



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,
Seventh Floor Conference Room
Tuesday, February 16, 1993
4 p.m.**

AGENDA

- A. CALL TO ORDER AND ROLL CALL**
- B. APPROVAL OF AGENDA**
- C. APPROVAL OF MINUTES:**
 - 1. Legislative Committee Meeting, January 19, 1993
 - 2. Regional Transit Board Meeting, January 19, 1993
 - 3. Policy Committee Meeting, January 25, 1993
 - 4. Regional Transit Board Meeting, February 1, 1993
- D. CHAIR'S REPORT**
- E. MEMBERS' REPORTS**
- F. EXECUTIVE DIRECTOR'S REPORT**
- G. REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE**
Ruth Franklin, Chair
 - 1. 1993 Provider Capital Funding and Contracts
 - 2. Electronic Registering Fareboxes for Non-Metropolitan Transit Commission Providers
 - 3. Minnesota Valley Transit Authority Capital Funding Request
 - 4. Western Suburbs Route 55 Contract Extension
- H. OTHER BUSINESS**
 - 1. Presentation by Minnesota Department of Transportation on the Preferred Alternative for I-35W Reconstruction
- I. PUBLIC COMMENT**

John H. Riley
Chairman

2/8/93
mff



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
February 16, 1993**

MEMBERS PRESENT: John H. Riley, Chair; Maryann Campo; Doris Caranicas; Sharon Feess; Ruth Franklin; Val Higgins; Ruby Hunt

MEMBERS EXCUSED: Tom Sather and Sandra Hilary

OTHERS PRESENT: Mike Robertson, legal counsel; Arnie Entzel, Amalgamated Transit Union, Beverley Miller, Minnesota Valley Transit Authority, Melanie Benson, Metropolitan Transit Commission (MTC); Ken Stevens, Hennepin County Regional Railroad Authority; Adam Josephson, Minnesota Department of Transportation (Mn/DOT); Lisa Lee, George Bentley; Sherry Munyon, Gregory L. Andrews, Judy Hollander, Len Simich, Dale Ulrich, Debra Nelles Sorenson; Stephanie Eiler, Randy Rosvold; 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

Hunt asked if members will have an opportunity to discuss the Metropolitan Council's transit governance proposal. Franklin asked if the other members have received the letter regarding 1992 MTC bonuses. Riley said it is a serious matter, but he would prefer receiving a written response before the board discusses the issues. Caranicas moved and Feess seconded approval of the agenda. The motion carried unanimously.

APPROVAL OF MINUTES

Higgins moved and Feess seconded that the board approve the following minutes:

Legislative Committee Meeting, January 19, 1993
Regional Transit Board Meeting, January 19, 1993
Policy Committee Meeting, January 25, 1993
Regional Transit Board Meeting, February 1, 1993

The motion was unanimously approved.

CHAIR'S REPORT

Legislative Activity

Chair Riley reported on the four hearings he participated in at the Legislature. Two hearings were focused on funding and he has taken the stance that any mechanisms other than extending the sales tax to automobile repairs would be acceptable to RTB. He opposed the auto repair tax because of its regressive nature. There was a hearing on whether to force the opt-outs back into the system. Riley said they have been a successful part of the system and have generated a large portion of the ridership increases. Therefore, we should focus on making other parts of the system work better and not disrupt out-out services.

Metro Mobility Provider Contract Negotiations

The chair said he has been pleased with the Metro Mobility negotiations. Ten providers have signed contracts, we lost one provider, and one intends to sign. Everyone should feel good about this outcome but we now have a moral commitment to complete the restructuring of the service by the announced November deadline.

Transit Governance and Funding

Several proposals for transit governance have surfaced. There was an embargo against calling members until 2 p.m. on February 15 when the Metro Council proposal was announced in a press conference. He will prepare a summary of each of the three bills and circulate them to the board and staff. Responding to Hunt's question about authors, Riley said there is no author for the Metro Council proposal, and Rep. Carruthers will author his own legislation. Next week Mn/DOT will propose a transit funding bill calling for a five-cent gas tax, and a constitutional amendment allowing transit to utilize gas tax funds that would be placed on the ballot in 1994. At this time the board should not get between competing proposals and should be prepared to accept any of the bills. When there is consensus on the need, the details of a consensus solution can be worked out.

Minnesota Transportation Alliance Conference

The week of February 22 the chair will go to Washington for the Minnesota Transportation Alliance (formerly Good Roads) conference in order to meet with new Federal Transit administration people and make contacts with the congressional delegation.

Members' Expenses and Per Diems

The chair said he has taken a strict standard on expenses and per diems and will draft a proposal for new guidelines for the board. Tickets for special events will be approved only if they have a direct bearing on agency business. No social events will be approved. He will pay his own expenses for his activities that are not entirely agency-related.

MEMBERS' REPORTS

Franklin asked if there will be a workshop for members to discuss the various transit governance proposals and develop a position. Riley said the bill has not yet been written. Each member can take his or her own position. There is some wisdom in subtly steering the process. This initiative began with the belief that appointed boards lack accountability. Chair Rietow believes that when lines of authority are strengthened, accountability is also strengthened. The major change is the elimination of the RTB and MTC boards. Franklin said that she has served for a long time, first on MTC and from the beginning on RTB. Knowing the amount of work involved, if there is no board and only one person in charge, she questioned whether elderly people and people with disabilities will have enough places where they can get information and get their messages across.

Riley said he does not wish to oppose or defend any of these proposals, but if one of them is adopted, the board's system of communication will have to be strengthened. In handling tough issues, any system will work with the right people; without them, nothing work. The Legislative Audit Commission did not call for a change in the structure of the agencies. If there is one, it is important that policy development and execution be separated.

Hunt asked Riley to explain the council's proposal on LRT governance. Riley said it is the same as the legislation from last session with the three sentences that caused its veto omitted. The debate on who operates the system may not be over. One can question whether the people who run the bus system should run the train. Nationally, the common structure is one entity running both systems.

Higgins said, while it gets difficult sometimes with boards appointing boards that appoint boards, he would sorry to see them eliminated. The opt-out communities and providers look to this board as entrée into the system and a source of feedback. Two years ago it was not true, but today the opt-out communities would support continuation of the board. Campo asked if it would be appropriate for the board to take a formal position jointly with the MTC. Riley said members are not precluded from taking a different position but should proceed very carefully in order to be players at the table.

Franklin asked how other members feel about having a retreat to discuss the options and develop a position. Hunt said at this point she would prefer individual responses. Rep. Irv Anderson plans to schedule a hearing on all the proposals. The board could be seen as protecting its turf.

The chair said he will get information out to everyone and make arrangements for a special meeting. Responding to Hunt, he said the council plans to proceed with the appointment of new members. Even if the governance proposal passes, it would not be effective until July. There are three approaches on the table and they will provoke more.

Campo announced that in conjunction with the RTB's Bike Advisory Committee, which she chairs, the RTB will sponsor a coffee break at the upcoming CTS Bike Conference. The chair urged members to attend the conference.

EXECUTIVE DIRECTOR'S REPORT

Andrews reported that last week Howard Blin made a presentation to the Committee of the Whole of the Metropolitan Council on the RTB's Five-Year Plan. The council is expected to adopt the plan on February 25, 1993.

REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE:

Franklin reviewed the report of the committee's meeting on February 8, 1993.

1993 Provider Capital Funding and Contracts

Franklin moved and Feess seconded:

That the Regional Transit Board approve 1993 capital funding and authorize the executive director to enter into capital contracts with the following providers in amounts not to exceed:

| | |
|-----------------------|----------|
| Carver County | \$36,800 |
| Scott County | \$35,102 |
| Senior Transportation | \$28,000 |

The motion was unanimously approved.

Electronic Registering Fareboxes for Non-Metropolitan Transit Commission Providers

Franklin moved and Feess seconded:

That the Regional Transit Board direct RTB staff to coordinate with Metropolitan Transit Commission (MTC) staff to purchase electronic fareboxes, magnetic stripe readers, and computerized data collection and reporting systems for the purpose of leasing this equipment to non-MTC providers of regular route service. Staff shall also direct the MTC to amend their 1993 capital budget to fund these purchases.

Riley commented that for the same reasons that this is a good decision for regular route, it will be valuable for the opt-out communities; he joined in seconding the motion. The motion was unanimously approved.

Minnesota Valley Transit Authority Capital Funding Request

Franklin moved and Caranicas seconded:

That the Regional Transit Board enter into a capital agreement with the Minnesota Valley Transit Authority in an amount not to exceed \$90,000 for the development, preliminary engineering, and/or expansion of park-and-ride facilities in the Minnesota Valley Transit Authority's operating area.

The motion was unanimously approved.

Western Suburbs Route 55 Contract Extension

Franklin moved and Caranicas seconded:

That the Regional Transit Board authorize the executive director to amend the Western Suburbs Route 55 contract (Contract 92/20/04-14) with the Metropolitan Transit Commission by a maximum of \$101,306 to \$715,309 for the period of April 1, 1992 through May 31, 1993.

The motion was unanimously approved.

OTHER BUSINESS

Members concurred with the chair's suggestion that he arrange a special session and invite the authors of proposed legislation to brief the board on their funding proposals.

Munyon distributed a letter, dated February 16, concerning transit funding and governance legislative proposals.

Presentation by Minnesota Department of Transportation on the Preferred Alternative for I-35W Reconstruction

Adam Josephson, Mn/DOT Project Manager for I-35W, used slides to illustrate the major features of the reconstruction and answered questions from the members and the audience. Staging of these projects is increasingly a function of available funding.

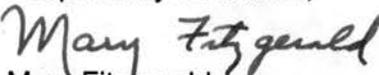
PUBLIC COMMENT

Lisa Lee said Josephson has confirmed earlier figures showing that light rail transit will take as much space as four freeway lanes.

There being no other business, Higgins moved and Feess seconded that the meeting be adjourned. The motion was unanimously approved; the meeting adjourned at 5:25 p.m.

I hereby certify that the foregoing constitutes a true and accurate record of the Regional Transit Board's meeting of February 16, 1993.

Respectfully submitted,


Mary Fitzgerald
Secretary

Approved by the Regional Transit Board on this sixteenth day of February 1993.

mff
2/18/93

2/1/92

REGIONAL TRANSIT BOARD

ROLL CALL AND ATTENDANCE SHEET

DATE: 2/16/93

Member Name Present Vote Vote Vote Vote Vote Vote Vote Vote

ISSUE

John Riley

✓

Maryann Campo

—

Doris Caranicas

✓

Sharon Feess

✓

Ruth Franklin

✓

Val M. Higgins

✓

Sandra Hilary

Ruby Hunt

✓

Tom Sather

Visitors

M. Robertson, Arnie Entzel, Carol Kummer, Bonnie

Featherstone, George Bentley

Ben Miller

Ada Josephson

Melanie Benen

Lucy Lee

mff Ken Steven Horn

Staff

GLA JH HB EK SH SM MF JF DJ LS MO

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

**Minutes of the Meeting of the
LEGISLATIVE COMMITTEE
January 19, 1993**

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

MEMBERS EXCUSED: Sandra Hilary

OTHERS PRESENT: Paul Wallace, Metropolitan Transit Commission (MTC); George Bentley, Arnie Entzel, Amalgamated Transit Union; Gregory L. Andrews, Sherry Munyon, Mary Fitzgerald, RTB staff

CALL TO ORDER AND ROLL CALL

The chair called the meeting to order at 3:35 p.m. and roll was taken.

APPROVAL OF AGENDA

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

Update on Legislative Activities

Munyon distributed copies of the Regional Transit Board and Metropolitan Transit Commission 1993 Legislative Initiatives. Wallace presented the MTC's position on MTC Policy and Security Operations and responded to questions. The legislation is "housekeeping" and will not affect the way things are done. Members questioned who is liable now and how it would change if the legislation is enacted. Wallace said there will be no change. Higgins asked, if an officer is involved in a situation with potential liability on his actions while working for MTC, who is liable? It appears the liability is with MTC, which has no insurance to cover it and is exposed right now. Andrews suggested that legal counsel contact Tom Weaver. Hunt moved and Franklin seconded that the matter be referred to the Policy Committee at its January 25 meeting and staff be directed to work with their appropriate counterparts at MTC to develop a specific proposal and attempt to attach a dollar figure and state retirement obligations. Campo said the information should be very specific--hours, regulations, union or non-union. The motion was unanimously approved.

Bentley there is a secondary liability question with regard to whether MTC will provide service for the routes that are contracted-out routes.

Munyon distributed a list of the Minnesota Public Transit Association 1993 Legislative Issues for the members to review and discuss at the February 1 meeting.

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

I hereby certify that the foregoing constitutes a true and accurate record of the Regional Transit Board's Legislative Committee meeting of January 19, 1993.

Respectfully submitted,

Mary Fitzgerald
Secretary

Approved by the Regional Transit Board on this sixteenth day of February 1993.



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
January 19, 1993**

MEMBERS PRESENT: Vice Chair Ruth Franklin, Maryann Campo, Doris Caranicas, Sharon Feess, Val M. Higgins, Ruby Hunt, Tom Sather

MEMBERS EXCUSED: Michael J. Ehrlichmann and Sandra Hilary

OTHERS PRESENT: Joe Morley, National School Bus Services, Inc.; Michael Robertson, Larkin, Hoffman, Daly & Lindgren, Ltd.; Allyson Hartle, Metropolitan Transit Commission (MTC); George Bentley, Arnie Entzel, Amalgamated Transit Union; Gregory L. Andrews, Judy Hollander, Edward Kouneski, Dave Jacobson, Dale Ulrich, Howard Blin, Mary Fitzgerald, RTB staff

CALL TO ORDER AND ROLL CALL

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

APPROVAL OF AGENDA

Caranicas moved and Sather seconded that the agenda be approved. The motion carried unanimously.

APPROVAL OF MINUTES

Feess moved and Sather seconded that the minutes of the following meetings be approved:

Regional Transit Board Meeting, December 21, 1992
Policy Committee Meeting, December 21, 1992
Legislative Committee Meeting, December 21, 28 and 30, 1992

The motion was unanimously approved.

EXECUTIVE DIRECTOR'S REPORT

UPDATE ON NICOLLET MALL SHUTTLE

Blin distributed maps of the area served by the Nicollet Mall Shuttle and the Second Avenue Shuttle and responded to questions.

UPDATE ON METRO MOBILITY CONTRACT NEGOTIATIONS

Jacobson reviewed the January 18, 1993 memorandum regarding the provider contract negotiations. Responding to Campo's questions, Morley said that in his letter to Andrews, dated December 28, 1992, he stated that the rates are not enough to make it feasible for National Bus to continue providing Metro Mobility service. Exactly one year ago they were in the same position and believed that by October 1992 there would be a new program in place. They cannot afford to continue past February 28, 1993 unless something can be worked out. In the letter National stated they need an increase of approximately 20- to 25-percent across the board. The contract terminated in December 1992 and there is a 30-day escape clause. National decided to give RTB 60 days in an attempt to work things out, but little progress has been made. National has been dealing with RTB staff, but if matters cannot be resolved they will have to terminate service.

Hollander said this is the third round of concessions and RTB simply does not have any more money. The board's only available solution is to continue suspension of the Trip Assurance program. Staff has not made this recommendation because it does not comply with the requirements of the Americans with Disabilities Act (ADA). Staff recommends the question be put to the Transportation Accessibility Advisory Committee (TAAC). The board would be subject to lawsuits. Other providers have approached staff expressing interest if National withdraws.

Responding to Sather's questions, Morley said the capital situation came up quickly. Capital, depreciation and interest costs are roughly 14- to 15-percent. If the subsidy were the same and National received capital funds they could continue. Trip Assurance requires providers to take trips that are distance-based--15 to 20 miles. In that time period they could provide two shorter trips.

Jacobson, responding to Hunt, said there are 12 providers and National delivers about 15-percent of the service. Hollander said other providers can bid on some standing orders. Staff is confident the service can be maintained if National terminates. However, providers have been meeting among themselves and staff has heard that some others may also drop out, which would be a concern.

Hunt said the staff recommendation is the only alternative. Feess asked if it was appropriate process to send the issue back to TAAC. Hollander said some of the issues are not those that TAAC is concerned with but the advisory committee is interested in Trip Assurance, which is a major policy issue.

Higgins said that at his last meeting, Michael Ehrlichmann said RTB spends a disproportionate amount of time on this, given the constraints. With the cap imposed by the Legislature and the operational problems with Trip Assurance, RTB has to throw in the towel and ask the Legislature to come to our rescue. Franklin asked if the riders and the providers, who must know what the situation is, are doing any lobbying. Hollander said RTB has been focused on the restructuring, which will solve several problems faced in negotiations. The Metro Mobility funding request is constrained by directives from the Department of Finance.

Hunt said perhaps the number one priority should have been to clearly explain to the House and Senate that service will have to be cut back without additional funding. Higgins suggested that RTB bite the bullet and tell the Legislature to give RTB enough funding or cease operations.

Campo said this should have been discussed at the Legislature. RTB should ask to make a presentation at the next hearing. She asked Morley if National Bus still considers itself under the 60-day notice. Morley replied that he would have to communicate with the corporate staff and the National board, which will make that decision. Hunt asked for clarification of the board's options--can RTB cut back service to maintain Trip Assurance? Hollander said that if RTB stays with existing policies, the options are Recommendation No. 1 with the risk of losing providers. Two other options are based on TAAC recommendations to suspend Trip Assurance until the program is restructured. Another option is to go back to the drawing board and eliminate some service areas. The problem in going to the Legislature is that this is related to 1993 contracts. There would be no decision on an allocation until June but RTB must stay within the budget. In the past the Legislature was not sympathetic. It is impossible to move the October date forward. There is so much work to be done that the October date is ambitious. The intent is to fill the gap with other providers.

Responding to Hunt's questions, Andrews said in the last contract the fares were changed to conform with the bus zones, thereby eliminating the higher fares for longer trips.

Morley told Higgins he would have to contact the company for a decision on whether suspension of Trip Assurance would be sufficient reason to stay in the program. Higgins said it appears that nothing would be accomplished by delaying reinstatement of the Trip Assurance program to March 1. Higgins moved and Caranicas seconded:

That the Regional Transit Board amend the 1993 Metro Mobility contract to delay the implementation of the Trip Assurance Program from February 1, 1993 to March 1, 1993.

Hunt offered a substitute motion:

1. That the Regional Transit Board amend the 1993 Metro Mobility contract to include the following items:
 - a. Push back the freezing of volume locations from December 15, 1992 to July 1, 1992; and
 - b. Delay the implementation of the Trip Assurance Program from February 1, 1993 to March 1, 1993.
2. That the Regional Transit Board direct discussion of the Trip Assurance Program to the Transportation Accessibility Advisory Committee for input on implementation.

Sather seconded the motion. The substitute motion was unanimously approved.

REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE

Committee Chair Franklin reported on the action taken at the committee's January 11, 1993 meeting:

Financial Statements - November 1992

Franklin moved and Feess seconded:

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

The motion was unanimously approved.

There being no other business, Sather moved and Campo seconded that the meeting be adjourned. The motion was unanimously approved and the meeting was adjourned at 5:45 p.m.

I hereby certify that the foregoing constitutes a true and accurate record of the Regional Transit Board's meeting of January 19, 1993.

Respectfully submitted,

Mary Fitzgerald
Secretary

Approved by the Regional Transit Board on this sixteenth day of February 1993.



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

**Minutes of the Meeting of the
POLICY COMMITTEE
January 25, 1993**

MEMBERS PRESENT: Val M. Higgins, Vice Chair; Maryann Campo; Ruby Hunt

MEMBERS EXCUSED: Sandra Hilary

OTHERS PRESENT: John Riley, RTB Chair; Doris Caranicas, RTB Member; Michael Robertson, Larkin, Hoffman, Daly and Lindgren, Ltd.; Lisa Raduenz; Robert Mairs, Allyson Hartle, Paul Wallace, Metropolitan Transit Commission (MTC); Chris Gran, Metro Mobility Administrative Center; Morgan Grant, Transportation Accessibility Advisory Committee (TAAC); Paul Duvall, Yellow Cab; George Bentley; Karen Lyons, Metropolitan Council; Gregory L. Andrews, Judy Hollander, Barb Quade, Ed Kouneski, Dave Jacobson, Paul Moline, Randy Rosvold, Mary Fitzgerald, RTB staff

CALL TO ORDER AND ROLL CALL

Vice Chair Higgins called the meeting to order at 4:05 p.m. and roll was taken.

APPROVAL OF AGENDA

An amended agenda had been distributed, which deleted Item 7, Use of Bond Proceeds to Fund and/or Acquire Vehicles for Metro Mobility, Rideshare and Transit Services Competitively Procured" and added "Legislative Initiative to Create an MTC Law Enforcement Agency." Higgins said that MTC Commissioner Mairs has asked that the latter item be moved to the top of the agenda. Hunt moved and Campo seconded approval of the agenda, as amended. The motion carried unanimously.

