INSURANCE

Contractor shall require indemnification and insurance as it deems appropriate from its employees receiving mileage allowance, agents, and subcontractors, if any, to protect the Contractor's and the RTB's interests, and shall ensure that such persons comply with any applicable insurance policy requirements to maintain coverage.

X. GENERAL PROVISIONS

A. DEFAULT

1. Defined. The Contractor shall be in default hereunder if it shall abandon or delay unnecessarily, the performance of services hereunder or in any manner shall refuse or fail to comply with this Agreement or the specifications or instructions of the RTB or MMAC relative to this Agreement, including but not limited to failure to maintain proper certification of drivers, vehicles, and Contractor; failure to procure insurance; failure to maintain or produce records required hereunder. A default may also be declared because of failure of the service to operate within agreed performance standards as evidenced by RTB or MMAC inspection, through surveys or monthly operating reports, or by repetitive communications by riders of the service.
2. Notice and Opportunity to Cure. The Contractor shall have three (3) days after receiving written

notice from MMAC of default, to cure the default or show good cause for such delay, abandonment, refusal, or neglect to comply with this Agreement or the specifications or instructions of the RTB or MMAC, after which time if the default continues the Contractor shall be in default.

B. TERMINATION

Upon Default by the Contractor and failure to cure, the RTB may immediately terminate contract service and related payments to the Contractor. Termination may be ordered by RTB after consultation with MMAC. Upon Default by Contractor and failure to cure, the MMAC may order the suspension of the contract service and related payments for a period not to exceed thirty (30) days. Notwithstanding suspension or termination of services and payment, all other obligations of Contractor under this Agreement shall remain in effect. In the event of termination due to default by the Contractor, the RTB shall not be precluded from recovering actual damages to which it may be entitled and may exercise any other rights it has to secure performance of this Agreement. Contractor may, upon thirty (30) days notice, terminate its provision of services hereunder at any time if contractor is not otherwise in default.

C. PENALTIES

In addition to its other rights upon default and failure to cure, the MMAC may assess financial penalties against Contractor for any violations of this Agreement in amounts that are reasonable but not to exceed \$500.00 per occurrence. Violations for which penalties may be expected include, without limitation; ~~unexcused-trip-denial~~,-untimely service, or failure to meet performance standards or regulations relating to service delivery, personnel, or equipment.

D. ENFORCEMENT

The MMAC shall establish and administer an enforcement mechanism and procedure for assuring the compliance of Contractor and Contractors with the obligations under contracts to deliver Special Transportation Services with the RTB. The enforcement procedures will, at a minimum, include:

1. Identify events of noncompliance or breach of contract.

- 2. Confirm events of noncompliance and initiate appropriate disciplinary measures.
- 3. Determine appropriate sanctions to be imposed.

E. NOTICE

Notice for purposes of this Agreement shall be sufficient if given by certified mail to the addresses listed below, and shall be deemed to have been given the day of mailing.

RTB:

CONTRACTOR:

Regional Transit Board
 Attn: Programs Section
 270 Metro Square Building
 St. Paul, Minnesota 55101

F. UNAVOIDABLE OCCURRENCES

Service shall be provided as scheduled. The service shall maintain on-time performance, except that the Contractor shall not be held responsible for failure to provide on-time service due to weather or traffic conditions, unavoidable vehicle malfunctions, or naturally occurring disasters if ~~timely-reported within 48 hours as described in Section VIII, (B)(1)(b) on-the-day-of-the-occurrence.~~

Should RTB budget appropriation and tax levy be insufficient to meet current requirements or should appropriations for RTB be reduced resulting in the lack of funds sufficient to meet all of its needs, RTB may upon sixty (60) days' notice to Contractor terminate this Agreement.

G. LICENSES AND TAXES

The Contractor and its subcontractors shall procure and keep current any and all licenses, permits, or certificates which are or may be required by properly constituted authorities for the performance of the service. Furthermore, the Contractor and its subcontractors shall pay when due all taxes assessed on property owned by it, to be used in connection with the furnishing of the service including storage facilities and vehicles.

H. EQUAL EMPLOYMENT OPPORTUNITY

In conjunction with the execution of its obligations hereunder, Contractor agrees that it and any subcontractors hereunder shall not discriminate

against any employee or applicant for employment because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, age, political affiliation, or sexual preference, and shall take affirmative actions to ensure applicants are employed and employees are treated during employment without regard to race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, age, political affiliation, or sexual preference in all matters, including employment, upgrading, demoting, or transfer, recruitment or recruitment advertising; layoff, return from layoff or termination; rates of pay or other forms of compensation; and selection for training or apprenticeship.

Contractor shall obtain and keep in force a certificate of compliance with the equal employment opportunity/affirmative action obligations of Minn. Stat. § 363.073.

I. DISADVANTAGED/WOMEN BUSINESS ENTERPRISES

Pursuant to RTB policy, Contractor shall establish minimum goals of ten percent (10%) Disadvantaged Business Enterprises and three percent (3%) Women Business Enterprises participation for all contracting opportunities related to the performance under this Agreement. These opportunities include but are not limited to: insurance, office supplies, and equipment, building maintenance, vehicle maintenance, bus parts, fuel, printing, consultant services, and advertising. Contractor shall establish and comply with Disadvantaged Business Enterprises and Women Business Enterprises plans and, upon request, shall submit proof to the RTB of Contractor's compliance with these standards.

J. TITLE VI--CIVIL RIGHTS ACT OF 1964

The Contractor hereby agrees that it will comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and all requirements imposed by the U.S. Department of Transportation, to the end that, in accordance with Title VI of the Act, no person in the United States shall, on the ground of race, color, sex, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Contractor receives federal financial assistance from the Department under federal urban mass transportation programs; and hereby gives assurance

that it will immediately take any measures necessary to effectuate this Agreement.

If any real property or structure thereon is provided or improved with the aid of federal financial assistance extended to the Contractor by the Department under federal urban mass transportation programs, this assurance shall obligate the Contractor, or in the case of any transfer of such property, and transferee, for the period during which the real property or structure is used for a purpose for which the federal financial assistance is extended or for another purpose involving the provision of similar services or benefits. If any personal property is so provided this assurance shall obligate the Contractor for the period during which it retains ownership or possession of the property. In all other cases, this assurance shall obligate the Contractor for the period during which the federal financial assistance is extended to it by the Department under federal urban mass transportation programs.

This assurance is given in consideration of and for the purpose of obtaining any and all federal grants, loans, contracts, property, discounts, or other federal financial assistance extended after the date hereof to the Contractor by the Department under federal urban mass transportation programs. The Contractor recognizes and agrees that such federal financial assistance will be extended in reliance on the representations and agreements made in this assurance, and that the United States shall have the right to seek judicial enforcement of this assurance. This assurance is binding on the Contractor, its successors, transferees, and assignees.

K. NONWAIVER

The failure of RTB at any time to insist upon the strict performance of any or all of the terms, conditions, and covenants herein shall not be deemed a waiver of any subsequent breach or default in the terms, conditions, and covenants herein contained.

L. CONFLICT OF INTEREST

The Contractor represents that it presently has no interest and agrees that it shall acquire no interest, direct or indirect, which would conflict in any manner or degree with the performance of its services hereunder. The Contractor further agrees that in the performance of the agreement, no person having any such interest shall be employed.

The Contractor shall disclose to the RTB any contract, agreement, or understanding that the Contractor has as of the date of submission of the agreement, or in the future may have, with any entity or individual which may represent a conflict of interest in the performance of the Contractor's duties hereunder, and if the RTB determines that there is in fact a conflict, then the Contractor shall forthwith resign from such conflicting contract, agreement, or understanding, in which event the agreement shall remain in full force and effect. In the event the Contractor does not so resign, then the RTB shall have the option of terminating this Agreement forthwith.

