MINNESOTA
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Minnesota Regional Transit Board: Records.

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
November 2, 1992
4 p.m.

AGENDA

A. **CALL TO ORDER AND ROLL CALL**

B. **APPROVAL OF AGENDA**

C. **CHAIR'S REPORT**

D. **MEMBERS' REPORTS**

E. **EXECUTIVE DIRECTOR'S REPORT**

F. **REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE (Ruth Franklin, Chair)**

1. Minimum Fund Balance Policy

G. **REPORT OF THE POLICY COMMITTEE (Sandra Hilary, Chair)**

1. Regional Identity: Use of RTB Logo on Vehicles and Printed Materials

H. **ADVISORY COMMITTEE REPORTS**

1. Local Officials Advisory Committee, Carol Johnson, Chair

I. **OTHER BUSINESS**

J. **PUBLIC COMMENT**

Michael J. Ehrlichmann
Chair

10/27/92
mff

6/15/92

REGIONAL TRANSIT BOARD

ROLL CALL AND ATTENDANCE SHEET

DATE: 10/2

Member Name	Present	Vote	Vote	Vote	Vote	Vote	Vote	Vote	Vote
ISSUE									
Mike Ehrlichmann	✓								
Maryann Campo									
Doris Caranicas	✓								
Sharon Feess	✓								
Ruth Franklin	✓								
Vai M. Higgins	✓								
Sandra Hilary	exc								
Ruby Hunt	✓								
Tom Sather	✓								
Don Scheel	✓								
Tom Workman									

Visitors

Carol Johnson LOAC
M Robertson
R Mann

Staff

jh, hb, sh dw
smh

mff

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 15, 1992 the committee reviewed and approved the following recommendations:

Minimum Fund Balance Policy

> That the Regional Transit Board adopt a minimum overall fund balance goal of five million dollars, including both restricted and unrestricted funds, but exclusive of agency property and equipment.

Other Business

The committee members reviewed the MTC budget; no action was taken.

Ruth Franklin
Chair

10/27/92
mff

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

REPORT OF THE POLICY COMMITTEE

At its meeting of October 26, 1992, the committee approved the following recommendation:

Regional Identity: Use of Regional Transit Board's Logo on Vehicles and Printed Materials

> That the Regional Transit Board approve the placement of the RTB logo and the words "Part of the Regional Transit Board System" on all transit vehicles and provider-developed printed materials in the metropolitan region. The addition of the logo must be accomplished within the next six months.

Other Business

The committee heard a presentation by Ken Hosen of Ecosometrics, Inc., the RTB's Metro Mobility operations Planning Consultant, regarding the strengths and weaknesses of the three potential options that have been developed to deliver Metro Mobility Service.

Peter Ognibene of ASI, Inc., the RTB's consultant on the Smart Card Project, demonstrated the device used with the rider's card to handle Metro Mobility transactions. He discussed the transaction speed and information that can be generated by using the Smart Card.

Howard Blin, RTB staff; and Bev Auld, MTC staff, reviewed the MTC's regular route ridership figures.

Val M. Higgins
Acting Chair

mff
10/27/92

DRAFT

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 October 26, 1992

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

MEMBERS EXCUSED: Sandra Hilary

OTHERS PRESENT: Karen Lyons, Metropolitan Council; Arnie Entzel, Amalgamated Transit Union; Tom Weaver, Bev Auld, Bob Thompson, Leonard Oppenheimer, Metropolitan Transit Commission; George Bentley, Opt-Out Commissions; Gregory L. Andrews, Judy Hollander, Howard Blin, Ed Kouneski, Randy Rosvold, Suzanne Hanson, Mary Fitzgerald, RTB staff

CALL TO ORDER AND ROLL CALL

The chair called the meeting to order at 4:10 p.m. and roll was taken.

APPROVAL OF AGENDA

Caranicas moved and Higgins seconded approval of the agenda. The motion carried unanimously.

APPROVAL OF MINUTES

Hunt moved and Feess seconded approval of the following minutes:

Policy Committee, September 28, 1992
Public Hearing, September 28, 1992
Regional Transit Board, October 5, 1992
Legislative Committee, October 5, 1992*
Joint Meeting, RTB/MTC, October 7, 1992
Administration and Finance Committee Meeting, October 12, 1992
Administration and Finance Committee Meeting, October 15, 1992*

Feess noted that she was present at the September 28 public hearing. With that change, the motion carried unanimously.

CHAIR'S REPORT

The chair reported that the Transportation Alliance lawsuit concerning the Governor's has been dismissed.

EXECUTIVE DIRECTOR'S REPORT

Approval of Five-Year Transit Plan

Blin reviewed his memorandum, dated October 19, 1992, which lists the revisions made to the draft plan in response to external review by other agencies. Feess moved and Hunt seconded:

> That the Regional Transit Board approve the five-year transit plan, Vision '97, Making the Vision a Reality, with the amendments as shown in the October 19, 1992 staff report.

Caranicas asked if Congestion Mitigation Air Quality (CMAQ) funds are dependent upon the 20-percent state match? Blin said a match is necessary but making that match is not a problem because any portion of the budget could be considered to be the match. The use of this source of funding is limited to starting new service in congested corridors such as I-394. The motion was unanimously approved.

Retreat

Munyon said the joint retreat with the Metropolitan Transit Commission will be on November 11 at 4:00 p.m.

REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE

Committee Chair Franklin reported on the recommendations approved by the committee at its meeting on October 12, 1992.

Regional Regular Route Fare Increase

Franklin moved and Feess seconded:

That the Regional Transit Board:

1. Adopt the following regular route fare structure:

Cash Fares

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

Convenience Fares

	10-Ride	Monthly Pass	Tokens
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.

Ehrlichmann said he believes this increase should be delayed until July so legislators will understand transit needs the kind of support that will prevent this increase. He is more optimistic about receiving federal funding. He will accept stating "on or before." Hunt said staff has developed a Solomon-like proposal. It addresses MTC concerns but it is also pragmatic. Higgins clarified that the zone crossing change applies to both fixed route and to Metro Mobility.

In response to Campo's question, Franklin said this action is to approve the fare increase, but the implementation date will be come before the board at a later date. Campo said that while she agrees with the chair that it is unwise to rate fares until the legislators decide what participation they want, she would like to be on record as opposing it because of its impact on her constituents. She has not received the MTC's documentation that this is the only course open and does not feel the case is proven. She has not yet seen the scenario for their response if there is no increase. Campo said she participated at the fare hearings and it is clear there are people who cannot afford this increase, although there are more people in the suburbs who may not have a problem. With farebox revenue below the standards, she is concerned about giving free rides if that is done on the backs of people who cannot afford it. Therefore, she asked for a roll call vote. On a roll call vote, the motion was approved. (Campo voted no and Workman was absent.) The motion was unanimously approved.