APPROVAL OF LEGISLATIVE INITIATIVE TO CREATE AN MTC LAW ENFORCEMENT AGENCY

Mairs referred to Wallace's presentation to the board on January 19 regarding the proposal to seek legislation authorizing the creation of an MTC law enforcement agency and referred to a letter from RTB legal counsel Robertson to the chair. Robertson reviewed the legal issues. Mairs said MTC can provide \$4 million in security services for \$1 million. He has been assured that police officers will be used on a part-time basis.

Wallace said he has passed all the requisite tests. Hunt asked that board members be furnished with a written statement from the post board. It is extremely important that information be furnished in writing. Robertson recommended that the legislation make it clear that part-time officers can be used. That will ensure that MTC can continue its current practice. Higgins said the mandate should be "must be used" rather than "can be used." MTC Commissioner Hartle called him and provided information which assured

him that the enabling legislation will provide that this will not become a full-time police department. Police officers from other police departments will be employed part-time. Mairs said the issue is addressed in the resolution. Caranicas said this issue will go to the board next week and by that time the members will have received all the correspondence. It is important to make the public and the bus drivers feel safe.

Campo said that as a member of an oversight body, she is concerned about losing the flexibility to use part-time employees. She asked if language can be added to establish checks and balances. Higgins said the proposed legislation would permit two full-time employees. If that is the case it would take legislative approval to change, which is even more stringent than members are proposing. He is now comfortable with it but wishes to review the proposed bill before it is presented to the full board. Mairs said the MTC passed a resolution endorsing the plan. The bill has not yet been written.

Hunt moved and Campo seconded:

That the Regional Transit Board approve the concept of the legislation establishing an MTC law enforcement agency, which should reflect the concerns expressed by board members.

The motion was unanimously approved.

Higgins introduced and welcomed John Riley, the new Chairman of the Regional Transit Board, who assumed his new responsibilities on January 20, 1993. Higgins asked Mairs to discuss with MTC Legal Counsel Weaver the possible need for one or two full-time investigators.

AUTHORIZATION TO ISSUE REQUEST FOR PROPOSAL FOR METRO MOBILITY PROGRAM

The Transportation Accessibility Advisory Committee has scheduled a meeting on January 26. Its concerns and those of the board members will be included in the recommendation to the board. The Legislature would have to approve additional RTB bonding authority and expand the scope of its authority to permit RTB to purchase vehicles. Riley said he removed the item from the agenda because getting into those activities would be a very significant step with risks behind it that merit discussion. Hunt asked Riley how it will all fit together and whether he expects to recommend that the board proceed. Riley said he does not anticipate a conclusion and has some questions about getting into buying vehicles and becoming an operator, which would change the nature of the agency. This is a very large decision at a time when the Legislature is trying to decide which way to go. He does agree with centralized dispatching, which he is convinced can provide significant efficiency. Responding to Riley's question, Higgins said the committee has not discussed fleet ownership on a formal basis. Campo moved and Hunt seconded:

That the Regional Transit Board authorize the release of a Request for Proposals (RFP) for a system coordinator to provide centralized reservation, scheduling, dispatch and management functions, with the understanding RFP will be revised to sever the issue of fleet ownership.

The motion was unanimously approved.

APPROVAL OF UPDATED AMERICANS WITH DISABILITIES (ADA) TRANSIT PLAN

Quade reviewed the updated plan. The process for review and approval is described in her memorandum dated January 18, 1993. Higgins questioned the propriety of approving the plan with the Trip Assurance issues not yet decided. Hollander said the plan would have to be revised before it is submitted to the Chicago office of the Federal Transit Administration. With the understanding that any subsequent changes by the TAAC committee will be incorporated, Hunt moved and Campo seconded:

That the Regional Transit Board approve the updated ADA Paratransit Plan for submission to the Federal Transit Administration.

The motion was unanimously approved.

AUTHORIZATION FOR PUBLIC HEARINGS ON PRELIMINARY RECOMMENDATIONS FOR HIGH SUBSIDY ROUTES: METROPOLITAN TRANSIT COMMISSION (MTC) ST. PAUL ROUTE 35C, MTC ST. PAUL ROUTE 35H, MTC ST. PAUL ROUTE 35FN

Moline reviewed the January 15 staff report. Hunt moved and Campo seconded:

That the Regional Transit Board:

1. Authorize a public hearing, to be conducted jointly by the Regional Transit Board and the Metropolitan Transit Commission, on the proposed restructuring and consolidation of MTC Route 35FN with existing North Suburban Lines Service in the area.
2. Authorize a public hearing on the proposed restructuring of MTC St. Paul Routes 35C and 35H to be conducted jointly by the RTB and MTC.

The motion was unanimously approved.

APPROVAL OF FINAL RECOMMENDATIONS FOR HIGH SUBSIDY ROUTES: MTC MINNEAPOLIS ROUTE 35P, MTC MINNEAPOLIS ROUTE 26 SATURDAY, AND WESTERN SUBURBS ROUTE 55 SATURDAY

Moline presented the January 15 staff report. He noted that the reference should be Route 26, not 20. He used slides to illustrate the staff recommendations for the routes. Hunt moved and Campo seconded:

That the Regional Transit Board:

1. Eliminate MTC Minneapolis Route 26 Saturday service.
2. Restructure MTC Minneapolis Route 35P service to eliminate the inbound commute and retain the reverse commute portion of the service.
3. Restructure Western Suburbs Route 55 Saturday service to coincide with the service implementation outlined in the Western Suburbs Request for Proposal.

Higgins said when this process started a few months ago he was concerned that the people who rely upon those routes to get to work are protected. It was clear at the public hearings that people rely heavily upon those routes. Moline said there are substitute routes available. Staff was mainly concerned with 35P and is recommending that a portion be retained. Route 26 Saturday service is mainly used for social trips and people are satisfied with the alternates. The motion was unanimously approved.

PUBLIC COMMENT

Paul Duvall said there are some situations in Metro Mobility service where communications can be improved. Many riders do not understand the zone lines. Since many of them are blind, they cannot find out about service changes because their messages are printed. The Good Samaritan law should be amended. Because of insurance requirements the driver can only extend an arm to help clients and if he or she goes beyond the client's door the insurance will not cover any mishap. There should be some way to make it possible to do what should be done to assist the rider.

Central dispatching is a good idea but there should be MTC or RTB supervisors on the street. The MTC supervisors duties could be extended to cover Metro Mobility. Most riders do not know about the 15-minute window. The traffic supervisors should each be assigned certain sections and network their computers with the providers. They could be out in the community to solve problems and assist stranded passengers. Hunt thanked Duvall for his input since he is clearly service-oriented. Higgins asked him if he is aware of the TAAC committee and suggested that he apply for appointment to fill one of the upcoming vacancies on that advisory committee. Campo asked him to mention to other providers that the board is happy to receive this kind of input. Duvall said drivers are forming a drivers' association at Yellow Cab. Caranicas said taxicabs are the appropriate vehicle for most Metro Mobility users. The lift equipped vans are not. She has suggested that the consultant talk with drivers.

There being no other business, Campo moved and Hunt seconded that the meeting be adjourned. The motion was unanimously approved; the meeting adjourned at 5:10 p.m.

I hereby certify that the foregoing constitutes a true and accurate record of the Regional Transit Board's Policy Committee meeting of January 25, 1993.

Respectfully submitted,

Mary Fitzgerald
Secretary

Approved by the Regional Transit Board on this sixteenth day of February 1993.



REGIONAL TRANSIT BOARD
Mears Park Centre, 230 East 5th Street
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**Minutes of the Meeting of the
REGIONAL TRANSIT BOARD
February 1, 1993**

MEMBERS PRESENT: John H. Riley, Chair; Maryann Campo; Doris Caranicas; Sharon Feess; Ruth Franklin; Val Higgins; Tom Sather

MEMBERS EXCUSED: Ruby Hunt and Sandra Hilary

OTHERS PRESENT: Carol Kummer, Metropolitan Council Liaison; Morgan Grant, Transportation Accessibility Advisory Committee; Lisa Raduenz; Chris Gran, Metro Mobility Administrative Center; Sara Brodt Lenz, Ebenezer Society; Allyson Hartle, Robert Mairs and Paul Wallace, Metropolitan Transit Commission; Mike Robertson, legal counsel; Mark Hoisser, DARTS; Arnie Entzel, Amalgamated Transit Union, Karen Lyons, Metropolitan Council; Sherry Munyon, Gregory L. Andrews, Judy Hollander, Dave Jacobson, Dale Ulrich, Howard Blin, Randy Rosvold, Barb Quade, Mary Fitzgerald, RTB staff

CALL TO ORDER AND ROLL CALL

The chair called the meeting to order at 4:25 p.m. and roll was taken.

APPROVAL OF MINUTES

Campo moved and Higgins seconded that her name be deleted from the second page of the January 4 board meeting minutes. The motion was unanimously approved. With that amendment, Campo moved and Feess seconded that the minutes of the following meetings be approved:

Regional Transit Board Meeting, December 7, 1992
Regional Transit Board Meeting, December 28, 1992
Regional Transit Board Meeting, January 4, 1993

The motion was unanimously approved.

Franklin moved and Campo seconded that the minutes of the Administration and Finance Committee meeting of January 11, 1993 be approved. The motion was unanimously approved.

CHAIR'S REPORT

This was Chairman Riley's first meeting and he spoke of his goals in this new position and the issues facing the board. The Regional Transit Board must devise a scheme for creating a dedicated fund for transit finance. Without it, there is no potential for growth. He discussed the history of the state's constitutional dedication of gas taxes, license fees, and the prohibition against imposition of any other taxes on automobiles, passed in the 1920s. This has had the effect of denying transit any source of funding outside the general fund. With the state facing large annual budget shortfalls, all General Fund

programs face potential reductions or, at best, no growth in funding. In Greater Minnesota many areas have no transit service.

The Regional Transit Board needs to be the expert on ridership projections and establish ground rules from the start in order to provide reliable projections on which to base service decisions.

In attempting to assign a priority to which people we serve, highest priority must be assigned to those who have no mobility option except for transit. The board must address the needs of the elderly, persons with disabilities and others who depend upon transit, and commit itself to completing the restructuring of Metro Mobility by the end of this year. The board must develop the maximum possible service within its budget constraints.

RTB will also have to look at the quality of suburban service. The problem of congestion cannot be tackled without providing incentives to use suburban transit. In working on the Governor's budget last year, Riley said it became clear to him that we must be very careful in allocating resources. The board has a great deal of power over how resources are used and the dollars that are available must be spent to deliver maximum service in the most efficient manner.

Legislative Meetings

Munyon distributed a memorandum, dated February 1, showing the legislative meetings and presentations made in January.

REPORT OF THE LOCAL OFFICIALS ADVISORY COMMITTEE

Munyon reviewed the resolution approved by the committee at its meeting on January 20. Caranicas moved and Campo seconded:

That the Regional Transit Board direct staff to forward the Local Officials Advisory Committee's resolution in support of dedicated transit funding to the Association of Metropolitan Municipalities with the request that it be distributed to all local units of government.

The motion was unanimously approved.

APPROVAL OF AGENDA

Higgins moved and Caranicas seconded that the agenda be approved. The motion carried unanimously.

EXECUTIVE DIRECTOR'S REPORT

Impact of the Governor's Budget Recommendation

Andrews called upon Dale Ulrich to present his February 1 memorandum, which had been distributed immediately before the meeting.

The Governor's 1994-1995 Biennial Budget recommends restoration of state funding to the level of the 1992-1993 biennium, that is, canceling the five-percent reduction plan. Ulrich discussed the possible ramifications. No action was taken.

REPORT OF THE POLICY COMMITTEE

Committee Vice Chair Higgins presented the report of the committee's January 25 meeting.

Authorization to Issue Request for Proposal for Metro Mobility Program

Higgins moved and Caranicas seconded:

That the Regional Transit Board authorize the release of a Request for Proposals (RFP) for a system coordinator to provide centralized reservation, scheduling, dispatch and management functions, with the understanding RFP will be revised to sever the issue of fleet ownership.

Riley commented that the intent of the RFP is to be neutral on the issue of fleet ownership in order to create maximum flexibility. The motion was unanimously approved.

Approval of Updated Americans with Disabilities (ADA) Transit Plan

Higgins moved and Feess seconded:

That the Regional Transit Board approve the updated ADA Paratransit Plan for submission to the Federal Transit Administration.

The motion carried unanimously.

Authorization for Public Hearings on Preliminary Recommendations for High Subsidy Routes: Metropolitan Transit Commission (MTC) St. Paul Route 35C, MTC St. Paul Route 35H, MTC St. Paul Route 35FN

Higgins moved and Sather seconded:

That the Regional Transit Board:

1. Authorize a public hearing, to be conducted jointly by the Regional Transit Board and the Metropolitan Transit Commission, on the proposed restructuring and consolidation of MTC Route 35FN with existing North Suburban Lines Service in the area.
2. Authorize a public hearing on the proposed restructuring of MTC St. Paul Routes 35C and 35H to be conducted jointly by the RTB and MTC.

The motion was unanimously approved.

Approval of Final Recommendations for High Subsidy Routes: MTC Minneapolis Route 35P, MTC Minneapolis Route 26 Saturday, and Western Suburbs Route 55 Saturday

Higgins said he is satisfied that alternatives are available so that people will not find themselves without a way to work. He moved and Caranicas seconded:

That the Regional Transit Board:

1. Eliminate MTC Minneapolis Route 26 Saturday service.
2. Restructure MTC Minneapolis Route 35P service to eliminate the inbound commute and retain the reverse commute portion of the service.
3. Restructure Western Suburbs Route 55 Saturday service to coincide with the service implementation outlined in the Western Suburbs Request for Proposal.

The motion was unanimously approved.

Approval of Legislative Initiative to Create an MTC Law Enforcement Agency

Higgins recapped the discussion at the committee meeting. He had accepted Wallace's offer to accompany the police during a late evening shift last weekend. He described that experience, adding that he was impressed with the quality of the police officers. He moved approval of the MTC legislative initiative. Caranicas seconded the motion.

Campo asked if the documentation requested by the Policy Committee has been furnished to the board. Higgins said it has not, but that as the operation was explained, he was satisfied with the answers and is not fearful this will end up as a full-blown police force. Originally he asked that language be included in the draft legislation that states MTC cannot retain full-time employees. Campo said the draft does not address the committee's concerns, one of which was the comfort level on the requirement that MTC come back to the board before staffing the law enforcement agency with full-time employees. Higgins that change would increase costs and would be a budget item. Riley said that kind of change would fall within the board's oversight responsibilities. The key word is "may" on line 24 ("The commission may employ off-duty peace officers..."). The present system is well run and the draft legislation will not change the current system. This is a defensive action. The Post Board feels it looks too much like a police force and some communities have been reticent in allowing their officers to work for MTC because of liability questions. Their liability might be reduced if MTC has a formal police force. RTB lawyers reviewed the questions of cost and determined the legislation will not increase costs. The bill will address the concerns of the Post Board and the police chiefs. Riley said he does not object to the item, although he would take a different view if the initiative was to create a police force, which would be a major cost item. The chairman restated the recommendation:

That the Regional Transit Board accept the recommendation of the Metropolitan Transit Commission that the Legislature authorize the Metropolitan Transit Commission to appoint peace officers and establish a law enforcement agency.

The motion was unanimously approved.

REPORT OF THE TRANSPORTATION ACCESSIBILITY ADVISORY COMMITTEE

Advisory Committee Chair Morgan Grant said the recommendations accepted by the committee on January 26 have been incorporated in the Request for Proposal that was distributed before the meeting.

The advisory committee approved a recommendation to suspend the Trip Assurance Program until the creation of the new program. It was a difficult vote and there was a great deal of discussion surrounding the issue. As a committee that advises from the consumer's point of view, the members were uncomfortable with passing the recommendation because currently about 2,400 rides are denied each month, a substantial increase. Responding to Franklin's questions, he said the vote was five to four. There are some members who cannot attend meetings due to illness, but he does not believe they would have had an impact on the vote. The committee is in a difficult position. The alternative was to endorse reinstating Trip Assurance in March and lose some providers, which would hurt the system.

Riley said this is a difficult issue and he appreciates receiving the perspectives of the TAAC committee. The board is committed to restructuring Metro Mobility by the end of the year and will do whatever needs to be done to accomplish that. It is not fair to keep letting it slide. The problem is providing service in the interim. The major issue on the table is the Trip Assurance program and the board must decide what its posture will be on this issue. The providers want the program suspended as long as possible. On the other hand, when we set up the new plan and go into compliance with the Americans with Disabilities Act (ADA), we must have a Trip Assurance program. It is not a question of *whether* to have a program, but a question of *when*. There are legal arguments on both sides of the question. When TAAC met last week the legal opinions were not available.

With an issue like this, Riley said, the board's obligation is to serve the community to the extent we can do so within our financial restrictions. We cannot allow ourselves to go over our limits in any part of the budget. When the service is restructured the board will go to three or four providers with central dispatching and reimbursement on an hourly basis. It is not unreasonable to ask providers to extend service for six more months. He recommended that the board take the position in the next round of negotiations that the date for reinstating Trip Assurance should be changed from March 1 to April 1 so providers can accommodate it. Caranicas said in the original Trip Assurance program, riders were asked to call by 10:30 a.m. It might help the providers to change the deadline to 9:30 a.m.

Feess said the increasing number of trip denials is a serious concern. Grant said he was uncomfortable with voting for suspension because of that issue. He believes there are actually more trip denials than the records show. Jacobson said in the original negotiations RTB said the deadline for calls should be 2:30 p.m. on the day preceding the trip but the providers felt that was too difficult so it was moved back to noon of the preceding day.

The chairman moved and Feess seconded:

1. That the Regional Transit Board reinstitute the Trip Assurance program no later than April 1, 1993;
2. That the chairman, on advice of staff, will set a time by which the request must be made on the day preceding the trip; and
3. That the contracts must include a clause stipulating that the chairman, with the consent of the board, can suspend the Trip Assurance Program upon ten days' notice if at any time during the course of the contract the numbers show that RTB is over-running its budget and will end the year in a deficit position.

Higgins said the chairman makes a good case but his position from the beginning has been that by doing this the RTB will jeopardize the entire program because of the possibility of other providers bailing out as National has threatened to do. He cannot support anything at this point that will jeopardize the program. Riley said he understands that position and this is a difficult decision. When it comes down to a choice, if we can do it financially, the first call should be with the consumers.

Mark Hoisser, DARTS, said the providers are concerned that they will not be able to continue because of their financial concerns. DARTS is not big enough and does not have enough resources to continue in the restructured service. They will have to withdraw before the end of the year if the board approves this recommendation.

Sara Lenz Brodt, Ebenezer Society, said there is a misconception that providers are against Trip Assurance. They cannot afford it and are simply not in a position to add capital expenses and expand the fleet because of the financial bind they are in. The board cannot ask its private partner to go bankrupt. Ebenezer cannot continue to do this. They are ready to do whatever they can to help RTB get more money.

Denny Johnson, Human Services of Washington County, commented that once the non-profits and probably the small private operators are out of the business they will be out for good. It is not an option to leave the program and come back in.

Franklin asked for clarification. The third point was that if we exceed our funding we would drop Trip Assurance. If we are concerned about the legal aspects, how could we drop it at that point if revenues are less than expenditures? Riley said that is a defense under the state Human Rights Act. Higgins said it is his understanding that one of the reasons Trip Assurance is a financial problem is because the least desirable trips wind up on Trip Assurance. Providers get the same reimbursement no matter the length of the trip. He has always been sympathetic to the position of the providers. Riley said that is the rationale for shifting to "per hour" reimbursement. It is a question of where we start and he urges that we start with a commitment to service. The recommendation has an additional 30 days built in for the providers to operate without Trip Assurance. and flexibility to suspend the program if it proves to be non-viable. He appreciates everyone's position and in its negotiations the board has made concessions and tried to find solutions. The board is committed to getting the new program in on time.

Campo thanked Morgan Grant for his support. The TAAC committee has been objective and supportive. Riley also thanked him for his guidance. Vote was taken; the motion carried (Higgins voted "no").

OTHER BUSINESS

Higgins reviewed the TAAC December 9 recommendations, which were presented to the board at an earlier meeting but not acted upon. He moved and Caranicas seconded:

That the Regional Transit Board direct staff to forward the December 9, 1992 recommendations of the Transportation Accessibility Advisory Committee and the associated subcommittee report behind it to the Metropolitan Transit Commission and the Minnesota Department of Transportation with the board's strong recommendation that they seriously consider them and try to implement them.

The motion was unanimously approved. Higgins said he has noticed a distinct surge of activity on the TAAC in the past nine months and he expressed his appreciation for the

efforts of the committee. Riley added that the TAAC members have been helpful this week.

Arnie Entzel congratulated Riley and commented that the issue of schedules on the outside and inside of shelters has been around for a long time. He thanked the board for its action on security on the buses. The action was definitely necessary and he is pleased with the board's direction. It would be good to have even more security on the buses, which is a cost issue.

Andrews said the public hearings for St. Paul routes have been scheduled for March 9, 10 and 11.