XI. ARBITRATION

Any dispute under this Agreement which the parties agree to arbitrate shall be settled in accordance with the rules and procedures of the American Arbitration Association, except that only one arbitrator shall be used to settle any dispute.

IN WITNESS WHEREOF, the parties signed below have caused this Agreement to be executed.

REGIONAL TRANSIT BOARD

CONTRACTOR

Gregory L. Andrews
Its: Executive Director

Its: _____

The provisions of this Agreement have been reviewed and are approved by the Metro Mobility Administrative Center.

METRO MOBILITY ADMINISTRATIVE
CENTER

Christopher Gran
Its: Manager

EXHIBIT I

COMMUNITIES IN THE METRO MOBILITY SERVICE DISTRICT

AREA I

Bloomington
Brooklyn Center
Brooklyn Park
Columbia Heights
Crystal
Edina
Falcon Heights
Fridley
Golden Valley
Hilltop

Hopkins
Lauderdale
Lilydale
Little Canada
Maplewood
Mendota
Mendota Heights
Minneapolis
New Hope
Newport

North St. Paul
Richfield
Robbinsdale
Roseville
St. Anthony
St. Louis Park
St. Paul
South St. Paul
Spring Lake Park
West St. Paul

AREA II

Sector 1

Anoka
Blaine
Centerville
Circle Pines
Coon Rapids
Lexington
Lino Lakes

Sector 3

Bayport
Baytown
Birchwood
Cottage Grove
Dellwood
Lake Elmo
Landfall
Mahtomedi
Oakdale
Oak Park Heights
Pine Springs
St. Paul Park
Stillwater
Willernie
Woodbury

Sector 5

Prior Lake
Savage
Shakopee

Sector 2

Arden Hills
Gem Lake
Mounds View
New Brighton
North Oaks
Shoreview
Vadnais Heights
White Bear Lake
White Bear Township

Sector 6

Chanhassen
Chaska

Sector 4

Apple Valley
Burnsville
Eagan
Inver Grove Heights
Rosemount
Sunfish Lake

Sector 7

Champlin
Deephaven
Eden Prairie
Excelsior
Greenwood
Long Lake
Maple Grove
Medicine Lake
Minnetonka
Minnetonka Beach
Mound
Orono
Osseo
Plymouth
Shorewood
Spring Park
Tonka Bay
Wayzata
Woodland

REGIONAL TRANSIT BOARD

Mears Park Centre
230 East Fifth Street, St. Paul, Minnesota 55101
612/292-8789

DATE: March 28, 1990

TO: Regional Transit Board

FROM:  David Minister, Director of LRT Development

SUBJECT: Letter to UMTA (revised 3/28/90 per RTB Policy Committee's actions) requesting UMTA to clearly identify and approve the planning steps/studies necessary to make the following 3 corridors eligible to receive federal mass transit funding: Hiawatha, I-35W South, and Minn. Northeast

SUMMARY

The attached letter to UMTA has been drafted and reviewed by the staffs of the county Regional Railroad Authorities (RRA) and the RTB. The objectives of the letter are two fold:

- 1) To inform UMTA of significant progress made with regards to reaching regional consensus on priority corridors and on a funding plan for LRT development in the Twin Cities metropolitan area; and
- 2) To request that UMTA identify and approve the start of any additional planning steps/studies required in order to make the following three corridors eligible to receive federal mass transit funds:
 - a) Hiawatha to GSA Building;
 - b) I-35W South to 96th Street;
 - c) Minn.-Northeast to Northtown.

These are the same three corridors identified as the region's priority corridors for seeking federal funding on page 52 of the recently adopted RTB Light Rail Transit Development and Financial Plan.

Memo to: Regional Transit Board
March 28, 1990
Page Two

BACKGROUND AND DISCUSSION

Please refer to the attached draft letter to UMTA.

On March 26th, the RTB Policy Committee approved the following changes to the March 16th version of the UMTA letter:

- 1) On page 4 of Attachment B, change second sentence from the bottom to read as follows:

"UMTA has stated its intention in a May 30, 1989 letter (See Attachment A) to participate in the Stage I system with an expenditure of \$24 million in federal funds." (delete rest of sentence)

- 2) On pages 8, 9 and 10, change map titles to read as follows:

"Source: Final Light Rail Transit Regional Development and Financial Plan, Regional Transit Board, February 1990."

- 3) On page 18, change last two sentences to read as follows:

"No federal funds will be requested to assist in paying for the AA/DEIS in order to expedite the study. State and local funds will be used instead."

Note: Underlined portion indicates a change or addition.

Staff also made a few additional "clean-up" corrections to Attachment 'B' which are not substantive.

All of the above changes have now been incorporated into the revised text of the attached UMTA letter dated March 28, 1990.

In addition, the Policy Committee directed staff to explore the possibility of using the federal funds mentioned at the top of page 19 under "Proposed UMTA Participation in the Hiawatha Corridor" for constructing the Yards and Shops, and procuring an initial fleet of light rail vehicles (LRV). Staff has done so, and reports as follows:

- 1) No federal funds can legally be spent on a transportation project unless it has been cleared by an approved federal (NEPA) Environmental Impact Statement (EIS).
- 2) There is no approved federal EIS covering either the Yards and Shops or the LRV fleet. None is currently underway or contemplated at this time.

Memo to: Regional Transit Board
March 28, 1990
Page Three

- 3) Even if an approved EIS did exist for the Yards and Shops and the LRV fleet, the EIS would have to also cover a priority corridor for LRT development that also meets UMTA's cost-effectiveness criteria-i.e., less than \$6.00 per new transit rider. In other words, UMTA would not approve funds for just a Yards and Shops or an LRV fleet purchase in isolation from an LRT corridor project that was covered by an approved federal EIS and meets all of UMTA's other legal and cost-effectiveness criteria.

RECOMMENDATIONS

- 1) That the Regional Transit Board approve the attached draft UMTA letter and authorize the chair to sign it on their behalf.
- 2) That the Regional Transit Board urge the Metropolitan Council and the three directly affected county RRAs (Hennepin, Ramsey and Anoka) to also approve and sign this UMTA letter.
- 3) That copies of the signed UMTA letter be distributed to all of the members of the Minnesota Congressional Delegation and the chairs of the seven county RRAs in the metro area.

RDM:cm

Attachment-Revised UMTA Letter dated March 28, 1990

cc: G. Andrews
J. Hollander
S. Munyon
H. Blin



March 28, 1990

DRAFT

Mr. Brian W. Clymer
Administrator
Urban Mass Transportation Administration
400 Seventh Street SW
Washington, DC 20590

Dear Administrator Clymer:

A significant decision was reached in early February 1990 in the Twin Cities. The Metropolitan Council and the Regional Transit Board unanimously approved a Regional LRT Development and Financial Plan. The plan outlines the following:

- o a maximum twenty-year plan for LRT
- o a maximum ten-year plan for LRT
- o a staging of the ten-year plan into three groups
- o a financial plan

The financial plan identifies federal, state, regional, local (county) and private sources to pay for the ten-year plan. A copy of the plan is enclosed.

The purpose of this letter is to outline for the Urban Mass Transportation Administration (UMTA) a proposed approach for federal participation in the Twin Cities' LRT implementation plan. The plan recognizes that UMTA has limited resources, but also recognizes the importance and benefit of federal participation.

To initiate federal participation, the attached report outlines three specific requests:

- o Request UMTA to designate the Northeast Corridor between downtown Minneapolis in Hennepin County and the Northtown Shopping Center in Anoka County (eleven miles) as an overmatch corridor and to authorize the initiation of a Phase II Alternatives Analysis/Draft Environmental Impact Statement (AA/DEIS). The attached report outlines how the three requirements for initiation of an AA/DEIS have been met.

