



Minnesota Regional Transit
Board: Records.

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REGIONAL TRANSIT BOARD

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

ME

MEETING OF THE REGIONAL TRANSIT BOARD

Monday, April 23, 1990
Mears Park Centre, Room A
2:00 p.m.

AGENDA

1. Call to Order and Roll Call
2. Approval of Agenda
3. Approval of Minutes:
 - A. Policy Committee Meeting, March 26, 1990
 - B. Regional Transit Board Meeting, March 26, 1990
 - C. Regional Transit Board Meeting, April 2, 1990
4. Discussion of Medicine Lake Lines Bus Company Bankruptcy

The April 2, 1990 meeting of the Regional Transit Board was recessed to the call of the chair. It will be reconvened at the time and place shown above.

Michael J. Ehrlichmann
Chair

REGIONAL TRANSIT BOARD

ROLL CALL AND ATTENDANCE SHEET

DATE: April 23, 1990

BOARD OR COMMITTEE: Board mtg

Member Name	Present	Vote	Vote	Vote	Vote	Vote	Vote	Vote	Vote
		<i>Return Optim Sheet</i>			<i>Ex. Sen</i>				
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

Weaver / P. Baron

Staff

GA, SH, MF

GA, CU, LAB, SH, JH, EK, DU, MF

M E M O R A N D U M

TO: Michael Ehrlichmann
Chair, Regional Transit Board

FROM: Charles R. Weaver

DATE: April 19, 1990

RE: Minnesota Open Meeting Law

This memo discusses the authority for closing a segment of a public meeting of the Regional Transit Board (RTB) for the purpose of discussing the Medicine Lake Bus Company bankruptcy and describes procedure to be followed if the RTB chooses to do so.

Minnesota Statute §471.705, subd. 1 contains the Minnesota open meeting law which provides that "...all meetings, including executive session of any state agency, board, commission or department when required or permitted by law to transact public business in a meeting, and the governing body of any school district however organized, unorganized territory, county, city, town or other public body, and of any committee, subcommittee, board, department or commission thereof, shall be open to the public,..."

Public policy for the open meeting law is to assure the public's right to be informed, to afford the public an opportunity to present its views, and to assure the right to full access to the decision-making process of public bodies.

Attorney/Client Meeting

A limited exception to the open meeting law preference for open meeting has been carved out by case law interpretations of the open meeting law. This exception exists for the purpose of allowing confidential attorney/client meeting in order that a public agency not be placed at a disadvantage in participating in litigation.

Case law interpretations of the attorney/client privilege exceptions have been there since 1976 when such exception was first recognized by the court. It is clear that the availability of and exception to the open meeting law will be narrowly defined and cannot be obtained to allow a public entity to obtain general legal advice from its attorney in confidence.

There are essentially three components to the attorney/client privilege exception:

1. The meeting must be between only the members of the governing body and its attorney. (A limited exception to this general rule is allowed for administrative staff whose presence is essential to the discussion.)
2. The subject matter of the meeting must be limited to legal advice concerning litigation strategy.
3. The litigation being discussed must be an immediate and active litigation proceeding in which the governing agency is a party. Balancing the need for confidentiality against the right of public access to public affairs results in a preference for confidentiality.

Procedure

In order to go into a closed meeting, that action must be authorized by a duly adopted motion approved by a majority of those present. As chair, you may request the RTB consider holding a closed meeting and call for a motion to do so. The motion should be to approve closing the meeting because of the need for confidentiality in order to effectively establish a litigation strategy for pursuing RTB's claim as an unsecured creditor in the Medicine Lake Bus Company bankruptcy. Board members should be advised that the RTB is presently a party in the Medicine Lake Bus Company bankruptcy proceedings which are presently being conducted in the Federal Bankruptcy Court, that it is necessary to discuss a litigation strategy to pursue RTB claims and that those discussions occur between the RTB, its attorneys and only those staff members directly involved in these issues and that a favorable vote on the motion to hold a closed meeting would constitute board members' conclusion that the need for confidentiality outweighs the right of the public to have access to this discussion.