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

I hereby certify that the foregoing constitutes a true and accurate record of the Regional Transit Board's meeting of February 1, 1993.

Respectfully submitted,

Mary Fitzgerald
Secretary

Approved by the Regional Transit Board on this sixteenth day of February 1993.

Handwritten: 4/13



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

DATE: February 16, 1993
TO: Chair and Members, Regional Transit Board
FROM: Stephanie Eiler
SUBJECT: I-35W Reconstruction Project, Draft Environmental Impact Statement
(DEIS)

Attached for your information is background information on the DEIS for the I-35W reconstruction project.

mff
Att.



MICHAEL J. EHRLICHMANN
Chair

June 3, 1992

Commissioner James M. Denn
Minnesota Department of Transportation
Transportation Building
John Ireland Boulevard
St. Paul, Minnesota

Re: I-35W Reconstruction Project
Draft Environmental Impact Statement

Dear Commissioner Denn:

Thank you for the opportunity to review and comment on the Draft Environmental Impact Statement for the I-35W project. The reconstruction of I-35W will affect the entire region. It is the region's most heavily-travelled corridor, and the Regional Transit Board firmly believes the region has a unique opportunity to make transit a priority in this corridor. It is our belief that the days of taking 1000-plus homes or more to provide highway lanes that enable people to continue to drive alone are gone.

Accordingly, at its meeting on June 1, 1992, the Regional Transit Board unanimously passed the following motion:

"The Regional Transit Board strongly supports a reconstruction plan for I-35W that assumes preconstruction of light rail transit within the existing easements or right-of-way without the taking of additional residential or commercial property."

We strongly urge the Department of Transportation to implement light rail transit in advance of any other construction on the I-35W facility. By putting LRT in first, people will still be able to travel in the corridor during the ten to twenty years it will take to reconstruct the highway.

Sincerely,



Michael J. Ehrlichmann
Chair

cc: Ms. Mary Anderson, Chair
Metropolitan Council

Mr. Craig Robinson, I-35W Project Manager
Minnesota Department of Transportation, Metro District West



REGIONAL TRANSIT BOARD

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

FOR IMMEDIATE RELEASE

CONTACT: Suzanne Hanson, public information manager
292-8789

Regional Transit Board Urges Light Rail Transit Before I-35W Reconstruction

ST. PAUL, (June 2, 1991) -- In its official and formal response to the Minnesota Department of Transportation's alignment alternatives for the I-35W corridor, the Regional Transit Board (RTB) made a strong statement in support of light rail transit and in strong opposition to more lanes of concrete for single occupant vehicles.

The RTB passed a motion urging the Minnesota Department of Transportation to implement light rail transit before reconstructing the I-35W highway lanes to minimize the demolition of homes and businesses along the corridor.

At the board's June 1 meeting, Sandra Hilary, Minneapolis City Council member and RTB member, shared a resolution from the City of Minneapolis. That resolution calls for light rail transit to be built and operating before the I-35W reconstruction begins.

Board member Maryann Campo, representing the southern half of Minneapolis, said it's time to put the emphasis on transit. "It's not OK to lose 1000 homes to lay more concrete. I've been involved with the reconstruction options since 1986. Transit needs to be a factor that is not an afterthought. By putting light rail transit in before the major reconstruction begins, people will still be able to move along the corridor during the 10 or 15 or 20 years it takes to complete the highway."

The board unanimously passed the motion at its regularly scheduled June 1 meeting. The motion reads:

"The Regional Transit Board strongly supports a reconstruction plan for I-35W that assumes preconstruction of light rail transit within the existing easements or right-of-way without the taking of additional residential or commercial property."

According to RTB Chair Michael J. Ehrlichmann, the reconstruction of I-35W affects the entire region. "I-35W is the region's most heavily travelled corridor. We have an opportunity to make transit a priority in this corridor by putting in light rail before the reconstruction begins. And, the days of taking 1000 houses or more so that we can continue to drive alone in our cars are gone."

The board will forward its motion on to the Commissioner of Transportation, who will be making a decision about I-35W in June or July.

REGIONAL TRANSIT BOARD

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

DATE: May 19, 1992

TO: Chair and Members of the Policy Committee

FROM: Stephanie Eller, AICP *SE* *TB*
Sr. LRT Development Planner

SUBJECT: I-35W Reconstruction Project
Draft Environmental Impact Statement

SUMMARY

The Minnesota Department of Transportation, Metropolitan Council, and Federal Highway Administration propose to reconstruct the eighteen mile segment of I-35W between Washington Avenue in Minneapolis and I-35E in Burnsville (Attachments: Figure S-1). The cities of Minneapolis, Richfield, Bloomington, and Burnsville are directly affected by the project. Preliminary engineering and environmental work on I-35W has been underway since the mid-1980's.

The Draft Environmental Impact Statement (DEIS) describes the anticipated impacts of the project on the natural and human environment. The RTB participated on the Project Management Team and the Project Advisory Board throughout the development of the DEIS. Members of both groups are listed in the attachments to this memorandum.

Individual public meetings on the DEIS were held by each city in the corridor, followed by the official public hearing in Richfield on May 14.

This memorandum presents staff comments on the document. Action is requested to approve these comments for transmittal to the Minnesota Department of Transportation.

BACKGROUND

In the project area cities of Minneapolis, Richfield, Bloomington and Burnsville, I-35W carries the heaviest traffic volumes and the highest transit ridership of any highway corridor in the Twin Cities. While Mn/DOT has successfully implemented transportation system management (TSM) strategies to maintain acceptable levels of service on I-35W, this freeway has higher accident rates than other metro area freeways and is approaching its operational limits. Major physical and capacity improvements are needed.

The DEIS considers a number of alternatives. The "no build" option, a required alternative in all federal highway projects, would essentially repair and/or repave the existing facilities and add comprehensive TSM strategies. The build alternatives feature

combinations of general traffic lanes, high occupancy vehicle (HOV or "diamond") lanes, and/or light rail transit facilities. Alternative interchange configurations are also evaluated. The alternatives are described in Table S-2 in the Attachments to this memorandum.

Transit service is recognized as a major project need throughout the DEIS. During peak hours, nearly half of the people entering downtown Minneapolis from I-35W get there on the bus. Responding to this need and to projections of increased demand in the corridor, all of the build alternatives incorporate improved transit facilities, developed in cooperation with the RTB, along with the standard highway needs. The feeder bus systems developed for the alternatives are all based on a timed-transfer concept. Timed-transfer service provides a coordinated network and convenient transfers, and benefits both peak and off-peak transit service.

The cost of the no build alternative is estimated at \$235 million. The build alternatives range in cost from \$691 million to \$1.2 billion. LRT facilities, in the alternatives which include LRT, end in the vicinity Lake Street, where they are assumed to connect to an extension of the downtown Minneapolis LRT line. Previous regional LRT plans provided for LRT operation in a tunnel through downtown Minneapolis and from downtown to Lake Street. A tunnel in Minneapolis is no longer recommended as part of the initial two-corridor regional LRT system.

The project also proposes to add an interim third lane between Trunk Highway (TH) 13 in Burnsville and I-494 in Bloomington. The interim third lane is proposed to be constructed as an HOV lane, and would be implemented in advance of any of the alternatives described in the DEIS. The addition of the interim third lane is not projected to result in significant environmental impacts, would not require additional right of way, and would not bias the selection of a preferred alternative.

DISCUSSION

Underlying Philosophy of Transit Service

One of the overall objectives of the project is to provide preferential travel time for high occupancy vehicles over single occupancy vehicles. To achieve this objective, alternatives were developed following guidelines adopted by the Project Advisory Board. The guidelines most relevant to transit service are summarized below:

- o All build alternatives have a transit component compatible with the Metropolitan Council's Long Range Transit Plan and Metropolitan Development and Investment Framework and the RTB's Service Needs Assessment. These base planning documents have since been updated by the Council's Regional Transit Facilities Plan and the RTB's Vision for Transit. At a minimum, all alternatives have preferential access at metered on-ramps for buses, carpools and vanpools.
- o All alternatives assume full use of transportation system management (TSM) and travel demand management (TDM) techniques.
- o All alternatives are designed to be compatible with alternatives being developed for I-94 and I-494.

- o All alternatives could be constructed under traffic.
- o All alternatives give priority to the number of people carried over the number of vehicles carried.

In addition, the transit features of the alternatives are designed to meet the forecasted transit demand in the I-35W corridor. Each alternative has a transit component designed with the metropolitan practice of providing express transit service on regional highways in mind. Additional guidelines used in developing the transit alternatives include:

- o All are to use proven technology in terms of both construction and operation.
- o All are to include a supportive transit network providing complementary bus service throughout the study area.
- o All are to be compatible with other transit services in the region.
- o All assume a fully implemented package of TDM strategies including such actions as Transportation Management Organizations (TMOs), transit marketing, carpool/vanpool/transit incentives, park and ride facilities, and employer-based programs.
- o All are to include capital improvements for transit, ranging from bypass lanes around ramp meters to special bus/carpool lanes and LRT.

Consistency with Vision for Transit

BUS SERVICE

The feeder bus system and total transit network concepts described in the DEIS are consistent with the Vision for Transit. The I-35W project area is within the core and suburban service areas identified in the Vision. Many of the transit services and facilities planned by the RTB are included in the alternatives developed in the DEIS, including regular route and express buses, car and van pools, transit hubs, park and ride lots, and HOV lanes.

All of the build alternatives provide bus service improvements and ancillary facilities such as preferential access, transit hubs and park and ride lots. All build alternatives are consistent with RTB efforts to reduce peak period congestion in the corridor and in downtown Minneapolis through increased express bus service and car and van pooling. All of the build alternatives are thus consistent with the bus service aspects of the Vision for Transit.

LRT

On November 19, 1991, the RTB proposed a two-corridor LRT system for the region, revising the previous nine-corridor plan. The two corridors recommended for LRT implementation are the Central Corridor linking downtown Minneapolis and St. Paul--the region's priority corridor--and the I-35W/South Corridor. The Maximum 20-Year LRT Plan

shown in Figure 1-5 in the DEIS should be updated to reflect the recommended two-corridor system when the Final EIS is issued.

Three of the DEIS project alternatives are consistent with the RTB's position on LRT:

- o LRT in the I-35W median between Lake Street and CSAH 42 in Burnsville, plus one additional mixed traffic lane in each direction south of 46th Street in Minneapolis.
- o LRT in the I-35W median through Minneapolis and Burnsville, in the Soo Line Railroad right of way through Richfield and Bloomington, plus one additional mixed traffic lane in each direction south of 46th Street.
- o LRT plus Lane Conversion: LRT in either of the alignment variations described above, plus the conversion of one existing lane in each direction north of 46th Street to an HOV lane, plus one additional lane in each direction south of 46th, constructed as an HOV lane.

The no build, lane conversion only, and diamond lane alternatives are not consistent with the RTB's position on LRT, which is part of the Vision for Transit.

The two-corridor LRT recommendation was carried into the Metropolitan Council's Regional Transit Facilities Plan, where it was modified somewhat. The Regional Transit Facilities Plan recommends the lane conversion plus LRT alternative, with a "transit envelope" in the median of I-35W. A transit envelope could accommodate either LRT or an HOV lane in the future, depending on which mode proves to be the most successful in other corridors.

The "transit envelope" concept is not specifically developed in the I-35W DEIS, but is emerging in discussions between the communities affected as a possible compromise alternative.

Environmental Impacts

The environmental impacts of the build alternatives tend to reflect the amount of capacity provided by the alternative. For example, the lane conversion alternative requires the least right of way acquisition, including homes, but also has the lowest carrying capacity. The diamond lane alternatives have the largest carrying capacity, but also the highest right of way acquisition. Under all build options, most of the impacts occur in the two "commons" sections shared with I-94 and TH 62.

Table S-3 in the Attachments summarizes the projected impacts of the alternatives in the following areas:

- o Transportation (total people carried, transit riders, car poolers, vehicles diverted to local streets, accidents, highway access, accidents, park and ride spaces)
- o Socio-Economic (community services/facilities, businesses/employees displaced, property taxes, visual setting)

- o Land Use Acquisition/Relocation (homes/apartments, land uses, parkland, historic structures, commercial properties)
- o Physical Environment (air quality, noise, water quality, contaminated sites)
- o Natural Environment (wetlands, floodplains, lakes and rivers)
- o Cost (construction, right of way, transit operating and maintenance, mitigation)

The LRT alternatives developed in the DEIS are estimated to cost somewhat more than all but one of the diamond lane alternatives, carry slightly fewer people at the two locations projected, and result in significantly more vehicles diverted to local streets. The LRT alternatives generate the least number of autos and buses on downtown streets, however, and provide the most reserve capacity, since service frequency and the number of cars per train can be increased. It can be argued that HOV lanes also provide reserve capacity, since the number of occupants per vehicle required to use the facility can be increased. However, increasing the vehicle occupancy rate can be a controversial political decision subject to community pressure.

Effects on Vehicle Miles Travelled

While the DEIS evaluation of alternatives has been rigorous, one potential evaluation criteria not discussed is the effect of the project alternatives on vehicle miles traveled (VMT). VMT is a measure of transportation use commonly considered in all urban regions. As in other urban areas, VMT in the Twin Cities is increasing annually.

A 1991 report to the California Energy Resources Conservation and Development Commission by the Natural Resources Defense Council and the Sierra Club (1) reports that for every passenger-mile taken on transit, four to eight vehicle miles were not driven. The California report suggests that this minimum four-to-one leverage in VMT reduction should be taken into consideration in assessing transit costs, fuel consumption, and air quality impacts.

The study cited in the report indicates that low density suburban residents consume more "transportation" than central city residents, logging heavy auto mileage and relatively heavy passenger-miles when good rail transit is available. The study also found that the longer travel distances in low density cities require more travel time, even if average speeds are higher. Consequently new or expanded highways, which accommodate low density development, could have the unintended effect of increasing vehicular travel time as well as VMT.

A 1989 study cited in the California report suggests that if a city were to try to lower its gasoline and automobile dependence, it would need to consider increasing the orientation of its transportation infrastructure to non-automobile modes. All of these factors support the non-automotive transit options provided in the build alternatives including LRT.

FINDINGS AND CONCLUSIONS

1. All I-35W project alternatives have a transit component. All assume full use of TSM and TDM techniques. All give priority to the number of people carried over the number of vehicles carried.
2. Three project alternatives are consistent with the RTB's Vision for Transit: LRT in the median of I-35W, LRT on the Soo Line, and LRT plus lane conversion.
3. One project alternative is consistent with both the RTB's Vision for Transit and with the Metropolitan Council's Regional Transit Facilities Plan: LRT plus lane conversion.
4. The proposed interim HOV lane addition between Dakota County and I-494 would provide relief for a present system bottleneck at the Minnesota River bridge. This project is consistent with the RTB's and the Metropolitan Council's plans, and would not bias the selection of a preferred project alternative.

RECOMMENDATION

That the Policy Committee approve the comments on the I-35W Draft Environmental Impact Statement for submittal to the Board and the Minnesota Department of Transportation.

(1) Holtzclaw, John, Ph.D. "Explaining Urban Density and Transit Impacts on Auto Use," Presented by Natural Resources Defense Council and The Sierra Club to the State of California Energy Resources Conservation and Development Commission, 15 January 1991.

I-35W RECONSTRUCTION PROJECT

PROJECT MANAGEMENT TEAM

Minnesota Department of Transportation -- Joint Lead Agency, Responsible
Governmental Unit

Metropolitan Council -- Joint Lead Agency

Federal Highway Administration -- Joint Lead Agency

Regional Transit Board -- Transit Issues

Hennepin County Regional Railroad -- Light Rail Transit Issues

PROJECT ADVISORY BOARD

Minnesota Department of Transportation

Metropolitan Council

Federal Highway Administration

Regional Transit Board

Hennepin County

Hennepin County Regional Railroad Authority

Dakota County

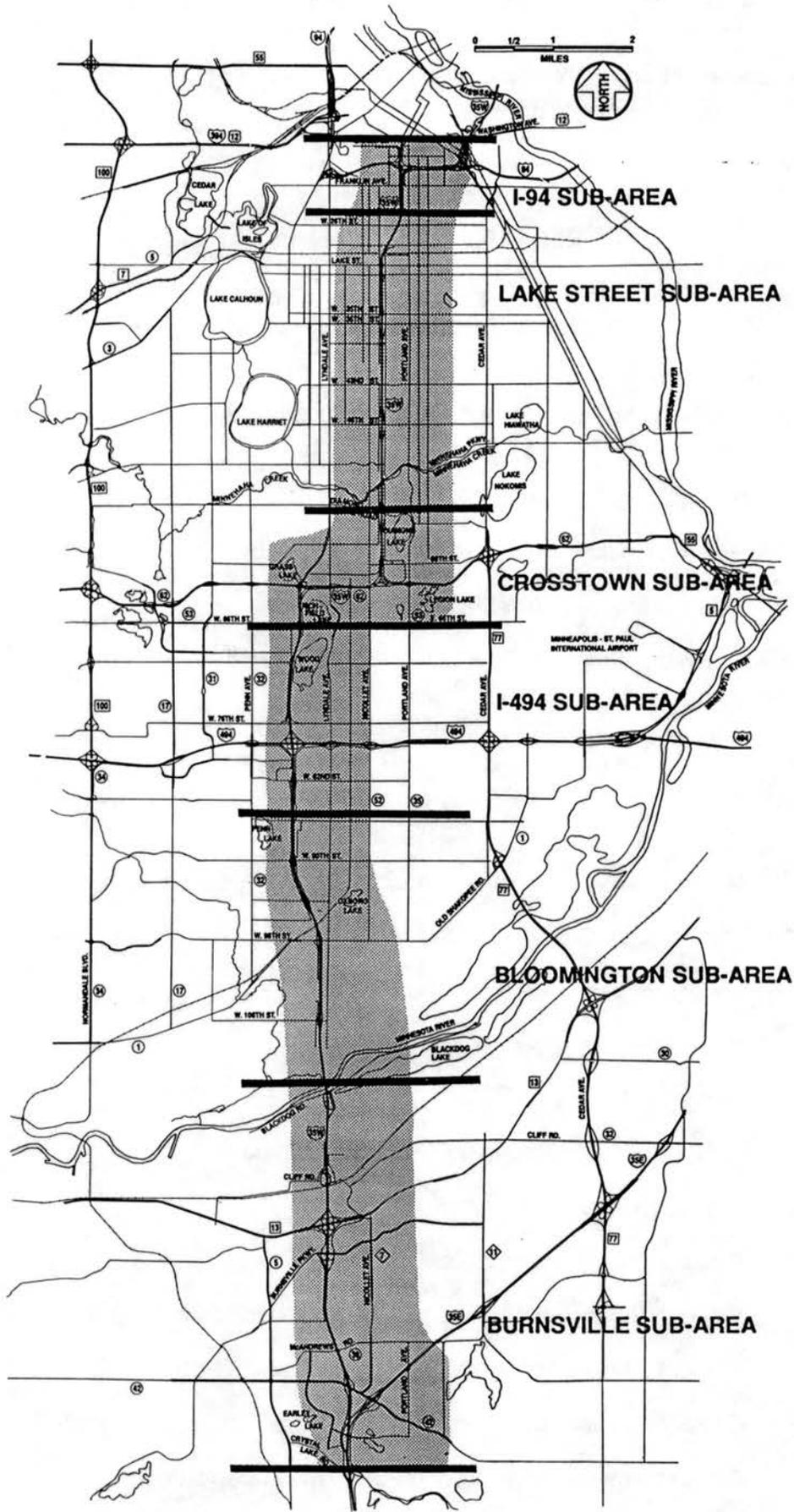
Dakota County Regional Railroad Authority

City of Minneapolis, Planning and Public Works Departments

City of Richfield, Public Works Departments

City of Bloomington, Planning and Public Works Departments

City of Burnsville, Planning and Public Works Departments



I-35W Preliminary Design Studies Phase 2: EIS



**I-35W CORRIDOR
STUDY AREAS**

Figure



S-1

| SUB-AREA | TRANSIT/MAINLINE ALTERNATIVES | | | | | |
|----------------------|-------------------------------|------------------------------|---|---|---|-------------------------------------|
| | NO BUILD | LANE CONVERSION | DIAMOND LANES | LRT IN I-35W MEDIAN | LRT ON SOO LINE RAILROAD | LANE CONVERSION PLUS LRT |
| I-94 Sub-Area | No Build | Stacked Mainlines | Stacked Mainlines | Stacked Mainlines | Stacked Mainlines | Stacked Mainlines |
| Lake Street Sub-Area | No Build | Bridged Ramps | Bridged Ramps | Bridged Ramps | Bridged Ramps | Bridged Ramps |
| Crosstown Sub-Area | No Build | Minimum Safe, Minimum Access | Side by Side, Revised Partial Access (Base) | Side by Side, Revised Partial Access (Base) | Side by Side, Revised Partial Access (Base) | I-35W in the Middle, Partial Access |
| | | | Stacked Mainlines, Existing Full Access (Sub) | Stacked Mainlines, Existing Full Access (Sub) | Stacked Mainlines, Existing Full Access (Sub) | |
| I-494 Sub-Area | No Build | Minimum Safe, Minimum Access | One-Way Frontage Roads (Base) | One-Way Frontage Roads (Base) | One-Way Frontage Roads (Base) | One-Way Frontage Roads |
| | | | Overlapping Diamonds (Sub) | Overlapping Diamonds (Sub) | Overlapping Diamonds (Sub) | |
| Bloomington Sub-Area | No Build | Minimum Safe, Minimum Access | Modified Full Access | Modified Full Access | Modified Full Access | Modified Full Access |
| Burnsville Sub-Area | No Build | Minimum Safe, Minimum Access | Revised Partial Directional | Revised Partial Directional | Revised Partial Directional | Revised Partial Directional |