Mr. Brian W. Clymer
March 28, 1990
Page 2

- o Request that UMTA accept the 1985 Federal Highway Administration (FHWA) Hiawatha Corridor EIS as satisfying the environmental requirements and designate this corridor as an overmatch corridor. The RTB and Hennepin County Regional Railroad Authority (HCRRA) further request that UMTA apply the pending \$24 million grant for the HCRRA Stage I, as outlined in a May 30, 1989, letter from Mr. Dellibovi to Commissioner Sivanich (See Attachment A.) as the first installment on the federal share for this corridor.
- o UMTA is presently a Cooperating Agency for the I-35W DEIS being prepared under FHWA procedures. The request is made that UMTA accept the FHWA environmental process as meeting the UMTA planning and environmental requirements for this corridor and designate this corridor as a potential overmatch corridor.

The adopted regional LRT plan identifies the Central Corridor between downtown Minneapolis and downtown St. Paul as the first priority corridor. The financial plan for this corridor does not include federal funding; the estimated cost is \$330 million (1988 dollars). This approach will allow the earliest implementation of LRT in the region and will provide a strong indication of local commitment for rail transit to UMTA.

The ten-year (1992-2002) plan outlines a \$1.36 billion (1988 dollars) program with a UMTA participation of \$296 million (1988 dollars) or 22 percent of the total. This amount of money has been typically granted to other metro areas for a single rail corridor.

The staff of the RTB will be contacting UMTA staff in the next week to arrange a meeting to discuss each of the three corridor requests, the new regional plan, and UMTA's participation in the plan.

We are very proud of the accomplishments in regional consensus developed over the past eight months. LRT is a very important component of the Twin Cities' future transportation system. We hope we can count on UMTA's cooperation and support in the plan's implementation in the 1990s.

Mr. Brian W. Clymer
March 28, 1990
Page 3

Thank you for your attention.

Sincerely yours,

REGIONAL TRANSIT BOARD

METROPOLITAN COUNCIL

Michael Ehrlichmann
Chairman

Steve Keefe
Chairman

ANOKA COUNTY REGIONAL RAILROAD
AUTHORITY

HENNEPIN COUNTY REGIONAL
RAILROAD AUTHORITY

Paul McCarron
Chairman

Mark Andrew
Chairman

RAMSEY COUNTY REGIONAL RAILROAD
AUTHORITY

John T. Finley
Chairman

/j kf

Attachments

cc: Minnesota Congressional Delegation
Commissioner Earl Gnan, Carver County RRA
Commissioner Donald Chapdelaine, Dakota County RRA
Commissioner William Koniarski, Scott County RRA
Commissioner Russ Larkin, Washington County RRA
Joel Ettinger, UMTA Region V
Ron Jensen-Fisher, UMTA-Washington, DC



U.S. Department
of Transportation

Urban Mass
Transportation
Administration

ATTACHMENT A

The Administrator

400 Seventh St. S.W.
Washington, D.C. 20590

MAY 30 1982



Mr. Sam S. Sivanich, Chairman
Hennepin County Regional
Railroad Authority
A-2307 Government Center
Minneapolis, Minnesota 55487-0237

RE: Program No. MN-08-0058

Dear Mr. Sivanich:

I am pleased to advise you that your application for a Technical Studies grant under Section 8 of the Urban Mass Transportation Act of 1964, as amended, has been approved in the maximum amount of \$1,500,000. This project will allow Hennepin County Regional Railroad Authority to proceed with the development of technical and financial plans for Light Rail Transit (LRT).

It is UMTA's intention to participate in the proposed LRT construction project with a Section 3 grant as soon as all the legal, cost-effectiveness and environmental requirements are met. This one-time expenditure of \$24 million in Federal funds to construct an entire 29-mile light rail system is a good example of Secretary Skinner's initiative to use scarce Federal resources to leverage increased non-Federal funding.

Enclosed are four copies of the approved project budget and four counterparts of a grant agreement executed on behalf of this Administration. Instructions which you should follow in executing these counterparts are included. You may incur costs for this project as of the date specified on the enclosed Notification of Grant Approval.

If you have any questions on the enclosed grant materials, please call UMTA's Regional Office in Chicago at (312) 353-2789.

Sincerely,

Alfred A. DelliBovi

Enclosures

ATTACHMENT B

**REQUEST OF THE URBAN MASS TRANSPORTATION
ADMINISTRATION FOR PARTICIPATION IN THE
TWIN CITIES' REGIONAL LRT IMPLEMENTATION PLAN**

March 1990

OVERVIEW

This report outlines the regional approach recently unanimously agreed to by the Metropolitan Council and the Regional Transit Board. The approach calls for federal, state, regional, local (county), and private sector financial participation. Three requests are made of UMTA at this time in order to initiate federal participation in LRT implementation for three overmatch corridors. The report is organized into the following sections:

- o History/Status of LRT Planning in the Twin Cities
- o Summary of System Planning Activities in the Twin Cities
- o Regional Development and Financial Plan
- o Proposed UMTA Participation in Northeast Corridor
- o Proposed UMTA Participation in Hiawatha Corridor
- o Proposed UMTA Participation in I-35W Corridor
- o Local Financial Capability
- o Appendix: Very Preliminary Cost-Effectiveness Calculations

HISTORY/STATUS OF LRT PLANNING IN THE TWIN CITIES

Many planning activities have occurred in the last two years; the major activities are summarized below.

- o Hennepin County Comprehensive LRT System Plan - 1987 state legislation required Hennepin County to complete a Comprehensive Plan for LRT. The plan was approved by the Hennepin County Regional Railroad Authority (HCRRA) in June 1988. The Stage I plan includes 29.1 miles of LRT service and is estimated to cost \$497 million (1988 dollars). Over 150 public meetings were held prior to the plan adoption.

One of the corridors in the HCRRA plan is the Hiawatha Corridor. A federal EIS was completed in 1985 for this combined roadway and transit project. The Federal Highway Administration procedures for EIS preparation were followed. UMTA was a cooperating agency. The roadway portion of this project is now under construction; the LRT component is under preliminary engineering design.

- o Central Corridor - The Central Corridor extends from downtown Minneapolis through the University of Minnesota to downtown Saint Paul, a distance of approximately eleven miles. The portion from Minneapolis through the University is referred to as the "University Connector." East of the University, the corridor is referred to as the "Midway Corridor." The Metropolitan Council has historically designated the Central Corridor between downtown Minneapolis and downtown Saint Paul as the first priority corridor in the Twin Cities. A Central Corridor UMTA Phase II AA/DEIS was conducted between 1982 and 1984; the work was never completed because the 1985 Legislature prohibited further fixed guideway planning. This ban was lifted in 1987.

In March 1988, the Regional Transit Board (RTB) in cooperation with the Ramsey County Regional Railroad Authority (RCRRA) completed a study of alternative alignments in the Midway Corridor; the draft report was

made available for public, agency, and community review. The number of alignment alternatives was reduced to three. The RCRRRA and HCRRRA began preliminary design and state environmental work on this corridor in the fall of 1989; this work will result in the selection of a preferred alignment in late 1990.