Additional Options for the Regular Route Fare Increase

Kouneski reviewed the October 16, 1992 staff report. Staff was directed to develop an option of increasing the social fare for teenagers only. Feess said she made the recommendation. It is possible the school districts could contribute for those students who need assistance. They provide other transportation and there is no reason for RTB to subsidize them. She moved and Franklin seconded:

That the Regional Transit Board:

1. Approve free fares in the downtown zone for registered carpoolers and vanpoolers and direct Programs 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.

The motion was unanimously approved.

Financial Statement - August 1992

Franklin moved and Sather 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

Franklin moved and Caranicas 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

Franklin moved and Caranicas 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

Franklin moved and Feess 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

Franklin moved and Sather 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 chair said Jim LeTourneau, Vice President of Yellow Taxi Service Corporation, called before the meeting and faxed a letter to members, dated October 26, in which he raised several concerns. Kouneski said the United Services will provide only paratransit rides in the City of Minneapolis and will not serve the general public. The contract is limited to the city because that is where the greatest number of problems with service quality have occurred and we need to offer an alternative. This is seen as a last resort. United will be subject to the same rules as the other providers.

Franklin said the Administration and Finance Committee raised those concerns at their meeting. The motion was unanimously approved.

REPORTS OF ADVISORY COMMITTEES

Rideshare Advisory Committee

Sather reviewed the Rideshare Advisory Committee report of its meeting on October 15.

Transportation Accessibility Advisory Committee

Higgins reported on the Transportation Accessibility Advisory Committee meeting of October 14. He commented that he has been somewhat critical of the committee's lack of progress in the past but as one of the two board liaisons, he thinks the last two meetings were very fruitful and the committee is starting to do a good job. There has been a great deal of improvement in the past two months.

Local Officials Advisory Committee

Kuehn presented the committee report. Carol Johnson, the committee chair, will attend the next meeting of the board to present the committee's recommendations in greater detail.

Bicycle Task Force

Campo said the group has been meeting for the last three months. She thanked Sherry Munyon for putting it together for her. They are meeting monthly and meet in subcommittees in between in order to develop legislative recommendations. The people on the committee represent many areas of the bike community in the Seven-County Metropolitan Area. She has asked Dan Murray to organize a meeting with the task force and the Metropolitan Council in December. An enormous amount of information has been gathered and she will supply to any member who requests it. She invited member to attend the meetings.

OTHER BUSINESS

Sather said he, Don Scheel and Tom Workman have been working with Sherry Munyon to develop a comprehensive legislative package for the next session. As part of the discussion, it was agreed that a survey should be done by Decision Resources, Ltd., to determine what funding mechanisms the transit users might find palatable. Until now the legislators have differed with local officials on how to develop and implement funding mechanisms. The survey of 800 residents would contain approximately 50 questions. The cost would be no more than $12,000. There is approximately $30,000 left in the 1992 budget for surveys and special projects. The idea is to get an sense of what areas are sensitive in the coming biennium. The 2 mil levy is in place and could be raised rather than find a new source of funds. Legislators have not found that acceptable, but local officials consider that proposal more equitable since legislators are considering other sources. He moved and Workman seconded:

> That the Regional Transit Board authorize the executive director to negotiate and enter into a contract with Decision Resources, Ltd. in an amount not to exceed $12,000 to develop and conduct a survey of 800 residents. The survey will include no more than 50 questions. The objective of the survey is to develop a reasonable legislative package and must be completed prior to the beginning of the 1993 Legislative Session.

Higgins said that possibly this matter should be referred to the Administration and Finance Committee or the Policy Committee first. This issue is entitled to more discussion. He is not familiar with this company and there may be others that could do a better job. Sather said the company has performed citizens surveys for the City of Arden Hills and in their experience most people have been willing to answer as many as 90 questions. The problem with trying to take it through committee is that it could take 30 days, which would leave only 30 days to develop any legislative initiative. We need to be prepared by the end of November.

Ehrlichmann said it is important to do this quickly but issues have been raised before about bidding procedures. Sather said state law requires that bids be solicited for contracts over $15,000. Franklin said she agrees that the amount is not large and normally she would not support going outside the proper channels. She likes the idea because legislators have not had much input from the public. Sather said the intent is to examine data and develop a sense of funding criteria. The consultant will rank the criteria. The hope is that we find information that is contrary to what legislators are thinking. It is easier to raise a small tax than create a new one.

Hunt raised the possibility of getting a negative reaction from citizens since they do not want to pay any more taxes. It could pull the rug out from under whatever proposal we come up with. Ehrlichmann said the questions will be phrased toward "which" rather than "if."

Campo called the question, adding that she has several questions she would like included in the survey. Higgins said he will vote against it; While he has faith in the members of the task force, he does not know enough about it and because the general public does not know the RTB exists. The motion carried (Higgins voted no).

There being no other business, Sather moved and Feess seconded that the meeting be adjourned. The motion was unanimously approved and the meeting was adjourned at 5:00 p.m. p.m.

I hereby certify that the foregoing constitutes a true and accurate record of the Regional Transit Board's meeting of October 26, 1992.

Respectfully submitted,

Mary Fitzgerald
Secretary

Approved by the Regional Transit Board on this 2nd day of November 1992.

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

Minutes of the Meeting of the POLICY COMMITTEE October 26, 1992

MEMBERS PRESENT: Val M. Higgins, Acting Chair; Maryann Campo; Doris Caranicas; Sharon Feess; Ruth Franklin; Val M. Higgins; Ruby Hunt; Tom Sather; Don Scheel; Tom Workman

MEMBERS EXCUSED: Sandra Hilary

OTHERS PRESENT: Ken Hosen, Ecosometrics, Inc.; Peter Ognibene, ASI, Inc.; Michael J. Ehrlichmann, Ruth Franklin, Doris Caranicas, Tom Sather, Sharon Feess, Regional Transit Board; Karen Lyons, Metropolitan Council; Arnie Entzel, Amalgamated Transit Union; Tom Weaver, Bev Auld, Bob Thompson, Leonard Oppenheimer, Metropolitan Transit Commission; George Bentley, Opt-Out Communities; Gregory L. Andrews, Judy Hollander, Howard Blin, Ed Kouneski, Dave Jacobson; Suzanne Hanson, Mary Fitzgerald, RTB staff

CALL TO ORDER AND ROLL CALL

The chair called the meeting to order at 5:10 p.m. and roll was taken.