I-35W Preliminary Design Studies Phase 2: EIS

**BASE INTERCHANGE DESIGN
ALTERNATIVES AND
INTERCHANGE DESIGN
SUB-ALTERNATIVES**

SRF

Table

S-2

| ENVIRONMENTAL IMPACTS | DIAMOND LANES | | | | | | | | | | | | | |
|--|---------------------------------|-------------------------|-------------------------------|----------|-------------------------------|----------|-------------------------------|----------|----------------------------------|----------|--|----------|---|----------|
| | NO BUILD | | LANE CONVERSION | | LANE CONVERSION PLUS LRT | | BASE INTERCHANGE DESIGN | | STACKED MAINLINES AT CROSSTOWN | | BASE AT CROSSTOWN; OVERLAPPING DIAMONDS AT I-494 | | STACKED AT CROSSTOWN; OVERLAPPING DIAMONDS AT I-494 | |
| | MN RIVER | LAKE ST. ^(a) | MN RIVER | LAKE ST. | MN RIVER | LAKE ST. | MN RIVER | LAKE ST. | MN RIVER | LAKE ST. | MN RIVER | LAKE ST. | MN RIVER | LAKE ST. |
| TRANSPORTATION | | | | | | | | | | | | | | |
| Total People Carried (2010 Peak Hour Peak Direction) | 6,300 | 13,500 | 9,000 | 14,700 | 8,800 | 15,000 | 11,300 | 16,800 | 11,300 | 16,800 | 11,300 | 16,800 | 11,300 | 16,800 |
| Transit Riders (Bus + LRT) (2010 Peak Hour Peak Direction) | 600 | 3,400 | 1,300 | 3,800 | 1,100 | 4,200 | 1,200 | 3,700 | 1,200 | 3,700 | 1,200 | 3,700 | 1,200 | 3,700 |
| People in Car Pools (2010 Peak Hour Peak Direction): | | | | | | | | | | | | | | |
| In Mixed Lanes | 2,500 | 3,200 | 2,000 | 2,300 | 2,000 | 2,300 | 2,700 | 2,800 | 2,700 | 2,800 | 2,700 | 2,800 | 2,700 | 2,800 |
| In Diamond Lanes | 0 | 0 | 2,200 | 2,900 | 2,200 | 2,800 | 2,200 | 2,700 | 2,200 | 2,700 | 2,200 | 2,700 | 2,200 | 2,700 |
| Auto Occupancy (Persons per auto) ^(b) | 1.30 | 1.20 | 1.38 | 1.30 | 1.38 | 1.30 | 1.33 | 1.27 | 1.33 | 1.27 | 1.33 | 1.27 | 1.33 | 1.27 |
| Vehicles diverted to local streets | 4,300 | 3,400 | 2,200 | 2,400 | 2,300 | 2,100 | 300 | 700 | 300 | 700 | 300 | 700 | 300 | 700 |
| Accidents (2010 total annual) ^(c) | 3,770 | | 2,830 | | 2,830 | | 2,100 | | 2,100 | | 2,100 | | 2,100 | |
| Highway Access Points | 173 | | 125 | | 167 | | 152 | | 170 | | 136 | | 154 | |
| Impacts on Frontage Roads | No Change | | Minor Impact | | Minor Impact | | Minor Impact | | Minor Impact | | Moderate Impact | | Moderate Impact | |
| Number of park-and-ride spaces provided | 0 | | 505 | | 1,990 | | 505 | | 505 | | 505 | | 505 | |
| SOCIO-ECONOMIC | | | | | | | | | | | | | | |
| Community Services/Facilities (Number acquired) | 0 | | 5 | | 5 | | 5 | | 5 | | 7 | | 5 | |
| Employment (Number of employees displaced) | 0 | | 405 | | 910 | | 975 | | 975 | | 940 | | 940 | |
| Property Taxes Lost | \$0 | | \$1.2 million | | \$2.2 million | | \$2.2 million | | \$2.4 million | | \$2.4 million | | \$2.4 million | |
| Visual Setting (Impacts on neighbors) ^(d) | No change | | Moderate change from existing | | Moderate change from existing | | Moderate change from existing | | Substantial change from existing | | Substantial change from existing | | Substantial change from existing | |
| LAND USE, ACQUISITION, RELOCATION | | | | | | | | | | | | | | |
| Existing Land Uses | Not consistent with local plans | | Consistent with local plans | | Consistent with local plans | | Consistent with local plans | | Consistent with local plans | | Consistent with local plans | | Consistent with local plans | |
| Parkland Acquired (Acres) | 0.0 | | 0.0 | | 0.0 | | 0.0 | | 0.6 | | 0.3 | | 0.9 | |
| Historic Resources (Number of properties acquired) | 0 | | 1 | | 1 | | 1, partial of 1 | | 1 | | 1 | | 1 | |
| Dwelling Units (Number acquired) | 0 | | 755 | | 1,045 | | 1,325 | | 1,265 | | 1,335 | | 1,275 | |
| Commercial Properties (Number acquired, includes businesses and vacant commercial properties) ^(e) | 0 | | 30 | | 70 | | 70 | | 65 | | 65 | | 65 | |
| PHYSICAL ENVIRONMENT | | | | | | | | | | | | | | |
| Air Quality | Within state standards | | Within state standards | | Within state standards | | Within state standards | | Within state standards | | Within state standards | | Within state standards | |
| Noise: | | | | | | | | | | | | | | |
| Number of dwelling units above 70 dB(A) ^(f) | 680 | | 780 | | 805 | | 715 | | 810 | | 660 | | 755 | |
| Number of dwelling units for which noise walls cannot be built | 680 | | 495 | | 490 | | 420 | | 480 | | 365 | | 425 | |
| Water Quality | No change | | Improved over existing | | Improved over existing | | Improved over existing | | Improved over existing | | Improved over existing | | Improved over existing | |
| Potentially Contaminated Sites (Number of acquired properties) | None | | 20 | | 32 | | 37 | | 35 | | 35 | | 33 | |
| NATURAL ENVIRONMENT | | | | | | | | | | | | | | |
| Wetlands (Number of acres of encroachment) | 0.0 | | 8.4 | | 11.7 | | 13.6 | | 15.1 | | 13.6 | | 15.1 | |
| Floodplains | No change | | No encroachment | | No encroachment | | No encroachment | | Minor encroachment | | No encroachment | | No encroachment | |
| Lakes and Rivers | No change | | No impact | | Potential at MN River | | No impact | | No impact | | No impact | | No impact | |
| COST | | | | | | | | | | | | | | |
| Construction Cost | \$235 million | | \$653 million | | \$971 million | | \$830 million | | \$891 million | | \$866 million | | \$927 million | |
| Right-of-Way Cost | \$0 | | \$32 million | | \$63 million | | \$77 million | | \$76 million | | \$76 million | | \$74 million | |
| Transit Operating and Maintenance Cost (Annual) | \$36 million | | \$41 million | | \$46 million | | \$41 million | | \$41 million | | \$41 million | | \$41 million | |
| Cost to mitigate impacts on local streets ^(g) | \$97 million | | \$45 million | | \$50 million | | \$21 million | | \$21 million | | \$21 million | | \$21 million | |

- (a) P.M. peak load points are at the Minnesota River and Lake Street.
- (b) Includes mixed traffic and high occupancy vehicle lanes.
- (c) Includes mainline accidents and accidents involving vehicles diverted from I-35W.
- (d) Will be mitigated through noise walls and landscaping.
- (e) Includes properties required for transit stations and park-and-ride lots.
- (f) Assumes existing abatement. Future abatement for Build Alternatives would mitigate most noise impacts.
- (g) Costs provided by cities; costs do not include a new river crossing at the Minnesota River or river crossing approach work.

I-35W Preliminary Design Studies Phase 2: EIS



SUMMARY OF STUDY AREA IMPACTS

Figure S-3 (a)

| ENVIRONMENTAL IMPACTS | NO BUILD | | LRT IN I-35W MEDIAN | | | | | | | | LRT ON SOO LINE R/F | | | |
|--|---------------------------------|-------------------------|-------------------------------|----------|--|----------|--|----------|---|----------|-------------------------------|----------|----------------------------------|----------|
| | | | BASE INTERCHANGE DESIGN | | STACKED MAINLINES AT CROSSTOWN; BASE INTERCHANGE DESIGN AT I-494 | | BASE AT CROSSTOWN; OVERLAPPING DIAMONDS AT I-494 | | STACKED AT CROSSTOWN; OVERLAPPING DIAMONDS AT I-494 | | BASE INTERCHANGE DESIGN | | STACKED MAINLINES AT CROSSTOWN | |
| | MN RIVER | LAKE ST. ^(a) | MN RIVER | LAKE ST. | MN RIVER | LAKE ST. | MN RIVER | LAKE ST. | MN RIVER | LAKE ST. | MN RIVER | LAKE ST. | MN RIVER | LAKE ST. |
| TRANSPORTATION | | | | | | | | | | | | | | |
| Total People Carried (2010 Peak Hour Peak Direction) | 6,300 | 13,500 | 9,300 | 15,100 | 9,300 | 15,100 | 9,300 | 15,100 | 9,300 | 15,100 | 9,300 | 15,100 | 9,300 | 15,100 |
| Transit Riders (Bus + LRT) (2010 Peak Hour Peak Direction) | 600 | 3,400 | 1,100 | 4,200 | 1,100 | 4,200 | 1,100 | 4,200 | 1,100 | 4,200 | 1,100 | 4,200 | 1,100 | 4,200 |
| People in Car Pools (2010 Peak Hour Peak Direction): | | | | | | | | | | | | | | |
| In Mixed Lanes | 2,500 | 3,200 | 3,300 | 3,400 | 3,300 | 3,400 | 3,300 | 3,400 | 3,300 | 3,400 | 3,300 | 3,400 | 3,300 | 3,400 |
| In Diamond Lanes | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Auto Occupancy (Persons per auto) ^(b) | 1.30 | 1.20 | 1.28 | 1.24 | 1.28 | 1.24 | 1.28 | 1.24 | 1.28 | 1.24 | 1.28 | 1.24 | 1.28 | 1.24 |
| Vehicles Diverted to Local Streets | 4,300 | 3,400 | 1,900 | 2,300 | 1,900 | 2,300 | 1,900 | 2,300 | 1,900 | 2,300 | 1,900 | 2,300 | 1,900 | 2,300 |
| Accidents (2010 total annual) ^(c) | 3,770 | | 2,520 | | 2,520 | | 2,520 | | 2,520 | | 2,520 | | 2,520 | |
| Highway Access Points | 173 | | 155 | | 173 | | 139 | | 157 | | 155 | | 173 | |
| Impacts on Frontage Roads | No change | | Minor impact | | Minor impact | | Moderate impact | | Moderate impact | | Minor impact | | Minor impact | |
| Number of park-and-ride spaces provided | 0 | | 2,035 | | 1,840 | | 2,035 | | 1,840 | | 1,920 | | 1,920 | |
| ECONOMIC, SOCIO-RELOCATION | | | | | | | | | | | | | | |
| Community Services/Facilities (Number acquired) | 0 | | 6 | | 5 | | 7 | | 5 | | 5 | | 4 | |
| Businesses/Employment (Number of employees displaced) | 0 | | 1,105 | | 965 | | 1,055 | | 915 | | 1,125 | | 1,125 | |
| Property Taxes | \$0 | | \$2.8 million | | \$2.6 million | | \$2.7 million | | \$2.5 million | | \$3.0 million | | \$3.0 million | |
| Visual Setting (Impacts on neighbors) ^(d) | No change | | Moderate change from existing | | Substantial change from existing | | Substantial change from existing | | Substantial change from existing | | Moderate change from existing | | Substantial change from existing | |
| LAND USE, ACQUISITION, RELOCATION | | | | | | | | | | | | | | |
| Existing Land Uses | Not consistent with local plans | | Consistent with local plans | | Consistent with local plans | | Consistent with local plans | | Consistent with local plans | | Consistent with local plans | | Consistent with local plans | |
| Parkland Acquired (Acres) | 0.0 | | 0.5 | | 0.4 | | 0.3 | | 0.7 | | 0.0 | | 0.0 | |
| Historic Resources (Number of properties acquired) | 0 | | 1 | | 1 | | 1 | | 1 | | 1 | | 1 | |
| Dwelling Units (Number acquired) | 0 | | 1,300 | | 1,230 | | 1,305 | | 1,230 | | 1,305 | | 1,335 | |
| Commercial Properties (Number acquired, includes businesses and vacant commercial properties) ^(e) | 0 | | 75 | | 70 | | 70 | | 65 | | 75 | | 75 | |
| PHYSICAL ENVIRONMENT | | | | | | | | | | | | | | |
| Air Quality | Within state standards | | Within state standards | | Within state standards | | Within state standards | | Within state standards | | Within state standards | | Within state standards | |
| Noise: | | | | | | | | | | | | | | |
| Number of dwelling units above 70 dB(A) ^(f) | 680 | | 660 | | 740 | | 605 | | 685 | | 640 | | 730 | |
| Number of dwelling units for which noise walls cannot be built | 680 | | 345 | | 410 | | 300 | | 365 | | 355 | | 405 | |
| Water Quality | No change | | Improved over existing | | Improved over existing | | Improved over existing | | Improved over existing | | Improved over existing | | Improved over existing | |
| Potentially contaminated sites (Number of acquired properties) | None | | 36 | | 33 | | 32 | | 29 | | 42 | | 42 | |
| NATURAL ENVIRONMENT | | | | | | | | | | | | | | |
| Wetlands (Number of acres of encroachment) | 0.0 | | 13.0 | | 14.4 | | 13.0 | | 14.4 | | 13.0 | | 14.4 | |
| Floodplains | No change | | No encroachment | | Minor encroachment | | No encroachment | | Minor encroachment | | No encroachment | | Minor encroachment | |
| Lakes and Rivers | No change | | Potential impact at MN River | | Potential impact at MN River | | Potential impact at MN River | | Potential impact at MN River | | Potential impact at MN River | | Potential impact at MN River | |
| COST | | | | | | | | | | | | | | |
| Construction Cost | \$235 million | | \$990 million | | \$1,059 million | | \$1,011 million | | \$1,080 million | | \$968 million | | \$1,011 million | |
| Right-of-Way Cost | \$0 | | \$83 million | | \$78 million | | \$82 million | | \$77 million | | \$86 million | | \$88 million | |
| Transit Operating and Maintenance Cost (Annual) | \$36 million | | \$46 million | | \$46 million | | \$46 million | | \$46 million | | \$46 million | | \$46 million | |
| Cost to mitigate impacts on local streets ^(g) | \$97 million | | \$39 million | | \$39 million | | \$39 million | | \$39 million | | \$39 million | | \$39 million | |

- (a) P.M. peak load points are at the Minnesota River and Lake Street.
(b) Includes mixed traffic and high occupancy vehicle lanes.
(c) Includes mainline accidents and accidents involving vehicles diverted from I-35W.
(d) Will be mitigated through noise walls and landscaping.
(e) Includes properties required for transit stations and park-and-ride lots.
(f) Assumes existing abatement. Future abatement for Build Alternatives would mitigate most noise impacts.
(g) Costs provided by cities; costs do not include a new river crossing at the Minnesota River or river crossing approach work.

I-35W Preliminary Design Studies Phase 2: EIS



SUMMARY OF STUDY AREA IMPACTS

Figure

S-3 (b)

I-35W Fact Sheet

Limits: I-35E in Burnsville to Washington Avenue in Minneapolis

Length: 18 miles

Communities directly involved:

Burnsville, Bloomington, Richfield, and Minneapolis

Proposed improvements:

- Improved traffic flow
- Addresses hazardous areas
- I-35W/I-494 interchange
- I-35W/Crosstown common section
- 35 mph curve near the I-94 common section
- Provides transit facilities (HOV and LRT)
- Corrects deteriorated condition of roadway and bridges
- Incorporates extensive system for travel demand management

Time schedule:

- Construction may start as early as 1998.
- Project completion is expected to take 10-15 years.
- Individual segments will likely take 2 to 3 years to complete.

Southbound peak hour volumes on I-35W:

| <u>Location</u> | 1991 | | 2016 | |
|-----------------|-----------------|---------------|-----------------|---------------|
| | <u>Vehicles</u> | <u>People</u> | <u>Vehicles</u> | <u>People</u> |
| Lake St. | 7,300 | 8,320 | 8,300 | 15,000 |
| Minnesota River | 4,000 | 4,840 | 7,000 | 10,000 |

Estimated cost:

- \$670 million construction
- \$260 million transit (HOV and LRT)
- \$ 70 million right-of-way
- Total = \$1 billion

Estimated right-of-way Acquisition:

- 1046 residential units (305 single family, 740 rental)
- 70 commercial properties

Low income housing Replacement:

Low income rental housing which is acquired due to this project in the City of Minneapolis will be replaced in accordance with state law. It is expected that about two thirds of the units will qualify.

1. What property will be acquired and when will it be acquired?

Based on current estimates 1046 residential dwelling units (includes 305 owner occupied and 740 rental) and 70 commercial properties will have to be acquired for this project. It is anticipated that properties that need to be acquired will be identified by the end of 1993. We hope to begin some acquisitions, most likely hardship acquisitions, beginning in 1994.

The property acquisition process normally begins approximately 3 years prior to construction. Booklets are available through the department which explain in more detail the acquisition and relocation process.

2. What is the process for acquiring property?

The normal process takes 2 to 3 years to complete. The acquisition process begins by conducting a title search on identified properties. A fair market appraisal is then performed and an offer made to the property owner. If the owner is not satisfied with the offer, an eminent domain process is available which is controlled by district court.

3. When will the roadway be reconstructed and how long will it take?

Currently, construction is scheduled to start in 1998 (subject to funding availability) and will likely take 10-15 years to complete. The entire project will not be under construction at one time, but will be divided-up and constructed in segments, with each segment likely taking 2-3 years to complete.

4. Where will construction start?

A staging plan will be developed which will identify when different areas should be constructed and in what order. Funding for the project will affect the amount of time needed to construct the overall facility.

5. Will noise walls and landscaping be added?

Noise walls are planned along the roadway in all residential and park areas where applicable standards are exceeded. Appropriate landscaping will be incorporated throughout the corridor.

6. How much will the project cost and who will pay for it?

The estimated cost to reconstruct I-35W is one billion dollars, which includes roadway and transit construction and right-of-way costs. Highway funding is currently generated through user taxes and project costs are split 80% federal and 20% state. At this time, there is insufficient funding to construct this project. Additional revenue sources will need to be explored.

7. What will the impact be on local tax bases?

Tax base loss has been evaluated and is expected to be about 0.4% in Minneapolis, 2.2% in Richfield, 0.5% in Bloomington, and 0.1% in Burnsville. These losses are expected to be somewhat offset by redevelopment throughout the corridor due to the improved transportation facility.

8. Will I-35W be obsolete as soon as it is built?

The project design was based on forecasted 2010 travel demand. However, with the implementation of High Occupancy Vehicle (HOV) lanes and Light Rail Transit (LRT), capacity to meet the people-moving demand well beyond the forecasted 2010 demand is available. The safety improvements which will be made along the corridor will provide long-term benefits.

9. How will the future of the airport affect the needs for upgrading I-35W?

The travel forecasts that were used to develop the project reflect the airport in its existing location. If the airport were to be relocated and the existing site were redeveloped, it is likely that the area would generate more traffic than it currently does. This increased traffic would place more emphasis on moving people in the corridor.

10. Will the freeway remain open during construction?

The roadway will remain open to traffic during construction. However, lane restrictions will be needed in construction areas. There will be a minimum of two lanes in each direction. In addition, we will be exploring the early implementation of an HOV lane which could be open to HOV vehicles prior to and during construction.

11. What will be done to maintain I-35W from now until the reconstruction begins?

Several restoration type projects will have to be done to maintain the condition of the facility. These types of projects will include pavement overlays, bridge deck and railing work, guardrail repairs, etc.

12. Will a third lane be built across the Minnesota River prior to the reconstruction project?

We expect that a third lane on I-35W, between I-494 and Highway 13, will be open to traffic in the fall of 1994. The inside lane (lane nearest the median) in each direction will be reserved for buses, carpools, and vanpools during peak periods.

