



Minnesota Regional Transit
Board: Records.

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

**Meeting of the
REGIONAL TRANSIT BOARD
Mears Park Centre Chambers
October 26, 1992
4 p.m.**

AGENDA

- A. CALL TO ORDER AND ROLL CALL**
- B. APPROVAL OF AGENDA**
- C. APPROVAL OF MINUTES**
 - 1. Policy Committee, September 28, 1992
 - 2. Public Hearing, September 28, 1992
 - 3. Regional Transit Board, October 5, 1992
 - 4. Legislative Committee, October 5, 1992*
 - 5. Joint Meeting, RTB/MTC, October 7, 1992
 - 6. Administration and Finance Committee Meeting, October 12, 1992
 - 7. Administration and Finance Committee Meeting, October 15, 1992*
- E. CHAIR'S REPORT**
 - 1. Joint Retreat with Metropolitan Transit Commission
- F. MEMBERS' REPORTS**
- G. EXECUTIVE DIRECTOR'S REPORT**
 - 1. Approval of Five-Year Transit Plan
- H. REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE
(Ruth Franklin, Chair)**
 - 1. Regional Regular Route Fare Increase and Additional Options
 - 2. Financial Statement - August 1992
 - 3. Amendments to 1992 RTB Budget
 - 4. Closing the New Services/Test Marketing Fund
 - 5. Insurance Renewals
 - 6. Addition of New Metro Mobility Provider
- I. ADVISORY COMMITTEE REPORTS**
 - 1. Rideshare Advisory Committee
 - 2. Transportation Accessibility Advisory Committee
 - 3. Local Officials Advisory Committee
- J. OTHER BUSINESS**
- K. PUBLIC COMMENT**

**Michael J. Ehrlichmann
Chair**

* These items will be mailed separately

6/15/92

REGIONAL TRANSIT BOARD

ROLL CALL AND ATTENDANCE SHEET

DATE: 10/26

Member Name	Present	Vote							
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ISSUE

fare

Mike Ehrlichmann

✓

if

Maryann Campo

✓

no

Doris Caranicas

✓

if

Sharon Feess

✓

if

Ruth Franklin

✓

if

Val M. Higgins

✓

if

Sandra Hilary

—

—

Ruby Hunt

✓

if

Tom Sather

✓

if

Don Scheel

✓

if

Tom Workman

✓

out of room

Visitors

Staff

And

hr, gl, sh, cho

Jordan

Conrad

Lynn

Thompson

G. Bentley

mff



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

**Minutes of the Meeting of the
ADMINISTRATION AND FINANCE COMMITTEE
October 15, 1992**

MEMBERS PRESENT: Ruth Franklin, Chair; Doris Caranicas; Sharon Feess; Tom Sather; Don Scheel

OTHERS PRESENT: Regional Transit Board Member Maryann Campo; Dale Ulrich, Gregory L. Andrews, Judy Hollander, Clete Luberts, Bob Dietrick, Mary Fitzgerald, Regional Transit Board staff

Committee Chair Franklin called the meeting to order at 4:00 p.m. and roll was taken. The chair noted that an amended agenda was distributed that includes approval of a Minimum Fund Balance Policy. With that amendment, Caranicas moved and Sather seconded approval of the agenda. The motion was unanimously approved.

REGIONAL TRANSIT BOARD 1993 WORK PLAN AND BUDGET

Ulrich reviewed the 1993 financial assumptions upon which the budget and work plan are based. Hollander reviewed the Planning and Programs functions. Responding to Caranicas, she said the Metro Mobility restructuring plans will be presented to the Policy Committee on October 26. Public hearings will be scheduled and a Request for Proposals (RFP) will be released in November. Implementation is expected October 1, 1993. RTB was denied funding for the field testing that was to have been done by Sister Kenny Institute. The funds are budgeted in 1993.

Ulrich reviewed the proposed staff complement. In 1993 there will be two positions added to Planning and Programs and one Accounting position eliminated.

Hanson reviewed the Communications budget.

Dietrick reviewed the budget for the Personnel function. Scheel asked how staff morale can be maintained since the existence of the agency is threatened and salaries have been kept relatively constant over the past three years. Dietrick said the agency granted merit increases but the amount has shrunk every year. Management is looking for inexpensive ways to keep people happy. Scheel asked if the turnover rate has reflected that. Dietrick said it has not been as bad as it was the last time the Legislature considered terminating the agency.

Andrews reviewed the Chair's Office and Executive Director's budgets and the funds allocated for legal and legislative representation. The specific changes necessary to achieve savings of \$363,000 in the general fund budget have yet to be decided. Staff is reviewing where those reductions can be made and Andrews encouraged members to focus on that question. While it would be easiest to balance the budget by cuts in new service expenditures, staff wants to continue to make new services work and suggests the cuts be made elsewhere. Franklin said that with the \$56,000 in Section 8 money, the figure is close to \$300,000. Feess spoke against cutting new services. The suburban areas are looking at circulating systems.

Scheel said he is still hoping for saving in 1992 that can be carried over. Luberts said there is now a projected year-end saving of \$208,000 at 1992 year-end. Andrews said discontinuing federal representation would generate additional savings.

Sather suggested that staff be directed to review eliminating consulting contracts and other costs that could get the balance down to the appropriate level. If the funds materialize, these items can be added back into the work plan. He is hesitant about eliminating any new service--that is a poor way to be innovative in transit. He said he is not qualified to review contracts or personnel structure and would assume that staff is doing that. Ultimately staff will have to make the determination of what gets plugged in for 1993. Ulrich said the list will be presented at the next committee meeting. The other components, the provider contracts, and the MTC budget must also be completed.

MINIMUM FUND BALANCE POLICY

The Audit Advisory Committee has recommended that the board adopt a policy on a minimum fund balance. Ulrich distributed his memorandum, dated October 9, 1992. Andrews said the policy, if adopted by the board, should be incorporated into the budget. Feess moved and Caranicas seconded:

That the Regional Transit Board adopt a minimum overall fund balance goal of \$5 million, including both restricted and unrestricted funds, but exclusive of Regional Transit Board's property and equipment.

The motion was unanimously approved.

Ulrich said the picture beyond 1993 is quite bleak. The increase in property tax base and the state appropriation is expected to be very low. He distributed a chart showing those figures.

OTHER BUSINESS

Scheel reminded members that they are responsible for assembling information for Mike Kuehn on their contacts with elected officials.

Andrews reminded members that because of the APTA annual conference in San Diego, there will be no meeting on October 19. On Monday, October 26, there will be meetings of the board, Policy Committee and Legislative Committee.

There being no other business, Sather moved and Scheel seconded that the meeting be adjourned. The motion was unanimously approved and the meeting was adjourned at 5:40 p.m.

I hereby certify that the foregoing constitutes a true and accurate record of the Regional Transit Board's Administration and Finance Committee meeting of October 15, 1992.

Respectfully submitted,

Mary Fitzgerald
Secretary

Approved by the Regional Transit Board on this 26th day of October 1992.



REGIONAL TRANSIT BOARD
Mears Park Centre, 230 East 5th Street
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**Minutes of the Meeting of the
LEGISLATIVE COMMITTEE
October 5, 1992**

MEMBERS PRESENT: Thomas Workman, Chair; Michael J. Ehrlichmann; Maryann Campo; Doris Caranicas; Sharon Feess; Ruth Franklin; Val M. Higgins; Ruby Hunt; Tom Sather

MEMBERS EXCUSED: Sandra Hilary and Don Scheel

OTHERS PRESENT: Michael Robertson, Legal Counsel; Arnie Entzel, Amalgamated Transit Union; George Bentley, Southwest Metro Transit Commission; Frank Lilja, Minnesota Department of Transportation; Tom Weaver, Metropolitan Transit Commission (MTC); Janey Gohl, Karen Lyons, Nacho Diaz, Metropolitan Council; Gregory L. Andrews, Sherry Munyon, Judy Hollander, Suzanne Hanson, Mary Fitzgerald, RTB staff

CALL TO ORDER AND ROLL CALL

The chair called the meeting to order at 4:55 p.m. and roll was taken.

APPROVAL OF AGENDA

Sather moved and Feess seconded that the agenda be approved; the motion carried unanimously.