Conclusion

Because it is actively involved in the pending bankruptcy proceedings which will substantially affect RTB's ability to pursue reimbursement for overpayment of subsidy and based on the need to develop strategy in confidence, the RTB may hold a closed meeting solely for the purpose of discussing this matter.

CHRONOLOGY RE: MEDICINE LAKE LINES FROM DATE
OF FILING ITS PETITION FOR RELIEF UNDER
CHAPTER 11 OF THE BANKRUPTCY CODE

- March 22, 1990 - Petition for relief filed.
- March 28, 1990 - Hearing on motion for use of cash collateral. Stipulation approved.
- April 3, 1990 - Motions scheduled for hearing on MLL request for approval of assumption and assignment to Laidlaw of Equipment Leases, bus contracts (school contracts and Routes 13 and 52) and sale free and clear of remaining assets to Laidlaw for \$3.3 mm less amounts to buy out equipment leases plus formula on existing receivables. Cash receipts to be paid to secured lenders as their interests appeared. Hearings continued to April 10, 1990.
 - Schedules and Statement of Affairs filed.
- April 9, 1990 - Commitment letter from Premier Bank Maplewood for \$650,000 loan to MLL upon court approval with option on the part of bank for an additional \$200,000. To be secured by all assets of MLL but subordinate to existing lien creditors.
 - Commitment letter from Robert J. Regan, William E. Regan and Worth R. Stiles executed and delivered to MLL. Provides for loan of \$800,000 to MLL on court approval and to be converted to equity upon confirmation of Plan of Reorganization meeting certain requirements as defined in letter. To be secured by all assets of MLL but subordinate to existing lien creditors and Premier Bank of Maplewood. The proceeds of both loans to be used to pay off First Bank National Association. To the extent of \$1.4 mm to \$1.45 mm, it is simply an exchange of debt with no impact on operating statements or balance sheet.
- April 10, 1990 - At hearing all motions to assume and assign or sell free and clear relating to Laidlaw are withdrawn. Motion to sell 13 road coaches free and clear to third parties with proceeds to secured creditors is approved.
- April 16, 1990 - In response to inquiry regarding commencement of audit, attorney for MLL makes verbal proposal for Global settlement.

April 27, 1990 - MLL motion to incur secured debt pursuant to
commitment letters scheduled for hearing.

May 2, 1990 - MLL motion to set bar date for filing claims
scheduled for hearing.

GLOSSARY OF TERMS

The following attempts a brief, nonlegal definition of certain terms which will be used throughout the discussions.

- 1. Debtor-In-Possession** A new legal entity created by the filing of a petition for relief under Chapter 11 of the Bankruptcy Code. It is the pre-petition entity, usually with the same management, holding pre-petition assets and operating the same business. It starts with a new set of books with all post-petition accounts at zero.
- 2. Automatic Stay** A provision of the Bankruptcy Code which automatically, without the need for actual knowledge on the part of any creditor, stays or prohibits any act by any person or entity against the debtor or any property of the debtor which seeks to begin or continue efforts at collection of debt or seizure of property. Arguably, this would prohibit, without appropriate court order, the ability of RTB to conduct its audit.
- 3. Secured Claim** Creditors holding a claim for payment of money from the debtor secured by property of the debtor and measured by the value of the property or collateral securing the debt.
- 4. Unsecured Claim** A creditor's claim against the debtor for payment of money due which right to payment is not secured by any property of the debtor and includes that portion of a secured creditor's claim in excess of the value of the collateral securing its claim.
- 5. Plan of Reorganization** Subject to confirmation by the court, will define the rights and obligations of the debtor and its creditors following confirmation. It defines the new debt structure of

the debtor and removes the debtor from bankruptcy if confirmed.