13. Are there any unresolved issues concerning LRT?

The Minnesota Department of Transportation (Mn/DOT) has proposed constructing LRT in the I-35W corridor. However, a number of unresolved issues concerning the implementation of LRT need to be addressed. The issues are that appropriate levels of funding for an LRT system must be made available, the alignment north of 29th Street needs to be addressed, and the I-94 central corridor must be resolved.

14. Can LRT be constructed prior to the reconstruction project?

In order to provide an LRT system in the corridor, major improvements would have to be made to bridges, interchanges, and roadway alignment. It would be more prudent to construct the LRT system concurrently with the roadway improvements.

15. Will LRT be extended to Burnsville?

Light Rail Transit is current proposed to 95th Street. Ridership forecasts for persons who would use a LRT system south of the 95th Street Station are projected to be low in the design year 2010. The system can be extended further south in the future if it is needed.

16. Will bus service be improved?

Preliminary plans for a new feeder bus system throughout the corridor have been developed in cooperation with the Regional Transit Board, the Metropolitan Transit Commission, the Metropolitan Council, and Mn/DOT. These plans will be further refined and an implementation strategy established as the project progresses.

17. Will carpools and buses get priority treatment?

To encourage people to use buses and carpools, priority treatment will be provided which will include incentives such as ramp meter bypasses, direct connections into downtown Minneapolis, exclusive lanes, and park-n-ride lots.

18. Will park-n-ride lots be provided?

A number of lots are planned along I-35W and will be serviced by buses and/or an LRT system.

19. Will ramps be metered?

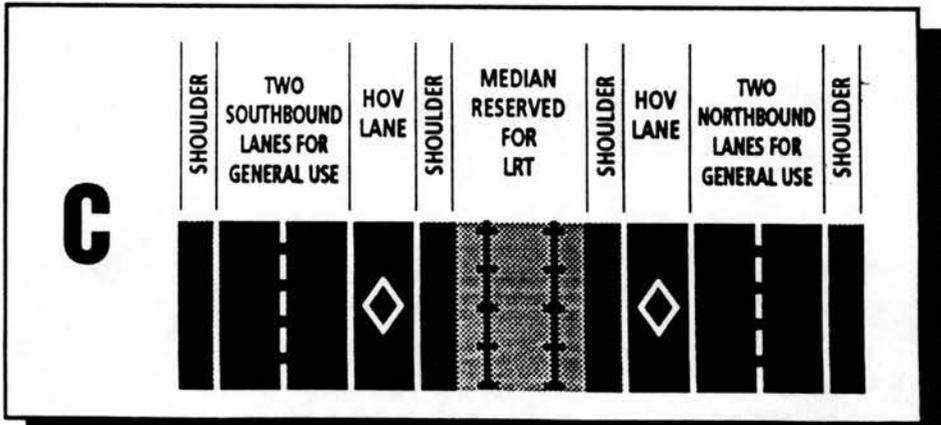
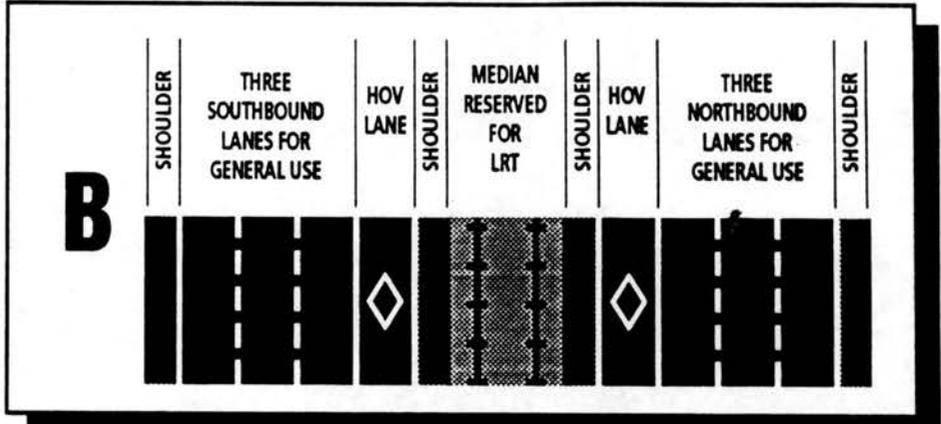
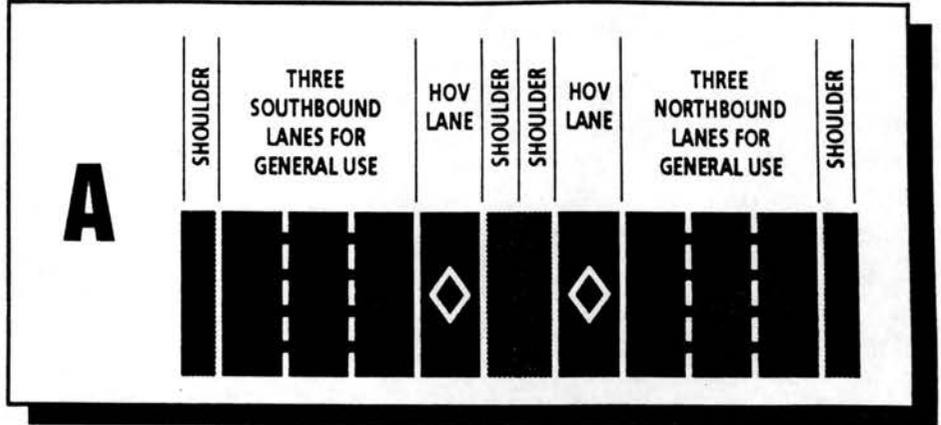
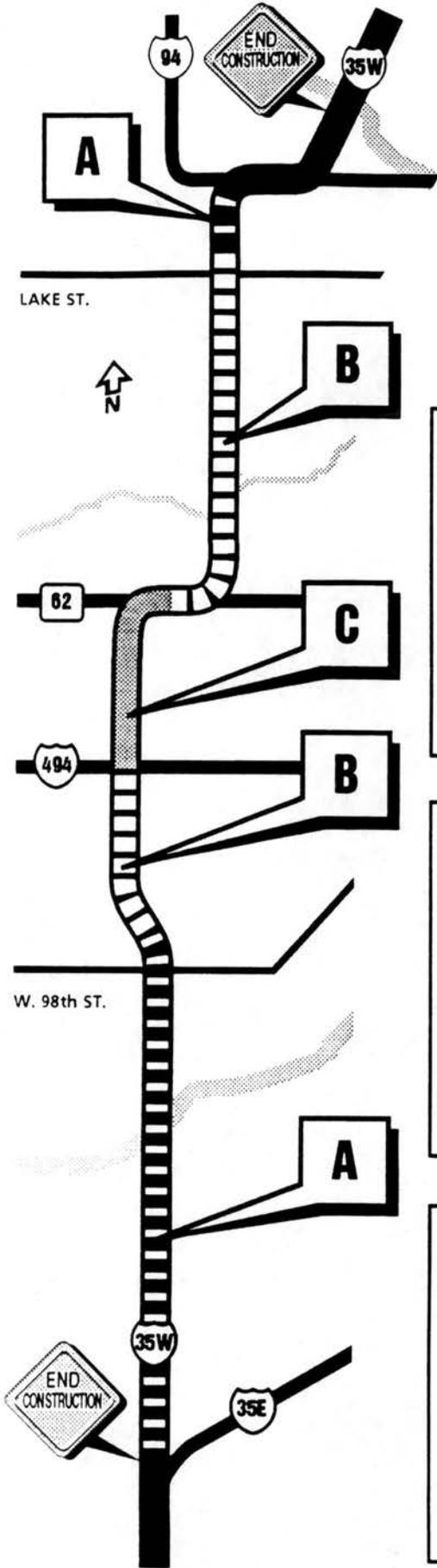
Ramp metering allows us to manage the freeway system and better optimize its use. Since ramp metering was introduced in the metropolitan area we have found that the roadways have handled more traffic, speeds have increased, and accident rates have decreased.

20. Will the public have an opportunity to provide further input?

Public input will be solicited throughout the process. A number of issues remain such as local street connections, noise wall design, coordination with local projects, etc. It is Mn/DOT's intent to work closely with the cities and neighborhoods along the corridor in developing the final plans.

I-35W Reconstruction Project

Preferred Alternative



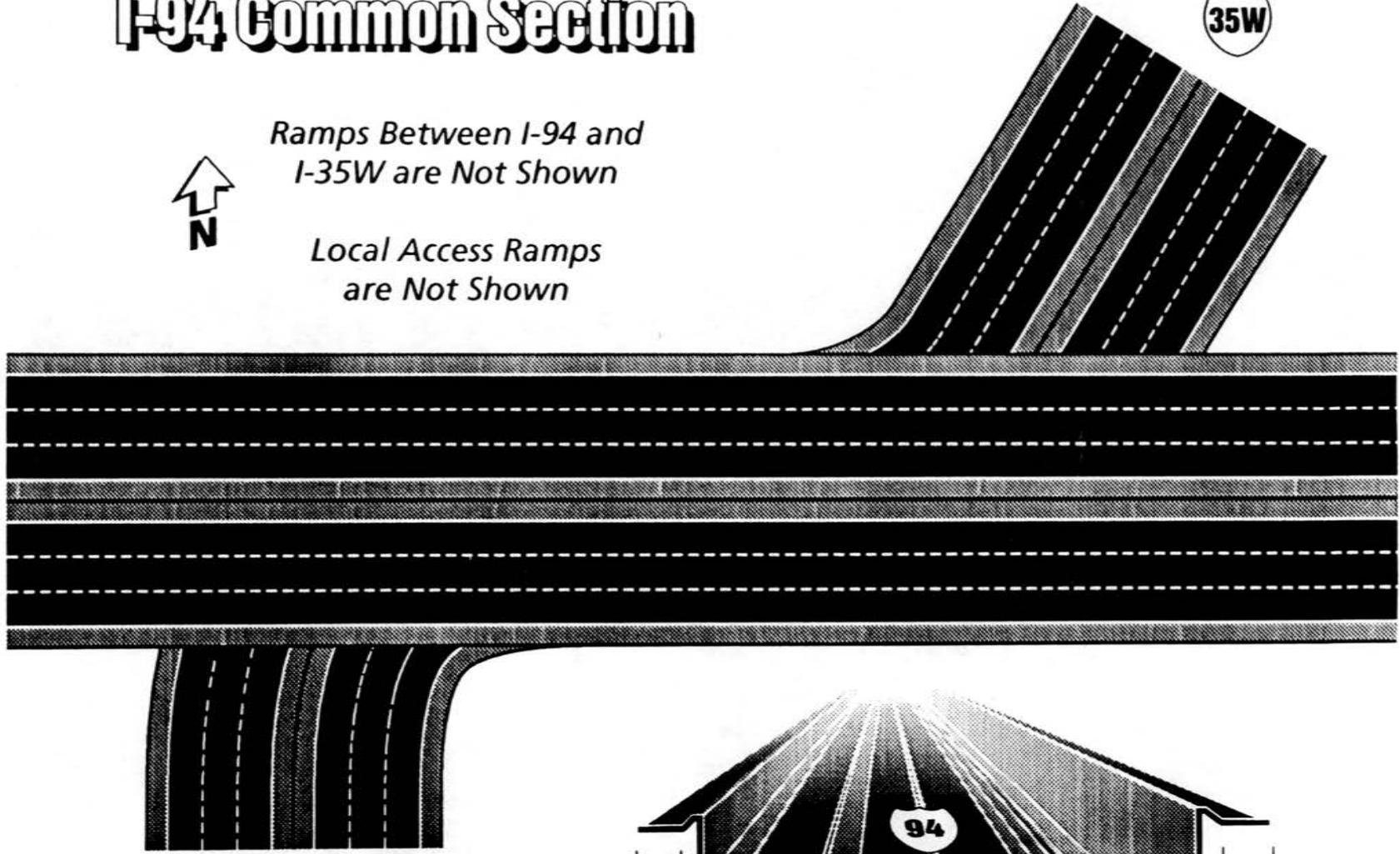
NOT TO SCALE

I-94 Common Section

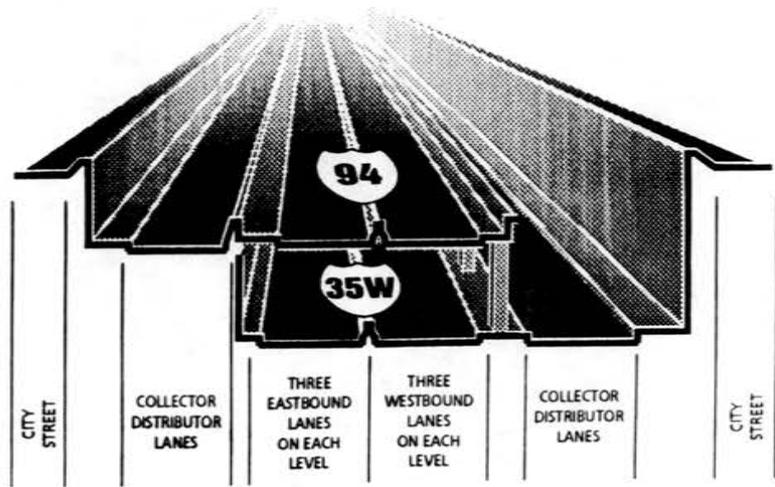


*Ramps Between I-94 and
I-35W are Not Shown*

*Local Access Ramps
are Not Shown*



NOT TO SCALE

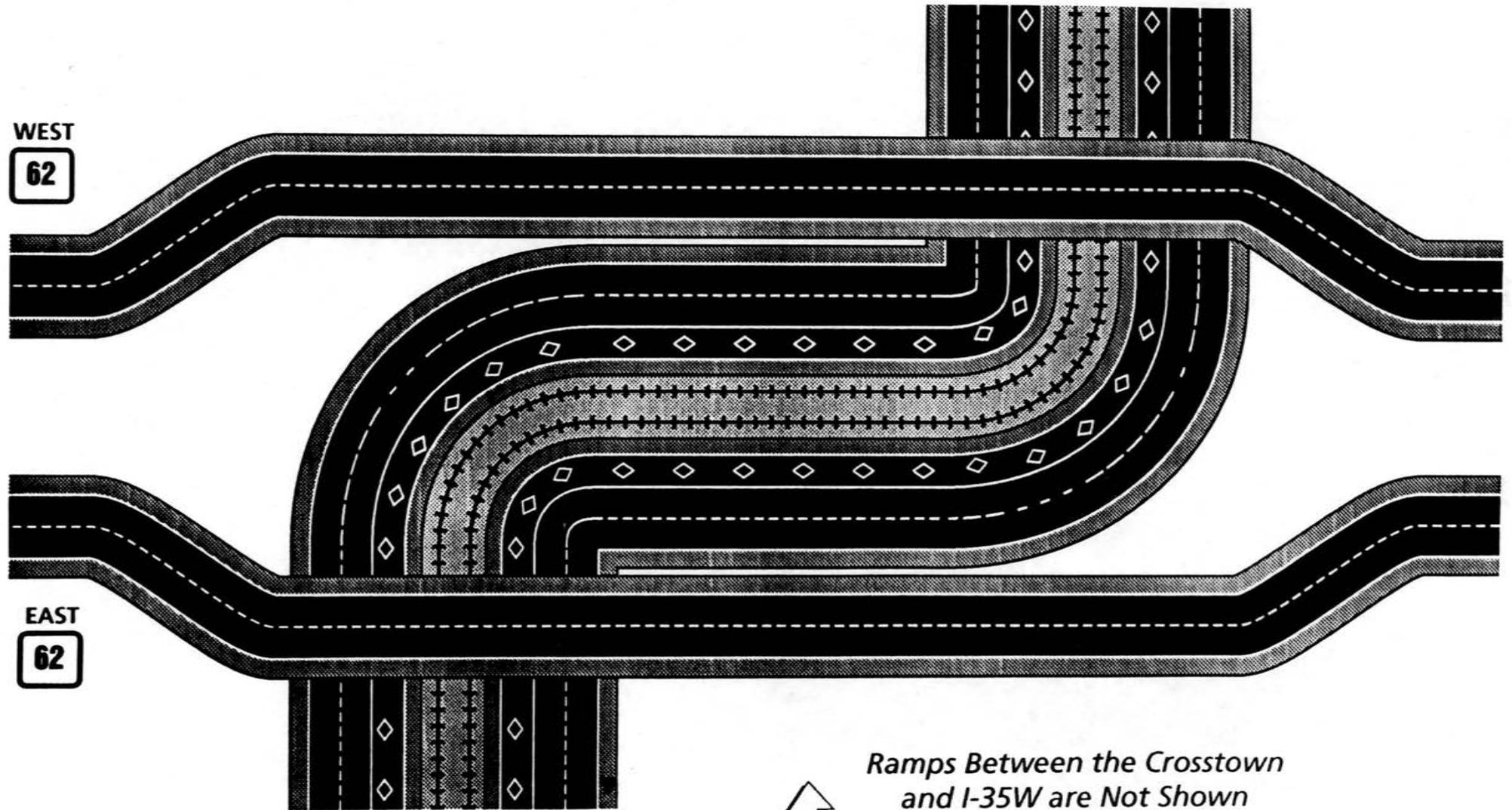


I-35W Crosstown Common Section



WEST

62



EAST

62

NOT TO SCALE



*Ramps Between the Crosstown
and I-35W are Not Shown*

*Local Access Ramps
are Not Shown*



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 February 8, 1993, the Administration and Finance Committee approved the following recommendations:

1993 Provider Capital Funding and Contracts

That the Regional Transit Board approve 1993 capital funding and authorize the executive director to enter into capital contracts with the following providers in amounts not to exceed:

| | |
|-----------------------|----------|
| Carver County | \$36,800 |
| Scott County | \$35,102 |
| Senior Transportation | \$28,000 |

Electronic Registering Fareboxes for Non-Metropolitan Transit Commission Providers

That the Regional Transit Board direct RTB staff to coordinate with Metropolitan Transit Commission (MTC) staff to purchase electronic fareboxes, magnetic stripe readers, and computerized data collection and reporting systems for the purpose of leasing this equipment to non-MTC providers of regular route service. Staff shall also direct the MTC to amend their 1993 capital budget to fund these purchases.

Minnesota Valley Transit Authority Capital Funding Request

That the Regional Transit Board enter into a capital agreement with the Minnesota Valley Transit Authority in an amount not to exceed \$90,000 for the development, preliminary engineering, and/or expansion of park-and-ride facilities in the Minnesota Valley Transit Authority's operating area.

Western Suburbs Route 55 Contract Extension

That the Regional Transit Board authorize the executive director to amend the Western Suburbs Route 55 contract (Contract 92/20/04-14) with the Metropolitan Transit Commission by a maximum of \$101,306 to \$715,309 for the period of April 1, 1992 through May 31, 1993.

Ruth Franklin
Chair

REGIONAL TRANSIT BOARD

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

DATE: February 8, 1993

TO: Chair and Members of the Regional Transit Board

FROM: Stephanie Eiler, AICP 
Senior Planner, LRT Development

SUBJECT: Presentation by Minnesota Department of Transportation on the Preferred Alternative for I-35W Reconstruction

Mn/DOT Commissioner James Denn recently announced his decision on the I-35W reconstruction project. The proposed solution for the corridor includes a high-occupancy-vehicle (HOV) lane the entire length of the project, and light rail transit between downtown Minneapolis and 95th Street in Bloomington. Mn/DOT's project manager for I-35W will give a brief presentation on the preferred alternative at the February 16 Board meeting.

For background, the Board's position on LRT was adopted on June 1, 1992:

"The Regional Transit Board strongly supports a reconstruction plan for I-35W that assumes preconstruction of light rail transit within the existing easements or right-of-way without the taking of additional residential or commercial property."

Project Managers Craig Robinson and/or Adam Josephson of Mn/DOT will give the brief presentation and answer any questions the Board may have on the project.

herbert 2/16/93

REGIONAL TRANSIT BOARD

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

DATE: February 16, 1993
TO: John H. Riley, Chair & Regional Transit Board Members
FROM: Sherry Munyon, Deputy Chair 
SUBJECT: Transit Funding & Governance Legislative Proposals

FUNDING:

[S.F. 187/H.F. 324] Senator Pappas and Representative Garcia are chief authors of the proposal to extend the 6 1/2 % general sales tax to motor fuels. Revenues from this tax are to be placed in a newly established mobility trust fund; the transit assistance fund and a surface transportation fund are components of the mobility trust fund. The surface transportation funds can be used for any transportation purpose--including light rail transit construction.

[H.F. 314] Representative Mariani introduced a transit bill that was developed in collaboration with Representative Wagenius and Senators Flynn, Ranum, Pappas and others. This proposal has no dedicated funding mechanism for transit but rather appropriates funds for implementation of the Vision for Transit. The commuter tax credits we pursued last year are contained in this proposal as well as up to \$140 million for LRT construction. Mariani's bill permits "mass" transit projects in highway corridors to be funded from the highway user tax distribution fund. This is broader than last year's "Flynn" amendment and includes vehicles.