APPROVAL OF AGENDA

Workman moved and Campo seconded approval of the agenda. The motion carried unanimously.

METRO MOBILITY SERVICE OPTIONS

Dave Jacobson introduced Ken Hosen of Ecosometrics, Inc., the RTB's Metro Mobility operations Planning Consultant, who reviewed Technical Memorandum No. 2: Review of Key Issues and Alternatives.

Members asked for more information on the implications of RTB-owned vehicles. One approach would take capital costs out of the operating budget, leaving more operating money available to work with and it is easier to secure operating funds. Either way, RTB pays for the vehicles although we are prohibited by statute from owning them. Potential providers can be asked to submit bids on the basis of supplying their own vehicles or having them provided by RTB. Campo asked for background information on how other systems supply vehicles and what functions they assume. The item was placed on the agenda for discussion only--no action was taken.

METRO MOBILITY SMART CARD PROJECT

Peter Ognibene of ASI, Inc., the RTB's consultant on the Smart Card, used slides to illustrate the smart card and the device used by the vehicle driver to handle data. No action was taken.

Regional Identity: Use of Regional Transit Board's Logo on Vehicles and Printed Materials

Hanson reviewed the October 19 staff report. Workman moved and Campo seconded:

> That the Regional Transit Board approve the placement of the RTB logo and the words "Part of the Regional Transit Board System" on all transit vehicles and provider-developed printed materials in the metropolitan region.

Higgins added that the providers have finally agreed to this action and are reasonably satisfied with it. It is time RTB did something and time MTC realizes it is part of the team and no more important. All the providers should put it on. The consultants recommended it and in some systems the buses have to be uniformly painted. Hunt said she is not sure this is the appropriate time since no one knows if the Legislature will continue the RTB and she questions how this will be viewed by legislators.

Responding to Sather, Hanson said the Marketing Committee recommended that this be accomplished within the next six months. Sather recommended that be included as a friendly amendment. Mover and seconder agreed that the following language should be added:

> The addition of the logo must be accomplished within the next six months.

The main motion, as amended was approved (Hunt voted no).

REGULAR ROUTE RIDERSHIP

Blin presented the historical perspective on ridership trends and Auld discussed the recent MTC experience with ridership and revenues.

Entzel said that during the 1960s ridership declined. Twin Cities Lines and other private providers were cutting service and kept only the lucrative lines operating. The reason for public takeover of service was that they were interested in making money, not providing a public service. Higgins said he remembers that period. The main provider in Minneapolis and St. Paul was violently unpopular.

OTHER BUSINESS

Ehrlichmann said the bill increasing tax deductions to employers for bus passes is ready for the President's signature. The bill also imposes a $155 cap on the deduction for parking.

I hereby certify that the foregoing constitutes a true and accurate record of the Regional Transit Board's Policy Committee meeting of October 26, 1992.

Respectfully submitted,

Mary Fitzgerald
Secretary

Approved by the Regional Transit Board on this 2nd day of November 1992.

Research Department

Thomas Todd, Director

600 State Office Building
St. Paul, Minnesota 55155-1201
(612) 296-6753 [FAX 296-9887]

Minnesota House of Representatives

July 15, 1992

TO: Representative Jean Wagenius

FROM: John Williams, Legislative Analyst

RE: Special tax on automotive lubricants

This memo deals with your request for information on a proposed tax on automotive lubricants. For purposes of this discussion I am including in that term engine oil, other lubricating fluids such as transmission and power steering fluids, and synthetic substitutes.

According to the 1991 National Petroleum News Fact Book, citing data from the National Petroleum Refiners Association, the total volume of automotive lubricants sold in the U. S. in 1989 was 1.405 billion gallons. (The figures for 1990 would be nearly identical.) Minnesota's share of this amount, based on the state's total annual consumption of gasoline, would be 24.7 million gallons, or 98.9 million quarts. Deducting amounts for aircraft lubricants leaves 98.5 million quarts.

This figure probably slightly understates the actual amount, since the petroleum refiners' figures do not include amounts sold by independent refiners. Therefore a conservative estimate of the volume of lubricants subject to a special tax in Minnesota would be 100 million quarts.

A special tax on automotive lubricants could take one of several forms. The two most reasonable forms would appear to be a volume (per-quart) tax or an excise tax based on price. An excise tax could be imposed either at the wholesale level based on the wholesale price or at the retail level as an add-on to the existing sales tax (which already applies to lubricants). A volume tax would most practicably be imposed at the wholesale level.

A volume tax imposed on wholesalers would require a new taxing mechanism, since no comparable tax is now imposed. It would require wholesalers to report to the state monthly on the total volume of automotive lubricants sold to retailers, and to multiply that volume by the per-quart rate to determine tax liability. Administratively, it has the advantage of requiring reports from a relatively small number of taxpayers (compared to the number involved in a retail tax).

A sales tax would have the advantage of being easily collected, since the mechanism for it already exists. It would be necessary only to include a separate line on the tax return form and require retailers to keep track of their sales of lubricants separately from their other taxable sales. Unlike the wholesale tax, it would require the cooperation of a large number of retailers since lubricants are sold at so many different types of retail outlets (service stations, repair facilities, convenience stores, drugstores, etc.)

The enclosed table shows the revenue that could be expected from either of these taxes at varying rates. It assumes a total taxable volume of 100 million quarts and an average retail selling price of $1.50 per quart. In the boxed example, a quart of motor oil sells at retail for $1.50, raised to $1.60 by the present 6.5% sales tax. A wholesale tax of 15 cents per quart, or a retail sales tax of 10% of the pre-tax retail price, would each add 15 cents to the cost of the product, raising its price to the consumer to $1.75. Either tax at these rates would raise $15 million in revenue.

Total automotive lubricant sales in the United States rose by an average of less than one percent a year from 1985 to 1990, so a volume-based tax would have little potential for revenue growth. A price-based tax would appear to have greater growth potential. The consumer price index does not have separate figures for motor oil, but the total cost of motor vehicle maintenance and repair has risen by over 30 percent since 1984.

The major uncertainty in these projections is the selling price. A quart of motor oil, by far the most widely sold automotive lubricant, sells at retail for anywhere from 79 cents for a discount-priced standard viscosity oil to nearly $5 for a high-grade synthetic oil. I have not been able to find any surveys that reflect average selling prices of all types of motor oil, and have assumed a $1.50 selling price based only on my own observations of what the product is selling for in the Twin Cities. I believe this is a reasonable assumption but its documentation is far from scientific.

I am also attaching a draft of legislation to impose a retail sales tax, with the exact percentage left blank. This legislation is quite simple, since the mechanism for collecting the tax already exists. Legislation to impose a tax at the wholesale level would be more complicated, but it can quickly be drafted if you would like to see it.

