



Minnesota Regional Transit  
Board: Records.

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**REGIONAL TRANSIT BOARD**

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

**Meeting of the  
REGIONAL TRANSIT BOARD  
Mears Park Centre Chambers  
May 17, 1993**

**AGENDA**

- 1. CALL TO ORDER AND ROLL CALL**
- 2. APPROVAL OF AGENDA**
- 3. APPROVAL OF MINUTES:**
  - a. Regional Transit Board Meeting, April 19, 1993**
  - b. Committee of the Whole, April 26, 1993**
  - c. Regional Transit Board Meeting, May 3, 1993**
- 4. CHAIR'S REPORT**
- 5. MEMBERS' REPORT**
- 6. EXECUTIVE DIRECTOR'S REPORT**
  - a. Ratification of Board Actions - April 5, 1993 and April 19, 1993**
  - b. Amendment to Five-Year Transit Plan**
  - c. Authorization to Submit Federal Grant Application**
- 7. REPORT OF THE COMMITTEE OF THE WHOLE**  
**Ruth Franklin, Chair, Administration and Finance Committee**
  - a. March 1993 Financial Statements**
  - b. Award of Metro Mobility System Coordinator Contract**
  - c. Award of Route 55 Service**
  - d. Approval of White Bear Lake Transit Contract Amendment**
  - e. U of M Route 52 Contract Renewal**
- 8. OTHER BUSINESS**
- 9. PUBLIC COMMENT**

**John H. Riley  
Chairman**



**REGIONAL TRANSIT BOARD**

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

**Minutes of the Meeting of the  
REGIONAL TRANSIT BOARD  
May 17, 1993**

**MEMBERS PRESENT:** John H. Riley, Chair; Michael Beard; Sharon Feess; Val Higgins; James Hovland; Ruby Hunt; Dennis Schulstad

**MEMBERS ABSENT:** Ruth Franklin

**OTHERS PRESENT:** Bev Auld, Tom Sather, Bob Thompson, Metropolitan Transit Commission; Carol Kummer, Metropolitan Council; Mike Robertson, Larkin Hoffman; Gregory Andrews, Howard Blin, Assata Brown, Suzanne Hanson, Judy Holland, Dave Jacobson, Ed Kouneski, Paul Moline, Mike Opatz, Randy Rosvold, Len Simich, Dale Ulrich, Kathy Grochowski, RTB staff

**CALL TO ORDER AND ROLL CALL**

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

**APPROVAL OF THE AGENDA**

Grant moved and Feess seconded that the agenda be approved. The motion was unanimously approved.

**APPROVAL OF MINUTES**

Higgins moved and Feess seconded to approve the minutes of the Regional Transit Board Meeting, April 19, 1993. The motion was unanimously approved.

Beard moved and Higgins seconded to approve the minutes of the Committee of the Whole Meeting, April 26, 1993. The motion was unanimously approved.

Grant moved and Beard seconded to approve the minutes of the Regional Transit Board Meeting, May 3, 1993. The motion was unanimously approved.

**CHAIR'S REPORT**

Riley reminded everyone to B-BOP on Tuesday, May 18.

Riley mentioned the State Advisory Council on Metro Governance that will be appointed to discuss the RTB's governance issues. Hunt indicated that she had just come from

the legislature, where they had pulled the amendment from the LRT Governance bill regarding the advisory council to prevent the bill from being vetoed by the governor.

**MEMBERS REPORT**

Higgins mentioned that at the next Policy Committee meeting competitive transit policies would be on the agenda.

**EXECUTIVE DIRECTOR'S REPORT**

**Ratification of Board Actions - April 5, 1993 and April 19, 1993**

Hunt moved and Feess seconded:

That the Regional Transit Board ratify all actions taken by the Board at its meetings of April 5 and April 19, 1993.

The motion was unanimously approved.

**Amendment to Five-Year Transit Plan**

Feess moved and Beard seconded:

That the Regional Transit Board approve the amendment to the capital element of the Five-Year Transit Plan (Vision '97) as summarized in the staff memorandum of May 11, 1993

The motion was unanimously approved.

**Authorization to Submit Federal Grant Application**

Higgins moved and Hovland seconded:

That the Regional Transit Board approve a resolution authorizing submittal of a \$2.4 million application to the Transportation Advisory Board for funding from the Congestion Mitigation Air Quality (CMAQ) program for I-394 transit service.