[S.F. 51] Senator Langseth's proposal increases the motor fuel tax 5 cents per gallon and has an indexing provision. A mobility trust fund is created and \$27 million per year is appropriated for deposit in the transit assistance fund. Langseth's bill permits use of motor vehicle fuel revenues for public transit facilities in a highway corridor, but does not include transit vehicles.

There are two funding proposals pending, but not introduced: the Department of Transportation is expected to issue a press statement at the end of this week regarding funding for highways and transit statewide; the Minnesota Transportation Alliance will be adopting parameters for their legislative package at the end of this week. I expect they will seek a motor fuel tax increase of between 5 cents to 10 cents for highways and roads; amending county, state and municipal aid formulas for highways; the permissive language for transit infrastructure in a highway corridor is also expected--and may include transit vehicles.

Page two

GOVERNANCE:

Although no legislation has been introduced at this time, there may be several proposals introduced. On Monday, February 15 there were two press conferences regarding governance proposals by the Metropolitan Council (materials attached) and the other by Representative Phil Carruthers (materials attached.) Representatives Myron Orfield and Irv Anderson have also been assessing alternatives to current structure and may introduce proposals as well.

Senators Pappas, Mondale, Flynn and Novak introduced--

S. F. No. 187 Referred to the Committee on Transportation and Public Transit

H.F. 324

REPRESENTATIVES Garcia, Lasley, Mariani and Morrison

1

A bill for an act

2 relating to transportation; creating a Minnesota
3 mobility trust fund and a surface transportation fund;
4 imposing a tax on motor fuel sales at retail and
5 requiring all proceeds to be deposited in the
6 Minnesota mobility trust fund; amending Minnesota
7 Statutes 1992, sections 174.32, subdivision 2;
8 297A.25, subdivision 7; and 297A.44, subdivisions 1
9 and 4; proposing coding for new law in Minnesota
10 Statutes, chapter 174.

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

12 Section 1. Minnesota Statutes 1992, section 174.32,
13 subdivision 2, is amended to read:

14 Subd. 2. [TRANSIT ASSISTANCE FUND; DISTRIBUTION.] (a) The
15 transit assistance fund receives money distributed under-section
16 297B-09 from the Minnesota mobility trust fund as provided in
17 section 2. Eighty percent of the receipts of the fund must be
18 placed into a metropolitan account for distribution to
19 recipients located in the metropolitan area and 20 percent into
20 a separate account for distribution to recipients located
21 outside of the metropolitan area. Except as otherwise provided
22 in this subdivision, the regional transit board created by
23 section 473.373 is responsible for distributing assistance from
24 the metropolitan account, and the commissioner is responsible
25 for distributing assistance from the other account. Money
26 placed in the metropolitan account is available for distribution
27 to regional railroad authorities established under chapter 398A
28 in the metropolitan area, by the commissioner of transportation

1 as provided in paragraph (b).

2 (b) The commissioner shall request applications from all
3 eligible regional railroad authorities. The commissioner shall
4 establish a reasonable deadline for submittal of applications.
5 The commissioner may not distribute more than 60 percent of the
6 available funds to a single recipient. Before distributing
7 money to any regional railroad authority, the commissioner shall
8 submit the applications to the regional transit board for
9 approval. The commissioner may distribute funds only with the
10 approval of the board. Before approving any application for
11 funds for construction, the board shall report to the
12 legislature on the use and planned distribution of construction
13 funds.

14 Sec. 2. [174.64] [MINNESOTA MOBILITY TRUST FUND.]

15 Subdivision 1. [ESTABLISHMENT.] The Minnesota mobility
16 trust fund is created, consisting of all proceeds of the tax
17 imposed on sales of gasoline and special fuel at retail; money
18 received from the federal government or any other public or
19 private source; and any other money otherwise allotted,
20 appropriated, or legislated to the fund.

21 Subd. 2. [APPORTIONMENT.] Money in the fund must be
22 transferred to the transit assistance fund and to the surface
23 transportation fund for apportionment as follows: .. percent to
24 the transit assistance fund and .. percent to the surface
25 transportation fund. Money credited to the Minnesota mobility
26 trust fund must be transferred from the fund on July 15 and
27 January 15 of each fiscal year. The commissioner of finance
28 must make each transfer based upon the actual receipts of the
29 preceding six calendar months and include the interest earned
30 during that six-month period. The commissioner of finance may
31 establish a quarterly or other schedule providing for more
32 frequent payments to the transit assistance fund if the
33 commissioner determines it is necessary or desirable to provide
34 for the cash flow needs of the recipients of money from the
35 transit assistance fund.

36 Subd. 3. [INVESTMENT.] Upon the request of the

1 commissioner, money in the Minnesota mobility trust fund shall
 2 be invested by the state board of investment in those securities
 3 authorized for that purpose in section 11A.21. All interest and
 4 profits from the investments shall be credited to the Minnesota
 5 mobility trust fund. The state treasurer shall be the custodian
 6 of all securities purchased under this section.

7 Sec. 3. [174.65] [SURFACE TRANSPORTATION FUND.]

8 The surface transportation fund is created in the state
 9 treasury consisting of money from the Minnesota mobility trust
 10 fund as provided in section 2. Money in the surface
 11 transportation fund may be expended by appropriation for any
 12 transportation purpose.

13 Sec. 4. Minnesota Statutes 1992, section 297A.25,
 14 subdivision 7, is amended to read:

15 Subd. 7. [PETROLEUM PRODUCTS.] The gross receipts from the
 16 sale of and storage, use, or consumption of the following
 17 petroleum products are exempt:

18 ~~(1) products upon which a tax has been imposed and paid~~
 19 ~~under the provisions of chapter 2967 and no refund has been or~~
 20 ~~will be allowed because the buyer used the fuel for nonhighway~~
 21 ~~use;~~

22 ~~†2†~~ products which are used in the improvement of
 23 agricultural land by constructing, maintaining, and repairing
 24 drainage ditches, tile drainage systems, grass waterways, water
 25 impoundment, and other erosion control structures; or

26 ~~†3†~~ (2) products purchased by a transit system receiving
 27 financial assistance under section 174.24 or 473.384.

28 Sec. 5. Minnesota Statutes 1992, section 297A.44,
 29 subdivision 1, is amended to read:

30 Subdivision 1. (a) Except as provided in paragraphs (b)†
 31 ~~†c†† and †d††~~ to (e) and subdivision 4, all revenues, including
 32 interest and penalties, derived from the excise and use taxes
 33 imposed by sections 297A.01 to 297A.44 shall be deposited by the
 34 commissioner in the state treasury and credited to the general
 35 fund.

36 (b) All excise and use taxes derived from sales and use of

1 property and services purchased for the construction and
2 operation of an agricultural resource project, from and after
3 the date on which a conditional commitment for a loan guaranty
4 for the project is made pursuant to section 41A.04, subdivision
5 3, shall be deposited in the Minnesota agricultural and economic
6 account in the special revenue fund. The commissioner of
7 finance shall certify to the commissioner the date on which the
8 project received the conditional commitment. The amount
9 deposited in the loan guaranty account shall be reduced by any
10 refunds and by the costs incurred by the department of revenue
11 to administer and enforce the assessment and collection of the
12 taxes.

13 (c) All revenues, including interest and penalties, derived
14 from the excise and use taxes imposed on sales and purchases
15 included in section 297A.01, subdivision 3, paragraphs (d) and
16 (1), clauses (1) and (2), must be deposited by the commissioner
17 in the state treasury, and credited as follows:

18 (1) first to the general obligation special tax bond debt
19 service account in each fiscal year the amount required by
20 section 16A.661, subdivision 3, paragraph (b); and

21 (2) after the requirements of clause (1) have been met, the
22 balance must be credited to the general fund.

23 (d) The revenues, including interest and penalties, derived
24 from the taxes imposed on solid waste collection services as
25 described in section 297A.45, except for the tax imposed under
26 section 297A.021, shall be deposited by the commissioner in the
27 state treasury and credited to the general fund to be used for
28 funding solid waste reduction and recycling programs.

29 (e) All revenues, including interest and penalties, derived
30 from the tax imposed on sales of gasoline and special fuel at
31 retail must be deposited by the commissioner in the state
32 treasury and credited to the Minnesota mobility trust fund to be
33 used for the purposes of that fund as described in section 2.

34 Sec. 6. Minnesota Statutes 1992, section 297A.44,
35 subdivision 4, is amended to read:

36 Subd. 4. [LOCAL OPTION TAX.] (a) The commissioner shall

1 deposit all revenues, including interest and penalties, derived
2 from the local option excise taxes imposed under sections
3 297A.021 and 297A.14, except revenues derived from sales of
4 gasoline and special fuel at retail, in the local government
5 trust fund.

6 (b) In addition, the commissioner shall deposit revenues
7 derived from imposing a rate of 1.5 percent on all taxable
8 sales, except sales of gasoline and special fuel at retail,
9 including interest and penalties, under this chapter in the
10 local government trust fund.

11 Sec. 7. [NONSEVERABILITY.]

12 The provisions of this act are not severable. Each section
13 is essentially and inseparably connected and dependent upon
14 every other section and that if one provision of this act is
15 found to be void the legislature would not have enacted the
16 remaining provisions without the void provision.

1 (2) take advantage of federal matching funds available
2 under the federal Intermodal Surface Transportation Efficiency
3 Act of 1991; and

4 (3) contribute to attaining the congestion mitigation and
5 ambient air quality standards of the federal Clean Air Act.

6 Such uses are deemed to be for highway purposes.

7 (b) "Mass transit" means transportation that is available
8 to the general public for hire on a regular and continuing
9 basis, on published schedules, and includes public bus and
10 commuter rail service but does not include transportation such
11 as travel in passenger automobiles; ridesharing arrangements
12 defined in section 169.01, subdivision 63; taxi service; charter
13 or school bus service; or nonpublic transportation. Mass
14 transit includes the property, equipment, vehicles, and
15 improvements of any nature owned, used, constructed, or
16 maintained to provide mass transit and supporting facilities
17 such as park-and-ride facilities.

18 Sec. 3. [161.1247] [METROPOLITAN AREA HIGHWAY PROJECTS.]
19 Subdivision 1. [DEFINITIONS.] For the purpose of this
20 section, "mass transit" has the meaning given it in section
21 161.087.

22 Subd. 2. [PROJECT PRIORITY.] Except as provided in
23 subdivision 5, in the metropolitan area defined in section
24 473.121, subdivision 2, highway projects that include mass
25 transit or exclusive lanes for mass transit must have priority
26 over other highway projects in the commissioner of
27 transportation's project selection and programming process. T
28 commissioner of transportation shall identify all opportunitie
29 for obtaining federal funds that may be used for transit in th
30 metropolitan area, including surface transportation funds,
31 congestion mitigation funds, and air quality improvement fund:
32 and make every reasonable effort to obtain and use those fund
33 for transit in the metropolitan area. The metropolitan coun
34 and metropolitan agencies as defined in section 473.121, and
35 local units of government in the metropolitan area, shall
36 cooperate with and assist the commissioner in seeking federa

1 funds under this subdivision.

2 Subd. 3. [LIGHT RAIL TRANSIT IN THE CENTRAL CORRIDOR.] By
3 January 1, 1994, the commissioner of transportation shall submit
4 an application for federal financial assistance to construct
5 light rail transit between the cities of Minneapolis and St.
6 Paul as part of the reconstruction of marked interstate route
7 I-94.

8 Subd. 4. [I-35W RECONSTRUCTION.] (a) Interstate route
9 I-35W reconstruction may begin only after construction of light
10 rail transit between the cities of Minneapolis and St. Paul has
11 begun.

12 (b) Adding traffic lanes between marked interstate routes
13 I-494 and I-35E may begin only after construction of light rail
14 transit north of marked interstate route I-494 has begun.

15 (c) The commissioner shall not begin construction of or
16 initiate acquisition of any land for additional traffic lanes on
17 marked interstate route I-35W between Washington Avenue South in
18 the city of Minneapolis and marked interstate route I-35E in
19 Dakota county until the legislature appropriates money to
20 provide the funds required to match federal funds for the
21 project.

22 Subd. 5. [I-494 RECONSTRUCTION.] The commissioner shall
23 not begin construction of or initiate acquisition of any land
24 for additional traffic lanes on marked interstate route I-494
25 until the legislature appropriates money to provide the funds
26 required to match federal funds for the project.

27 Subd. 6. [HIGHWAY 610 RECONSTRUCTION.] The commissioner of
28 transportation shall begin reconstruction of marked trunk
29 highways 10 and 610 at the same time as, or earlier than,
30 reconstruction begins on marked interstate route I-35W or on
31 marked interstate route I-494, whichever occurs first.

32 Subd. 7. [PARKING FACILITIES.] The commissioner may
33 acquire land by purchase, gift, or eminent domain for and may
34 construct, operate, repair, and maintain park-and-ride
35 facilities to serve persons traveling by mass transit in the
36 metropolitan area defined in section 473.121, subdivision 2.

1 After July 1, 1993, the commissioner shall ensure that trunk
 2 highway construction or reconstruction projects in the
 3 metropolitan area include sufficient park-and-ride facilities to
 4 maximize mass transit use on the completed project and shall
 5 consult with metropolitan transit providers to determine the
 6 necessary number, locations, and size of park-and-ride
 7 facilities needed to maximize mass transit use.

8 Sec. 4. Minnesota Statutes 1992, section 174.01,
 9 subdivision 2, is amended to read:

10 Subd. 2. [TRANSPORTATION GOALS.] The goals of the state
 11 transportation system are as follows:

12 (1) to provide safe transportation for users throughout the
 13 state;

14 (2) to ensure transportation planning enhances balanced
 15 regional development in the metropolitan area defined in section
 16 473.121, subdivision 2;

17 (3) to provide multimodal and intermodal transportation
 18 that enhances mobility and economic development and provides
 19 access to all persons and businesses in Minnesota while ensuring
 20 that there is no undue burden placed on any community;

21 ~~(3)~~ (4) to provide a reasonable travel time for commuters;

22 ~~(4)~~ (5) to provide for the economical, efficient, and safe
 23 movement of goods to and from markets by rail, highway, and
 24 waterway;

25 ~~(5)~~ (6) to encourage tourism by providing appropriate
 26 transportation to Minnesota facilities designed to attract
 27 tourists;

28 ~~(6)~~ (7) to provide transit services throughout the state to
 29 meet the needs of transit users;

30 ~~(7)~~ (8) to promote productivity through system management
 31 and the utilization of technological advancements;

32 ~~(8)~~ (9) to maximize the benefits received for each state
 33 transportation investment;

34 ~~(9)~~ (10) to provide funding for transportation that, at a
 35 minimum, preserves the transportation infrastructure;

36 ~~(10)~~ (11) to ensure that the planning and implementation of

1 all modes of transportation are consistent with the
2 environmental and energy goals of the state and to meet and
3 maintain 1990 levels of carbon dioxide emissions;
4 ~~(11)~~ (12) to increase high occupancy vehicle use;
5 ~~(12)~~ (13) to provide an air transportation system
6 sufficient to encourage economic growth and allow all regions of
7 the state the ability to participate in the global economy;
8 ~~(13)~~ (14) to increase transit use in the urban areas by
9 giving highest priority to the transportation modes with the
10 greatest people moving capacity; and
11 ~~(14)~~ (15) to promote and increase bicycling as an
12 energy-efficient, nonpolluting, and healthful transportation
13 alternative.

14 Sec. 5. Minnesota Statutes 1992, section 290.01, is
15 amended by adding a subdivision to read:

16 Subd. 4b. [COMMUTER TRANSPORTATION BENEFITS.] "Commuter
17 transportation benefits" means the amount paid or incurred
18 during the taxable year by an employer as defined in section
19 290.92, subdivision 1, for providing employees alternatives to
20 commuting to and from work in single-occupancy motor vehicles.
21 Commuter transportation benefits include, but are not limited
22 to, transit passes, parking at park-and-ride lots, parking for
23 carpools, employer-sponsored rideshare and vanpool programs,
24 bicycles and bicycle safety equipment, equipment that permits an
25 employee to limit commuting by working at home, and the amount
26 paid or incurred due to the use of flextime, staggered work
27 hours, or other management techniques that reduce
28 single-occupancy vehicle commuting by employees.

29 Sec. 6. Minnesota Statutes 1992, section 290.01,
30 subdivision 19b, is amended to read:

31 Subd. 19b. [SUBTRACTIONS FROM FEDERAL TAXABLE INCOME.] For
32 individuals, estates, and trusts, there shall be subtracted from
33 federal taxable income:

34 (1) interest income on obligations of any authority,
35 commission, or instrumentality of the United States to the
36 extent includable in taxable income for federal income tax

1 purposes but exempt from state income tax under the laws of the
2 United States;

3 (2) if included in federal taxable income, the amount of
4 any overpayment of income tax to Minnesota or to any other
5 state, for any previous taxable year, whether the amount is
6 received as a refund or as a credit to another taxable year's
7 income tax liability;

8 (3) the amount paid to others not to exceed \$650 for each
9 dependent in grades kindergarten to 6 and \$1,000 for each
10 dependent in grades 7 to 12, for tuition, textbooks, and
11 transportation of each dependent in attending an elementary or
12 secondary school situated in Minnesota, North Dakota, South
13 Dakota, Iowa, or Wisconsin, wherein a resident of this state may
14 legally fulfill the state's compulsory attendance laws, which is
15 not operated for profit, and which adheres to the provisions of
16 the Civil Rights Act of 1964 and chapter 363. As used in this
17 clause, "textbooks" includes books and other instructional
18 materials and equipment used in elementary and secondary schools
19 in teaching only those subjects legally and commonly taught in
20 public elementary and secondary schools in this state.
21 "Textbooks" does not include instructional books and materials
22 used in the teaching of religious tenets, doctrines, or worship,
23 the purpose of which is to instill such tenets, doctrines, or
24 worship, nor does it include books or materials for, or
25 transportation to, extracurricular activities including sporting
26 events, musical or dramatic events, speech activities, driver's
27 education, or similar programs. In order to qualify for the
28 subtraction under this clause the taxpayer must elect to itemize
29 deductions under section 63(e) of the Internal Revenue Code;

30 (4) to the extent included in federal taxable income,
31 distributions from a qualified governmental pension plan, an
32 individual retirement account, simplified employee pension, or
33 qualified plan covering a self-employed person that represent a
34 return of contributions that were included in Minnesota gross
35 income in the taxable year for which the contributions were made
36 but were deducted or were not included in the computation of

1 federal adjusted gross income. The distribution shall be
2 allocated first to return of contributions until the
3 contributions included in Minnesota gross income have been
4 exhausted. This subtraction applies only to contributions made
5 in a taxable year prior to 1985;

6 (5) income as provided under section 290.0802;

7 (6) the amount of unrecovered accelerated cost recovery
8 system deductions allowed under subdivision 19g;

9 (7) to the extent included in federal adjusted gross
10 income, income realized on disposition of property exempt from
11 tax under section 290.491; and

12 (8) to the extent not deducted in determining federal
13 taxable income, the amount paid for health insurance of
14 self-employed individuals as determined under section 162(1) of
15 the Internal Revenue Code, except that the 25 percent limit does
16 not apply. If the taxpayer deducted insurance payments under
17 section 213 of the Internal Revenue Code of 1986, the
18 subtraction under this clause must be reduced by the lesser of:

19 (i) the total itemized deductions allowed under section
20 63(d) of the Internal Revenue Code, less state, local, and
21 foreign income taxes deductible under section 164 of the
22 Internal Revenue Code and the standard deduction under section
23 63(c) of the Internal Revenue Code; or

24 (ii) the lesser of (A) the amount of insurance qualifying
25 as "medical care" under section 213(d) of the Internal Revenue
26 Code to the extent not deducted under section 162(1) of the
27 Internal Revenue Code or excluded from income or (B) the total
28 amount deductible for medical care under section 213(a); and

29 (9) the value of commuter transportation benefits received
30 by an employee to the extent included in federal taxable income,
31 in an amount not to exceed \$60 per month.