6. Class Approval

Without utilizing other portions of the Bankruptcy Code, in order for a plan to be confirmed, each class of creditor must approve the plan as presented. Approval of each class is obtained by having 50 percent plus 1 in number of creditors and 2/3 in dollar amount of creditors who vote, vote in favor of the plan. Thus, class approval is obtained if 50 percent plus 1 in number and 2/3 in dollar amount of those members of that class who vote, vote in favor of the plan.

7. "Cramdown" Confirmation

A section of the Bankruptcy Code which allows confirmation of a plan of reorganization without the approval of all classes of creditors. The plan must be "fair and equitable" and meet the absolute priority rule. The absolute priority rule provides that no class of creditor may receive anything on account of the debts of that class until all classes of creditors with priority are paid in full. Classes of creditors and their priority are defined in the Bankruptcy Code. As an example, secured claims are superior to the rights of holders of unsecured claims and holders of unsecured claims are superior to the rights of equity security holders (shareholders). Thus, for example, under the "cramdown" provisions of the Code, a plan would not be fair and equitable if a shareholder retained any interest by reason of their share ownership without full payment to all creditors holding a superior interest, including general unsecured creditors.

8. Liquidating Plan

A plan of reorganization which contemplates the liquidation of all assets of the debtor such that the debtor's estate consists only of cash. The plan of reorganization would then provide for the

distribution of those cash proceeds to all of its creditors in the order of their statutory priority. At such time as the funds ran out, there would be no further payments to any other creditors or classes subordinate to the class of creditors receiving payments when the funds ran out. It does not contemplate an ongoing business entity, but rather liquidation of the debtor as an entity. This was the original contemplation of MLL in seeking to sell its assets to Laidlaw and convert all of its assets to cash in the estate.

9. Reorganization Plan

A debtor's plan of reorganization which seeks to reorganize its debt structure and have the entity continue as an ongoing business entity following confirmation of a plan of reorganization. The entity would retain assets and operations and payment to its creditors would occur, generally, over a period of time and from operating revenues to be produced in the future. This is the current status contemplated by MLL in connection with the secured lending and commitment letters now in place.

MF

M E M O R A N D U M

TO: Michael Ehrlichmann
Chair, Regional Transit Board

FROM: Charles R. Weaver

DATE: April 19, 1990

RE: Minnesota Open Meeting Law

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In order to go into a closed meeting, that action must be authorized by a duly adopted motion approved by a majority of those present. As chair, you may request the RTB consider holding a closed meeting and call for a motion to do so. The motion should be to approve closing the meeting because of the need for confidentiality in order to effectively establish a litigation strategy for pursuing RTB's claim as an unsecured creditor in the Medicine Lake Bus Company bankruptcy. Board members should be advised that the RTB is presently a party in the Medicine Lake Bus Company bankruptcy proceedings which are presently being conducted in the Federal Bankruptcy Court, that it is necessary to discuss a litigation strategy to pursue RTB claims and that those discussions occur between the RTB, its attorneys and only those staff members directly involved in these issues and that a favorable vote on the motion to hold a closed meeting would constitute board members' conclusion that the need for confidentiality outweighs the right of the public to have access to this discussion.

Conclusion

Because it is actively involved in the pending bankruptcy proceedings which will substantially affect RTB's ability to pursue reimbursement for overpayment of subsidy and based on the need to develop strategy in confidence, the RTB may hold a closed meeting solely for the purpose of discussing this matter.