- o Comprehensive LRT Plan for Ramsey County - In December 1989, the Comprehensive LRT Plan was completed. The plan identifies the Midway Corridor as the top priority LRT corridor in Ramsey County. Five other corridors are recommended for LRT implementation in the next twenty years.
- o Northeast Corridor Planning - In July of 1988, the Anoka County Regional Railroad Authority (ACRRA) and HCRRRA initiated comprehensive planning in the Northeast Corridor. In February 1989, the ACRRA adopted a Comprehensive Plan and Hennepin County approved the results of the study which outlines plans for LRT in a single corridor; location options were defined in the plan. HCRRRA will update its Comprehensive Plan when a specific alignment is selected within the corridor. Analysis of two route options is currently underway and the state environmental review process has recently been initiated.
- o I-35W Corridor Planning - The Metropolitan Council and Minnesota Department of Transportation (Mn/DOT) are currently completing an environmental process following FHWA procedures for I-35W between downtown Minneapolis and Burnsville in Dakota County. The Scoping Document has been completed and the DEIS is currently being prepared and is expected to be completed in early 1991. Both LRT and HOV lane alternatives are being studied. UMTA is a cooperating agency in this corridor study/EIS.
- o Other Regional Railroad Authority Comprehensive Plans - Dakota and Washington Counties are in the process of developing plans. Carver and Scott Counties have received state money to assist in plan development. Evaluation of corridors and preservation of right-of-way are primary focuses of these plans.
- o State Legislature Activities - The 1988 Legislature appropriated \$4.2 million for Railroad Authorities to plan and engineer LRT; each RRA must match each state dollar with a local dollar. Comprehensive LRT planning requirements for all Regional Railroad Authorities were also defined. The 1989 Legislature defined a regional oversight process for LRT development and focuses that function with a newly-constituted RTB and a Joint LRT Advisory Committee, and retains Metro Council approval on some issues and review/comment on others.

The 1989 Legislature appropriated \$6.8 million for the next two years of LRT planning and engineering. In addition, the legislation states that the MTC "shall operate regional railroad authority light rail transit facilities and services upon completion of construction of the facilities and the commencement of revenue service using the facilities." Bills have been introduced both in the 1989 and 1990 legislative sessions that, if approved, would fund a significant share of Central Corridor light rail transit design and construction costs.

- o Recent Federal Funding Activities - The HCRRRA recently applied for two federal grants. A Section 8 grant for \$1.5 million would assist potential turnkey contractors in preparing detailed technical and financial approaches for the Stage I LRT system. The second grant application is a Section 3 application for \$24 million of federal support for a Minimum Operating Segment that is part of the Hennepin County Stage I system. The first grant has been approved. UMTA has stated its intention in a May 30, 1989, letter (See Attachment A.) to participate in the Stage I system with an expenditure of \$24 million in federal funds. The grant is contingent upon meeting all the legal, cost-effectiveness, and environmental requirements.

SUMMARY OF SYSTEM PLANNING ACTIVITIES IN THE TWIN CITIES

UMTA is familiar with the numerous transit studies that have been completed over the past twenty years in the Twin Cities. The region has evaluated heavy rail, light rail, automated guideway transit, busway/high occupancy vehicle lanes, personal rapid transit, and various transportation system management options. These studies have led to a regional consensus on a strategy for fixed guideway transit.

In 1986, the Metropolitan Council completed a regional transit analysis entitled, "A Study of the Potential Transit Capital Investments in Twin Cities Corridors." This study identified the range of appropriate transit modes in eighteen corridors in the Twin Cities. The analysis became the technical basis for the Transportation Policy Plan adopted by the Metropolitan Council in February 1989. Relative to LRT, the plan identifies six corridors as candidates for LRT service to be implemented by 2010. The corridors include: Central Corridor (University Connector/Midway), Northeast Corridor (North Corridor in Metropolitan Council Report), Minneapolis Northwest Corridor, Southwest Corridor, I-35W Corridor, and Hiawatha Corridor.

In December 1989, the Metropolitan Council's Transportation Policy Plan was amended to state that planning for LRT service is appropriate in corridors where the annual capital and annual operating/maintenance cost per annual passenger is less than \$4.00 (1988 \$).

The 1989 legislature directed the newly reconstituted Regional Transit Board to develop a Regional LRT Plan. The plan contains two parts: a Development and Financial Plan, which was recently completed; and a Regional LRT Coordination Plan to be completed by July 1, 1990. The Development and Financial Plan outlines a twenty-year plan, a ten-year plan, and a recommended staging plan. This plan has been approved by the RTB and has been approved by the Metropolitan Council as being in conformance with the Metropolitan Council's transportation policy plan for the Metropolitan region.

The Regional LRT Coordination Plan will address the following issues: implementation strategy; organizational plan; implementation plan, schedule, and budget; general design standards and performance specifications; operating plan and philosophy; process for updating the Regional LRT plan; and process for relating new land development proposals to LRT. The Joint LRT Advisory Committee will prepare the Coordination Plan with the assistance of staff and consultants and submit it to the RTB.

REGIONAL DEVELOPMENT AND FINANCIAL PLAN

The Development Plan contains three components: a maximum twenty-year plan of 123 miles (Figure 1), a maximum ten-year plan of 83 miles (Figure 2), and a staging of the ten-year plan by three groups (Figure 3). Each corridor in the ten-year plan has a total cost per passenger less than \$3.20 (1988 dollars). The corridors in the three groups are listed below:

o Group A:

- Downtown St. Paul Distribution System
- Central Corridor
- Downtown Minneapolis tunnel
- Yard and Shops and Initial Vehicle Fleet

o Group B:

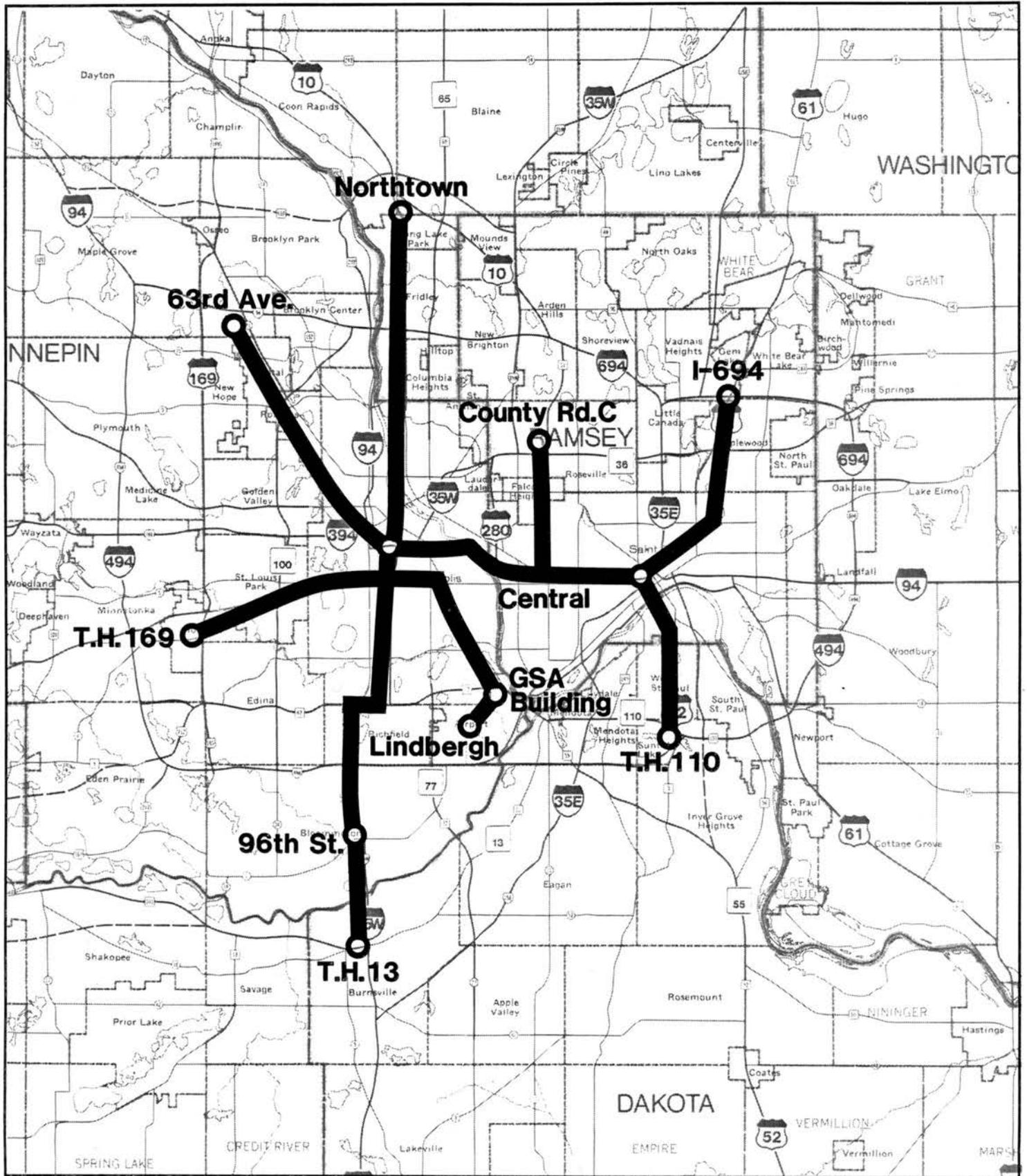
- Extension of Minneapolis Tunnel to 29th Street
- Hiawatha Corridor
- Minneapolis Northeast
- Minneapolis Northwest
- Minneapolis South
- St. Paul South