32 Sec. 7. Minnesota Statutes 1992, section 290.01,
33 subdivision 19d, is amended to read:

34 Subd. 19d. [CORPORATIONS; MODIFICATIONS DECREASING FEDERAL
35 TAXABLE INCOME.] For corporations, there shall be subtracted
36 from federal taxable income after the increases provided in

1 subdivision 19c:

2 (1) the amount of foreign dividend gross-up added to gross
3 income for federal income tax purposes under section 78 of the
4 Internal Revenue Code;

5 (2) the amount of salary expense not allowed for federal
6 income tax purposes due to claiming the federal jobs credit
7 under section 51 of the Internal Revenue Code;

8 (3) any dividend (not including any distribution in
9 liquidation) paid within the taxable year by a national or state
10 bank to the United States, or to any instrumentality of the
11 United States exempt from federal income taxes, on the preferred
12 stock of the bank owned by the United States or the
13 instrumentality;

14 (4) amounts disallowed for intangible drilling costs due to
15 differences between this chapter and the Internal Revenue Code
16 in taxable years beginning before January 1, 1987, as follows:

17 (i) to the extent the disallowed costs are represented by
18 physical property, an amount equal to the allowance for
19 depreciation under Minnesota Statutes 1986, section 290.09,
20 subdivision 7, subject to the modifications contained in
21 subdivision 19e; and

22 (ii) to the extent the disallowed costs are not represented
23 by physical property, an amount equal to the allowance for cost
24 depletion under Minnesota Statutes 1986, section 290.09,
25 subdivision 8;

26 (5) the deduction for capital losses pursuant to sections
27 1211 and 1212 of the Internal Revenue Code, except that:

28 (i) for capital losses incurred in taxable years beginning
29 after December 31, 1986, capital loss carrybacks shall not be
30 allowed;

31 (ii) for capital losses incurred in taxable years beginning
32 after December 31, 1986, a capital loss carryover to each of the
33 15 taxable years succeeding the loss year shall be allowed;

34 (iii) for capital losses incurred in taxable years
35 beginning before January 1, 1987, a capital loss carryback to
36 each of the three taxable years preceding the loss year, subject

1 to the provisions of Minnesota Statutes 1986, section 290.16,
2 shall be allowed; and

3 (iv) for capital losses incurred in taxable years beginning
4 before January 1, 1987, a capital loss carryover to each of the
5 five taxable years succeeding the loss year to the extent such
6 loss was not used in a prior taxable year and subject to the
7 provisions of Minnesota Statutes 1986, section 290.16, shall be
8 allowed;

9 (6) an amount for interest and expenses relating to income
10 not taxable for federal income tax purposes, if (i) the income
11 is taxable under this chapter and (ii) the interest and expenses
12 were disallowed as deductions under the provisions of section
13 171(a)(2), 265 or 291 of the Internal Revenue Code in computing
14 federal taxable income;

15 (7) in the case of mines, oil and gas wells, other natural
16 deposits, and timber for which percentage depletion was
17 disallowed pursuant to subdivision 19c, clause (11), a
18 reasonable allowance for depletion based on actual cost. In the
19 case of leases the deduction must be apportioned between the
20 lessor and lessee in accordance with rules prescribed by the
21 commissioner. In the case of property held in trust, the
22 allowable deduction must be apportioned between the income
23 beneficiaries and the trustee in accordance with the pertinent
24 provisions of the trust, or if there is no provision in the
25 instrument, on the basis of the trust's income allocable to
26 each;

27 (8) for certified pollution control facilities placed in
28 service in a taxable year beginning before December 31, 1986,
29 and for which amortization deductions were elected under section
30 169 of the Internal Revenue Code of 1954, as amended through
31 December 31, 1985, an amount equal to the allowance for
32 depreciation under Minnesota Statutes 1986, section 290.09,
33 subdivision 7;

34 (9) the amount included in federal taxable income
35 attributable to the credits provided in Minnesota Statutes 1986,
36 section 273.1314, subdivision 9, or Minnesota Statutes, section

1 469.171, subdivision 6;

2 (10) amounts included in federal taxable income that are
3 due to refunds of income, excise, or franchise taxes based on
4 net income or related minimum taxes paid by the corporation to
5 Minnesota, another state, a political subdivision of another
6 state, the District of Columbia, or a foreign country or
7 possession of the United States to the extent that the taxes
8 were added to federal taxable income under section 290.01,
9 subdivision 19c, clause (1), in a prior taxable year;

10 (11) the following percentage of royalties, fees, or other
11 like income accrued or received from a foreign operating
12 corporation or a foreign corporation which is part of the same
13 unitary business as the receiving corporation:

| | | |
|----|-------------------------|-------------|
| 14 | Taxable Year | |
| 15 | Beginning After | Percentage |
| 16 | December 31, 1988 | 50 percent |
| 17 | December 31, 1990 | 80 percent; |

18 (12) income or gains from the business of mining as defined
19 in section 290.05, subdivision 1, clause (a), that are not
20 subject to Minnesota franchise tax;

21 (13) the amount of handicap access expenditures in the
22 taxable year which are not allowed to be deducted or capitalized
23 under section 44(d)(7) of the Internal Revenue Code of 1986; and

24 (14) the amount of qualified research expenses not allowed
25 for federal income tax purposes under section 280C(c) of the
26 Internal Revenue Code, but only to the extent that the amount
27 exceeds the amount of the credit allowed under section 290.068;

28 and

29 (15) the amount paid or incurred for commuter
30 transportation benefits provided to employees to the extent
31 included in federal taxable income.

32 Sec. 8. [290.061] [EMPLOYERS' COMMUTER TRANSPORTATION TAX
33 CREDIT.]

34 An employer may take as a credit against taxes due under
35 section 290.06, in a taxable year an amount equal to ten percen
36 of the amount paid or incurred for commuter transportation

1 benefits, not to exceed \$720 multiplied by the number of
2 benefited employees.

3 Sec. 9. Minnesota Statutes 1992, section 473.146,
4 subdivision 3, is amended to read:

5 Subd. 3. [TRANSPORTATION CHAPTER OF THE DEVELOPMENT
6 GUIDE.] The transportation chapter must include: (1) policies
7 relating to all transportation forms and be designed to promote
8 the legislative determinations, policies, and goals set forth in
9 section 473.371; (2) land-use policies that encourage transit
10 use; (3) policies to ensure that all transportation planning in
11 the metropolitan area enhances balanced regional development;
12 and (4) policies that place a higher priority on highway
13 projects that include mass transit as defined in section 161.087
14 or exclusive lanes for mass transit than on other highway
15 projects. In addition to the requirements of subdivision 1
16 regarding the contents of the policy plan, the nontransit
17 element of the transportation chapter must include the following:

18 (1) a statement of the needs and problems of the
19 metropolitan area with respect to the functions covered,
20 including the present and prospective demand for and constraints
21 on access to regional business concentrations and other major
22 activity centers and the constraints on and acceptable levels of
23 development and vehicular trip generation at such centers;

24 (2) the objectives of and the policies to be forwarded by
25 the policy plan;

26 (3) a general description of the physical facilities and
27 services to be developed;

28 (4) a statement as to the general location of physical
29 facilities and service areas;

30 (5) a general statement of timing and priorities in the
31 development of those physical facilities and service areas;

32 (6) a detailed statement, updated every two years, of
33 timing and priorities for improvements and expenditures needed
34 on the metropolitan highway system; and

35 (7) a general statement on the level of public expenditure
36 appropriate to the facilities.

1 The council shall develop the nontransit element in
 2 consultation with the transportation advisory board and shall
 3 transmit the results to the state department of transportation.

4 Sec. 10. [473.1675] [TRANSIT.]

5 The council shall plan the metropolitan area transit and
 6 highway systems. The council plan must be consistent with and
 7 reflect the policies of the council's transportation policy
 8 plan. The council shall seek suggestions and ideas for the plan
 9 and coordinate the plan's development with the commissioner of
 10 transportation, other metropolitan agencies, and local units of
 11 government. The commissioner of transportation, metropolitan
 12 agencies, and local units of government in the metropolitan area
 13 shall cooperate with and assist the council in coordinating
 14 transit and highway plans and projects.

15 Sec. 11. Minnesota Statutes 1992, section 473.371,
 16 subdivision 2, is amended to read:

17 Subd. 2. [GOALS.] The goals of sections 473.371 to 473.449
 18 are as follows:

19 (a) to provide, to the greatest feasible extent, a basic
 20 level of mobility for all people in the metropolitan area;

21 (b) to arrange to the greatest feasible extent for the
 22 provision of a comprehensive set of transit and paratransit
 23 services to meet the needs of all people in the metropolitan
 24 area;

25 (c) to cooperate with private and public transit providers
 26 to assure the most efficient and coordinated use of existing and
 27 planned transit resources; and

28 (d) to maintain public mobility in the event of emergencies
 29 or energy shortages; and

30 (e) to ensure transit and transportation planning enhance
 31 balanced regional development in the metropolitan area.

32 Sec. 12. [TELECOMMUTING STUDY.]

33 Subdivision 1. [DEFINITION.] For purposes of this section
 34 "telecommuting" means the practice of performing work at a
 35 residence rather than a worksite, through video, telephone,
 36 computer, or other electronic connection.

1 Subd. 2. [STUDY DIRECTED.] The metropolitan council shall
2 conduct a study of telecommuting as an alternative to vehicle
3 commuting between residence and worksite. The council may
4 contract with a person, firm, or organization knowledgeable in
5 telecommuting to perform the study.

6 Subd. 3. [STUDY CONTENTS.] The study must include:

7 (1) the present extent of telecommuting in the metropolitan
8 area;

9 (2) the potential of telecommuting to substitute for
10 vehicle commuting in the area, alleviate traffic congestion, and
11 reduce the need for highway expansion;

12 (3) present legal and public policy obstacles to
13 telecommuting; and

14 (4) legal and public policy alternatives that would expand
15 telecommuting or telecommuting options in the area.

16 Subd. 4. [REPORTS.] The council shall report on the
17 findings of the study to the governor and legislature not later
18 than March 1, 1994.

19 Subd. 5. [APPROPRIATION.] The sum of \$150,000, or so much
20 thereof as may be necessary, is appropriated from the general
21 fund to the metropolitan council to conduct the study required
22 by this section. This appropriation is available until March 1,
23 1994. The council shall seek and apply for any federal funds
24 that may be available for the study. The appropriation in this
25 subdivision may be used to match any federal funds that may be
26 available for this purpose.

27 Sec. 13. [LIGHT RAIL TRANSIT CONSTRUCTION FUNDING.]

28 Subdivision 1. [APPROPRIATION.] After approval of the
29 application for federal financial assistance for construction of
30 light rail transit facilities on the central corridor between
31 the cities of Minneapolis and St. Paul, \$235,000,000 is
32 appropriated from the fund to the commissioner of
33 transportation for the state costs of construction.

34 Subd. 2. [BOND SALE.] To provide the money appropriated in
35 this section from the fund, the commissioner of
36 finance, on request of the governor, shall sell and issue bonds

1 of the state in an amount up to \$140,000,000 in the manner, upon
2 the terms, and with the effect prescribed by Minnesota Statutes,
3 sections 16A.631 to 16A.675, and by the Minnesota Constitution,
4 article XI, sections 4 to 7.

5 Sec. 14. [APPROPRIATION.]

6 (a) \$..... is appropriated to the regional transit board
7 from the fund to implement the Vision for Transit.

8 (b) \$..... is appropriated from the fund for
9 lead abatement purposes.

10 (c) \$..... is appropriated to the regional transit board
11 from the fund for transfer to the metropolitan
12 transit commission to implement new regular route service, plan
13 and evaluate regular route service, plan and develop highway
14 improvements for transit, plan capital facilities including
15 transit hubs and park-and-ride lots, advertise and provide
16 customer transit information, train drivers, increase
17 operations' supervision, maintain the increased number of buses,
18 contract for snow removal and maintenance of bus stops,
19 shelters, and hubs, and test-market services in lower density
20 areas.

21 Sec. 15. [APPLICATION.]

22 Sections 10 and 11 apply in the counties of Anoka, Carver,
23 Dakota, Hennepin, Ramsey, Scott, and Washington.

24 Sec. 16. [EFFECTIVE DATE.]

25 Section 13 is effective the day following final enactment.

S.F. 51
Senator Langseth

1 A bill for an act

2 relating to transportation; amending the definition of
3 highway and defining highway purpose; increasing
4 municipal state-aid system mileage; revising the basis
5 for determining population; changing composition of
6 municipal screening board; creating Minnesota mobility
7 trust fund and surface transportation fund; increasing
8 gasoline tax rate and requiring annual rate
9 adjustment; appropriating money; amending Minnesota
10 Statutes 1992, sections 160.02, subdivision 7, and by
11 adding a subdivision; 162.09, subdivisions 1 and 4;
12 162.13, subdivision 3; 174.32, subdivision 2; and
13 296.02, subdivision 1b, and by adding a subdivision;
14 proposing coding for new law in Minnesota Statutes,
15 chapters 161 and 174; repealing Minnesota Statutes
16 1992, section 161.041.

17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

18 Section 1. Minnesota Statutes 1992, section 160.02,
19 subdivision 7, is amended to read:

20 Subd. 7. [ROAD OR HIGHWAY.] "Road" or "highway" is a
21 corridor designed primarily for the efficient transportation of
22 people and goods and includes, unless otherwise specified, the
23 several kinds of highways as defined in this section, including
24 roads designated as minimum-maintenance roads, and also
25 cartways, together with all bridges or other structures thereon
26 which form a part of the same.

27 Sec. 2. Minnesota Statutes 1992, section 160.02, is
28 amended by adding a subdivision to read:

29 Subd. 16. [CITY.] Notwithstanding section 410.015, "city"
30 includes both statutory and home rule charter cities.

31 Sec. 3. [161.087] [HIGHWAY PURPOSES.]

1 (a) Revenues in the trunk highway fund derived from the
2 increase in the gasoline excise tax rate under sections 10 and
3 11 may be expended for projects in trunk highway corridors that
4 include public transit facilities and are designed to:

5 (1) maximize federal matching funds available under the
6 federal Intermodal Surface Transportation Efficiency Act of
7 1991;

8 (2) contribute to attaining the congestion mitigation and
9 ambient air quality standards of the federal Clean Air Act;

10 (3) relieve congestion and expedite travel;

11 (4) conserve energy; and

12 (5) reduce highway damage and other costs of highway use.

13 Such use is deemed to be for a trunk highway purpose.

14 (b) "Public transit facilities" means the capital
15 facilities other than transit vehicles, including real property,
16 equipment, and improvements, used, constructed, or maintained to
17 provide for-hire transportation service on a regular and
18 continuing basis to the general public.

19 Sec. 4. Minnesota Statutes 1992, section 162.09,
20 subdivision 1, is amended to read:

21 Subdivision 1. [CREATION.] There is created a municipal
22 state-aid street system within cities having a population of
23 5,000 or more. The extent of the municipal state-aid street
24 system shall not exceed ~~2,500~~ 3,000 miles, plus the mileage of
25 all trunk highways reverted or turned back to the jurisdiction
26 of cities pursuant to law on and after July 1, 1965. The system
27 shall be established, located, constructed, reconstructed,
28 improved, and maintained as public highways within such cities
29 under rules, not inconsistent with this section, made and
30 promulgated by the commissioner as hereinafter provided.

31 Sec. 5. Minnesota Statutes 1992, section 162.09,
32 subdivision 4, is amended to read:

33 Subd. 4. [~~FEDERAL-CENSUS-TO-BE-CONCLUSIVE~~ POPULATION
34 DETERMINATION.] (a) In determining whether any city has a
35 population of 5,000 or more, the ~~last-federal-census~~ population
36 established by the most recent federal census, by a special

1 census conducted under contract with the United States Bureau of
2 the Census, by a population estimate made by the metropolitan
3 council, or by a population estimate of the state demographer
4 made under section 4A.02, whichever is the most recent as to the
5 stated date of the count or estimate for the preceding calendar
6 year, shall be conclusive.

7 (b) A city that has previously been classified as having a
8 population of 5,000 or more for the purposes of chapter 162 and
9 whose population decreases by less than 15 percent from the
10 census figure that last qualified the city for inclusion shall
11 ~~receive the following percentages of its 1981 apportionment for~~
12 ~~the years indicated:--1982, 66 percent and 1983, for the two~~
13 years following the last year the city qualified for inclusion,
14 receive the following percentages of its last apportionment: in
15 the first year, 66 percent and in the second year, 33 percent.

16 Thereafter the city shall not receive any apportionment from the
17 municipal state-aid street fund unless its population is
18 determined to be 5,000 or over by a ~~federal~~ census in paragraph

19 (a). The governing body of the city may contract with the
20 United States Bureau of the Census to take one special census
21 before January 1, 1986. A certified copy of the results of the
22 census shall be filed with the appropriate state authorities by
23 the city. The result of the census shall be the population of
24 the city for the purposes of any law providing that population
25 is a required qualification for distribution of highway aids
26 under chapter 162. ~~The special census shall remain in effect~~
27 ~~until the 1990 federal census is completed and filed.--The~~
28 ~~expense of taking the special census shall be paid by the city.~~

29 (c) If an entire area not heretofore incorporated as a city
30 is incorporated as such during the interval between federal
31 censuses, its population shall be determined by its
32 incorporation census. The incorporation census shall be
33 determinative of the population of the city only until the next
34 ~~federal~~ census.

35 Sec. 6. Minnesota Statutes 1992, section 162.13,
36 subdivision 3, is amended to read:

1 Subd. 3. [SCREENING COMMITTEE.] On or before September 1
2 of each year, the engineer of each city having a population of
3 5,000 or more shall forward to the commissioner on forms
4 prepared by the commissioner, all information relating to the
5 money needs of the city that the commissioner deems necessary in
6 order to apportion the municipal state-aid street fund in
7 accordance with the apportionment formula heretofore set forth.
8 Upon receipt of the information the commissioner shall appoint a
9 board of city engineers. The board shall be composed of two
10 engineers from the state highway construction district in the
11 metropolitan area, as defined in section 473.121, subdivision 2,
12 one engineer from each state highway construction
13 district outside the metropolitan area, and in addition thereto,
14 one engineer from each city of the first class. The board shall
15 investigate and review the information submitted by each city.
16 On or before November 1 of each year, the board shall submit its
17 findings and recommendations in writing as to each city's money
18 needs to the commissioner on a form prepared by the
19 commissioner. Final determination of the money needs of each
20 city shall be made by the commissioner. In the event that any
21 city shall fail to submit the information provided for herein,
22 the commissioner shall estimate the money needs of the city.
23 The estimate shall be used in solving the apportionment
24 formula. The commissioner may withhold payment of the amount
25 apportioned to the city until the information is submitted.

26 Sec. 7. Minnesota Statutes 1992, section 174.32,
27 subdivision 2, is amended to read:

28 Subd. 2. [TRANSIT ASSISTANCE FUND; DISTRIBUTION.] (a) The
29 transit assistance fund receives money distributed ~~under section~~
30 ~~297B-09,--Eighty-percent-of~~ from the Minnesota mobility trust
31 fund. As appropriated from time to time by law, the receipts of
32 the fund must be placed into a metropolitan account for
33 distribution to recipients located in the metropolitan area
34 and ~~20-percent~~ into a separate account for distribution to
35 recipients located outside of the metropolitan area. Except as
36 otherwise provided in this subdivision, the regional transit

1 board created by section 473.373 is responsible for distributing
2 assistance from the metropolitan account, and the commissioner
3 is responsible for distributing assistance from the other
4 account. Money placed in the metropolitan account is available
5 for distribution to regional railroad authorities established
6 under chapter 398A in the metropolitan area, by the commissioner
7 of transportation as provided in paragraph (b).

8 (b) The commissioner shall request applications from all
9 eligible regional railroad authorities. The commissioner shall
10 establish a reasonable deadline for submittal of applications.
11 The commissioner may not distribute more than 60 percent of the
12 available funds to a single recipient. Before distributing
13 money to any regional railroad authority, the commissioner shall
14 submit the applications to the regional transit board for
15 approval. The commissioner may distribute funds only with the
16 approval of the board. Before approving any application for
17 funds for construction, the board shall report to the
18 legislature on the use and planned distribution of construction
19 funds.

20 Sec. 8. [174.64] [MINNESOTA MOBILITY TRUST FUND.]

21 Subdivision 1. [ESTABLISHMENT.] The Minnesota mobility
22 trust fund is created, consisting of all money allotted,
23 appropriated, or legislated to the fund and money received from
24 the federal government or any other public or private source.

25 Subd. 2. [APPORTIONMENT.] Money in the fund must be
26 annually transferred to the transit assistance fund and to the
27 surface transportation fund as apportioned by the legislature.
28 The commissioner of finance may establish a quarterly or other
29 schedule providing for more frequent payments to the transit
30 assistance fund if the commissioner determines it is necessary
31 or desirable to provide for the cash flow needs of the
32 recipients of money from the transit assistance fund.

33 Subd. 3. [INVESTMENT.] Upon the request of the
34 commissioner, money in the Minnesota mobility trust fund shall
35 be invested by the state board of investment in those securities
36 authorized for that purpose in section 11A.21. All interest and

1 profits from the investments shall be credited to the Minnesota
2 mobility trust fund. The state treasurer shall be the custodian
3 of all securities purchased under this section.

4 Sec. 9. [174.65] [SURFACE TRANSPORTATION FUND.]

5 Subdivision 1. [ESTABLISHMENT.] The surface transportation
6 fund is created in the state treasury, consisting of money
7 transferred from the Minnesota mobility trust fund.