FEDERAL AND STATE LEGISLATIVE REPRESENTATION

Workman opened discussions regarding contracts for legislative assistance at the state and federal level. Members discussed whether there is a continued need for federal representation and how it should be supplied. There was extensive discussion of the potential for conflict of interest in using local firms to provide state legislative representation. Munyon distributed a copy of a letter, dated October 5, from David Biegging. Members discussed the resolution drafted by Committee Chair Workman and whether to issue a Request for Proposal (RFP) for legal representation. Hunt said it might be better to wait until the next round of appointments are made in January 1993. She agreed that it is good public policy to shop for service from time to time. The issue of who will represent the regional entities in Washington must be resolved. Hunt moved that the board lay over the matter until the second meeting in January. Caranicas seconded the motion.

Sather said if that motion fails he would move to direct staff to put together an RFP for legal services incorporating some of the thoughts in the resolution and present it at the next Legislative Committee meeting for review and action. Some things need to be clarified and staff needs to spend some time reviewing the needs of the agency. Vote

was taken on the Hunt motion, which failed. (Ehrlichmann, Caranicas and Hunt voted aye.) Sather then moved and Franklin seconded:

That the Regional Transit Board direct staff to perform a needs analysis and prepare a Request for Proposal for legal representation in Washington D.C. and in Minnesota. The material should be placed on the agenda of the next meeting of the Legislative Committee on October 26, 1992.

Munyon requested that the motion be amended to allow for adoption of the legislative package prior to developing the RFP. Mover and seconder accepted the amendment:

That the Regional Transit Board direct staff to perform a needs analysis and prepare a Request for Proposal for legal representation in Washington D.C. and in Minnesota. The material should be placed on the agenda for the meeting of the Legislative Committee following the board's meeting of November 2, 1992.

Andrews asked if the intent of the motion is that the RFP be for legislative representation only; Sather said that is correct. The motion carried. (Ehrlichmann and Hunt voted no.)

Discussion turned to the question of whether representation should be continued while these matters are resolved. Several members said they would be uncomfortable with canceling the representation and expressed a preference for continuing it on an hourly billing basis. Munyon announced that the \$2 million federal grant earmarked for RTB's Light Rail Transit Analysis was approved by the Federal Transit Administration this week. Congress will adjourn this week; therefore, the RTB will not be harmed without federal representation during the next two months.

Franklin moved and Sather seconded:

That the Regional Transit Board authorize the executive director to suspend payments under the contract for legislative representation with Dorsey and Whitney

The motion was unanimously approved.

(Sather, Higgins and Ehrlichmann were excused.)

DISCUSS DRAFT POTENTIAL 1993 LEGISLATIVE POLICY INITIATIVES

Draft minutes of the September 16 and September 30 Local Officials Advisory Committee meetings were distributed. On October 14 the committee will recommend funding mechanisms to the board.

Munyon distributed a draft of the Legislative Task Force's list of Potential RTB Legislative Initiatives, dated October 5, an outline for a congestion reduction act, and information on snow removal costs in St. Paul.

Entzel cautioned that the questions of quality of snow removal must be resolved. When people complain, MTC sends people out to clean up the stops and shelters. There are

overlapping jurisdictions and the chair said these questions must be resolved, particularly as the Region moves to fully accessible vehicles. No action was taken.

OTHER BUSINESS

There being no other business, Campo moved and Caranicas seconded that the meeting be adjourned. The motion was unanimously approved and the meeting was adjourned at 6:10 p.m.

I hereby certify that the foregoing constitutes a true and accurate record of the Regional Transit Board's Legislative Committee meeting of October 5, 1992.

Respectfully submitted,

Mary Fitzgerald
Secretary

Approved by the Regional Transit Board on this 26th day of October 1992.



REGIONAL TRANSIT BOARD
Mears Park Centre, 230 East 5th Street
St. Paul, Minnesota 55101
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**Minutes of the Meeting of the
POLICY COMMITTEE
September 28, 1992**

MEMBERS PRESENT: Val M. Higgins, Acting Chair; Maryann Campo; Ruby Hunt; Tom Workman

MEMBERS EXCUSED: Sandra Hilary

OTHERS PRESENT: Michael Ehrlichmann, Sharon Feess, Ruth Franklin, Doris Caranicas, Tom Sather and Don Scheel, RTB Members; Arnie Entzel, Amalgamated Transit Union; Diane Harberts; Robert Mairs, Beverly Auld, Tom Weaver, Jerry Olson, Metropolitan Transit Commission (MTC); Mike Robertson, legal counsel; Jack Doolittle, Doolittle and Associates; Karen Lyons, Metropolitan Council; Gregory L. Andrews, Ed Kouneski, Paul Moline, Sherry Munyon, Kathy Grochowski, Dan Murray, Howard Blin, Dale Ulrich, Mary Fitzgerald, RTB staff

CALL TO ORDER AND ROLL CALL

Acting Chair Higgins called the meeting to order at 4:10 p.m. and roll was taken. He explained that Committee Chair Hilary was unable to attend the meeting due to scheduling conflicts.

APPROVAL OF THE AGENDA

Campo moved and Hunt seconded approval of the agenda; the motion carried (Workman not present).

METROPOLITAN TRANSIT COMMISSION MANAGEMENT AUDIT STUDY UPDATE

Kouneski reviewed his staff report, dated September 22, 1992, and introduced John T. Doolittle, Jr., President of John T. Doolittle & Associates, Inc. Doolittle said that on August 18 the team of 12 consultants began their work with kick-off meetings with RTB and MTC staff. The major undertaking of the study is a review of the internal operations of the MTC. The final report is due on October 31, 1992. The consultants have been gathering technical and statistical data and have now acquired and reviewed about 300 documents from both RTB and MTC. In key documents they studied the conclusions and recommendations made by others. They acquired financial and statistical data from similar systems to establish a basis for comparison. The team consists of 10 to 12 consultants from four firms who specialize in the various fields. They meet with the managers of their particular areas to review each operation and then very other week the entire group of consultants meet on site to review the progress and challenge the techniques used in each area.

At this point, Doolittle said, he has formed some impressions that he could share with the board. The overall internal structure of the MTC is pretty sensible and common. Some specific things on the second and third levels are unique and the auditors are looking for reasons for the deviations from the model. Generally the programs, services, and management tools are 10 to 15 years out of date. Computer systems used for scheduling are nearly 15 years old. The organization's procedures for accomplishing its tasks are relatively primitive. He is not yet confident in choosing the best way to move those things ahead.

Using audited financial data, the trends analysis shows that between 1987 and 1991 the unit cost went up at a slightly slower rate than the Consumer Price Index.

Ridership losses are typical of Midwestern and Northeastern metropolitan systems in places without guaranteed sources of funding. The overall ridership is about what would be expected. One asset of the organization at any time during the day is its substantial strength in the skills and discipline to get things done, especially in light of the primitive nature of the means. There is a great deal of information about the system as to who its riders are, why and when they use transit, but it is scattered throughout the system and there is no reliable process for getting it to management.

Maintenance evaluation is nearly done. Basically the operation is quite sound. Reliability of the service is in the upper one-third of similar systems. The low spares ratio and the condition of the Snelling Garage are troubling. It is clear that the emphasis on marketing has not spread throughout the organization. The manager of Marketing is relatively new and the gestation period for these kinds of things is generally long. (Workman arrived.)

The transportation function is the largest element of the organization and has probably the leanest management and supervisory forces anywhere. The number of dispatchers on the streets at any given time is too low. There are over twice as many drivers per dispatcher (60 to one) than the industry norm.

In the next phase of the study the auditors will close out the functional reviews, draft the report, review it with the individual managers, make sure the data and recommendations are sound, and present their report to the Regional Transit Board.

In response to Hunt's question, Doolittle said his firm has conducted approximately 40 management audits around the country. Hunt said the Legislative Audit Commission (LAC) suggested that the RTB conduct this audit. How often are they usually done? Doolittle said audits are mandated by statute in four states every four years. Usually it is a question of when it makes sense to do them. If a total audit is not performed, there should be periodic audits of troublesome areas. Andrews said Peat Marwick performed an audit of MTC in either 1980 or 1981 and the Legislative Audit Commission did a functional audit in 1984.

The structure for policy-making for MTC is unique; it is structured somewhat like that of Los Angeles. It is unusual to separate planning and operations. Ehrlichmann said the Chicago and Boston systems are similar. Doolittle said he was chair of the Boston system and would not recommend emulating it. Chicago has the Regional Transit Authority that grew a great deal until the legislature became annoyed and established two regional bodies. The RTA is a planning body on the strategic level and does not involved in service planning or marketing.