**RESOLUTION 93-02**

**RESOLUTION APPROVING THE FILING OF AN APPLICATION BY  
THE REGIONAL TRANSIT BOARD WITH THE DEPARTMENT OF  
TRANSPORTATION, UNITED STATES OF AMERICA FOR GRANTS  
UNDER THE INTERMODAL SURFACE TRANSPORTATION  
EFFICIENCY ACT OF 1991**

WHEREAS, the secretary of transportation is authorized to make grants for a mass transportation program of projects; and

WHEREAS, the Regional Transit Board has prepared and requested approval of an application for operating assistance under the Congestion Mitigation and Air Quality program of the Intermodal Surface Transportation Efficiency Act; and

WHEREAS, the Transportation Advisory Board accepts applications for Congestion Mitigation and Air Quality funding in the Twin Cities metropolitan area.

NOW THEREFORE BE IT RESOLVED:

1. THAT the Regional Transit Board approve the application dated May 12, 1993 for \$2,400,000 of federal transit assistance.
2. Directs the executive director to submit this application to the Transportation Advisory Board.

Adopted this 17th day May 1993.

On a roll call vote, the motion was unanimously approved.

**REPORT OF THE COMMITTEE OF THE WHOLE**

**Ruth Franklin, Chair, Administration and Finance Committee**

Due to the absence of Ruth Franklin, Feess was the acting Administration and Finance Chair.

**March 1993 Financial Statements**

Feess moved and Hunt seconded:

That the Regional Transit Board receive the March, 1993 financial statements and direct that they be placed on file.

The motion was unanimously approved.

**Award of Metro Mobility System Coordinator Contract**

Feess moved and Higgins seconded:

That the Regional Transit Board authorize the executive director to negotiate and enter into:

- a contract with ATE Management & Service Company, Inc. to serve as the Metro Mobility System Coordinator, with costs not to exceed \$334,660 for start-up expenses and \$1,825,889 for the first year of service; and

- a lease agreement with ATE for the acquisition of a regional fleet of paratransit vehicles for use by the operators.

The motion was unanimously approved.

**Award of Route 55 Service**

Due to a possible conflict of interest, Hovland asked that he be excused from voting.

Feess moved and Beard seconded:

That the Regional Transit Board authorize its executive director to enter into a five-year contract with Medicine Lake Bus Company for the period of August 1, 1993 through July 31, 1998 in an amount not to exceed \$2,820,169 plus an additional \$75,000 for marketing and pocket schedule printing costs.

The motion was unanimously approved with one abstention.

**Approval of White Bear Lake Transit Contract Amendment**

Feess moved and Hovland seconded:

That the Regional Transit Board authorize its executive director to amend the White Bear Area Transit 1993 contract by \$58,786 for service expansion as described in the April 28, 1993 staff memorandum for a total contract subsidy not to exceed \$149,412.

The motion was unanimously approved.

**U of M Route 52 Contract Renewal**

Due to a possible conflict of interest, Hovland asked that he be excused from voting.

Feess moved and Higgins seconded:

That the Regional Transit Board authorize its executive director to enter into a contract with University of Minnesota for the operation of Route 52 for the period of July 1, 1993 through June 30, 1995 in an amount not to exceed \$1,035,611.

The motion was unanimously approved with one abstention.

**1993/1994 Budget Assumptions**

Dale Ulrich discussed the staff memo of May 17, 1993 regarding budget assumptions for 1993 and 1994.

Riley announced the upcoming joint meeting between the RTB and the MTC. The meeting will take place on June 4, 1993 from 3:00-6:00 p.m. at the Mosquito Control Commission offices.

Riley discussed the need to appoint board members to either the Administration and Finance Committee or the Policy Committee as well as various advisory committees. He said that a memo would be sent out for members to indicate their preferences.

**MTC QUARTERLY REPORT**

Bob Thompson, MTC discussed the MTC's Quarterly Operating Statement from March 31, 1993. Riley asked if ridership and revenue were reflective of one another. Thompson said no, that ridership is up and keeps going up; however, the revenue doesn't rise in proportion.

**OTHER BUSINESS**

Hunt asked when the board was going to appoint new members to TAAC, and can the Policy Committee handle the appointments. Dave Jacobson said they hoped to have the new appointments to TAAC made by the end of June. Grant mentioned that he feels TAAC should be looked upon as a consumer committee rather than an advisory committee.

There being no other business, Higgins moved and Riley seconded to adjourn the meeting. The motion was unanimously approved; the meeting adjourned at 5:05 p.m.

I hereby certify that the foregoing constitutes a true and accurate record of the Regional Transit Board's meeting of May 17, 1993.

Respectfully submitted,

Kathy Grochowski  
Acting Secretary

Approved by the Regional Transit Board this 7th Day of June, 1993.