8 Subd. 2. [USES OF FUND.] Money in the surface
9 transportation fund may be expended by appropriation for:

10 (1) activities of the commissioner of public safety
11 relating to (i) driver licensing, (ii) motor vehicle
12 registration and licensing, (iii) bicycle registration and
13 related activities under section 168C.04, (iv) the accident
14 reporting system, and (v) the state patrol;

15 (2) activities of the commissioner of transportation
16 relating to oversize and overweight permits, including the cost
17 of necessary highway maintenance and preservation related to
18 granting those permits;

19 (3) activities of the commissioner of transportation
20 related to junkyard screening and control of outdoor advertising
21 devices;

22 (4) activities of the transportation regulation board
23 related to motor carrier regulation;

24 (5) repayment of money borrowed for new buildings, and
25 improvements to existing buildings, of the department of
26 transportation;

27 (6) railroad grade crossing protection studies, grade
28 crossing inventories, and grade crossing public education;

29 (7) activities of the transportation study board;

30 (8) improvements and maintenance of trunk highways;

31 (9) improvements and maintenance of county state-aid
32 highways;

33 (10) improvements and maintenance of municipal state-aid
34 streets;

35 (11) construction and reconstruction of key bridges on the
36 state transportation system;

- 1 (12) programs to improve highway safety;
2 (13) planning and engineering design for transit services
3 and facilities;
4 (14) capital assistance to purchase or refurbish transit
5 vehicles, and other capital expenditures necessary to transit
6 service; and
7 (15) other assistance for public transit services that
8 further the purposes of section 174.21.

9 Subd. 3. [DISTRIBUTION.] The amount remaining in the
10 surface transportation fund after the legislature has made
11 appropriations for the purposes in subdivision 2, clauses (1) to
12 (7), must be allocated on the basis of the population of each
13 state highway construction district, as determined by the last
14 federal decennial census. Of the money allocated within a
15 district, 62 percent must be allocated for eligible projects on
16 the trunk highway system and 38 percent must be allocated for
17 eligible projects proposed by counties and cities with a
18 population greater than 5,000.

19 Subd. 4. [INVESTMENT OF SURFACE TRANSPORTATION FUND.] Upon
20 the request of the commissioner, money in the surface
21 transportation fund shall be invested by the state board of
22 investment in those securities authorized for that purpose in
23 section 11A.21. All interest and profits from the investments
24 shall be credited to the surface transportation fund. The state
25 treasurer shall be the custodian of all securities purchased
26 under this section.

27 Sec. 10. Minnesota Statutes 1992, section 296.02,
28 subdivision 1b, is amended to read:

29 Subd. 1b. [RATES IMPOSED.] The gasoline excise tax is
30 imposed at the following rate:

31 For the period ~~on-and-after-May~~ June 1, 1988 1993 to March
32 31, 1994, gasoline is taxed at the rate of 20 25 cents per
33 gallon. After March 31, 1994, gasoline is taxed at a rate
34 determined annually under subdivision 1c.

35 Sec. 11. Minnesota Statutes 1992, section 296.02, is
36 amended by adding a subdivision to read:

1 Subd. 1c. [ANNUAL GASOLINE TAX RATE ADJUSTMENT.] (a)
2 Beginning in 1994 and annually thereafter, before April 1 of
3 each year the commissioner of revenue shall adjust the rate of
4 the gasoline excise tax. The new rate per gallon shall be
5 calculated by multiplying the rate in effect at the time of the
6 calculation by an amount obtained by multiplying the amount
7 under paragraph (b) by the amount under paragraph (c). The new
8 rate must be rounded to the nearest 0.1 cent and is effective on
9 April 1 of each year.

10 (b) Divide the annual average United States Consumer Price
11 Index for all urban consumers, United States city average, as
12 determined by the United States Department of Labor for the
13 previous year by that annual average for the year before the
14 previous year.

15 (c) Divide the number of gallons of gasoline and special
16 fuel sold in the state, as estimated by the commissioner, during
17 the year two years before the year in which the calculation is
18 made, minus any shrinkage allowed by the department, by the
19 number obtained by subtracting from the number of gallons of
20 gasoline and special fuel sold in the state, as estimated by the
21 commissioner, during the year immediately prior to the year
22 during which the calculation is made, minus any shrinkage
23 allowed by the department.

24 Sec. 12. [APPROPRIATION.]

25 \$27,000,000 is appropriated annually from the general fund
26 to the Minnesota mobility trust fund for deposit in the transit
27 assistance fund.

28 Sec. 13. [REPEALER.]

29 Minnesota Statutes 1992, section 161.041, is repealed.

30 Sec. 14. [EFFECTIVE DATE.]

31 Sections 1 to 9 and 11 to 13 are effective July 1, 1993.

32 Section 10 is effective June 1, 1993.



ALLIANCE LEGISLATIVE POSITION

The legislative recommendation:

- * increases the motor fuels tax by 10¢ per gallon
- * amends the definition of highway and defines highway purpose
- * makes changes to the distribution of highway aid allocated to cities
- * permits the use of the additional revenue to the trunk highway fund for non-highway transportation infrastructure investment
- * funds the Mobility Trust Fund by a 1% transportation mobility tax on motor vehicle sales.

The proposed taxes would raise:

- * \$220.0 million per year from a 10¢ motor fuels tax increase
- * \$49.0 million per year from the 1% transportation mobility tax.



FORMERLY MINNESOTA GOOD ROADS, INC.

TESTIMONY OF FRED J. CORRIGAN, EXECUTIVE DIRECTOR
THE MINNESOTA TRANSPORTATION ALLIANCE

HOUSE TRANSPORTATION COMMITTEE - January 29, 1993

Mr. Chair, and members of the Committee,

I appreciate the opportunity to represent the members of The Minnesota Transportation Alliance. One hundred years ago, bicyclists and farmers came together to protest the muddy conditions of Minnesota's roads and joined the national Good Roads movement. Minnesota Good Roads changed its name in 1989 to become The Minnesota Transportation Alliance and rededicated itself to taking a leadership role in addressing statewide transportation infrastructure policy issues.

The membership of the Alliance includes both the public and private sector with over 80 counties and 60 cities; the construction industry representing contractors, organized labor, planners, consulting engineers, suppliers and industry; transit agencies and providers; neighborhood and community groups and user groups representing trucking, waterways, railroads and airports.

TRANSPORTATION INFRASTRUCTURE

Our members are the people, the agencies and the companies who are responsible for providing or who build and maintain our transportation infrastructure, an industry employing over 50,000 people in Minnesota.

The Alliance works with local government, regional COGs and MPOs, state and federal government to determine our transportation priorities. The 1990s have brought a new era to transportation policy in this country and throughout the world.

Since the 1950s the federal government has focused on airports, interstate highways and waterways and port improvements. In Minnesota the state's constitutionally dedicated Highway Trust Fund was expanded to include all counties and all cities over 5,000 population in the distribution of motor fuels and motor vehicle license tax revenues.

Local government then had the ability to finish a road network statewide and began the job of rebuilding old trail and wagon roads into modern highways.

Today, the interstate system is completed and Minnesota's road system is in place, but we are now realizing that America's public facilities are wearing out and become obsolete faster than they can be built.

Minnesota has spent the last decade shifting to the maintenance, restoration and enhancement of its transportation infrastructure, with safety improvements being of the highest priority. On the state-aid system, we are 50% of the way through a rehabilitation program.

Whether it is rebuilding a county road to prevent snow accumulating or spring flooding; or rebuilding a city street with curb and gutters, street lights and traffic signals; or rebuilding a suburban highway to include HOV lanes, ramp metering, park-and-ride lots and carpool garages each of these projects has helped to keep Minnesota's roadway system the safest in the nation.

ENVIRONMENTAL IMPACTS

A growing awareness of the human and environmental cost of roads, dams and other infrastructure projects make it unthinkable to embark on a major project without careful consideration of its social, economic and environmental costs. Noise, air and wetland mitigation, along with historical and archaeological studies now account for as much as 30% of the cost of a transportation infrastructure project, a cost that has been absorbed by transportation funds.

INTO THE 21st CENTURY

The real dilemma of the 21st Century will be not how much to spend, but how to decide what to build and where to build it.

The federal Intermodal Surface Transportation Efficiency Act of 1991 or ISTEA, defines a National Highway System including the interstate system and a system of national significance. Minnesota will be designating that system within the state over the next two years. At the same time, the federal government eliminated the categorical programs such as Federal Aid Urban and Federal Aid Secondary, leaving to the states the task of reprioritizing its highway system.

ISTEA also allows states and Metropolitan Planning Organizations more flexibility and responsibilities. Not only will our rapidly growing urban areas continue to strain our resources, but recognizing the need to ensure our agricultural products remain competitive in a global marketplace and accommodating the growing tourism and timber industries are only some of the needs facing Greater Minnesota.

No doubt, we need a broader vision than we have had in what has passed for infrastructure planning in the past. Roads and other infrastructure powerfully influence the patterns of physical and spatial development on the national landscape, literally setting choices in concrete and restricting the options of future generations.

Mr. Chair and members of the Committee,

Our members can tell you about the growing maintenance and rebuilding needs of the current transportation infrastructure, of the need to deal with increasing movements of people urban and rural Minnesota and the more efficient movement of goods statewide, and of the many technological opportunities on the horizon.

However, in the end, it is this Committee and this Legislature - along with the Administration - which must be the guide to creating transportation infrastructure policy that can meet the state's rapidly changing social, economic and environmental demands.

The Alliance has prepared a series of policy recommendations for review during this legislative session which are included with the materials distributed to you as part of this presentation.

I will highlight some of those recommendations and then would be happy to answer any questions as time allows.

ALLIANCE LEGISLATIVE POSITIONS

The membership of the Alliance believes the Highway User Tax Distribution Fund and the revenues from the motor fuels and vehicle license taxes should continue to be constitutionally dedicated to the construction, reconstruction, and maintenance of state, county and municipal highways. The Alliance also supports amending the definition of the term "highway" as a "corridor designed primarily for the efficient transportation of people and goods". The costs of transit infrastructure within a highway corridor should be eligible to receive revenues from the Trunk Highway Fund.

-The Alliance supports a 10¢ increase in the motor fuels tax effective immediately. This amount would restore the highway improvement programs to the 1988 level, with 3¢ to replace lost revenues from the Motor Vehicle Excise Tax (MVET), 5¢ for inflationary impacts since 1988 and 2¢ to rebuild the states' trunk highway and local bridges. We also support indexing the motor fuels tax, as is the practice in Wisconsin and other states, to allow for future inflation.

-The Alliance has proposed the creation of a Mobility Trust Fund to ensure the state will be able to match federal non-highway transportation aid and provide funding for transit and other transportation investments. The loss of MVET funding in 1991 resulted not only in lost revenues, but left Mn/DOT with 99.2% of their funding constitutionally dedicated to highways, effectively returning the department to its days as a highway department. The Mobility Trust Fund would give Mn/DOT and local government a source of flexible funding allowing the most effective and efficient investment regardless of mode.

-The Alliance believes the Mobility Trust Fund must have dedicated sources of funding to allow for the development of transit and other transportation infrastructure alternatives. We are proposing a 1% Mobility Excise Tax be levied on the sale of motor vehicles, with the proceeds of approximately \$49 million annually dedicated to the Mobility Trust Fund. We understand there will be proposals to extend the sales tax to motor vehicle repairs.

These alternatives have been discussed in past sessions and each has its own supporters.

-The Alliance is currently completing a legislative proposal to encourage public/private partnerships for the purpose of investing in transportation infrastructure in Minnesota. Minnesota Transportation Group is an example of investors already working toward privately-owned transportation facilities.

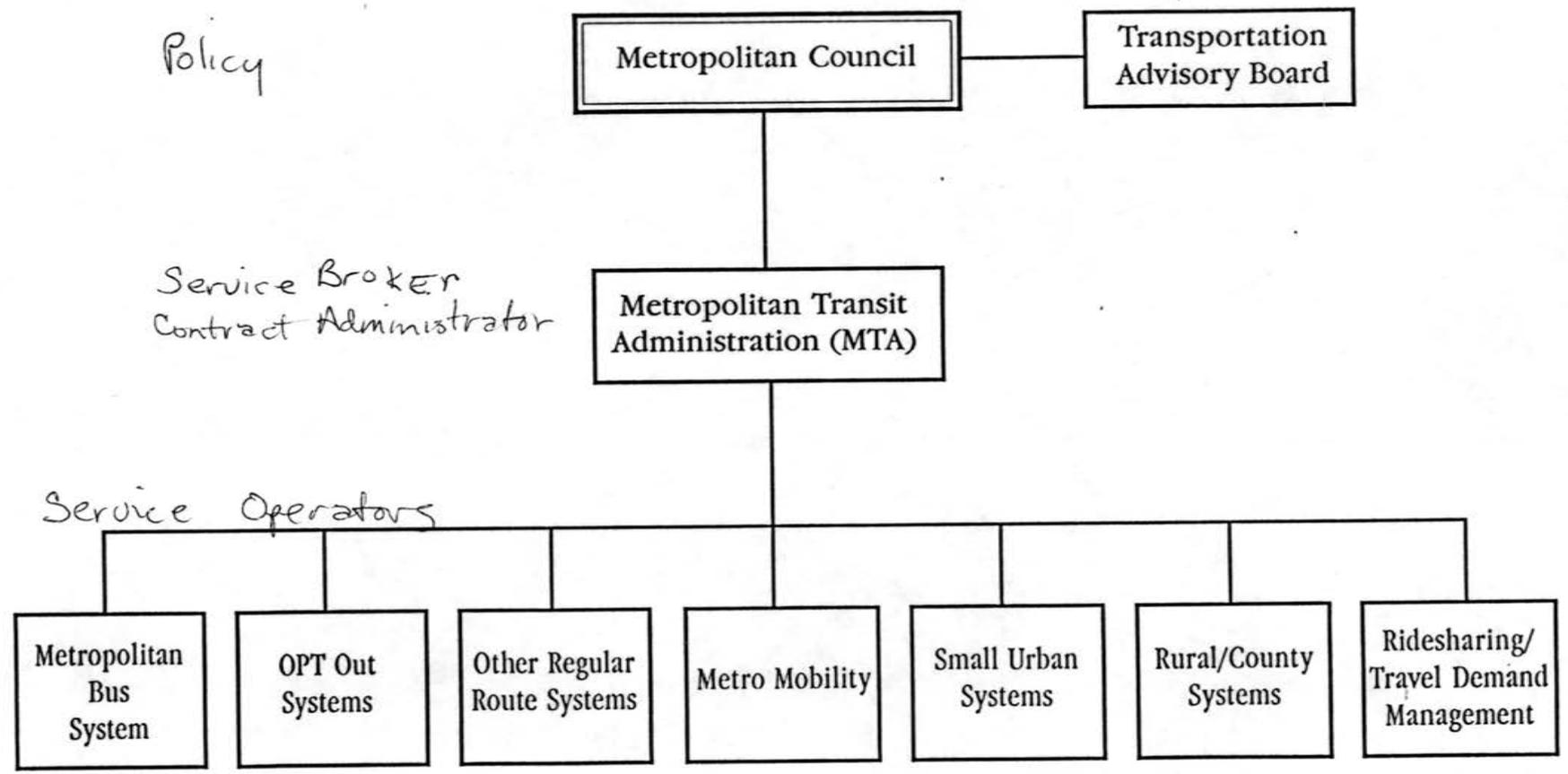
-A study of Minnesota's bridges completed in 1990 showed a need to invest \$30 million annually in Trunk Highway bridges and \$30 million annually in local bridges. Bonding levels available for this program over the years since have fallen far behind these needs.

We urge you to consider each of these revenue sources, to debate the need for dedicated sources of funding, to support infrastructure investment and to decide the role of dedicated funds and the General Fund in transportation programs.

We remain available to assist you in your deliberations during the coming months and again thank you for the opportunity to address you today.

MET Council

Transit Governance Proposal



Dottie Rietow
Metropolitan Council Chair
Statement on Transit Structure
Feb. 15, 1993

Mass transit is an essential component of transportation in the Metropolitan Area. It is transportation which links our activities, our homes, jobs, our lives.

In order to achieve effective, cost-efficient transit services, we need a clear planning and decision making structure with clear accountability, one which encourages competition. We need to put this new structure in place as soon as possible.

Here's the structure we propose to do this:

Reduce the number of players. Specifically, the proposal would eliminate the 11-member Regional Transit Board and chair, and eliminate the five-member Metropolitan Transit Commission.

Increase accountability. In their place, I would appoint a single administrator for each entity. One administrator would direct the functions of a newly created Metropolitan Transit Authority, which would broker transit services. Most importantly, it would encourage public and private competition to provide the services. The other administrator would lead the newly created transit services organization. Both administrators would be directly accountable to the Metropolitan Council chair.

Assume responsibility for light rail transit. The final element of our proposal would make the Council responsible for setting policy for light rail transit in the region. The Minnesota Department of Transportation would be solely responsible for engineering and constructing all major transit facilities, such as transit hubs and/or light rail transit.

In closing, I would like to note that through this proposal the public will continue to participate in shaping transportation plans and programs through the existing Transportation Advisory Board-- which would be enhanced under our proposal. The public also could give input through the public participation process at the Metropolitan Transit Authority.

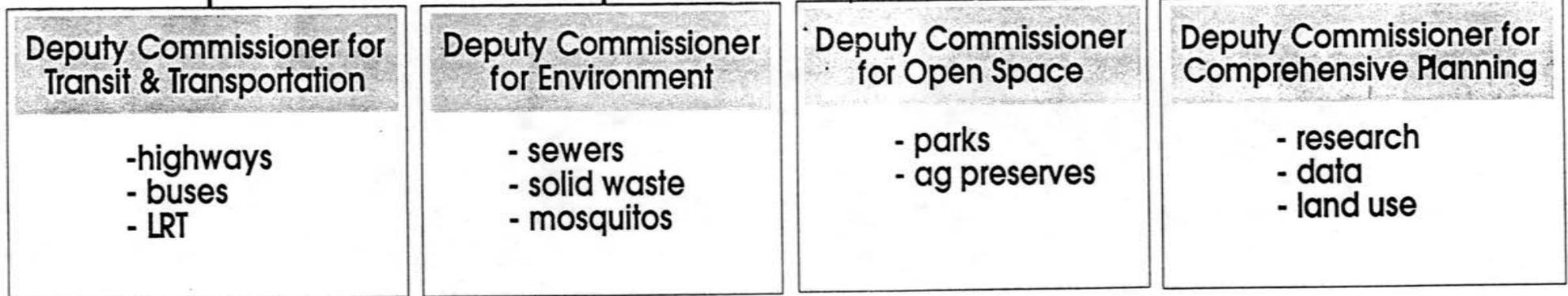
The bottom line is that the changes we are proposing will allow the Council to make transportation decisions that incorporate a regional land-use perspective. It should result in more efficient and, hopefully, less costly transit service.

I'll take your questions now.

TWIN CITIES METRO

13 Member Board

Commissioner of
Metropolitan Affairs



(REP. CARRUTHERS Proposal)

Twin Cities Metro

Efficiency: consolidates most metropolitan agencies into one new agency, "Twin Cities Metro"

- > The Agency will be directly responsible for most metropolitan governmental activities. It will own metro assets and employ all metro employees.
- > Twin Cities Metro replaces 13 separate metro agencies: planning (Metro Council); transit (Regional Transit Board, MTC, the seven County Regional Rail Authorities); sewers (MWCC); parks (Metro Parks and Open Space Commission); and mosquito control (MMCC). These agencies employ over 4,000 people, have operating budgets totaling nearly \$400-million, and capital budgets of \$60-million. (The MAC--an agency with a statewide focus will continue to be separate, but will be brought under closer Agency control. The Metro Sports Facilities Commission will continue as a Minneapolis agency.)
- > Planning and operating agencies will be combined: one agency is responsible both for adopting comprehensive metropolitan plans and policies, and for implementing them. (The separation of planning and operating authority is replaced by a separation between legislative and executive authority.)

Accountability: makes a single, more visible public board responsible for all metropolitan policy decisions

- > The Agency is governed by a 13-member Board appointed by the Governor to staggered 4-year terms. Partisan balance is required. One member, the Chair, will serve at large, while the others represent equal population districts. An appointments advisory commission of citizens chosen by the Governor and legislature will nominate persons for appointment by the Governor.
- > The Board makes all metro decisions that are legislative in nature. The Board promulgates all plans and regulations; adopts a consolidated metro budget; levies all property taxes; and issues all bonds.
- > The Board also oversees Agency management by approving key decisions of the executive officers (e.g., top appointments, budget changes.)
- > A small policy analysis and program evaluation staff works directly for the Board, to help it exercise oversight.

Effectiveness: strengthens executive innovation and accountability

- > The Agency is run by a visible chief executive, the Commissioner of Metropolitan Affairs, with power to: appoint deputies; hire and manage employees; recommend policy to the Board; execute board decisions; manage operations; prepare the budget.
- > Commissioner of Metropolitan Affairs is appointed by the Governor to serve at the Governor's pleasure for a co-terminus term. The Commissioner serves as a member of the Governor's cabinet.
- > The Agency has four operating Divisions: transportation (highways, buses, LRT); environment (sewers, water, solid waste, mosquitos); open space and recreation (regional parks, agricultural preserves); and comprehensive planning (long-term planning, and socio. data collection, research). Each Division is headed by a deputy commissioner with executive responsibility for effectively managing the Division and operating its facilities.