o Group C:

- Minneapolis Southwest
- St. Paul Northeast
- St. Paul Northwest
- Hiawatha Extension to Airport
- Minneapolis South Extension to TH 13

The Financial Plan developed by the RTB includes the following key recommendations on LRT financing:

- o The Financial Plan should include federal, state, regional, local and private funding.
- o It should be the goal of the region to obtain at least 20 percent federal funding and 30 percent state funding for the ten-year LRT plan. RTB in cooperation with the Regional Railroad Authorities should seek federal funds for corridors which are strongest in meeting federal eligibility requirements to ensure the best chance to maximize federal funding.



**Proposed Maximum
10 Year Regional
LRT Plan**

**Source: Final Light Rail Transit Regional Development and
Financial Plan, Regional Transit Board, February 1990.**



- o Increased state MVET (Motor Vehicle Excise Tax) funds and increases in the RTB property tax levy needed to supplement MVET funds should be used for LRT operating deficits.
- o Corridors which meet technical performance thresholds and have obtained the necessary environmental and design approvals should be eligible for up to 50 percent combined federal and state matching funds.
- o The RTB should seek authorization from the Legislature for a regional tax to support the construction of LRT. Priorities are: (1) regional sales tax for broad-based transportation purposes; (2) RTB debt service property tax levy.
- o Any regional tax should include a method for feathering (variable tax rates) or redistribution of revenues for those counties which contribute taxes, but receive limited short to mid-term benefits from the LRT system.
- o The regional railroad authorities should retain their current property tax levy authority for LRT.
- o The regional railroad authorities should be able to construct any LRT corridor within the maximum ten-year plan using 100 percent county funds if appropriate environmental and design approvals, including approval from the RTB, have been obtained. Advance funding for constructing Group A and B corridors to a budgeted amount should be reimbursed if regional need for the corridor is shown and regional funds are available.
- o The regional railroad authorities should aggressively pursue private participation in the funding of LRT construction, particularly transit stations.
- o A local (county) share of 10 percent should be required for all corridors in Groups B and C. The local share would not be required for those corridors receiving federal funding.

It is recognized that federal funds are presently very limited for transit capital projects and that there is significant competition for available federal dollars. It is also recognized that federal funding can be a very beneficial component of an overall financial plan. The following guidelines were established in the plan for federal funding:

- o It is the goal of the region to obtain at least 20 percent federal funding for the ten-year LRT plan.

- o Federal funds should be sought by the RTB in cooperation with the Regional Railroad Authorities for individual corridors which are strongest in meeting federal eligibility requirements to ensure the best chance to maximize federal funding.
- o The following corridors should complete the federal UMTA environmental review requirements at this time to assure eligibility for federal funding:
 - Minneapolis Northeast Corridor--Conduct an Alternative Analysis/Draft EIS (AA/DEIS)
 - Hiawatha Corridor--Use the existing Federal Highway Administration (FHWA) EIS to meet UMTA requirements.
 - I-35W--Complete the federal EIS currently being prepared with UMTA as a cooperating agency so as to meet UMTA's requirements.
- o The Central Corridor and the two downtown distribution systems should not pursue federal funding to ensure the earliest possible implementation of the highest priority corridor. This position is subject to modification, dependent upon changing federal regulations and funding programs.

Specifics of the present proposed UMTA participation in each corridor are defined below.

Table 1 presents the corridor costs that were utilized in the development of the RTB Plan. These costs were prepared for facilitating comparative analysis among corridors. The costs included a portion of the downtown systems and the yard and shop. The table presents corridor costs without these two cost elements.

Table 2 presents the proposed financial plan for Group A, Group B, and Group C corridors.

Table 2 was prepared using the following principles/assumptions:

- o The Northeast, Hiawatha, and Minneapolis South (I-35W) Corridors would be overmatch corridors, and UMTA would fund 75 percent of these corridors.
- o The total UMTA funding is 22 percent of the total financial commitment to LRT in the Twin Cities.

TABLE 1
CORRIDOR CAPITAL COSTS (MILLIONS 1988 \$) ·
MAXIMUM TEN-YEAR LRT PLAN

CORRIDOR (TERMINUS)	CAPITAL COST	DOWNTOWN* COMPONENT	YARD/SHOPS** COMPONENT	CAPITAL COST WITHOUT DOWNTOWN AND YARD/SHOPS
Central Corridor (Downtown to Downtown)	\$161.8 - 192.8	\$17.0	\$5.6 - \$6.6	\$139.2 - \$170.2
Minneapolis Northeast (Northtown Mall)	194.0	13.3	5.0	175.7
St. Paul Northwest (County Road C)	99.4	3.7	3.3	92.4
St. Paul Northeast (I-694)	85.8	7.3	1.7	80.4
St. Paul South (Highway 110)	125.6	7.3	1.7	116.6
Hiawatha (GSA)	105.3	36.7	2.3	66.3
Hiawatha (GSA to Airport)	60.2	0.0	0.7	59.5
Minneapolis South (I-35W, 96th Street)	193.5	36.7	4.0	152.8
Minneapolis South (I-35W, 96th Street to TH 13)	55.1	0.0	1.9	53.2
Minneapolis Southwest (TH 169)	111.8	36.7	3.3	71.8
Minneapolis Northwest (63rd Avenue)	129.6	13.3	3.6	112.7
	<u>\$1,322.1 - \$1,353.1</u>	<u>\$172.0*</u>	<u>\$33.1-\$34.1**</u>	<u>\$1,120.6-\$1,151.6</u>

* Downtown Minneapolis Tunnel, \$150 million. Downtown St. Paul Loop, \$22 million. Minneapolis Tunnel cost was increased from \$150 to \$163 million between draft and final versions of the RTB Plan.