REGIONAL TRANSIT BOARD

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

Minutes of the Meeting of the
POLICY COMMITTEE
Mears Park Centre, Room A
March 26, 1990

MEMBERS PRESENT: Jeff Spartz, Chair; Doris Caranicas; Sandra Hilary; Terrance O'Toole and Norbert Theis

OTHERS PRESENT: RTB Chair Michael J. Ehrlichmann; John T. Finley and ~~Doris Caranicas~~, RTB Members; Charles Weaver and Gregory Korstad, RTB Legal Counsel; Christopher Gran, Metro Mobility Administrative Center; Mary Jo Nichols, Metropolitan Center for Independent Living, Arnie Entzel, Amalgamated Transit Union; Kathy DeSpiegelaere, Ramsey County Regional Railroad Authority; Greg Andrews, Judy Hollander, Howard Blin, David Minister, Ed Kouneski, Cyndie Mayer, Randy Rosvold, Cynthia Curry, Mary Lutz, Sherry Munyon, Suzanne Hanson, Mary Fitzgerald, Regional Transit Board Staff

The meeting was called to order at 5:30 p. m. and roll taken. O'Toole moved and Theis seconded that the agenda be approved; the motion was carried unanimously.

Review of Ritz Block Development Draft Environmental Impact Statement

Rosvold reviewed the staff report dated March 15, 1990. O'Toole moved and Theis seconded:

That the Policy Committee recommend:

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.

The motion was unanimously approved.

Reverse Commute Work Program

Blin reviewed the staff report dated March 16, 1990. O'Toole moved and Theis seconded:

That the Policy Committee recommend:

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

The motion was unanimously approved.

Approval of Metro Mobility Provider Contracts

A letter from the Metropolitan Center for Independent Living, Inc., dated March 26, was distributed (Exhibit A), along with revised copies of the provider contract (Exhibit B). Korstad discussed the ramifications of the proposed \$50 administrative fee imposed on providers for each trip not provided, the implementation date and driver reference checks. Based on reports to the Metro Mobility Administrative Center, Kouneski said indications are that 1,500 to 2,000 trips are not provided each month. An evaluation of those figures and the capacity of the system should be made. Hilary suggested that an interim committee be formed to deal with the guidelines on how to arrive at a point of no trip denials. Hilary moved and O'Toole seconded:

That the Policy Committee recommend:

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.

O'Toole offered and the mover accepted a friendly amendment:

That the administrative fee be \$50 with implementation be delayed to October 1, 1990.

The motion, as amended, was unanimously approved.

Regarding driver reference checks, Korstad said the criminal history should relate to the position; a conviction for avoidance of taxes should not preclude employment. O'Toole moved and Caranicas seconded that the motion be amended to state:

That driver reference checks include criminal history checks, eliminating the words "where appropriate."

The motion was unanimously approved.

O'Toole moved and Caranicas seconded:

That the MMAC have authority to withhold a one-percent service quality fee if a provider does not meet performance and safety standards.

The motion was unanimously approved.

There was discussion of the guest fare policy. O'Toole moved and Caranicas seconded:

That staff be directed to develop a uniform fare structure for providers for guest fares.

The motion was unanimously approved.

O'Toole moved and Hilary seconded:

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.

The motion was unanimously approved.

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

Minister reviewed the staff memorandum dated March 19, 1990. Regarding the map, Hilary moved and O'Toole seconded:

That the word "draft" be removed from the maps and the dated changed to February 1990.

The motion was unanimously approved.

Finley said that on Page 13 the correct figure for the Downtown St. Paul Loop is \$47,000,000. Minister said the table attempts to report on the basis of the RTB plan; the \$47,000,000 figure includes extensions into other light rail corridors.

There was discussion of the last sentence on Page 18. Caranicas moved and O'Toole seconded:

Page 18, last sentence should be amended to state: "...No federal funds will be requested to assist in paying for the AA/DEIS in order to expedite the study. Only state and county funds will be used."

The motion was unanimously approved.