I will be attempting to gather more information on this subject in the next few weeks. In the meantime please let me know if you need further information or material or have any questions.

JW/re
Enclosures

WHOLESALE AND RETAIL LUBRICANT TAX

Annual vol. (quarts)	Price Per Quart	Price Incl. Sales Tax	Whlsl Tax Per Quart	Special Sales Tax Rate	Price Incl. Special Tax	Annual Revenue
100,000,000	$1.50	$1.60	$.05	3.33%	$1.65	$5,000,000
100,000,000	$1.50	$1.60	$.10	6.67%	$1.70	$10,000,000
100,000,000	$1.50	$1.60	$.15	10.00%	$1.75	$15,000,000
100,000,000	$1.50	$1.60	$.20	13.33%	$1.80	$20,000,000
100,000,000	$1.50	$1.60	$.25	16.67%	$1.85	$25,000,000
100,000,000	$1.50	$1.60	$.30	20.00%	$1.90	$30,000,000

METROPOLITAN COUNCIL
Mears Park Centre, 230 East Fifth Street, St. Paul, Minnesota 55101
612 291-6359 TDD 612 291-0904

DATE: October 23, 1992

TO: Sherry Munyon, RTB
cc: RTB Legislative Task Force

FROM: Janey Gohl, Karen ~~Lyons~~

SUBJECT: Staff recommendation on proposed "1993 Commuter Trip Reduction Act"

The purpose of this memo will confirm verbal comments and suggestions Council staff has made to RTB's Legislative Task Force regarding the proposed 1993 Commuter Trip Reduction legislation.

One month ago, on September 24th and again on October 5th, Council staff communicated to this Task Force our reservations regarding the proposed 1993 Commuter Trip Reduction Act as well as its 1992 version referred to as the Traffic Congestion Reduction Act. We voiced our concern that the Metropolitan Council staff would likely be unable to support either of these acts as proposed for the following reasons:

* It is Council staff's position that the primary focus during the 1993 legislative session should be on obtaining state funds for transportation/transit needs and that all regional agencies should direct their energies and resources to accomplishing that goal. We believe that obtaining this needed funding should stay front and center and that all other focuses in the transportation arena are of lesser immediate concern and may dilute the transportation funding debate. We believe that traffic congestion is an important issue that needs to be dealt with, however, it is not presently at a crisis stage, as is funding for transit operations, and can be dealt with in another session after more thoughtful consideration and support is built.

* It is our position that local governments should have the direct responsibility for resolving traffic problems and requiring trip reduction at employment sites within their own communities. The rationale for this position is that cities are more familiar with local transportation needs and issues than any regional or state agency is or can be. Further, local governments have authority over land uses, development restrictions, parking requirements and other tools which can greatly impact the use of alternative transportation modes. Therefore, they can more effectively and efficiently impact and regulate private sector entities within their jurisdictions.

  Consistent with this position, we recommended that if RTB was committed to going forward with a TDM-type bill this year, then RTB should adopt Washington State's approach in crafting a bill. To this end, we submitted a summary of the Washington legislation which outlined the legislation's key points. In short, it simply mandates that all communities located within certain specified counties must prepare and implement a TDM program by a given date. Attached is a copy of the Washington legislation and summary outline. (See pp. 11 - 15 of the act for local government requirements.)

On October 5, the Task Force discussed this suggested approach and voted to revise the bill to incorporate local government requirements within the 1993 Commuter Trip Reduction Act. Under this approach, RTB would still have significant responsibilities including coordination of ordinances to ensure consistency with regional goals and policies as well as other oversight and technical assistance roles.

* It is the Council staff's position that if trip reduction is the goal of any TDM program, then effective TDM legislation must have enforcement measures, fees, fines or other types of penalties for noncompliance. These measures are essential to guarantee compliance by employers and building owners, and ultimately to ensure the effectiveness of the program. We presume that such enforcement measures would be included in local TDM ordinances.

* It is Council staff's position that delaying introduction of Commuter Trip Reduction legislation to the 1994 session would not significantly harm TDM efforts. As you know, the I-494 communities of Minnetonka, Eden Prairie, Edina, Bloomington and Richfield have a joint powers agreement and are presently drafting local ordinances that will involve developers, employers and building owners in TDM programs. In addition, a public/private partnership in downtown Minneapolis, the Downtown Minneapolis Transportation Management Organization, is beginning to work with employers and building management organizations to encourage higher usage of alternative transportation modes among downtown employees. Since we are reluctant to dilute the critical energies and efforts needed to secure transportation funding, Council staff recommended that the "Commuter Trip Reduction Act" bill be delayed until 1994 or later.

  If RTB is committed to going forward on its own potentially without Council support, then we are left in the position which we articulated a month ago. That is, the bill should should be crafted consistent with the general principles set forth in the Washington state legislation and require those communities identified in the Metropolitan Council Transportation Development Guide Policy Plan to enact TDM ordinances by a given date. A list of those communities will be provided.

Lastly, whether or not a TDM bill is introduced and moves forward this session, the Metropolitan Council staff intends to work with and support the I-494 joint powers communities' in their efforts to introduce enabling legislation in the 1993 session that will allow cities to develop and implement trip reduction ordinances, to collect fees and impose fines, as well as other potential means cities identify to deal with traffic congestion issues. It is our hope that the regional agencies will be coordinated or at least consistent in their approach to any legislation aimed at reducing trips and traffic congestion in the region.

are characterized by similar employment density, population density, level of transit service, parking availability, access to high occupancy vehicle facilities, and other factors that are determined to affect the level of single occupancy vehicle commuting.

(4) "Commute trip" means trips made from a worker's home to a worksite during the peak period of 6:00 a.m. to 9:00 a.m. on weekdays.

(5) "Proportion of single occupant vehicle commute trips" means the number of commute trips made by single occupant automobiles divided by the number of full-time employees.

(6) "Commute trip vehicle miles traveled per employee" means the sum of the individual vehicle commute trip lengths in miles over a set period divided by the number of full-time employees during that period.

(7) "Base year" means the year January 1, 1992, through December 31, 1992, on which goals for vehicle miles traveled and single occupant vehicle trips shall be based. Base year goals may be determined using the 1990 journey-to-work census data projected to the year 1992 and shall be consistent with the growth management act. The task force shall establish a method to be used by jurisdictions to determine reductions of vehicle miles traveled.