Sather asked about the second and third levels of the internal structure. Doolittle said in most organizations the management information system is composed of people who work with the computers. In this organization they also handle the phone information services. The recent restructuring that created the present format is maturing. The Customer Services function is not in Marketing or Planning. Auld noted that recently the unit moved into the planning function. Doolittle said there is no function labeled "Labor Relations." The question is whether the organization benefits from the current structure. Regarding his remark about ridership losses being in line, Doolittle said that in these mature systems in large Midwestern cities and with a fare increase, the percentage of ridership lost is not surprising. Nationally the loss ranges from a low of two to three percent to a loss of 12 to 15 percent in Des Moines. Milwaukee made a substantial investment in transit and has experienced a decline that appears to be in the range of four percent.

Sather said the second point seemed to be that hardware and software tools are antiquated and it seemed the available ridership information is not used. Doolittle said indications are that will be the conclusion. The consultants think that about 85-percent of all the information you could need is in the system but it is not retrieved. The Comprehensive Operations Analysis will produce a higher level of information.

Hunt said the Legislative Audit Commission recommended that the RTB undertake a management audit. In keeping with its oversight role, RTB executed the contract. When it got underway the chief administrator of the MTC was asked for his resignation, which presents a dilemma for the auditor and the RTB with respect to the RTB's role in management. Higgins said these things have been tried in the newspaper and he urged that it be avoided in the future and that Doolittle focus on the issues. Franklin said she was happy with the LAC recommendation on the audit because audits should be performed on a regular basis. Her concern is whether the people interviewed by Doolittle and his colleagues are leveling with the interviewers. Doolittle said he is certain that his group is not influenced by the newspapers and they are accustomed to working in a contentious environment. They are generally brought in to audit when things are going badly. For the time being the governance issues have been put aside.

Doolittle said this a very diverse group of people from four separate firms. He could not and would not want to sway their judgments. If anything, staff has become more forthcoming than before. The group is experienced enough to detect withholding of information.

Workman expressed his concerns, not with the concept of the audit, but with the point raised by Member Hunt about the breach in confidentiality between Doolittle and MTC Chair Mairs regarding their discussion about the termination of the chief administrator. This raises concerns about the professionalism of the firm. He is also concerned about a conflict of interest. He referred to MTC employees subcontracting with Doolittle elsewhere in the country. RTB staff told him that MTC staff had very little input in the consultant selection, but he has now been told that is incorrect. Doolittle said Doolittle and Associates does not use subcontractors. He distributed a copy of his September 23 letter regarding the third party review panel convened by the boards of the Los Angeles County Transportation Commission and the Southern California Rapid Transit District. With respect to the selection process for the management audit, it is normal for both the sponsoring agency and the operator to participate in the selection process. In some places they are the same entity. Regarding the question of the chief administrator,

Doolittle said if Commissioner Mairs was still present he would be happy to discuss it in executive session.

Andrews said proposals were received from several firms. Since RTB wants MTC's cooperation and because they will implement any recommendations, MTC should be involved in reviewing the proposals. Jerry Olson and Bev Auld of MTC were asked for their recommendations, but made no selection between the final two candidates. Judy Hollander, Ed Kouneski and Gregory Andrews also participated and made the recommendation to the board.

Campo asked Doolittle about the Governor's statement quoted in the Minneapolis Star Tribune to the effect that Doolittle's report would verify that the chief administrator was doing a good job. She asked if the Governor or his staff has more information than board members. Doolittle said he had a brief conversation with the Governor and if the Governor chooses to allow it, he would be happy to restate it. The board has much more information than the Governor. In that three-minute phone conversation, he told the Governor that the observations are preliminary. He did not know what remarks the Governor made. Campo said it was clearly quoted that there was a conclusion in the study. She asked Andrews to give Doolittle a copy of the newspaper story. She is concerned about the whether this will impede the report. Doolittle said he told the Governor the report card would include both high and low marks. Unless directed to do so, the consultants do not talk to reporters.

Acting Chair Higgins said it is the responsibility of RTB and MTC to provide a good transit system for the area. Whatever is necessary should be done over and above partisan politics. He resents that this study has been politicized to the point that the results are jeopardized.

RECESS

Since a public hearing had been scheduled for 5:00 p.m., the meeting was recessed. At 5:10 p.m. the Policy Committee meeting was reconvened.

COMPETITIVE CONTRACTING POLICY DEVELOPMENT

Kouneski reviewed his September 22, 1992 staff report and discussed the key issues in the development of the competitive contracting policies. He distributed tables on contract information for the transit providers.

The board will have to consider a number of questions: is there an opportunity to bid out more peak period express service? Is the private sector willing to provide that service and could they do so? There has not been adequate competition for peak period service. Competition has been limited because of a perception that MTC is allowed to use unfair pricing practices through marginal cost pricing. Issues relating to contracting with small, local firms include the need for performance bonds. A short time frame limits additional competition. Regarding private sector incentives, do we have adequate incentives in place?

Staff will draft a position paper based on committee direction. That position paper will be presented to the Providers Advisory Committee for review and comment, after which a board retreat will be scheduled to work through the technical details.

Responding to Hunt's question, Kouneski said all the service on I-394 is provided by MTC during this phase. Franklin said her biggest concern is for the Opt-Outs that need to bid out their contracts soon. Kouneski said staff hopes to finish the work by the end of this year. The first Requests for Proposal (RFPs) would be sent out between now and the end of the year. Harberts said Plymouth must send out RFPs by October 1. They need a six-month lead time and the contract expires April 1. Her contract was extended for one year. Minnesota Valley Transit Authority's contract has another year to go. Plymouth is already on a one-year extension but with the current environment, it was worthwhile to extend it.

Higgins said the issue seems to have been waiting for three years and the board should spend the time needed to develop a sound policy. He is pleased it is now coming to a head. Several providers have indicated that there are basic inequities in the current system. This issue warrants a special board meeting after staff has developed a variety of recommendations. At that point the board will have specific language to react to. Campo said she concurs with Higgins' remarks and, while she does not represent an Opt-Out community, she is concerned about equity. Harberts agreed that it would be beneficial to wait another year. There are many intangibles involved.

I hereby certify that the foregoing constitutes a true and accurate record of the Regional Transit Board's Policy Committee meeting of September 28, 1992.

Respectfully submitted,

Mary Fitzgerald
Secretary

Approved by the Regional Transit Board on this 26th day of October 1992.



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

Change

**Minutes of the Public Hearing
on the Regional Transit Board's
Five Year Plan
September 28, 1992**

MEMBERS PRESENT: Val M. Higgins, Acting Chair; Maryann Campo; Ruby Hunt; Tom Workman

OTHERS PRESENT: Howard Blin, Mary Fitzgerald, RTB staff

CALL TO ORDER

Acting Policy Committee Chair Higgins called the public hearing to order at 5:00 p.m.

PUBLIC COMMENTS ON REGIONAL TRANSIT BOARD'S FIVE YEAR PLAN

There were no comments from the public.

The public hearing was adjourned at 5:10 p.m.

I hereby certify that the foregoing constitutes a true and accurate record of the Regional Transit Board's public hearing of September 28, 1992.

Respectfully submitted,

Mary Fitzgerald
Secretary



REGIONAL TRANSIT BOARD
Mears Park Centre, 230 East 5th Street
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**Minutes of the Meeting of the
REGIONAL TRANSIT BOARD
October 5, 1992**

MEMBERS PRESENT: Michael J. Ehrlichmann, Chair; Maryann Campo; Doris Caranicas; Sharon Feess; Ruth Franklin; Val M. Higgins; Ruby Hunt; Tom Sather; Tom Workman

MEMBERS EXCUSED: Sandra Hilary and Don Scheel

OTHERS PRESENT: Mary Anderson, Chair, Metropolitan Council; Don Ahern, St. Paul Pioneer Press; Arnie Entzel, Amalgamated Transit Union; Jim LeTourneau and Larry Lund, Yellow Taxi Service Corporation; Janey Gohl and Karen Lyons, Metropolitan Council; Tom Weaver, Metropolitan Transit Commission; Gregory L. Andrews, Judy Hollander, Howard Blin, Jane Fitz, Randy Rosvold, Suzanne Hanson, Mary Fitzgerald, RTB staff

CALL TO ORDER AND ROLL CALL

The chair called the meeting to order at 4:05 p.m. and roll was taken.