On Page 19, Finley said the first paragraph should be amended to state funds would be used for yards and shops. This is to benefit the entire Region as provided in the Financial and Development Plan approved by the Regional Transit board. Minister said the project would be ineligible unless an alternatives analysis and environmental impact study was done for the entire Group A. There is no document that covers this project. Ehrlichmann asked if a supplemental document can be prepared to include yards and shops. Minister said UMTA maintains they cannot do that; he will investigate whether or not there is any

way to accomplish it. The UMTA letter states "...subject to environmental clearances." Finley moved and Hilary seconded that staff be directed to find a way to appropriately amend the language. The motion was unanimously approved. Vote was then taken on the recommendations as amended:

That the Policy Committee recommend:

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. Only state and county funds will be used."

3. Remove the word "draft" from the maps and change date to February 1990.

The motion was unanimously approved.

There being no other business, it was moved and seconded that the meeting be adjourned. The motion carried unanimously and the meeting was adjourned at 6:35 p.m.

Respectfully submitted,

Mary Fitzgerald
Secretary

Approved by the 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 26, 1990

MEMBERS PRESENT: Michael Ehrlichmann, Chair; Doris Caranicas; John T. Finley; Ruth Franklin; Sandra Hilary; Ed Kranz; Terrance O'Toole; Norbert Theis; Elwyn Tinklenberg; Jeff Spartz and Richard Wedell

OTHERS PRESENT: Charles Weaver and Michael LeBarron, Legal Counsel; Jim Johnson, Medicine Lake Lines Bus Company (MLL), William Johnson, Laidlaw Transportation, Inc.; Theresa Robinson, Director of Transportation and General Services, University of Minnesota; John Capell, Chief Administrator of the Metropolitan Transit Commission (MTC); Gregory Andrews, Judy Hollander, Ed Kouneski, Regional Transit Board staff

At its meeting of March 19 the board recessed at the call of the chair. The meeting was reconvened at 4 p.m. at the time and place shown above to take further action on the request by Laidlaw that the board reassign certain contract obligations from Medicine Lake Lines Bus Company to Laidlaw. Andrews reviewed the background of the issue. On March 20 legal counsel sent a letter to MLL (Exhibit B), requesting certain information. On March 23 MLL issued a press release (Exhibit C) announcing that it had filed for relief under Chapter 11 of the bankruptcy code on March 22, 1990. At this time there has been no response by MLL to the March 20 letter.

Jim Johnson stated that on advice of counsel MLL has not responded. Kouneski reviewed the staff report dated March 26, 1990 (Exhibit A). O'Toole moved and Caranicas seconded:

That the Regional Transit Board support the Plymouth City Council's decision to select the Metropolitan Transit Commission, with Morley Bus Company, to operate Plymouth Metrolink service effective April 1, 1990 through March 31, 1991.

The motion was unanimously approved.

O'Toole moved and Hilary seconded:

That the Regional Transit Board authorize the executive director to enter into contract with the Metropolitan Transit Commission for regular route service in the western suburbs effective April 1, 1990 through March 31, 1991 in an amount not to exceed \$850,324.

LeBarron said there is a short form Chapter 11 filing and the documents are not available. The motion was unanimously approved.

Theresa Robinson reviewed the University's position as outlined in its March 23 letter (Exhibit D). LeBarron said the court will assign the assets of MLL relative to the debt. MLL can no longer provide a bond to cover costs of estimated audit exceptions. Responding to Kranz' question, Robinson said the Board of Regents approved the original contract and the Vice President for Finance and Operations, Gus Donhowe, approved the consent agreement. O'Toole said after members have discussed the issues he will move to table this item.

William Johnson said that if the contract were to be assigned to Laidlaw, they would be responsible to provide the assets to maintain service regardless of the source of those assets. Laidlaw would post a bond and become responsible for meeting the terms and conditions of the contract. Laidlaw would like to acquire the equipment MLL is currently using. Hilary expressed concern about the level of approval. The chair said he had not been aware that the University intended to have this body review the matter and then submit it to the Board of Regents. O'Toole moved and Hilary seconded:

That the Regional Transit Board lay over the matter of assignment of the University of Minnesota Route 52 service to Laidlaw Transportation, Inc. until such time as full information is obtained and Laidlaw Transportation, Inc. has posted a bond and can perform the service.