NEW SECTION. Sec. 12. REQUIREMENTS FOR COUNTIES AND CITIES. (1) Each county with a population over one hundred fifty thousand, and each city or town within those counties containing a major employer shall, by October 1, 1992, adopt by ordinance and implement a commute trip reduction plan for all major employers. The plan shall be developed in cooperation with local transit agencies, regional transportation planning organizations as established in RCW 47.80.020, major employers, and the owners of and employers at major worksites. The plan shall be designed to achieve reductions in the proportion of single occupant vehicle commute trips and the commute trip vehicle miles traveled per employee by employees of major public and private sector employers in the jurisdiction.

(2) All other counties, and cities and towns in those counties, may adopt and implement a commute trip reduction plan.

(3) The department of ecology may, after consultation with the state energy office, as part of the state implementation plan for areas that do not attain the national ambient air quality standards for carbon monoxide or ozone, require municipalities other than those identified in subsection (1) of this section to adopt and implement commute trip reduction plans if the department determines that such plans are necessary for attainment of said standards.

(4) A commute trip reduction plan shall be consistent with the guidelines established under section 15 of this act and shall include but is not limited to (a) goals for reductions in the proportion of single occupant vehicle commute trips and the commute trip vehicle miles traveled per employee; (b) designation of commute trip reduction zones; (c) requirements for major public and private sector employers to implement commute trip reduction programs; (d) a commute trip reduction program for employees of the county, city, or town; (e) a review of local parking policies and ordinances as they relate to employers and major worksites and any revisions necessary to comply with commute trip reduction goals and guidelines; (f) an appeals process by which major employers, who as a result of special characteristics of their business or its locations would be unable to meet the requirements of a commute trip reduction plan, may obtain waiver or modification of those requirements; and (g) means for determining base year values of the proportion of single occupant vehicle commute trips and the commute trip vehicle miles traveled per employee and progress toward meeting commute trip reduction plan goals on an annual basis. Goals which are established shall take into

account existing transportation demand management efforts which are made by major employers. Each jurisdiction shall ensure that employers shall receive full credit for the results of transportation demand management efforts and commute trip reduction programs hich have been implemented by major employers prior to the base year. The goals for miles traveled per employee for all major employers shall not be less than a fifteen percent reduction from the base year value of the commute trip reduction zone in which their worksite is located by January 1, 1995, twenty-five percent reduction from the base year values by January 1, 1997, and thirty-five percent reduction from the base year values by January 1, 1999.

(5) A county, city, or town may, as part of its commute trip reduction plan, require commute trip reduction programs for employers with ten or more full time employees at major worksites in federally designated non-attainment areas for carbon monoxide and ozone. The county, city or town shall develop the programs in cooperation with affected employers and provide technical assistance to the employers in implementing such programs.

(6) The commute trip reduction plans adopted by counties, cities, and towns under this chapter shall be consistent with and may be incorporated in applicable state or regional transportation plans and local comprehensive plans and shall be coordinated, and consistent with, the commute trip reduction plans of counties, cities, or towns with which the county, city, or town has, in part, common borders or related regional issues. Such regional issues shall include assuring consistency in the treatment of employers who have worksites subject to the requirements of this chapter in more than one jurisdiction. Counties, cities, or towns adopting commute trip reduction plans may enter into agreements through the interlocal cooperation act or by resolution or ordinance as appropriate with other jurisdictions, local

(11) Plans implemented under this section shall not apply to commute trips for seasonal agricultural employees.

(12) Plans implemented under this section shall not apply to construction worksites when the expected duration of the construction project is less than two years.

NEW SECTION. Sec. 13. REQUIREMENTS FOR EMPLOYERS. (1) Not more than six months after the adoption of the commute trip reduction plan by a jurisdiction, each major employer in that jurisdiction shall develop a commute trip reduction program and shall submit a description of that program to the jurisdiction for review. The program shall be implemented not more than six months after submission to the jurisdiction.

(2) A commute trip reduction program shall consist of, at a minimum (a) designation of a transportation coordinator and the display of the name, location, and telephone number of the coordinator in a prominent manner at each affected worksite; (b) regular distribution of information to employees regarding alternatives to single occupant vehicle commuting; (c) an annual review of employee commuting and reporting of progress toward meeting the single occupant vehicle reduction goals to the county, city, or town consistent with the method established in the commute trip reduction plan; and (d) implementation of a set of measures designed to achieve the applicable commute trip reduction goals adopted by the jurisdiction. Such measures may include but are not limited to:

(i) Provision of preferential parking or reduced parking charges, or both, for high occupancy vehicles;

(ii) Instituting or increasing parking charges for single occupant vehicles;

transit agencies, or regional transportation planning organizations to coordinate the development and implementation of such plans. Counties, cities, or towns adopting a commute trip reduction plan shall review it annually and revise it as necessary to be consistent with applicable plans developed under RCW 36.70A.070.

(7) Each county, city, or town implementing a commute trip reduction program shall, within thirty days submit a summary of its plan along with certification of adoption to the commute trip reduction task force established under section 15 of this act.

(8) Each county, city, or town implementing a commute trip reduction program shall submit an annual progress report to the commute trip reduction task force established under section 15 of this act. The report shall be due July 1, 1994, and each July 1 thereafter through July 1, 2000. The report shall describe progress in attaining the applicable commute trip reduction goals for each commute trip reduction zone and shall highlight any problems being encountered in achieving the goals. The information shall be reported in a form established by the commute trip reduction task force.

(9) Any waivers or modifications of the requirements of a commute trip reduction plan granted by a jurisdiction shall be submitted for review to the commute trip reduction task force established under section 15 of this act. The commute trip reduction task force may not deny the granting of a waiver or modification of the requirements of a commute trip reduction plan by a jurisdiction but they may notify the jurisdiction of any comments or objections.

(10) Each county, city, or town implementing a commute trip reduction program shall count commute trips eliminated through work-at-home options or alternate work schedules as one and two-tenths vehicle trips eliminated for the purpose of meeting trip reduction goals.

(iii) Provision of commuter ride matching services to facilitate employee ridesharing for commute trips;

(iv) Provision of subsidies for transit fares;

(v) Provision of vans for van pools;

(vi) Provision of subsidies for car pooling or van pooling;

(vii) Permitting the use of the employer's vehicles for car pooling or van pooling;

(viii) Permitting flexible work schedules to facilitate employees' use of transit, car pools, or van pools;

(ix) Cooperation with transportation providers to provide additional regular or express service to the worksite;

(x) Construction of special loading and unloading facilities for transit, car pool, and van pool users;

(xi) Provision of bicycle parking facilities, lockers, changing areas, and showers for employees who bicycle or walk to work;

(xii) Provision of a program of parking incentives such as a rebate for employees who do not use the parking facility;

(xiii) Establishment of a program to permit employees to work part or full time at home or at an alternative worksite closer to their homes;

(xiv) Establishment of a program of alternative work schedules such as compressed work week schedules which reduce commuting; and

(xv) Implementation of other measures designed to facilitate the use of high-occupancy vehicles such as on-site day care facilities and emergency taxi services.