April 30, 1993

REGIONAL TRANSIT BOARD  
ROLL CALL AND ATTENDANCE SHEET

DATE: Beard 5/17/93

Member Name Present Vote Vote Vote Vote Vote Vote Vote Vote

ISSUE aye

John Riley X X

Michael Beard X X

Sharon Feess X X

Ruth Franklin

Morgan Grant X X

Val M. Higgins X X

James Hovland X X

Ruby Hunt X X

Sather

Dennis Schulstad X X

Visitors

Bob Thompson, Tom Sade

Ben Gaud, Mike Chuteau

Coral Kummer

Staff

H.B., M.A., R.R., P.M.

D.G., J.H., S.H., D.W.

M.O., A.B., E.K., L.S.

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  
April 19, 1993**

**MEMBERS PRESENT:** John H. Riley, Chair; Michael Beard; Morgan Grant; Sharon Feess; Ruth Franklin; Val Higgins; James Hovland; Ruby Hunt; Katherine Trummer

**MEMBERS EXCUSED:** Dennis Schulstad

**OTHERS PRESENT:** Carol Kummer, Metropolitan Council Liaison to RTB, Mike Robertson, Legal Counsel; Tom Sather and Allyson Hartle, Metropolitan Transit Commission; Hak Soo Kim and Jennifer Nordahl; Gregory L. Andrews, Judy Hollander, Howard Blin, Suzanne Hanson, Dale Ulrich, Debra Nelles, Dave Jacobson, Mike Opatz, Mary Fitzgerald, RTB staff

**CALL TO ORDER AND ROLL CALL**

The meeting was called to order at 4:05 p.m. The chair explained that he would have to leave almost immediately because the Senate Tax Committee was holding a crucial hearing, followed by a House hearing that was expected to adjourn by 10 p.m. Riley asked that the order of the agenda be amended to allow immediate action on the transit bonds.

**OATH OF OFFICE**

The chair introduced Morgan Grant, the newest member of the board, and administered the Oath of Office.

**CHAIR'S REPORT**

The chair again apologized for having to leave, but the tax hearing deadline is very close, and he has been invited to testify on transit issues. He thanked Katherine Trummer, whose term ends April 20, for her service. Trummer said she would be very happy to serve as a volunteer.

**Request to Metropolitan Council to Initiate Issuance of General Obligation Transit Bonds**

Feess moved and Hunt seconded:

That the Regional Transit Board request that the Metropolitan Council issue \$20,000,000 of General Obligation Transit bonds. Of this amount, \$13,000,000 shall reduce the Metropolitan Transit Commission's remaining 1992 legislative authorization and \$7,000,000 shall reduce the Regional Transit Board's remaining 1992 legislative authorization.

On a roll call vote, the motion was unanimously approved.

The chair was excused and Vice Chair Franklin assumed the chair.

**APPROVAL OF AGENDA**

Feess moved and Beard seconded approval of the amended agenda. The motion carried unanimously.

**APPROVAL OF MINUTES**

Higgins moved and Hunt seconded approval of the minutes of the Committee of the Whole meetings of March 22 and March 29, 1993. Hunt noted that she had also taken the Oath of Office on March 29. With that correction, the minutes were unanimously approved.

**REPORT OF THE TRANSPORTATION ACCESSIBILITY ADVISORY COMMITTEE (TAAC)**

Grant reviewed the committee's report of its April 14, 1993 meeting. He explained that over the past few years there has been a tremendous problem with providers unwilling to transport people in three-wheelers because of the potential liability. Some of the manufacturers of the three-wheel scooters state that it is unsafe to sit in them while in a moving vehicle, but the Americans with Disabilities Act (ADA) does not allow discrimination against people on the basis of their "common" mobility devices. The committee recommended that rides be denied only if there is a capacity constraint, which will not comply with ADA regulations. TAAC would like the board to adopt that policy or go further and try to resolve the problems. Franklin asked staff if the recommendation will go to the Policy Committee or come directly to the board; the members have nothing in writing and no background information has been presented to them. Higgins said this should be referred back to the Policy Committee. If RTB directs providers to transport three-wheelers when the manufacturer says it is unsafe, we will put them an untenable position. Andrews suggested that both items be placed on the agenda of the next Committee of the Whole. Hovland so moved; Beard seconded:

That the Regional Transit Board refer the issues of transportation of riders who use three-wheel scooters and visitor certification to the Policy Committee of the Whole.

Franklin asked if the TAAC comments regarding the ADA Paratransit Eligibility Field Test have been incorporated in the contract. Jacobson said they will be included. The motion was unanimously approved.