In response to Kranz' question, the chair said MTC was questioned as to their capacity to provide resources to continue the University service. Their response is shown in their letter of March 22 (Exhibit E) stating the MTC is capable of assuming the operation of these services. Finley asked if the University has contacted MTC about fulfilling the contract in an alternative situation if things do not work out with Laidlaw. Robinson said she spoke with MTC by phone today and was assured MTC is able to supply service. Capell said MTC would offer the price that was bid on the service a year ago.

In response to the chair's question on potential liability, LeBarron said the current contract rests between the University of Minnesota and MLL; the board is not a party to that contract. The financial responsibility of the RTB would not change. Weaver said last week the board agreed to the assignment subject to contingencies that have not been met. Caranicas said the RTB would be required to contribute an additional subsidy if the service is assigned to the Metropolitan Transit Commission. There was discussion of the \$500,000 performance bond for the current contract by MLL. Spartz said the board does not have adequate information.

Finley said the motion to lay over is made because MLL has not performed as requested at the last meeting. O'Toole said the board does not have enough information to make a decision. The motion was unanimously approved.

Tinklenberg moved and Spartz seconded:

That the Regional Transit Board request that Medicine Lake Lines Bus Company state in writing its intentions to assume the ABC Weekender contract at the existing hourly rate and to proceed to get court approval; and authorize the executive director to amend the contract term to expire on July 31, 1990.

In response to Spartz' question on the time frame, Kouneski said a response is needed by the close of business on March 28. The motion was unanimously approved.

There being no other business, Kranz moved and O'Toole seconded that the meeting be adjourned. The motion carried and the meeting was adjourned at 5:20 p.m.

Respectfully submitted,

Mary Fitzgerald
Secretary

Approved by the 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
April 2, 1990

MEMBERS PRESENT: Michael Ehrlichmann, Chair; John T. Finley; Sandra Hilary; Terrance O'Toole; Norbert Theis; Elwyn Tinklenberg; Jeff Spartz and Richard Wedell

MEMBERS EXCUSED: Doris Caranicas, Ruth Franklin and Ed Kranz

OTHERS PRESENT: Charles Weaver and Michael LeBarron, Legal Counsel; Dirk deVries; Metropolitan Council; Arnie Entzel, Amalgamated Transit Union; Mary O'Hara Anderson, Metropolitan Center for Independent Living, Inc.; John Capell, Metropolitan Transit Commission (MTC); Larry Lund, Yellow Cab; Christopher Gran and Tom Vida, Metro Mobility Administrative Center (MMAC); John Morley; Jim LeTourneau; Gregory Andrews, Judy Hollander, Cynthia Mayer, Ed Kouneski, Mary Fitzgerald, Regional Transit Board staff

The meeting was called to order at 4 p.m. and roll taken. The chair requested that the ABC Weekender service be added to the agenda. Hilary moved and Finley seconded that the agenda be amended and approved. The motion was unanimously approved.

Finley moved and Theis seconded that the minutes of the following meetings be approved:

Audit Advisory Committee Meeting, March 15, 1990
Administration and Finance Committee Meeting, March 19, 1990
Regional Transit Board Meeting, March 19, 1990
Legislative Committee Meeting, March 19, 1990

The motion was unanimously approved.

CHAIR'S REPORT:

The chair presented the Driver of the Month award to Larry Lund of Yellow Cab.

A copy of a draft letter to Senator Doug Johnson was distributed. There is a proposal at the Legislature to delete approximately \$1.4 million of RTB's annual funding.

Weaver was asked to update the members on the current status of the Medicine Lake Lines Bus Company situation. The chair he plans to recess this meeting to the call of the chair because it may be necessary for the board to take action on the assignment of routes.

The chair of the Administration and Finance Committee having not yet arrived, the order of the agenda was revised.