(3) Employers or owners of worksites may form or utilize existing transportation management associations to assist members in developing and implementing commute trip reduction programs.

Association Of Metropolitan Municipalities

V

TRANSPORTATION

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V

TRANSPORTATION

AMM TRANSPORTATION POLICY STATEMENT

The AMM believes that the recent passage of the Federal Transportation Bill (ISTEA) provides the Metropolitan area with a unique opportunity, to rethink Transportation, Transit and Development Plans. It is imperative that as we prepare to move into the next century, our transportation network become multi-modal, offer flexibility, invest significantly in transit, and be designed to manage traffic.

Within the last two decades, the number of miles driven per day has doubled. Traffic congestion is expected to increase by 35% by the year 2000, creating nearly 200 miles of severely congested highways. Ridership by bus, car and van pool, continues to decline and the Regional Transit System continues to be inadequately funded. There is a growing awareness that the true cost of driving an automobile, when factoring in energy use, pollution productivity loss due to congestion, and the resulting cost of motor vehicle accidents, are born by the general public at large not solely the driving public. The majority of peak hour traffic is workers commuting to or from work. Achieving a balance between workers and jobs in a geographic area can reduce the volume of intra-area commuting and balance the directional use of the interconnecting roads. Economic stratification and an aging population is creating a larger pool of transit dependent individuals. Our current transit system is not capable of providing adequate transit services in the entire metropolitan area. Government cannot build its way out of congestion. **Local governmental units are facing funding shortfalls which prevent them from adequately maintaining the current transportation network.**

AMM calls upon the Legislature, MNDOT, RTB, and the Metropolitan Council to develop a more comprehensive transportation program that more closely integrates transit and highways. This coordinated approach at the minimum must be designed to increase accessibility, improve air quality, and serve the transit dependent and handicapped. The AMM supports a comprehensive transportation policy that;

1. Incorporates traffic management into local and regional zoning and planning actions;
2. Encourages traffic management plans by all employers;
3. Creates a series of incentives aimed at increasing vehicle occupancy levels;
4. Discourages the use of development incentives for any project that does not contain a comprehensive traffic management plan;
5. Studies the concept of jobs to workers balance in the metropolitan area; and

TRANSIT PROGRAMS AS HIGH PRIORITY AND FUND THEM SUFFICIENTLY TO TAKE FULL ADVANTAGE OF FEDERAL ISTEA FUNDING AS WELL AS MEET THE DEMANDS OF ADA AND AIR AND NOISE STANDARDS. FUNDING ALTERNATIVES SHOULD INCLUDE BUT NOT BE LIMITED TO THE STATE GENERAL FUND, MOTOR VEHICLE EXCISE TAX OR OTHER SALES TAX, THE FARE BOX, PROPERTY TAX, AND SERVICE EFFICIENCIES.

V-C TRANSPORTATION SERVICES FUND.

A Transportation Services Fund was created for minimal activities and with minimal funding in 1991. The Legislature should adopt the recommendations of the Transportation Study Board and Minnesota Transportation Alliance which suggests using MVET to fund statewide transit needs and related non highway construction activities currently funded from the Users Fund. These are Dept. of Public Safety, Tourism, River Parkway, Safety Council and several others which are at best questionable gas tax expenditures.

THE AMM ENDORSES THE CONCEPT OF REMOVING NON HIGHWAY CONSTRUCTION AND MAINTENANCE ACTIVITIES FROM THE STATE TRUNK HIGHWAY FUND AND THE EXPANSION OF A TRANSPORTATION SERVICES FUND FOR THESE ACTIVITIES.

V-D TRANSPORTATION (HIGHWAY AND TRANSIT) FUNDING ALTERNATIVES

The need for both Highway and transit funding has been increasing significantly in the past several years while the resources dedicated or generally used for these purposes have either not kept pace or been diverted for other state priorities. The new Federal Transportation Act (ISTEA) has shifted emphasis by providing significant funds for Transit and also placed increased burden on states by increasing the local match to 20%. Transit needs in the Metropolitan Area have become critical since in some cases Highway expansion is physically or financially prohibitive, therefore capacity expansion can best be solved by transit alternatives implementation in these cases. Funding should be multi source with growth capability. Therefore, the AMM believes it is time to solve the problem on a permanent basis.

THE AMM SUPPORTS A COMBINED STRATEGY OF GAS TAX INCREASES TO KEEP PACE WITH HIGHWAY MAINTENANCE AND CONSTRUCTION NEEDS AND A DEDICATED MVET OR OTHER TAX SOURCE FOR TRANSIT FUNDING EXPANSION. IF THE LEGISLATURE CANNOT ASSURE STATUTORY DEDICATION OF SOME FUNDING MECHANISM THEN A CONSTITUTIONAL SOLUTION SHOULD BE IMPLEMENTED.

V-E HIGHWAY AND TRANSIT INTEGRATION PLANNING

An efficient Transportation System consists of both high quality roadway and high quality multimodal transit opportunities. These

V-G TRANSPORTATION UTILITY

Many cities are experiencing aging infrastructure, especially streets which are in need of replacement but because of few funding options continue to deteriorate. Chapter 429 bonds issued without election require a minimum of 20 percent assessment. However, the courts require a benefit proof that the assessment has actually increased the property value by the assessment value. For street replacement this is nearly impossible. Strict levy limits have prohibited full levy for the cost but further a general levy for full cost of street replacement might be very unfair to non benefiting property as well as higher valued classes of property. A general referendum to replace streets in one aging neighborhood would undoubtedly not pass in an entire city. The only remaining option is to legislatively establish a new funding mechanism that creates fairness. The best model available is a utility district similar to one the created for stormsewers which allows assessment annually for shared use on a volumn basis.

THE AMM REQUESTS THE LEGISLATURE TO ESTABLISH A TRANSPORTATION UTILITY AUTHORITY FOR CITIES TO USE FOR STREET MAINTENANCE AND RECONSTRUCTION SIMILAR TO THE EXISTING STORM SEWER UTILITY.