**LEGISLATIVE REPORT**

Andrews noted that an updated report has been distributed. Beard asked what the board's reason was for opposing Representative Kelso's Opt-Out bill. Andrews said the board did not take a formal position. The bill would open up the program to a broader number of communities and run counter to the Vision's goals of bringing communities in and it would cause further erosion of the property taxes needed to maintain the rest of the system. There were approximately 20 more communities that would have been eligible to opt-out. He explained the current status of the House and Senate funding bills.

Beard asked if the board will have input on the proposed redistricting. Andrews said it is obvious the bills will be conferenced out and it would be helpful for members to discuss it with their legislators.

**MEMBERS REPORTS**

Andrews informed the board that Handicapped Transport System (HTS) unexpectedly stopped providing RTB's paratransit service on April 16. Jacobson reviewed his report on the situation, dated April 19, 1993. Grant asked that staff determine how many communities will be reduced to one provider and report to the board at the next meeting. This is a critical issue for consumers since it narrows their options. Under the Trip Assurance program, riders are not getting rides at the times they need. Responding to Hovland's questions about the upcoming restructuring of the paratransit service, Jacobson said staff is considering some options. The efforts to find new providers have not been fruitful. Interviews are scheduled for the new systems coordinator, who may be able to help develop some solutions. Franklin asked if there is a possibility that there will not be enough vehicles available. Jacobson said staff attempted to lease vehicles from National. There are some problems in capacity. Higgins said these smaller providers may become subcontractors for the four companies selected to provide the service under the restructured system--they will not be completely frozen out. Franklin said that during the summer months many of the school districts have lift-equipped vehicles available and it may be possible to make some arrangements to use those vehicles. Andrews said the reference in the HTS letter to being unable to collect certain funds referred to another organization with which they did business, not to RTB.

**REPORT OF THE COMMITTEE OF THE WHOLE**

Administration and Finance Committee Chair Franklin reported on the Committee of the Whole meeting of April 12, 1993.

**Financial Statements-January and February 1993**

Feess moved and Beard seconded:

That the Regional Transit Board receive the January and February 1993 unaudited financial statements and direct that they be placed on file.

The motion was unanimously approved.

**Audit Advisory Committee Report**

Beard moved and Feess seconded:

That the Regional Transit Board approve the Audit Advisory Committee report dated March 18, 1993.

The motion was unanimously approved.

**Americans with Disabilities Paratransit Eligibility Field Test**

Grant moved and Feess seconded:

That the Regional Transit Board approve the work program and timeline and authorize the executive director to enter into a contract, not to exceed \$11,583, with the University of Minnesota for testing the functional assessment tool.

The motion was unanimously approved.

**Revised Agency Travel Policies**

Hunt moved and Feess seconded:

That the Regional Transit Board adopt the March 30, 1993 revision of the Travel and Expenses Policies and Procedures.

The motion was unanimously approved.

**1993 Regional Transit Board Messenger Newsletter Contract**

Franklin said she had been informed that the correct figure for the contract is \$27,700; not the \$17,700 shown in the report. Hanson explained that there had been a typographical error. She reviewed the 1992 contract for two four-page Messengers and two eight-page Messengers for \$24,945. This contractor has always been 15-percent below the contract amount. This year she added issues and the cost has gone up. There is \$30,000 in the budget.

Responding to Higgins, Hanson said legislators, government officials, the transit community, contacts in the business community and anyone who requested it are on the mailing list. Franklin said one of the reasons she is excited about the publication is that so many people have no idea of what RTB really is. It was felt this was very necessary to let people know about RTB's activities. It has been published for several years.

Beard said that as a city council member he will vouch for the increased awareness. At last week's meeting Member Schulstad was concerned about the \$17,700 cost. Beard said the higher cost also gives him pause. He will vote to approve this contract, but in the 1994 budget process he would like further discussion. Trummer noted that at the committee meeting she strongly urged that the publication include a place where upcoming meetings are shown, identifying those meetings where people are encouraged to provide input and discuss governance issues. Trummer moved and Beard seconded:

That the Regional Transit Board authorize the executive director to enter into a contract with Morgan Williams and Associates not to exceed \$27,700 for the design, production and printing of four eight-page newsletters.

The motion was unanimously approved.

**OTHER BUSINESS**

**Final Recommendations for High Subsidy Route MTC St. Paul 35CH Weekday**

Rosvold reviewed his April 13 staff report. Both MTC and White Bear Area Transit concur with the recommendation. Staff met with the two riders who spoke to the committee on April 12. They asked that their route map be distributed to the board members (Exhibit A). Grant moved and Hunt seconded:

That the Regional Transit Board approve the staff's proposed restructuring of the Metropolitan Transit Commission St. Paul Route 35CH weekday.