APPROVAL OF AGENDA

The chair recommended that the Driver of the Month award be presented immediately to allow Mr. Lund to keep to his schedule. Andrews said the "Success by Six" presentation should be deleted from the agenda. With those amendments, Franklin moved and Feess seconded that the agenda be approved. The motion carried unanimously.

GENERAL BUSINESS

Driver of the Month Award

Higgins presented the award to Larry Lund, who provides Metro Mobility service through Yellow Taxi Service Corporation.

Metro 2015 Vision and Goals

The Chair of the Metropolitan Council, Mary Anderson, explained the reasons and process for the development of the Metro 2015 Vision and Goals. She used slides to illustrate the six major categories that emerged from the process.

APPROVAL OF MINUTES

Sather moved and Workman seconded approval of the following minutes:

Regional Transit Board, July 20, 1992

Legislative Committee, August 31, 1992
Administration and Finance Committee, September 8, 1992
Regional Transit Board, September 8, 1992
Regional Transit Board, September 14, 1992

CHAIR'S REPORT

The chair reminded members that there will be a joint retreat with the Metropolitan Transit Commission on October 7 at the Metrodome Hilton.

EXECUTIVE DIRECTOR'S REPORT

Report on the RTB State Fair Booth

Andrews said several members had asked for an update on the cost of running the State Fair booth and what it accomplished. Hanson reviewed her memorandum dated October 5 and added that \$300 to \$500 was spent on travel to and from the booth. She distributed a list of comments received from the public during the fair. Higgins said he did not doubt the validity of the report but thinks the fair booth was a complete waste of time. While he was at the booth he gave away LRT buttons to children and most of the questions came from people who thought they were talking to the MTC--They have no idea what the RTB is. If the board decides to continue, it should combine forces with MTC and have representatives of both agencies staffing it. A great deal of thought should be given to what we want the booth to accomplish. It could be far more attractive than it was this year. This booth is in the Education Building and MTC has a booth in the Grandstand. Higgins moved and Workman seconded:

That the Regional Transit Board discontinue its participation at the Minnesota State Fair.

Franklin said that this is a policy decision and she would like to refer it to the Policy Committee for discussion. She would like careful consideration of whether to give up the effort. She spent part of a day at the fair and found her experience very interesting. The buttons children took may make their parents more aware of light rail transit. Many people who visit the Fair are from Greater Minnesota. She offered a substitute motion; seconded by Feess:

That the Regional Transit Board refer the question of its continued participation in the Minnesota State Fair to its Policy Committee.

Ehrlichmann said he shares Higgins' concerns. The staffing of the booth might also be shared with the Minnesota Department of transportation (Mn/DOT).

Feess said she believes the project is worthwhile and the Education Building is the appropriate location. It was amazing how many people had some kind of involvement with senior citizen or disabled housing. They took a number of "Write to Your Legislator" pamphlets. It is important that the board members go to the fair and identify themselves as members of the board.

Sather said it is important that the board have a presence if for no other reason than that no one in the area knows what RTB does. The MTC, as the state's largest provider, is becoming the guiding force for transit, but it is important to balance the needs of the

entire Region. RTB is one of the best-kept secrets in the Region and it must take credit for some of the good things it does. The suggestion to participate jointly with Mn/DOT and MTC makes sense because the majority of questions at the fare hearings had to do with operations. The board should know if MTC is not responding to complaints. It seems MTC is not as accessible as it needs to be.

Campo said she had suggested working with MTC and having both booths together, but there are other providers as well. She asked staff to contact the Opt-Out communities before the Policy Committee considers the question. She suggested that RTB borrow the display currently exhibited at the Hennepin County Government Center. There are materials available and RTB should work with all the providers to develop something that will attract more people. It was clear at the high-subsidy route hearing today that people do not understand the roles of the agencies. Vote was taken on the substitute motion; the motion carried unanimously.

REPORT OF THE POLICY COMMITTEE

The committee met on September 28 and heard reports on the budget and an update of management audit currently being conducted by Doolittle and Associates. No recommendations were made at that meeting.

OTHER BUSINESS

There being no other business, Higgins moved and Caranicas seconded that the meeting be adjourned. The motion was unanimously approved and the meeting was adjourned at 4:55 p.m.

I hereby certify that the foregoing constitutes a true and accurate record of the Regional Transit Board's meeting of October 5, 1992.

Respectfully submitted,

Mary Fitzgerald
Secretary

Approved by the Regional Transit Board on this 26th day of October 1992.



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**Minutes of the Joint Meeting of the
REGIONAL TRANSIT BOARD AND
METROPOLITAN TRANSIT COMMISSION
October 7, 1992**

MEMBERS PRESENT: Regional Transit Board Members: Michael J. Ehrlichmann, Maryann Campo, Doris Caranicas, Sharon Feess, Ruth Franklin, Val Higgins, Sandra Hilary, Ruby Hunt, Tom Sather, Don Scheel, Tom Workman, Staff: Gregory L. Andrews and Sherry Munyon; MTC Members: Robert Mairs, Allyson Hartle, Todd Paulson, Frank Snowdon; Staff: Mike Christenson and Thomas Weaver

MEMBERS EXCUSED: Christine Dean

OTHERS PRESENT: Arnie Entzel, Amalgamated Transit Union; Delores Patterson, MTC driver; Don Ahern, Pioneer Press

A joint meeting between the Regional Transit Board and the Metropolitan Transit Commission was held at the Minneapolis Hilton Metrodome for the purpose of informally discussing issues of mutual interest and concern. Since new members were recently appointed to the Metropolitan Transit Commission and new officers were elected, the roles and responsibilities of both agencies and the interaction between them was discussed at length.

Members agreed to meet again in November. No action taken at the meeting and it adjourned at 8:40 p.m.

I hereby certify that the foregoing constitutes a true and accurate record of the joint meeting of the Regional Transit Board and Metropolitan Transit Commission on October 7, 1992.

Respectfully submitted,

Gregory L. Andrews
Acting Secretary

Approved by the Regional Transit Board on this 26th day of October 1992.



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

**Minutes of the Meeting of the
ADMINISTRATION AND FINANCE COMMITTEE
October 12, 1992**

MEMBERS PRESENT: Ruth Franklin, Chair; Doris Caranicas; Sharon Feess; Tom Sather; Don Scheel

OTHERS PRESENT: Michael Ehrlichmann, Chair, and Regional Transit Board Members Maryann Campo and Tom Workman; Steven Chavez, Metropolitan Council Minority Issues Advisory Committee member; Bob Rossman, Amalgamated Transit Union; Michael Robertson, legal counsel for RTB; Karen Lyons and Nacho Diaz, Metropolitan Council; Mike Christenson, Bev Auld, Tom Johnson, Tom Weaver, Metropolitan Transit Commission (MTC) Sarah Lenz, Ebenezer Society; Laurie Blake, Minneapolis Star Tribune; Don Ahern, St. Paul Pioneer Dispatch; Gregory L. Andrews, Judy Hollander, Dale Ulrich, Edward Kouneski, Len Simich, Mike Opatz, Gerri Sutton, Paul Moline, Robert Dietrick, Debra Nelles, Dave Jacobson, Howard Blin, Sherry Munyon, Mary Fitzgerald, Regional Transit Board staff

Committee Chair Franklin called the meeting to order at 4:05 p.m. and roll was taken. She noted that one member was obliged to leave in time for another meeting and asked that the order of the agenda be changed to place the budget update first on the agenda. Since the issue of fare increases will have a significant effect on the budget, that should be kept in mind during the update. With that amendment, Caranicas moved and Feess seconded that the agenda be approved. The motion carried unanimously.

METROPOLITAN TRANSIT COMMISSION BUDGET UPDATE

Simich and Opatz reviewed their October 6 staff report and used slides to illustrate goals and initiatives. Ehrlichmann questioned the assumptions in the budget, asking if there is a presumption of zero impact of the labor contract currently being negotiated. Simich said nothing was budgeted for 1993 and staff does not know what management has proposed; the union has not submitted its proposal. Ehrlichmann said he is disturbed at the zero-growth assumption. The budget also assumes an award of a \$2.4 million grant of Congestion Mitigation Air Quality (CMAQ) funds although any possible award will not come before next spring. Those funds would offset operating costs on the I-394 service.