** Yard and Shops capital cost computed at \$750,000 per light rail vehicle.

TABLE 2
CAPITAL COSTS AND PROPOSED FUNDING SOURCES (MILLIONS 1988 \$)
MAXIMUM TEN-YEAR LRT PLAN

CORRIDOR	CAPITAL COST	FEDERAL FUNDS	STATE/ REGIONAL FUNDS	COUNTY FUNDS	PRIVATE FUNDS
o Group A:	\$330	\$ 0	\$313	\$ 0	\$17
o Group B:					
- Minneapolis Tunnel (to 29th Street)	\$ 53	\$ 0	\$ 45	\$ 5	\$ 3
- Minneapolis North-east (Northtown Mall)	176	132	35	0	9
- Minneapolis North-west (63rd Avenue)	113	0	96	11	6
- St. Paul South (Highway 110)	117	0	99	12	6
- Hiawatha (to GSA)	66	50	13	0	3
- Minneapolis South (I-35W to 96th Street)	153	114	31	0	8
	<u>\$678</u>	<u>\$296</u>	<u>\$319</u>	<u>\$28</u>	<u>\$35</u>
o Group C:					
- St. Paul North-west (County Road C)	\$ 92	\$ 0	\$ 78	\$ 9	\$ 5
- St. Paul North-east (I-694)	80	0	68	8	4
- Hiawatha (GSA to Airport)	60	0	51	6	3
- Minneapolis South (I-35W, 96th Street to TH 13)	53	0	45	5	3
- Minneapolis South-west (TH 169)	72	0	61	7	4
	<u>\$357</u>	<u>\$ 0</u>	<u>\$303</u>	<u>\$35</u>	<u>\$19</u>
TOTAL (1988 \$)	\$1,365*	\$296	\$935	\$63	\$71

* Reflects refined Minneapolis Tunnel cost of \$163 million. Group A Tunnel share, \$110 million, and Group B Tunnel share, \$53 million.

- o The private sector would raise approximately 5 percent of each corridor's cost.
- o The counties would fund 10 percent of the corridor cost for non-federally funded corridors, except for Group A.
- o The state/region would fund the remaining amount.
- o It is understood that the proposed funding allocations (and grouping of corridors) described in Table 2 may change subject to annual Plan reviews and two-year Plan updates.
- o Group A costs, which total \$330 million (1988 \$), consist of the following elements:
 - Approximately 67 percent of the Downtown Minneapolis tunnel
 - University Connector
 - Midway Corridor
 - Midway Corridor Connector to Downtown St. Paul
 - Downtown St. Paul Loop
 - Yard/Shops
 - Vehicles
 - Park-and-ride facilities

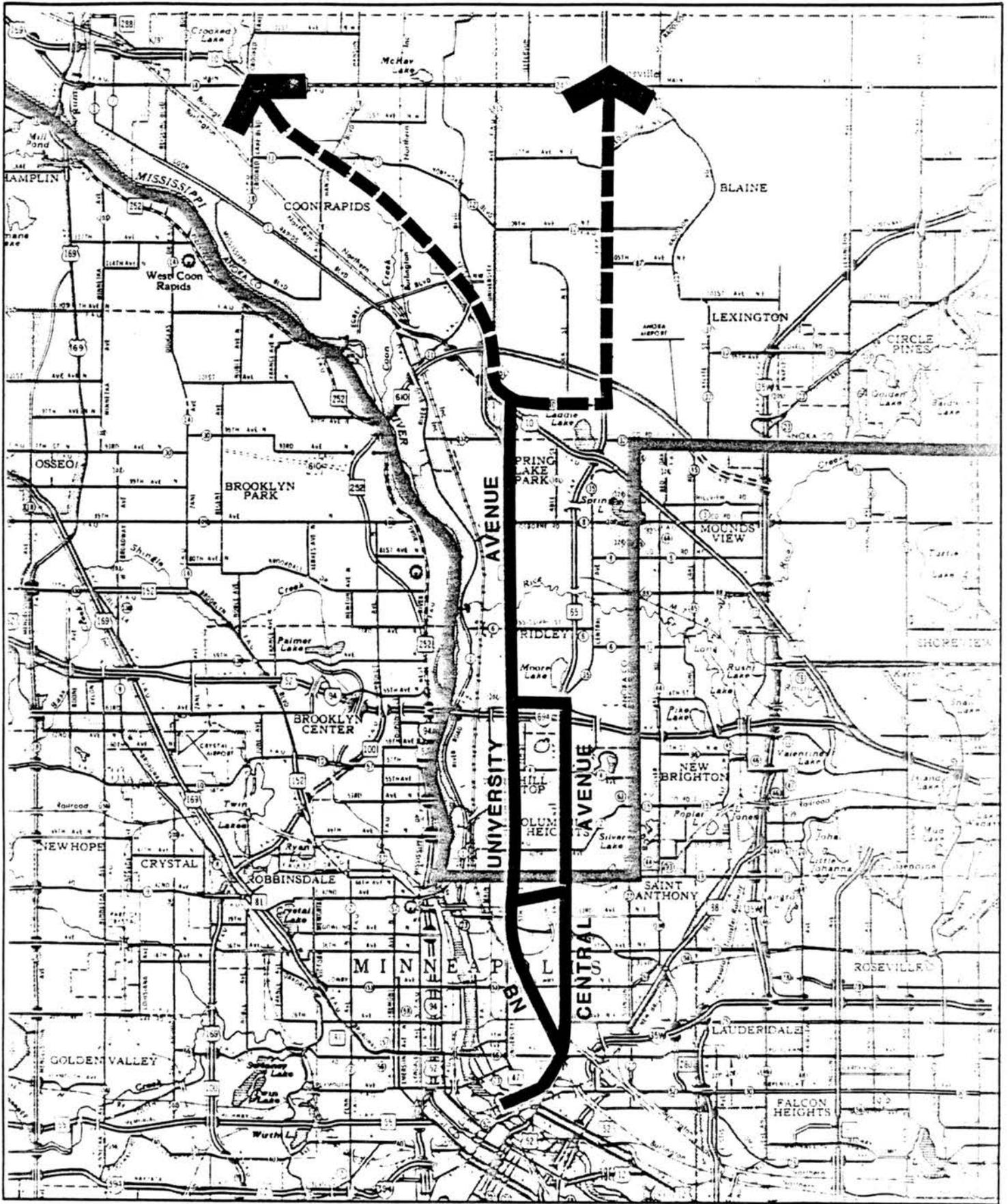
PROPOSED UMTA PARTICIPATION IN NORTHEAST CORRIDOR

The Northeast Corridor extends approximately eleven miles from downtown Minneapolis to the Northtown Shopping Center, a regional mall. The corridor traverses portions of both Hennepin and Anoka Counties. The two major transit arteries, Central Avenue and University Avenue, provide service to northeast Minneapolis, Columbia Heights, Fridley, Hilltop, Coon Rapids, Blaine and Anoka. The systemwide LRT analysis conducted by the Metropolitan Council in 1986 identified 15,800 daily transit riders in the corridor. This daily ridership level was used as the base for the 2010, LRT ridership forecasts. A 1988 survey by the MTC indicated this had grown to 17,200 riders per day. The 2010 ridership projections have not been adjusted to reflect this increase in bus ridership. Peak hour ridership in the Northeast Corridor has consistently ranked among the top three corridors in the region over the last five years.

The Comprehensive LRT plan for Anoka County identified two alternative LRT routes in the corridor as shown on Figure 4. Based upon the RTB's study, the 2010 daily LRT ridership projections range from 17,600 to 24,400. The preferred route will be selected during the preliminary design and state environmental work presently underway.

The following requests of UMTA are made:

- o Agree that the UMTA required Phase I: System Planning activities are completed for the Twin Cities.
- o Designate the Northeast Corridor as an overmatch corridor.
- o Negotiate a scope of services for an UMTA Phase II AA/DEIS. Justification for not including a busway/high occupancy vehicle lane alternative is being developed. Therefore, the expected alternatives include no-build, TSM and LRT.
- o Authorize the initiation of a Phase II AA/DEIS and agree to expedite review of the thirty products required during the development of the AA/DEIS. This corridor meets the three requirements of UMTA for entry into the AA/DEIS process:
 - It has over 15,000 transit trips today.



Northeast Corridor Light Rail Transit Alignment Options

- The expected annual cost per new annual transit rider is less than the standard of \$10.00 (See the attached "very preliminary" calculation.).
- A conceptual financial plan has been developed.