The motion was unanimously approved.

**METROPOLITAN GOVERNANCE**

Franklin said the members have tried for months to discuss this issue and nothing has been accomplished. Feess said it is important to take a stand; the Legislature will not wait for the board.

Grant moved and Higgins seconded:

That the board send a letter of support for the RTB members to be part of the Metro Governance Interim Study.

Hunt said she liked Grant's positive approach. She offered a friendly amendment:

...the study should include the other agencies, MTC, Opt-Outs, Metro Mobility.

Grant suggested that the Transportation Accessibility Advisory Committee be included. Hunt agreed and withdrew her friendly amendment in favor of Higgins' in favor of Higgins' substitute friendly amendment. Feess seconded.

The final motion was:

That the board send a letter of support for the RTB members to be part of the Metro Governance Interim Study. The study should include all advisory committees which deal with the Regional Transit Board.

Hunt suggested a copy be directed to Representative Workman, the chair of the Metro Council, the commissioner of the Minnesota Department of Transportation and the governor. Grant said it should be also sent to the authors of the Metro Governance bills within the next day or two because events are moving so quickly. Higgins suggested the members and chairs of the House and Senate Transportation Committees receive copies. The motion was unanimously approved.

Beard said the Flynn bill would vest power in the appointed chair of the Metro Council. He does not know the reasons, but he is very uncomfortable with one appointee having that much power because it flies in the face of the principle of citizen participation. Elimination of this level of participation would not bode well for people RTB represents or for the future. Through involvement in this type of board, people who wish to actively participate in government go through a learning process which helps them develop a broader understanding of the complexities of the issues. That contribution to society should not be overlooked. There are people coming after us who should have the opportunity to serve.

Hunt said she is on the Citizens League's task force that has been discussing this. The task force also recommended that the Legislature establish an interim commission to study the whole question of metropolitan governance, but the league suggested the majority of members be lay people.

Franklin said one bill provides for five House and five Senate members, which might doom RTB from the outset, depending upon the committee membership. She is also concerned about our Opt-Out standing. Hunt suggested that the letter indicate that the recommendation was adopted unanimously.

**TRANSPORTATION ADVISORY BOARD**

Andrews pointed out that information on the Transportation Advisory Board (TAB) had been mailed to the members. Franklin said TAB has seen the governance proposals and seems to have no interest in being advisory on transit, replacing RTB and MTC. She has served on TAB for several years. It is a very large board with frequent turn-over of membership. Many of the members are elected officials. They sometimes fail to win re-election or simply get tired of attending the meetings so continuity is lost. They are mainly interested in bridges and roads in their own areas.

Hunt said it is difficult for RTB's staff people to plan for their own futures. Sherry Munyon has resigned and will leave while the Legislature is still in session. Higgins said the chair will be able to provide the necessary coverage with staff assistance. Hunt asked, from a structure standpoint, who will serve as deputy chair. Andrews said Munyon's title is "Assistant to the Chair." She preferred using the title of Deputy Chair because of its implications in state agencies. The position is unclassified. The board ratifies the appointment, based on the chair's recommendation. Technically all staff reports to the executive director.

Hovland expressed regret that Katherine Trummer is leaving the board. Trummer said she has been very impressed with the staff and appreciated their help. The experience and expertise of the board members is amazing.

There being no other business, Higgins moved and Hovland seconded to adjourn the meeting. The motion was unanimously approved; the meeting adjourned at 5:30 p.m.

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

Respectfully submitted,

Mary Fitzgerald  
Secretary

Approved by the Regional Transit Board on this 17th day of May 1993.



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

**Minutes of the Meeting of the  
COMMITTEE OF THE WHOLE  
April 26, 1993**

**MEMBERS PRESENT:** Policy Committee Chair Val Higgins, Michael Beard, Sharon Feess, Ruth Franklin, Morgan Grant, Ruby Hunt, John Riley, Dennis Schulstad

**MEMBERS EXCUSED:** James Hovland

**OTHERS PRESENT:** Tom Sather, Christine Dean, Todd Paulson, Bev Auld, Melanie Benson, Metropolitan Transit Commission; George Bentley and Diane Harberts, Southwest Metro Transit; Beverley Miller, Minnesota Valley Transit Authority; Allen Lovejoy, City of St. Paul; Ferroll Robinson and Joe Kern, Strgar, Roscoe and Fausch; Gregory L. Andrews, Judy Hollander, Howard Blin, Len Simich, Randy Rosvold, Suzanne Hanson, Mike Opatz, Paul Moline, Debra Nelles, Dave Jacobson, Mary Fitzgerald, RTB staff

**CALL TO ORDER AND ROLL CALL**

The chair called the meeting to order at 4:05 p.m. He said that in the past few months the meetings have been getting a late start and he plans to make every effort to start the Policy Committee of the Whole meetings on time. Roll was called.