V-H '3C' TRANSPORTATION PLANNING PROCESS - ROLE OF ELECTED OFFICIALS

The transportation planning process in the Twin City Metropolitan Area has been developed in response to a variety of federal and state laws and regulations. The Metropolitan Council (MC) was formally designated by the Legislature in 1974 (1974 MRA) as the agency responsible for the administration and coordination of said planning process. Included within this designation is the responsibility for long range comprehensive transportation planning commonly referred to as the '3C' process (continuous, comprehensive, and cooperative). Federal law and regulations required that principal elected officials of general purpose local governments be part of the planning process. When the Legislature designated the MC as the transportation planning agency for the metropolitan area, it also mandated the establishment of an "advisory body" to assist the MC, and Metropolitan Transit Commission (MTC), and the Regional Transit Board, in carrying out their responsibilities. This advisory body is the Transportation Advisory Board (TAB) and contains 17 local elected officials among its membership of about 30 officials. The Federal Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991 again establishes the need for local elected officials in the 3C planning process.

The current elected official participation and '3C' process has worked reasonably well in this Metropolitan Area.

V-K TRANSPORTATION INCENTIVES/DISINCENTIVES

The AMM supports the development of a comprehensive system which will facilitate an increase in the occupancy level of cars and enhance the use of transit within the Metropolitan area. The state legislature is encouraged to consider exclusion from gross income the value of commuter transportation benefits provided by an employer and provide a tax deduction and tax credit for employers who provide commutor transportation benefits to employees.

AMM SUGGESTS THE DEVELOPMENT AND PASSAGE OF LEGISLATION THAT INCLUDES A COMMUTER TRIP REDUCTION PROGRAM AND CREATES A SERIES OF TAX INCENTIVES AND/OR IMPACT FEES THAT ENCOURAGES MULTIPLE OCCUPANCY TRANSIT USE.

V-L REGIONAL TRANSIT SYSTEM

The purpose of a Transportation System is to provide mobility for people and accessibility to and for economic development and services. The most effective system will make maximum use of all transportation alternatives and strategies where they are most appropriate, thus, creating a truly integrated system. Exclusive reliance on only freeways is imprudent and possibly cost prohibitive primarily due to social and economic upheaval of established neighborhoods for right of way acquisition. Transit improvements are imperative, but even with implementation of various load increasing strategies, the capacity is finite and will reach unacceptable saturation limits within the forseeable future. The AMM supports more coordination and integration of Transit and Highway planning and implementation.

THE REGIONAL TRANSIT SYSTEM SHOULD BE A COMBINATION OF INTEGRATED TRAFFIC MANAGEMENT SYSTEMS AND BE INCLUDED IN ALL PLANNING DOCUMENTS AT ALL LEVELS INCLUDING ENVIRONMENTAL IMPACT STATEMENT STUDIES.

THE SYSTEM COMPONENTS SHOULD INCLUDE HOV LANES, EXPRESS BUSES, AND THE LIGHT RAIL TRANSIT SYSTEM WHICH SHOULD BE BUILT WHEN IT IS APPROPRIATE AND FINANCIALLY FEASIBLE IN EACH CORRIDOR OF THE AREA TO CONNECT RESIDENTS TO JOB, RETAIL, AND COMMERCIAL CENTERS.

THE SYSTEM SHOULD ALSO INCLUDE A VARIETY OF TRANSIT MODES, INCLUDING A TAXI SYSTEM, BUSES, PEDESTRIAN AND BICYCLE FACILITIES, AND PARK AND RIDE FACILITIES, ADEQUATE TO CONNECT THE REGIONAL CENTERS, MAJOR TRIP GENERATORS AND COMMUNITIES, BOTH URBAN AND SUBURBAN.

BUS SYSTEMS AND ESPECIALLY LRT SYSTEMS SHOULD INCLUDE AMPLE REGIONAL PARK AND RIDE FACILITIES FOR AUTOMOBILES, MOTORCYCLES AND BICYCLES, WITH EASY ACCESS, CONSISTENT WITH THE PLANNING OF A

ACTIVITY OR REDIRECT METRO TARGETED STATE AGENCY FUNDS TO OTHER REGIONS.

A NEW TAX AND ITS SOURCE, TO THE DEGREE POSSIBLE, SHOULD BE RELATED TO THE USE.

A NEW TAX SHOULD BE IMPOSED AS BROADLY AS POSSIBLE AND TO THE GREATEST EXTENT POSSIBLE ON THE USER OR LARGEST BENEFICIARY OF THE ACTIVITY FUNDED.

THE TAX OR REVENUE SOURCE SHOULD BE STABLE.

THE FUNDS SHOULD BE DEDICATED TO THE STATED PURPOSE, NOT ACCOUNTED FOR IN OR THROUGH THE STATE GENERAL FUND, AND SPENT ONLY ON METROPOLITAN PROJECTS.

THE TAX OR REVENUE SOURCE CHOSEN SHOULD BE ONE THAT WILL NOT RESTRICT LOCAL GOVERNMENT REVENUE OPTIONS OR IMPACT LOCAL GOVERNMENT NEEDS FOR FUTURE CRITICAL ACTIVITIES.

N-3 TRANSPORTATION TAX

The AMM does feel that Transportation needs are becoming critical in the Metropolitan Area and that LRT must be examined within the context of the total Transportation system. A proposal has been brought forward by the Regional Transit Board to fund LRT

AMM SUPPORTS THE CONCEPT OF A METROPOLITAN TAX FOR METROPOLITAN TRANSPORTATION NEEDS, INCLUDING LRT WITH THE FOLLOWING CONSIDERATION: (1) TAXES SUCH AS THE MOTOR FUELS, MOTOR VEHICLE EXCISE TAX, SALES TAX, AND PAYROLL TAX SHOULD BE INVESTIGATED; AND (2) THE PROPERTY TAX AND GENERAL INCOME TAX SHOULD NOT BE CONSIDERED.

V-O AIRPORT POLICY

In 1987, the Minnesota State Legislature adopted the "Dual-Track" strategy for airport planning. One track focuses on a new airport option; the other on improvements at the existing airport. The choice will be made when economic, operational, environmental and cost benefits studies are completed by 1996. The Metropolitan Council has identified a search area in Northern Dakota County within which a major airport could be located. Meanwhile, the Metropolitan Airport Commission must develop a long range plan to ensure capacity at the Minneapolis St. Paul International Airport. By the end of 1995, the Metropolitan Airports Commission must also identify a specific airport site within the search area identified by the Metropolitan Council. In 1996, both the Metropolitan Council and the Metropolitan Airports Commission must prepare recommendations on major airport long-term development for consideration by the Minnesota State Legislature.

ESTABLISHED AND IMPLEMENTED TO DEVELOP BICYCLE FRIENDLY ZONES IN URBAN AREAS."BICYCLE FRIENDLY ZONES WOULD INCLUDE BUT NOT BE LIMITED TO CONSTRUCTION OF BOTH ON AND OFF ROAD BICYCLE FACILITIES, PUBLIC EDUCATION, PROMOTION AND MONITORING. ON ROAD FACILITIES COULD VARY FROM STRIPPED PAVED SHOULDERS TO DESIGNATED BICYCLE LANES.