Sather agreed with Ehrlichmann's concerns, adding that since the labor contract expired several months ago there is potentially a retroactive adjustment that could negatively impact the 1992 budget as well. Most state agencies were told to plan for five-percent less revenue. His city and the county were told that tax revenue is expected to drop. Having that information, MTC submitted a budget that calls for an additional \$1.5 million; there are other providers that must be considered. The three-percent figure on ridership appears somewhat arbitrary and should be substantiated. Given the variables, MTC may be over budget by as much as \$7 million. Further, MTC is talking about foregoing a

fare increase in 1993 without taking into account the "what-ifs." The appropriation could be much less than we are planning on and there does not appear to be any contingency planning for a shortfall. Six new positions are shown in the chief administrator's message and, while they may be appropriate, he would prefer to see those in operating funds

Responding to Workman's comment, Simich said the coupon campaign in last spring and the Mall of American opening brought in new customers. Lately there have been increases in full fare-paying rides. The August figures showed a gain. Workman said the effectiveness of a give-away program can be determined by whether the full-fare passenger is kept. When MTC says they experienced four months of increases it is confusing when revenue does not reflect that. (Sather was excused.)

Simich said staff believes it is too early to tell if the \$800,000 fare increase is reasonable. Campo said if Sather's estimate of a \$7 million shortfall is correct, are there budgets to cover that. Farebox recovery is down and the hope is that the mall will bring it back. She asked how many new staff positions are proposed and what the cost would be. Simich said no contingency plan was developed but in the October 7 letter RTB staff asked the chief administrator for it because of the possibility of not receiving enough funding. There are 27 additional non-driving staff proposed. This has been discussed at many meetings. The performance audit will identify areas that are short of staff. Additional repair positions are needed because the lift equipment requires much more work. Franklin asked if there is any offset to these costs since the fleet is newer.

Ehrlichmann said the performance audit has indicated that there are areas that are seriously understaffed, particularly in Maintenance. He would endorse any additions to the security staff. Security was identified in the Ilium study as one of the more serious concerns. To pass off the ridership increase without evidence or a specific breakdown provides the basis for innuendo and gossip. We should celebrate the increase since we participated in it and it is a signal that we have turned things around.

Regarding the 35-percent farebox recovery rate, Feess said the budget projects a rate of 33.8 percent. This is a policy question that must be addressed. It seems the budget should follow the policy. Other people have raised other concerns. Some revenue is projected from the Opt-Out contracts. The memorandum discusses revenue but not cost. Some of those contracts are coming up for bid. The chief administrator's budget message says nothing about cost savings. If all the revenue does not come in, what kind of second budget will the MTC come in with? The fuel cost increase of \$800,000 was surprising since these usually come in under budget. The Special Events revenue is uncertain. It is prudent to plan for the worst case scenario. Simich said the staff will bring this back to the committee on November 9 along with the additional information that members requested.

Andrews said the commissioners have reviewed and approved the budget and transmitted it to RTB for approval on September 28, 1992. Franklin said she agreed with Ehrlichmann's comments and, if the ridership is really up, she commends the MTC. She asked why it has been six months and RTB still has no answers. Christenson said the RTB members receive all the information the commission receives. He recently verified that RTB members are on the commission mailing list. The financial statement (page 11) sets out ridership figures. MTC can furnish further detail on each preceding month's figures. Anyone is welcome to meet with Finance staff for more information. Developing ridership figures is a very formal process.

It takes 2,300 employees to achieve a ridership increase. The Marketing focus has been great, but it is more important than that. This year is the first time MTC asked drivers to call out street names. Maintenance is trying to do a better job. They established a committee on security--the list goes on to over 40 items. It is wrong to say the increases are due to marketing and coupons. They are the result of the employees' efforts. He offered to go through the maintenance staffing figures in detail. There are fewer mechanics now than there were in 1984. More and more lift equipped buses are being added to the fleet and their maintenance is very expensive. MTC compares very well with other systems and did it without extra staff. Franklin said the last MTC report is from the month of July. Caranicas said she visited the Seattle maintenance facility. They require that the lift equipment be recycled every day, which requires more mechanics.

Workman said he has been reading that ridership has been up four months in a row. He has seen the figures; ridership is up if coupons and free passes are counted, but revenue has not increased. He asked what has been told to the newspapers. Franklin said Christenson and Andrews were directed to resolve this and they have been meeting. Andrews said that at the Wednesday retreat Christenson reported the August and September results. The staff has not seen those figures. The August financial statements will be discussed at the October 13 meeting. RTB needs a mechanism to get the information as soon as possible. The newspapers report it before RTB sees the financial statements.

Franklin said it would help if the staff had an opportunity to discuss it before it appears in the press. Christenson said the ridership showed a 4.91 percent increase in September. They are obliged to provide information if the press asks for it. It can be faxed to RTB staff as well. The performance audit will bear out that MTC does not have the best data collection system. He reviewed the improvements planned for the Transit Information Center. Ehrlichmann said RTB does not have the information and he directed Christenson to get the facts.

Workman said he has the numbers Ehrlichmann is looking for to July and it was those reports the newspapers carried, claiming four straight months of ridership increase.. He asked if there have been four straight months of full fare-paying customer increases or do the newspapers count only the bodies on the buses. Christenson said he will furnish copies of a chart that sets out all the figures. Discussing the coupons, he said in May it was higher, in June it begins to show an increase and from there on it has been fairly healthy. A lot of things contribute. A year ago Medica had concerns about "no shows" and developed a program of providing coupons to their clients to ensure that they will not miss appointments for lack of bus fare. They pay about a dollar for each coupon. By supplying coupons to their patients they have cut no-show problem in half and MTC's revenue is increased. There are some small initiatives like this that are showing results. No action was taken.

COMMENTS ON PROPOSED FARE INCREASES

Steven Chavez said the MIAC committee had intended to review the fare increases and make a statement, but because of time constraints at their meeting, some items had to be delayed until a later meeting. Therefore, Chavez presented his remarks as a member of the MIAC Subcommittee on Metro Systems, which made a recommendation. The key issue for communities of color is their dependence on mass transit for jobs and even

social interaction. He understands the restraints, but would oppose elimination of routes and fare increases. His community offered to approach the Legislature and be sales people for transit. Legislators should be required to spend a day or a week on the system. We might try a day or week without costs. He suggested that people lobby for a dedicated fund for transit, perhaps tied to building permits. Mass transit is also an air quality issue. The chair said the board will certainly welcome the help.

Campo referred to her letter, dated September 24, in which she urged people to contact the MTC chief administrator or commission members if they would like MTC to submit proposed expense reductions to achieve a balanced budget without a fare increase. One of her concerns in representing Minneapolis is to avoid a fare increase. In giving out rides to the Super Bowl the riders were not people who will ever ride again. If the net effect is that poor people have to suffer a fare increase, she has reservations about it.

REGIONAL REGULAR ROUTE FARE INCREASE

Kouneski reviewed his October 6 memorandum and distributed the report of the Providers Advisory Committee. The committee recommends creation of a student fare category at 50 cents and implementation of the entire increase proposal no later than July 1993.

Feess strongly endorsed the PAC recommendations. Young people should be broken out of the social fares since most young people have enough money for many other things. Many have entry-level jobs but often that is used solely for their own entertainment. She would also like a reduced fare to ridesharing people to encourage ridesharing. Also, she believes the board should have a fare increase. By doing small incremental steps the impact on ridership will not be significant if it is done regularly. She would probably prefer Option A rather than the staff recommendation. That choice is due to the questionable receivable from the federal government.

Responding to Franklin's question, Kouneski said staff included the state's five-percent revenue cut in the \$1.5 million shortfall.

Caranicas said receipt of the ISTEA funds is contingent upon the Legislature's passing allocation of matching funds. Last session we missed an opportunity and it could happen again this year.

The chair said fare increases have to keep moving and she would like the modified version better. The staff recommendation allows for accelerating it if necessary. Feess said if the board delays until January it cannot be implemented until April. July is too late. Caranicas said that by waiting until July the burden is put on the Legislature.