No federal funds will be requested to assist in paying for the AA/DEIS in order to expedite the study. State and county funds will be used instead.

PROPOSED UMTA PARTICIPATION IN HIAWATHA CORRIDOR

As previously mentioned, UMTA has stated in its May 1989, letter, its intention to participate in the Hennepin County Stage I LRT System with a \$24 million grant. The RRA must meet all legal, cost-effective, and environmental requirements to receive the grant. It is the intention of the HCRRA to expend the \$24 million on a Minimum Operating Segment (MOS) in the Hiawatha Corridor. The likely MOS would be between the south tunnel portal at 29th Street/Portland and 46th Street.

In 1985, a FHWA EIS was completed for the Hiawatha Corridor between downtown Minneapolis and Bloomington. The preferred alternative was a four-lane, at-grade urban arterial roadway and LRT. A wide range of highway and transit alternatives were evaluated during the six-year planning process. Construction on a segment (Lake Street to 46th Street) of the roadway portion of the recommended transportation solution was started in the summer of 1988.

Very preliminary cost-effectiveness calculations have been completed for the corridor; the results indicate the cost per new rider is \$4.48 (1988 \$).

The HCRRA requests that UMTA accept the 1985 Hiawatha Corridor EIS as satisfying the NEPA environmental requirements for the MOS. The HCRRA would suggest a meeting in the very near future with UMTA to discuss this request.

PROPOSED UMTA PARTICIPATION IN I-35W CORRIDOR

UMTA is currently a Cooperating Agency for the I-35W Corridor Study. This study is sponsored by the Metropolitan Council, Mn/DOT and FHWA. This study is evaluating both High Occupancy Vehicle (HOV) lane alternatives and LRT alternatives, as well as freeway widening alternatives. The Hennepin County Regional Railroad Authority is also a Cooperating Agency. The study is following Federal Highway Administration (FHWA) procedures for preparing the environmental documents.

The Corridor Study was initiated in early 1986 and has generated considerable interest. Neighborhood groups, city councils, members of the legislature and the general public have been very active. New Councils and a Neighborhood Transportation Network have been formed. A Scoping Decision has been made and the DEIS is currently being prepared. Given this situation, the request of UMTA is to accept the FHWA environmental process as meeting the UMTA planning and NEPA environmental requirements.

LOCAL FINANCIAL CAPABILITY

The Twin Cities has a long history of local, dedicated funding support for public transit. This tradition is extended to LRT. Since 1980, over \$50 million has been appropriated for LRT studies and right-of-way acquisition. Outlined below are the annual taxing capabilities authorized by the legislature for each Railroad Authority, the amounts levied to date and the state LRT contributions. To give an indication of the capability to operate the combined LRT and bus system, the funding of the bus system for the past five years is also outlined.

- o The annual property tax capability of the four Railroad Authorities includes:

REGIONAL RAILROAD AUTHORITY	ANNUAL TAXING CAPABILITY (1990)
Anoka County	\$ 3,200,000
Hennepin County	20,900,000
Dakota County	4,500,000
Ramsey County	7,300,000

- o To date the Authorities have levied for property taxes as follows:

REGIONAL RAILROAD AUTHORITY	YEAR PAYABLE	AMOUNT
Anoka County	1989	\$ 500,000
Anoka County	1990	250,000
Dakota County	1989	0
Dakota County	1990	179,520
Hennepin County	1982	2,239,350
Hennepin County	1983	2,500,727
Hennepin County	1984	2,700,785
Hennepin County	1985	2,809,021
Hennepin County	1986	0
Hennepin County	1987	0
Hennepin County	1988	6,931,031
Hennepin County	1989	9,218,000
Hennepin County	1990	9,494,540

REGIONAL RAILROAD AUTHORITY	YEAR PAYABLE	AMOUNT
Ramsey County	1988	125,000
Ramsey County	1989	1,700,000
Ramsey County	1990	3,900,000

These amounts have adequately funded planning, preliminary engineering, and environmental studies that are currently underway and selected property acquisition.

- o The state through the Motor Vehicle Excise Tax (MVET) has funded LRT as follows:

TIME PERIOD	MVET (LRT)
FY '89	\$ 4,170,000
FY '90	\$ 3,400,000
FY '91	\$ 3,400,000

- o The following additional amounts have been expended locally to support the public bus transit service in the Twin Cities.

YEAR	PROPERTY TAX*	STATE CONTRIBUTION**
1984	\$45,572,000	\$21,604,000
1985	48,619,000	21,604,000
1986	52,837,000	20,468,000
1987	55,835,000	20,468,000
1988	62,103,000	23,946,000
1989	65,771,000	23,946,000

* Funding for MTC Regular Route service and capital exurban services.

** Includes funds for regular route service, Metro Mobility, rural/small urban programs, new services and RTB administration.

- o The RTB has unlimited authority to levy property taxes to retire bonds that are authorized by the Legislature.

APPENDIX: PRELIMINARY COST-EFFECTIVENESS CALCULATIONS

VERY PRELIMINARY COST EFFECTIVENESS CALCULATIONS
FOR NORTHEAST CORRIDOR

ASSUMPTIONS

- o The LRT capital cost is \$176,000,000 (1988 \$) for the 11.6-mile system.
- o The annual LRT capital cost is \$17,952,000 or 10.2 percent of the total cost.
- o The downtown distribution system is not part of the capital cost.
- o The incremental TSM annual capital cost (TSM versus bus capital cost of LRT alternative) is \$1,000,000 (bus replacement and minor street-related improvements).
- o The forecasted LRT ridership is 24,400 rides per day.
- o The TSM forecasted ridership is 110 percent of the existing ridership (15,800 X 1.10 = 17,400 rides per day).
- o The LRT annual operating cost is \$7,700,000 per year. Source: LRT Regional Development and Financial Plan.
- o The operating cost for the feeder bus and remaining radial routes/crosstown routes in the Northeast Corridor is \$10.5 million.
- o The TSM operating cost is \$12,800,000 per year (122 peak buses and 3,660,220 bus miles); this is the same operating cost of the existing bus system.
- o The travel time savings is \$3,194,640 per year (17,400 rides X 306 days X .15 hours X \$4.00/hour).
- o A factor of 306 is used to convert weekday transit ridership to annual riders.

CALCULATION

The formula suggested by UMTA to calculate the annual capital and annual operating and maintenance cost per annual new transit rider is:

$$\text{Incremental Index} = \frac{\Delta \$\text{CAP} + \Delta \text{O \& M} + \Delta \text{TT}}{\Delta \text{Riders}}$$

where the Δ 's represent incremental changes in costs and benefits compared to the TSM alternative, and

\$CAP = total capital costs, annualized over the life of the project
\$O&M = annual operating and maintenance costs
\$TT = annual value of travel time savings for existing riders
RIDERS = annual transit ridership, measured in "linked" trips.

$$\$8.92 = \frac{(\$17.9M - \$1.0M) + (\$7.7M + \$10.5M - \$12.8M) + (-\$3.2M)}{(24,400 - 17,400) \times 306}$$

CONCLUSION

The annual capital and operating/maintenance cost per new annual rider of the LRT system in the Northeast Corridor as compared to the TSM alternative is under \$10.00.