V-Q OPTOUT

In 1981, the Minnesota Legislature established the Transit Service Demonstration Program under Statute 174.265 (which was repealed in 1984 as a demonstration program). Opt-out transit systems operate under Statute 473.388 under which they qualify for transit funds equivalent to 90 percent of the property taxes levied for transit in their communities. The legislature recognized that little of the transit monies collected from the suburbs were actually providing those areas with transit services. With changing demographics caused by suburban growth, not only was transit needed, but suburban legislative support was becoming more and more critical for continued transit funding. Opt-out was designed to fill this void by allowing suburbs at the end of efficient transit services in their areas. The Regional Transit Board (RTB) is responsible for overseeing the opt-out program. The opt-out program includes five transit systems serving 12 metro-area communities.

Some issues of regional significance have been identified as areas of concern by the opt-out systems. The regional fare structure should be reviewed annually so that it is realistic. The opt-out systems should have the flexibility of diverging from the metropolitan fare structure, particularly if their services offer features not typically found in regular route or para transit systems. The RTB should encourage the concept of "opt-in" whereby communities otherwise ineligible for opt out may have a greater say in the type of transit service they receive from the MTC instead of "taking what they get." Such a program would foster the involvement of other municipalities which will benefit the Regional Transit System through services better matched to community needs and increased ridership.

THE AMM URGES THE LEGISLATURE TO DIRECT THE RTB TO ANNUALLY REVIEW THE REGIONAL FARE STRUCTURE AND PROVIDE GREATER FLEXIBILITY TO SET FARES COMMENSURATE WITH SERVICE LEVELS, AND ENCOURAGE THE CONCEPT OF "OPT-IN" PROVIDING GREATER MUNICIPAL INVOLVEMENT IN TRANSIT SERVICES.

1993 Commuter Trip Reduction Act
Revised 10/23/92

Introduction: The RTB is initiating Commuter Trip Reduction Act to discourage use of SOV and provide incentives to commuters who travel in multi-occupancy vehicles. By working with employers in congested corridors businesses are able to insure the mobility of their employees. The Metropolitan Council's Regional Transit Facilities Plan identifies this region's major transportation problem has an excessive reliance on single-occupant cars that are costly in terms of construction traffic congestion, energy use and pollution. The Metropolitan Council's plan states that one of the actions needed is employer and community involvement in requiring trip reduction at work sites. National experience suggests that overall effectiveness of transportation demand management is tied to private sector mandates as most voluntary efforts have provided little impact. Similar legislation has been implemented in Arizona, New Jersey, Colorado, Washington, and California.

Purpose: Implementation of the Commuter Trip Reduction Plan can reduce the reliance of single occupancy vehicle (SOV) trips during peak hours, preserve petroleum resources, maintain air quality, and protect the environment, keeping the metro area an attractive convenient place to live and work.

The mandatory aspects of this ordinance are designed to require employers (and owners of multi-tenant buildings) to take action to encourage their employees (and tenants) to participate in transportation demand management activities. It is the intention of the Regional Transit Board that employers (and complex operators) who act in good faith to comply with these provisions shall not be penalized for lack of participation of employees (or tenants) in commute alternatives.

The RTB will designate congested zones in compliance with Met Council's congestion management area plan and regional business concentration annual review with revision of zones as necessary.

Goals:

- Assure that all existing and future employers (and complexes) participate in mitigating traffic problems by implementing TDM measures.
- Reduce traffic impacts in the region by reducing 1) the number of auto trips, 2) daily parking demand, and 3) increasing vehicle occupancy
- Increase public awareness and encourage added public use of alternatives to commuting by single occupant vehicles.
- Encourage coordination and consistency between public agencies and private sector in planning and implementing TDM programs.

Outlines: RTB will establish a commuter trip reduction program for SOV trips in consultation with Met Council, MTC, Mn/DOT, local units of government and private employers. Plan will be consistent with Met Council transportation policy plan.

<u>AFFECTED PARTIES</u>:

Public, private, non-profit employers (and building owners of multi-tenant complexes).

<u>REQUIREMENTS</u>:

<u>Employers of 25-99:</u> Submit following information to the board:
(1) name and address of employer
(2) contact person at work location
(3) number of employers at work
(4) survey of commuting patterns of employees which includes
    A) origin and destination data
    B) passengers with disabilities requiring specialized transit provision
    C) employees work shift starting and ending times
    D) existing mode split of employees

* Must contact Mn/RS

<u>Employers 100+</u>: Submit following information to the board:
(1) name and address of employer
(2) contact person at work location
(3) number of employers at work
(4) survey of commuting patterns of employees which includes
    A) origin and destination data
    B) passengers with disabilities requiring specialized transit provision
    C) employees work shift starting and ending times
    D) existing mode split of employees

(5) Commuter trip reduction plan. Plan includes:
    1) summary and analysis of survey results including O&D data, service needs
    assessment, current average vehicle occupancy
    2) list of commuter trip reduction strategies currently used by employer
    3) list and description of strategies to achieve vehicle occupancy rate goal for zone, including but not limited to: use of flex time, incentives for ridesharing (car pooling and van pooling), use of mass transit, and non-motorized transportation (bicycling and pedestrian initiatives)
    4) parking reduction

<u>New Development</u>:

IMPLEMENTATION TAX INCENTIVES

Tax benefits are recommended for alternative means of commuting.

Commuter Transportation Benefits. Defines "commuter transportation benefits" in section 290.01 as the amount paid or incurred during the taxable year by an employer for providing employees alternatives to commuting to and from work in motor vehicles occupied by one person. The benefits include, but are not limited to, parking for carpools, transit passes, bicycles, other equipment, and management strategies that reduce individual commuting.

We will draft to conform with the Federal Transit Pass Tax Provision.

[I have requested a meeting with Senate Tax Committee and the Department of Revenue staff to determine revenue implications]

ESTABLISH ADVISORY BOARD/PEER REVIEW/APPEAL PROCESS

Subd. 2. Commuter Trip Reduction Advisory Council. The program has a 13 member advisory council consisting of the commissioners of transportation, RTB, pollution control agency, public safety, trade and economic development, and administration, and the chairs of the metropolitan council and MTC, or their designees, and six representatives of business, labor, and local government appointed by the governor. The governor's appointees have four-year terms, the others have terms coterminous with the respective commissioners or chairs. The appointing authority may remove a member at any time, under section 15.059, subdivision 4.

RTB required to develop public education program.

RTB pursue full implementation of Vision for Transit.