**APPROVAL OF AGENDA**

Hunt moved and Beard seconded approval of the agenda. The motion was unanimously approved.

**ST. PAUL'S ACCESS TO TRANSIT FINAL REPORT**

Moline reviewed the April 19 staff report and introduced Joe Kern and Allen Lovejoy. Using slides, Kern reviewed the purpose of the study and the process that was followed in evaluating existing service in order to determine its adequacy and whether changes are necessary. They tried to design a study that would be applicable in other areas and offer general trends throughout the region. It appears the primary transit destination, the downtown area, and the secondary destinations have the highest potential for ridership growth for both work and non-work trips. There has been some debate about whether to serve everyone a little bit. It appears most important to look at the areas where there is the most potential for growth. There are few transit trips to adjacent communities, which suggests a market for a circulator service in the core service area. More riders make stops on the way home. It might be possible to develop those services at the transfer points. The highest transit use is in the lowest-income areas. There is a strong correlation between the number of cars in the household and transit use. There should be a more aggressive program to encourage employers to offer Guaranteed Ride Home programs. The reverse commute patterns are diverse and we need to do a better job of supplying that service and focusing on major employers.

The hub-and-spoke system focused on key roads works very well for the core service area, particularly with circulators. We need to embrace transfers as the state of affairs and ensure they are not an impediment. Higgins said the only circulators are run by the Opt-Out communities outside MTC's service area. There was discussion of the concept of incorporating circulator service in core areas. No action was taken.

#### **DAKOTA COUNTY TRANSIT NEEDS ASSESSMENT, PHASE I**

Rosvold reviewed the staff report dated April 20, 1993. Regarding the ambulatory and wheelchair trips, Grant commented that if there were more sedan paratransit providers service could be provided more economically and at a high level. Franklin moved and Fees seconded:

That the Regional Transit Board accept Phase I of the Dakota County Transit Needs Assessment.

The motion was unanimously approved.

#### **METRO MOBILITY TEMPORARY CERTIFICATION POLICY**

Nelles reviewed the April 20 staff report that was distributed before the meeting. Higgins moved and Grant seconded:

That the Regional Transit Board approve a Temporary Certification Policy, which temporarily certifies visitors who are Americans with Disabilities-certified in another paratransit program to the Metro Mobility program, for a period not to exceed 30 days.

Hunt asked what happens when the 30 days expires. Nelles said the visitor can apply for full certification. Grant added that the Transportation Accessibility Advisory Committee (TAAC) recommended this policy to accommodate people who visit the area for vacations or some other reason. Nelles said the Lions Club and the Paralyzed Veterans of America conferences will be held in the Twin Cities this year. Those groups have been in contact with the Metro Mobility Administrative Center and notified them how this was handled in the past. Staff will follow up and report to the board.

#### **CONVENIENCE FARE PROPOSAL**

Simich reviewed the April 21 staff report that was distributed before the meeting. Sather reviewed the budgeted and actual ridership and revenue figures. The arbitration decision is not factored into the request since it is a variable and may not be known for as long as 90 days. Riley said he believes RTB should discuss the issue and give MTC considerable latitude. Ridership has been increasing for the last four months, but the budget assumed a three-percent monthly increase, which is greater than the actual numbers. Sather said corrective action has to be taken before the deficit increases. This is part of a larger program to close the deficit. Using the Comprehensive Operations Analysis (COA), MTC is making service cuts that realize an additional \$0.5 million annually in real savings to help close the gap.

Sather said the RTB, MTC and the Opt-Out programs should discuss the entire fare issue this year. The deep discount structure underprices the product by far too much and it is time to sit down with the new people and set criteria. When farebox recovery reaches a certain level, smaller adjustments in fares should be imposed earlier to generate enough revenue and avoid deficits.

Riley said Sather has to decide what course will do the least damage to ridership. Would it be better to move forward the fare increase to avoid service cutbacks? Sather said the commissioners felt modest modifications to the discount program will not have a negative affect on ridership. Some routes are being cut that do not carry enough people. MTC must be aggressive in putting service where the ridership is and cutting below-standard routes. Riley said this issue must not be politicized. The media should be given information on what is being done and reasons for the action.

Feess said she believed early on that fare increases should be regular and consistent. The board should develop a policy based on fare increases triggered by the farebox recovery ratio.