Hollander said that while matching funds are generally required under ISTEA, that is not the case with the CMAQ grant. Kouneski referred to the chart he distributed, "Determining the Month to Implement a Fare Increased Based on MTC Surplus (Deficit) and Farebox Recovery Ratio at Year End at Varying Expense Levels With out Service Cuts." Every month \$300,000 in passenger revenue is lost by waiting. If necessary, the board can set an earlier date for the fare increase when it acts on the budget.

Ehrlichmann said he would prefer a motion to approve the proposed structure for a fare increase but with an implementation date no sooner than July 1, 1993. We need to

affirm the ridership increase and take the question of public transit to the Legislature. We need to take the assumed risk and delay until after session.

Franklin pointed out that there are a lot of variables and it is the suburbs that may lose service. She would support the staff position. Fees moved the staff recommendation, adding that she would like an option to add another fare: Caranicas seconded the motion:

That the Regional Transit Board:

1. Adopt the following regular route fare structure:

Cash Fares

	<u>Peak</u>	<u>Off-Peak</u>
Local	\$1.25	\$1.00
Express	\$1.75	\$1.25
Downtown	\$.50	\$.25
Social Fare	N/A	\$.25

Convenience Fares

	<u>10-Ride</u>	<u>Monthly Pass</u>	<u>Tokens</u>
Local Peak	\$10.00	\$40.00	N/A
Local Off-Peak	\$7.50	\$30.00	\$.75
Express Peak	\$15.00	\$60.00	N/A
Express Off-Peak	\$10.00	\$40.00	N/A

2. Eliminate the zone-crossing charge from the Metro Mobility fare structure.
3. Implement these fare changes on or before July 1, 1993, allowing for the benefits of the MTC's efforts to contain costs and the RTB's pursuit of new federal funds to be achieved.
4. Direct staff to explore an option separating the youth fares from other social fares.

The motion was unanimously approved.

Financial Statement - August 1992

Ulrich reviewed the statements, qualifying them by saying that providers are slow to submit expenses and experience indicates the fund balance level of \$3.6 million is still expected at the end of the year. Scheel moved and Caranicas seconded:

That the Regional Transit Board receive the August 1992 financial statements and direct that they be placed on file.

The motion was unanimously approved.

Amendments to 1992 Regional Transit Board Budget

Ulrich reviewed his September 28, 1992 staff report. Caranicas moved and Scheel seconded:

That the Regional Transit Board amend the 1992 Budget, adopted in December 1991, recognizing the following:

• Beginning Fund Balance	\$3,033,648
• Total Revenues	\$93,763,034
• Total Expenditures	\$93,278,055
• Ending Total Fund Balance	\$3,518,627

The motion was unanimously approved.

Closing the New Services/Test Marketing Fund

Ulrich reviewed his September 28, 1992 staff report. Caranicas moved and Scheel seconded:

That the Regional Transit Board close the New Services/Test Marketing Fund, effective January 1, 1992, and transfer the fund balance to the General fund, designating \$1,473,020 of the balance as restricted for funding of new transit services.

The motion was unanimously approved.

Insurance Renewals

Ulrich reviewed Robert Dietrick's October 1, 1992 staff report. Scheel moved and Caranicas seconded:

That the Regional Transit Board authorize the executive director to renew the RTB's insurance policies for General Liability, Property, Business Auto, Fidelity Bond, and Workers Compensation for the period of October 24, 1992 to October 24, 1993 at a premium of \$8,829 with Insurance and Surety Specialists being the agent of record; and

That the Regional Transit Board authorize the executive director to place \$56,000 into the Designated Risk Reserve fund for the purpose of self-insuring Public Officials Liability Coverage.

The motion was unanimously approved.

Addition of New Metro Mobility Provider

Jacobson reviewed the September 25 staff report and the actions taken by the advisory committee. Caranicas said that at the Transportation Accessibility Advisory Committee

(TAAC) meeting she and Member Higgins agreed the lift-equipped vehicles are not suitable for ambulatory riders. They are better off in taxis and the current provider is generating an excessive number of complaints. Franklin said she had received a call from the current provider just before the meeting was convened. He does not oppose the additional provider but wishes to ensure the new provider will also provide the longer and more difficult time period trips. Jacobson said the staff will monitor that through the Metro Mobility Administrative Center. The provider will not provide taxi service in Minneapolis. They do provide it in the suburbs.

Sara Lenz had to leave because of the hour, but left word that she will fax the members a note on her agency's concerns. Caranicas said she and Higgins did not view this as a competitor of Ebenezer Society's service. Jacobson reported that staff checked the records and found that TAAC has never passed a motion recommending that the number of Metro Mobility providers be limited. Caranicas moved and Scheel seconded:

That the Regional Transit Board direct the executive director to execute a contract with United Services to provide Metro Mobility Service for the City of Minneapolis for the period from October 27, 1992 through December 31, 1992.

The motion was unanimously approved.

Public Comment

Representatives of United Service thanked the members and said they will to eliminate some of the service problems by having owners of the car provide the service.

There being no other business, Scheel moved and Caranicas seconded that the meeting be adjourned. The motion was unanimously approved and the meeting was adjourned at 6:05 p.m.

I hereby certify that the foregoing constitutes a true and accurate record of the Regional Transit Board's Administrative and Finance Committee meeting of August 12, 1992.

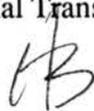
Respectfully submitted,

Mary Fitzgerald
Secretary

Approved by the Regional Transit Board on this 26th day of October 1992.

REGIONAL TRANSIT BOARD

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

DATE: October 19, 1992
TO: Chair and Members of the Regional Transit Board
FROM: Howard Blin, Planning Manager 
SUBJECT: Five-Year Transit Plan

A public hearing on the draft RTB Five-Year Transit Plan was held on September 28, 1992. At that time we received no testimony, either oral or written, on the plan. Staff has, however, been meeting with numerous groups to gain input on the plan. These have included the RTB Provider Advisory Committee, Metropolitan Council staff, the Transportation Advisory Board's Technical Advisory Committee, and others. To accommodate this external review, staff has been meeting with these various groups beyond the close of the public comment period on October 2. Comments and suggestions are being incorporated into the plan, which is now titled, "Vision '97, Making the Vision a Reality."

Plan revisions fall under several different areas:

- Expand the financial plan. This includes presenting alternative funding scenarios for plan implementation and additional information on fare policies and projected fare revenue.
- Additional information on transit hub development. This will include expansion on the types of improvement proposed at the various hubs.
- Add a discussion on alternative fuels. A discussion of regional initiatives to test alternative fuels in transit will be added to Chapter 4.
- Present strategies for improving coordination between transit and land use.
- Expand on the discussion in Chapter 4 on the need for improvements in Security and Service Quality in transit.
- Add a discussion of the potential for coordination between bicycle use and transit.

In addition to these suggestions, the Metropolitan Council staff has suggested that the plan propose that the RTB prepare a biennial performance report that documents progress on plan implementation prior to the drafting of a plan update in 1994.

These changes will be incorporated into a revised plan, which will be available for board review on October 26, 1992.

RECOMMENDATION

That the Regional Transit Board approve the Five-Year Transit Plan "Vision '97" and authorize the executive director to submit it to the Metropolitan Council for approval.



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

REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE

At its meeting of October 12, 1992 the committee reviewed and approved the following recommendations:

Regional Regular Route Fare Increase

That the Regional Transit Board:

1. Adopt the following regular route fare structure:

Cash Fares

	<u>Peak</u>	<u>Off-Peak</u>
Local	\$1.25	\$1.00
Express	\$1.75	\$1.25
Downtown	\$.50	\$.25
Social Fare	N/A	\$.25

Convenience Fares

	<u>10-Ride</u>	<u>Monthly Pass</u>	<u>Tokens</u>
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Express Off-Peak	\$10.00	\$40.00	N/A

2. Eliminate the zone-crossing charge from the Metro Mobility fare structure.
3. Implement these fare changes on or before July 1, 1993, allowing for the benefits of the MTC's efforts to contain costs and the RTB's pursuit of new federal funds to be achieved.
4. Direct staff to explore an option separating the youth fares from other social fares.

Financial Statement - August

That the Regional Transit Board receive the August 1992 financial statements and direct that they be placed on file.

Amendments to 1992 Regional Transit Board Budget

That the Regional Transit Board amend the 1992 Budget, adopted in December 1991, recognizing the following:

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• Total Expenditures	\$93,278,055
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Closing the New Services/Test Marketing Fund

That the Regional Transit Board close the New Services/Test Marketing Fund, effective January 1, 1992, and transfer the fund balance to the General fund, designating \$1,473,020 of the balance as restricted for funding of new transit services.