POLICY COMMITTEE REPORT

Committee Chair Spartz reviewed the actions taken by the committee at its March 26 meeting.

Review of Ritz Block Development Draft Environmental Impact Statement

Spartz moved and Theis seconded:

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.

The motion was unanimously approved.

Reverse Commute Work Program

Spartz moved and Theis seconded:

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

The motion was unanimously approved.

Approval of Metro Mobility Provider Contracts

Spartz moved and Theis seconded:

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.

Mayer distributed the revised contract (Exhibit A). She noted that minor corrections will be made on Pages 12 and 18 before printing. Mary O'Hara Anderson said the Transit Accessibility Advisory Committee (TAAC) feels strongly that the phrase "where appropriate" should be included in the driver reference checks. The Administrative Committee is very important to the oversight of the new contracts. The motion was unanimously approved.

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

Spartz moved and Tinklenberg seconded:

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. Only state and county funds will be used."

3. Remove the word "draft" from the maps and change date to February 1990.

Finley said he had initiated the three suggested changes to the draft, which are satisfactory, but he also raised other issues such as the \$47 million figure for the St. Paul Downtown Loop. His concern is that UMTA has criticized other cities for understating costs. Further, a new paragraph was added to Page 15 after the committee meeting, stating that the \$330 million includes 67 percent of the tunnel costs. Minister said he is trying to say the tunnel is cut in half. Only part of it, 1.1 mile at \$110 million is all that will be built as part of Group A. To eliminate confusion, Finley moved and Hilary seconded:

That staff include language stating that only a percentage of the St. Paul downtown segment is included. This percentage will be calculated based on the percentage of the \$47 million that is included in the Group A construction.

The amendment was unanimously approved.

Referring to Page 19, Finley said language should be added stating that every part of the region would benefit from the \$24 million federal grant, if received. Minister said he will develop language stating that any money received from UMTA would go to offset monies that would otherwise have to be spent by the state, the region and the counties. Finley said he had originally suggested that this grant is a benefit to the entire region and is part of the total financing package of the Region. That may give credence to the fact that everyone is in agreement. He moved and O'Toole seconded:

That staff include language stating that the \$24 million federal grant would be a benefit to the entire region and is part of the total financing package of the region.

The amendment was unanimously approved.

Minister said Ken Stevens is drafting a paragraph to be included in the letter stating Hennepin County's intent to use the approved \$1.5 million of UMTA Section 8 planning grant funds to assist in preparing turnkey bid proposals. As an aside, Finley pointed out that in the comparative taxing of the respective counties, Ramsey County is over one mill. Vote was taken on the original motion as amended; the motion was unanimously approved.

ADMINISTRATION AND FINANCE COMMITTEE REPORT

Committee Chair Tinklenberg reviewed the report of the committee's March 19, 1990 meeting.

Financial Statements - December 1989

Tinklenberg moved and Wedell seconded:

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

Tinklenberg moved and Finley seconded:

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

The motion was unanimously approved.

Tinklenberg moved and Wedell seconded:

2. That the Regional Transit Board authorize the executive director to enter into a contract with Anoka County for the Linwood Traveler and General Volunteer Drive programs between August 1, 1990 and December 31, 1991, in an amount not to exceed \$62,514.
3. 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.

ABC Weekender Contract

Kouneski reviewed the March 30 staff report (Exhibit B). Tinklenberg moved and Wedell seconded:

That the Regional Transit Board authorize its executive director to terminate the contract with Medicine Lake Lines Bus Company (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.

The motion was unanimously approved.

OTHER BUSINESS

Tinklenberg announced that there will be no committee meeting on April 9.

Ehrlichmann said this meeting will be recessed to the call of the chair. Every effort will be made to schedule it well in advance so every member can attend. There being no other business, the meeting was recessed at 4:55 p.m.

Respectfully submitted,

Mary Fitzgerald
Secretary

Approved by the board on _____, 1990.