There was discussion of the impact on the University of Minnesota and the status of the CMAC funding application. Riley agreed on the need for a fare policy and said the University students will not have a problem understanding the new discount program.

Grant said the paratransit fares are linked to regular route fares and he asked that the board not increase those fares as well. The users' incomes have not gone up enough to sustain this kind of increase. The discount convenience fares might be more palatable.

In response to Beard's questions, Sather said the school year ends June 1. The change will generate extra revenue for the opt-outs. Franklin said the board has a fare policy that includes the opt-out relationship.

Simich explained the University's concerns. Sather said the benefits to the entire system outweigh the possible negative effect on the University routes and MTC is willing to help them work through the problem.

Melanie Benson, an MTC driver, said this is a fare increase that will hit low-income people the hardest. It is misleading to call it a "convenience fare adjustment." The decision a year ago to change the transfer policy doubled the fare for people who depend upon public transit and have to stop at day care centers on their way to and from work. She suggested that fares be reduced, which will have the effect of increasing ridership. Riley said that unfortunately this discussion is held against the backdrop of a large revenue gap that has to be filled.

Harberts spoke in support of the increase. The average income of Southwest Metro Transit riders is \$65,000 and they ride as a matter of choice, not necessity. There are varied markets that must be taken into account. The increased revenue will help alleviate the overcrowding on Southwest's buses. She also supports a review of the regional fare policy and performance standards that would take every area into account. (Feess was excused.) Hunt moved and Beard seconded:

That the Regional Transit Board approve implementation of the Metropolitan Transit Commission's revised structure for deep-discounted convenience fares, effective June 1, 1993.

Schulstad commented that discount fares are offered to increase ridership. Many of the people in his area are senior citizens who are completely dependent upon buses and live on Social Security. Their income has not increased by 10-percent. For them, transit is a necessity. He opposed the motion because it is not a discount, it discourages ridership. Sather said MTC is not proposing any change to the 25-cent social fares. The motion was approved (Schulstad abstained and Feess was absent).

**Fare Policy**

Sather said that under the current system MTC gets so far behind that incremental increases of 15- to 25-cents are necessary. He would prefer that lower increases be imposed more often. The 35-percent farebox recovery ratio should be revisited. Beard moved and Schulstad seconded:

That the Regional Transit Board reexamine the issue of the overall fare structure, including convenience fares, as soon as possible.

The motion carried (Feess was absent).

**National Transit Week Promotional Activities**

Discussion focused on the proposal to set all fares at 25 cents for one day. Hunt asked Sather whether MTC would approve the recommendation for reduced fares. Sather said he would agree that 25-cents underprices the product at a time when other fares are being increased. Hanson reviewed the April 20 staff report. Staff has some reservations about the special fare because a regular route fare increase may be imposed shortly after the promotion. Hunt spoke against the fare discount since promotional activities have not increased ridership. She moved and Grant seconded:

That the Regional Transit Board approve promotional activities associated with the 1993 National Transit Week, except for the proposed special 25-cent fare, on May 20.

The motion carried (Feess was absent). Andrews said Hanson will inform the board about the other promotional activities at its next meeting. The goal is to have something throughout the week.

**OTHER BUSINESS**

Hunt distributed copies of the Citizens League's Statement on Regional Challenges and Regional Governance.

Grant moved and Franklin seconded:

That the Regional Transit Board direct staff to draft a resolution of appreciation for Sherry Munyon's hard work at the Legislature and dedication to public transit. Franklin seconded.

The motion was approved (Feess was absent).

Riley said he has been devoting all of his time to legislative activity. At this point all of the governance bills have been stripped of any language to abolish the staff or board. It is likely a bill will pass to establish a commission to study metropolitan governance.

The RTB policy bill appears ready for passage. Most important is the funding bill. The gas tax bill nearly passed in the Senate, but it failed on a tie vote. The curious thing was that two-thirds of the members favored increased transit funding but they could not compromise on the means to attain it. Either version would have provided a substantial increase.

The House funding bill and the Governor's recommendation are identical, with \$72 million over the biennium, a \$17 million increase. That amount will continue regular route and community services, sustain Metro Mobility at the current level with Trip

Assurance, and leave approximately \$1.7 million for improvements. The Senate went back to last year's funding, which would require service cuts. With the upcoming restructuring, it is a bad time to be forced to turn down ride requests. He asked Metro Mobility advocates for their assistance.