Insurance Renewals

That the Regional Transit Board authorize the executive director to renew the RTB's insurance policies for General Liability, Property, Business Auto, Fidelity Bond, and Workers Compensation for the period of October 24, 1992 to October 24, 1993 at a premium of \$8,829 with Insurance and Surety Specialists being the agent of record; and

That the Regional Transit Board authorize the executive director to place \$56,000 into the Designated Risk Reserve fund for the purpose of self-insuring Public Officials Liability Coverage.

Addition of New Metro Mobility Provider

That the Regional Transit Board direct the executive director to execute a contract with United Services to provide Metro Mobility Service for the City of Minneapolis for the period from October 27, 1992 through December 31, 1992.

Other Business

The committee members reviewed the MTC budget and discussed its underlying assumptions at length. No action was taken.

Ruth Franklin
Chair

10/13/92
mff

MINNEAPOLIS YELLOW CAB 824-4444
SUBURBAN YELLOW CAB 824-4000

ADMINISTRATIVE OFFICES 822-6216



Your Sister
in
**YELLOW
CAB**

MINNEAPOLIS AND SUBURBAN YELLOW CABS

Yellow Taxi Service Corporation

500 EAST 36th STREET, MINNEAPOLIS, MINNESOTA 55408

October 26, 1992

TO: Members of Regional Transit Board
FROM: James LeTourneau
SUBJECT: Adding New Metro Mobility Provider

Because of illness, I am unable to attend your meeting tonight. I want to voice my opinion about a new provider.

First of all, I am puzzled that this idea has gone this far, when my understanding was that TAAC had not approved this.

Also, when the whole concept was never explained to the providers until after it had been brought before committees of the RTB, then when it was brought to my attention, I was told it was taxicabs that the city of Mpls. had already approved this. So when the question came up at the September providers meeting, the staff stated it was going to look into this problem.

I have contacted Clara Gonzales of the Mpls. License Dept., whom stated she was not aware of this proposal, also Laura Boyd, the Mpls. taxicab inspector stated she was unaware of this.

The reason I bring this up is it is my understanding that these new vehicles will be suburban licensed taxicabs.

Whereas, under the current providers contract statement of Work Article 10, Legal requirements the words conform with all Local, State & Federal Laws would be violated.

The Mpls. city ordinance prohibits suburban licensed taxicabs from receiving passengers in the city limits.

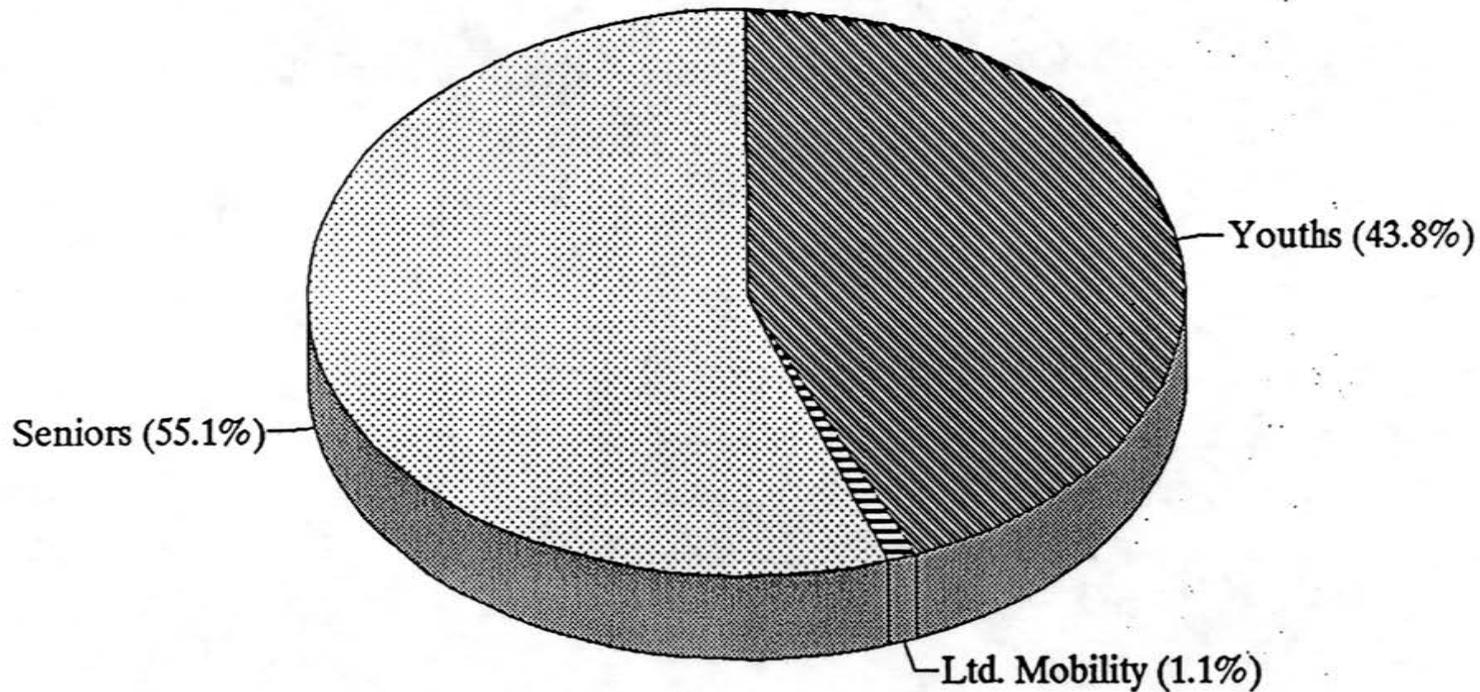
My other major concern, is if this provider starts, will they have to do some of the non-lucrative fares during peak hours.

Thank You,

A handwritten signature in cursive script that reads "James LeTourneau".

James LeTourneau
Vice-President

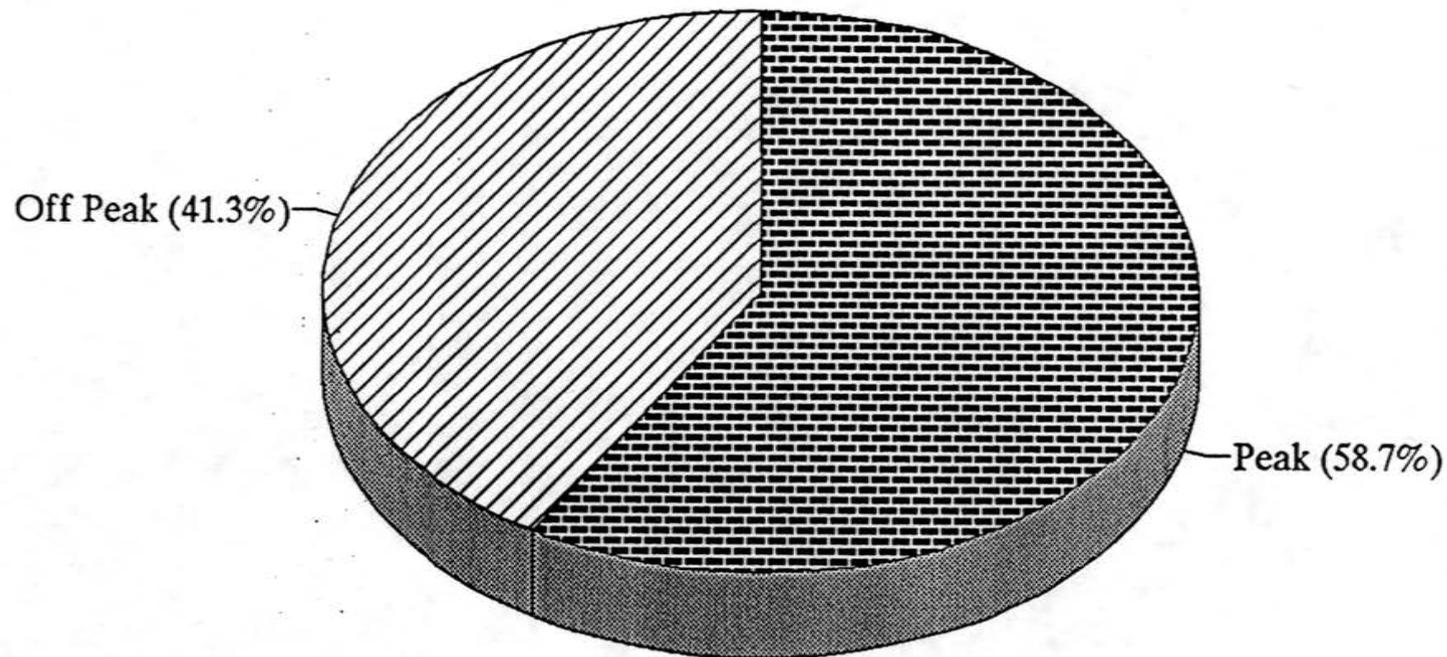
Social Fare Unlinked Trips by Passenger Type