VERY PRELIMINARY COST EFFECTIVENESS CALCULATIONS
FOR HIAWATHA CORRIDOR (Portal to 46th Street)

ASSUMPTIONS

- o The LRT capital cost is \$40,500,000 (1988 \$) for the 3.6-mile system.
- o The annual LRT capital cost is \$4,131,000 or 10.2 percent of the total cost.
- o The downtown distribution system is not part of the capital cost.
- o The incremental TSM annual capital cost (TSM versus bus capital cost of LRT alternative) is \$480,000 (bus replacement).
- o The forecasted LRT ridership is 14,400 rides per day.
- o The TSM forecasted ridership is 110 percent of the existing ridership (10,700 x 1.10 = 11,700 rides per day).
- o The LRT annual operating cost is \$2,633,800 per year.
- o The operating cost for the feeder bus and remaining radial routes/crosstown routes in the Hiawatha Corridor is \$5,730,000 per year.
- o The TSM operating cost is \$7,530,200 per year (7,031 VMT x \$3.50 per mile x 306 days).
- o The travel time savings is \$716,040 per year (11,700 rides X 306 days X .05 hours X \$4.00/hour)
- o A factor of 306 is used to convert weekday transit ridership to annual riders.

CALCULATION

The formula suggested by UMTA to calculate the annual capital and annual operating and maintenance cost per annual new transit rider is:

$$\text{Incremental Index} = \frac{\Delta \$\text{CAP} + \Delta \text{O \& M} + \Delta \text{TT}}{\Delta \text{Riders}}$$

where the Δ 's represent incremental changes in costs and benefits compared to the TSM alternative, and

\$CAP = total capital costs, annualized over the life of the project
\$O&M = annual operating and maintenance costs
\$TT = annual value of travel time savings for existing riders
RIDERS = annual transit ridership, measured in "linked" trips.

$$\$4.48 = \frac{(\$4.1M - \$0.5M) + (\$2.6M + \$5.7M - \$7.5M) + (-\$0.7M)}{(14,400 - 11,700) \times 306}$$

CONCLUSION

The annual capital and operating/maintenance cost per new annual rider of the LRT system in the Hiawatha Corridor as compared to the TSM alternative is under \$10.00.

VERY PRELIMINARY COST EFFECTIVENESS CALCULATIONS
FOR MINNEAPOLIS SOUTH (I-35W) CORRIDOR (Portal to 96th Street)

o To be completed by SRF, Inc. within the next two weeks.

E B

REGIONAL TRANSIT BOARD

Mears Park Centre, 230 E. Fifth Street, St. Paul, Minnesota 55101
612/292-8789

DATE: March 30, 1990
TO: Chairman and Members of the Regional Transit Board
FROM: Gregory L. Andrews, Executive Director
SUBJECT: Special Action Request

On Monday, April 2, 1990, I will be requesting authorization to enter into a contract with Morley Bus Company for the operation of the ABC Weekender service beginning April 1 and continuing through July 31, 1990.

On Wednesday, March 27, 1990, Medicine Lake Lines verbally informed staff of its intentions to discontinue the ABC Weekender service after Saturday, March 31, 1990. To ensure that service would not be interrupted, an administrative decision was made to allow Morley Bus Company to operate the service on Sunday April 1, 1990.



REGIONAL TRANSIT BOARD

Mears Park Centre
230 East Fifth Street, St. Paul, Minnesota 55101
612/292-8789

DATE: March 30, 1990
TO: Regional Transit Board
FROM: ^{EL} Edward Kouneski, Manager of Programs
Len Simich, Senior Project Administrator
SUBJECT: ABC Weekender Contract

SUMMARY

Medicine Lake Lines (MLL) has notified staff that it does not intend to provide ABC Weekender service as of April 1, 1990. Staff recommends a contract with Morley Bus Company, to continue service under the existing contract terms.

BACKGROUND

The ABC Weekender is a demonstration fixed route service linking the communities of Anoka, Coon Rapids, Blaine, and New Brighton with Northtown Shopping Mall. On August 1, 1990, the ABC Weekender routes will be replaced with the new Anoka County Traveler dial-a-ride service.

DISCUSSION

On March 26, 1990, the board requested MLL to state in writing whether it would continue ABC Weekender service. We have received a letter dated March 29, 1990 (see attached) from Mr. James Johnson of MLL that indicates the company wants to terminate the contract as of March 31, 1990.

Morley Bus Company is able and willing to begin replacement service on April 1, 1990 under the existing contract terms, with no increase in the hourly rate cost. Morley Bus Company has an excellent record providing public transit service in the Twin Cities metropolitan area, including the following:

- Plymouth dial-a-ride service and feeder routes
- White Bear Area Transit dial-a-ride service
- Southwest Metro dial-a-ride service
- Shakopee area dial-a-ride service
- Northeast Suburban Transit dial-a-ride service
- Anoka County dial-a-ride service
- Roseville Area Circulator fixed-route service
- Metro Mobility paratransit service

ABC Weekender
March 30, 1990
Page 2

Morley Bus Company is a wholly owned subsidiary of National School Bus Service, Inc., which recently acquired it (see attachment). National is the fourth largest school bus transportation company in the country and provides paratransit services in some cities.

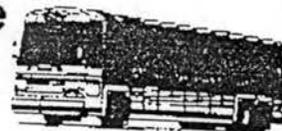
The contract with Morley Bus Company will require 615 hours of service to be operated at an hourly rate of \$28.98 from April 1 through July 31, 1990. The maximum RTB subsidy for this period is \$21,000 including approximately \$3,000 for start-up and information dissemination activities.

RECOMMENDATION

That the Regional Transit Board authorize its executive director to terminate the contract with Medicine Lake Lines (MLL), as requested by MLL, and enter into contract with Morley Bus Company for the operation of the ABC Weekender service from April 1 through July 31, 1990 in an amount not to exceed \$21,000.



**Medicine
Lake
LINES**



835 DECATUR AVE. NO. • GOLDEN VALLEY, MN 55427 • (612) 545-9417 • FAX: (612) 591-9198

March 29, 1990

Mr. Len Simich
Regional Transit Board
Mears Park Centre
230 East Fifth Street
St. Paul, MN 55101

Dear Len:

This letter is to confirm Medicine Lake Bus Company's decision to discontinue service on the expiration date of our current agreement which ends March 31, 1990.

Please be advised that Medicine Lake Bus Company does not desire to extend the agreement beyond this date.

Sincerely,

MEDICINE LAKE BUS COMPANY

James A. Johnson
V.P. Sales & Marketing

JAJ:dy

Morley Bus Company

Transportation Specialists

Main Office

407 S.W. 15th Street
Forest Lake, MN 55025
(612) 464-8878

Division Office

Suburban Paratransit
7434 So. Washington Ave.
Eden Prairie, MN 55344
(612) 944-5076

Division Office

St. Paul Terminal
14 E. Acker Street
St. Paul, MN 55117
(612) 227-9507

Division Office

Kare Kabs
1090 N. Snelling Ave.
St. Paul, MN 55108
(612) 645-1441

14 March 1990

We are pleased to announce that the stock of Morley Bus Company has been acquired by National School Bus Service, Inc., a nationwide company intending to further diversify in the paratransit industry. The corporation of Morley Bus Company remains intact; all of our contracts and services will continue to operate as they did in the past.

The management team at Morley Bus Company will remain in place and will continue to provide you with the personal working relationship necessary in this specialized transportation industry.

John and Malcolm Morley chose NSBS from a number of interested buyers for two main reasons:

First, NSBS is committed to maintain and expand the specialized service offered by Morley Bus Company; and to strengthen the excellent relationships built by Morley with its customers.

Second, NSBS has the resources needed to invest in the equipment and facilities necessary to continue the standard of excellence you have come to expect; and to attain the long-term goals of expanded transportation services in your community and elsewhere in this metropolitan community.

Enclosed is a copy of the NSBS Mission Statement, and a letter written to our employees from John Nolan, President of NSBS, that indicates NSBS' commitment to our diversified transportation service.

If you have any questions, please do not hesitate to contact us. We are confident that this new relationship will be beneficial to Morley Bus Company and to you, our valued customers.

Sincerely,

Mary C. Scheierl

Joseph J. Morley

John R. Mathews