Based on Estimated 1992 Ridership Data

Unlinked Trips	Seniors	Youths	Ltd. Mobility	Total
	3,520,000	2,800,000	70,000	6,390,000

Downtown Zone Unlinked Trips by Time of Day



Based on Estimated 1992 Ridership Data

Unlinked Trips	Peak	Off Peak	Total
	1,497,298	1,052,360	2,549,658



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

REPORT OF THE LOCAL OFFICIALS ADVISORY COMMITTEE

At its meeting of October 14, 1992, the Local Officials Advisory Committee approved the following recommendations:

Transit Funding Options

The following funding sources acceptable for securing new monies for transit (no ranking was made on the order of priority):

- Sales Tax on Gasoline (Retail/Wholesale)
- Increase Gas Tax for Transit Use
- Motor Vehicle Excise Tax (One Percent Increase in Excise Tax or Transfer Current Dollars From General Fund)
- Employee Payroll Tax

Other funding options LOAC thought had merit for continued discussion are:

- Eliminate Ethanol Credit (If Ethanol Use in Gasoline is Mandated by Federal Legislation so Credit Would No Longer Be Needed)
- Sales Tax on Labor Portion of Vehicle Repair

Carol Johnson
Chair



REGIONAL TRANSIT BOARD

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

REPORT OF THE TRANSPORTATION ACCESSIBILITY ADVISORY COMMITTEE

At its meeting of October 14, 1992, the Transportation Accessibility Advisory Committee (TAAC) approved the following recommendations:

Five-Year Transit Plan

That TAAC support to accept the Metro Mobility portion of the Five-Year Transit Plan with the proviso that a possible fare increase to Metro Mobility will not be considered until such time as the Metro Mobility system is restructured.

1993 RTB Legislative Initiatives

That TAAC recommends to adopt the draft potential initiatives, which has three prioritized, with the proviso that all the things being equal, TAAC prefers those which do not have regressive impact.

Regular Route Subcommittee Report

That TAAC accept the recommendation of endorsing what MTC has already implemented as well as the recommendations (the addition of Route 80, which is a lift-equipped articulated bus, to weekend service). They did this because of the recommendations of the regular route subcommittee.

Morgan Grant, Chair

REGIONAL TRANSIT BOARD

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

DATE: October 19, 1992
TO: Tom Sather, Board Member
FROM: Dan Murray, RAC Liaison
SUBJECT: RAC Meeting Overview

The following is a brief update of comments and actions taken on the Agenda items of the October 15th RAC meeting.

Item 4. Potential Legislative Initiatives

Chair Dean Lund and Lisa Raduenz offered updates on the RTB's Legislative Advisory Committee and provided details on the legislative initiatives hand-out. Committee discussion centered on TDM initiatives and funding mechanisms for transit and sources of dedicated funding. **No action taken at this time; item will be brought back to committee for further review.**

Item 5. Five-Year Transit Plan Final Approval

The Five Year Transit Plan, with language revised pursuant to the previous RAC meeting, **was approved without additional changes.**

Item 6. RAC Charge

A motion was made and seconded to accept the RAC charge/mission statement. After discussion, a friendly amendment was made to make minor clarifying revisions to language. The motion was passed with one dissenting vote.

Item 7. Proposed Service Specifications

Much discussion centered on the intentions of developing service specifications for the rideshare contract. The committee discussed its roles and responsibilities regarding contract management, and agreed that it should review specifications and performance measures, but stay out of the contract management function. Few specific changes to the document were offered by committee members, although the RAC staff liaison encouraged members to directly contact liaison with changes and comments. Staff Liaison will bring preliminary performance measures to next meeting for review and comment, and approval if possible. **No action was taken on this item.**

Meeting adjourned at 10:20 a.m.

REGIONAL TRANSIT BOARD

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

DATE: October 16, 1992
TO: Chair and Members of the Regional Transit Board
FROM: Edward Kouneski,  Manager of Programs
SUBJECT: Additional Options for the Regular Route Fare Increase

SUMMARY

The Administration and Finance Committee, in its action approving the regular route fare increase, directed staff to consider two additional options: (1) to separate the youth fare from the social fare category and increase it; and (2) provide an incentive fare for ridesharers who park downtown and transfer to the bus. This memorandum discusses these options in more detail and contains several recommendations which staff can proceed to implement.

DISCUSSION

The fare structure recommended to become effective on or before July 1, 1993 maintains the social fare at \$.25 and increases the downtown zone fare in the peak period from \$.25 to \$.50. Additional options related to these two actions are discussed below. Please refer to the attached exhibits which illustrate the composition of social fare and downtown zone trips.

Social Fare

Currently, the social fare of \$.25 applies to senior citizens, youth, and persons with limited mobility who ride during the off-peak period (midday, evening, and weekend). A social fare has been in place since the 1970s. In 1991, it was raised from \$.10 to \$.25.

The total number of social fare trips in a year is estimated to be 6,390,000. Approximately 44% of this total, or 2,800,000 trips, are youth -- defined as persons between the ages of 6 and 17. A youth discount card is required for persons 14 to 17 years old.

The RTB's Providers Advisory Committee has recommended that the youth fare be separated from the social fare category and increased to \$.50. This would generate approximately \$500,000 of additional annual revenue.

The Administration and Finance Committee has directed staff to consider an option to implement a youth fare for teenagers only, for this older group may have disposable income.

Additional Fare Options
October 16, 1992
Page 2

In order to justify a recommendation to institute a youth fare, staff believes that a demographic profile, including household income, needs to be compiled from past research or by using the results of onboard surveys that the MTC is planning to conduct in 1993.

Separating the youth fare from the social fare category implies that teenage riders may have more disposable income than senior riders, but we have no data at this time to substantiate this assumption. Furthermore, since many schools seem to provide passes to students who ride the bus, we would like to explore this proposal with school districts to determine its likely impact upon their schools before a recommendation is made.

Downtown Zone

The current downtown fare is \$.25, and the RTB had originally proposed eliminating it during the peak period; this would have required downtown zone riders to pay the full fare of \$1.25 if traveling during the hours of 6:00 a.m. to 9:00 a.m. and 3:30 p.m. to 6:30 p.m. Instead, the downtown zone fare will increase to \$.50 in the peak period, and it will remain \$.25 at other times. The original proposal was altered after it became apparent through the public hearing process that some alternatives merit consideration.

Staff has proposed, therefore, to examine options to restrict the boundaries of the downtown zone in both Minneapolis and St. Paul and to offer a reduced or free fare to persons who rideshare. Staff believes that it is possible to proceed to implement the latter option now. More time is needed to develop a recommendation on changing downtown zone boundaries.

Currently, there are 5,700 carpoolers and vanpoolers registered to park in downtown peripheral lots in both cities. These ridesharers receive discount parking rates, and as an added incentive, could receive free travel on downtown buses. The RTB can arrange with the MTC, through the Minnesota Rideshare contract, to offer identification cards to registered carpoolers and vanpoolers, enabling them to ride free in the downtown zone.

RECOMMENDATION

That the Regional Transit Board:

1. Approve free fares in the downtown zone for registered carpoolers and vanpoolers and direct program staff to arrange a means for this to be administered.
2. Direct planning staff to:
 - (a) compile research to profile the demographics of social fare riders, particularly youth, and engage in discussions with the school districts to consider setting a youth fare;
 - (b) examine the need to restrict the size of the downtown zone and develop a recommendation for changing the boundaries; and
 - (c) report back to the Administration and Finance Committee on these activities no later than March 1993.