Under either bill regular route service will be adequately funded. MTC will get about \$1 million more than their projected need; however, there are two problems in the Senate bill. The bill gives all the funds to MTC directly and grants all the money earmarked for non-MTC providers to MTC rather than RTB. There may be some legal challenges to that provision. The provision would put an end to the other transit services and the competitive bidding process. It is RTB's role as banker that makes route planning stick and provides real oversight of MTC. Budget review authority is meaningless if MTC already has the money. MTC would not come out the loser under the bidding system but the four-percent of the system that is served by private providers is an excellent check which ripples through the entire system. Loss of the bankers roll would reduce RTB's function to an advisory body. This is a fundamental change for the RTB and it is essential this come out of the Senate bill. The bill also calls for an aggregate reduction of 30 percent in community-based transit and RTB. MTC has to be kept as strong as possible because they are the core carrier; however, there is a substantial benefit in having competitive routes on the edges of the system.

There being no other business, Franklin moved and Hunt seconded that the meeting be adjourned. The motion was unanimously approved; the meeting adjourned at 6:20 p.m.

I hereby certify that the foregoing constitutes a true and accurate record of the Regional Transit Board's meeting of April 26, 1993.

Respectfully submitted,

Mary Fitzgerald  
Secretary

Approved by the Regional Transit Board on this 17th day of May 1993.



**REGIONAL TRANSIT BOARD**

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

Minutes of the Meeting of the  
Regional Transit Board  
Mears Park Centre Chambers  
May 3, 1993

**MEMBERS PRESENT:** John Riley, Chair; Michael Beard; Sharon Feess; Morgan Grant; Val Higgins; James Hovland; Ruby Hunt; Dennis Shulstad

**OTHERS PRESENT:** Arnie Entzel, Amalgamated Transit Union; Tom Sather, Metropolitan Transit Commission; Greg Andrews, Howard Blin, Mary Fitzgerald, Suzanne Hanson, Judy Hollander, Annette Keller, Paul Moline, Dale Ulrich, Kathy Grochowski, Regional Transit Board staff

**MEMBERS ABSENT:** Ruth Franklin

**CALL TO ORDER AND ROLL CALL**

Chair Riley called the meeting to order at 4:15 p.m. and roll was taken.

**APPROVAL OF AGENDA**

Beard moved and Grant seconded that the agenda be approved. The motion carried unanimously.

**APPROVAL OF MINUTES**

Hovland moved and Beard seconded:

That the Regional Transit Board approved the minutes of the following meetings:

Regional Transit Board Meeting, April 5, 1993

Committee of the Whole, April 12, 1993

The motion was unanimously approved.

**CHAIR'S REPORT**

Riley announced that he would be leaving the meeting early to attend an important funding meeting at the capitol and that board member Higgins would chair the meeting in his absence.

**Approval of Chair's Benefits**

Riley summarized his need for maintaining his medical and dental insurance through the State of Minnesota plan.

Beard moved and Feess seconded:

That the Regional Transit Board establish the chair's benefits as:

- Medical and Dental--reimburse Chair Riley for continuation of health insurance coverage through State of Minnesota plan;
- Vacation accrual rate--7 hours
- Expense allowance not to exceed \$1,500 in accordance with Minnesota Statute 15A.081 Subd. 8.

All other benefit levels consistent with those as stated in current board approval personnel policy.

The motion was unanimously approved.

**Drivers of the Month Award**

Grant presented the following with a Driver of the Month Award:

Eric Blad, November 1992  
George Skrypek, December 1992  
Jim Hennessey, January 1993  
Dean Vinge, February 1993  
Linda Posey, March 1993  
James Olson, April 1993

**MEMBERS REPORT**

Beard reported that he spoke to the Chaska Kiwanis Club regarding transit issues. Feess reported on the RTB/MTC Northwest Corridor Transit Summit she attended in Brooklyn Center on Saturday, May 1.

**Resolution of Appreciation for Sherry Roed Munyon, Resolution No. 93-05**

Riley expressed his gratitude to Sherry Munyon for her years of dedicated work at the RTB. Riley moved and Higgins seconded:

That the Regional Transit Board approve Resolution No. 93-05.

**RESOLUTION OF APPRECIATION**

**RESOLUTION 93-05**

**Regional Transit Board Minutes**  
**May 3, 1993**  
**Page 3**

WHEREAS, Sherry Roed Munyon has served as Assistant to the Chair of the Regional Transit Board since December 12, 1989; and

WHEREAS, Ms. Munyon has resigned her position with the Regional Transit Board to accept a position effective April 26, 1993 with the Minnesota Chamber of Commerce as Director of Environmental Policy and Transportation; and

WHEREAS, Ms. Munyon, is recognized for her many accomplishments as Deputy Chair of the Regional Transit Board, among them the countless hours of dedicated work lobbying the state legislature on behalf of transit issues in Twin Cities metropolitan area, representing the Regional Transit Board in an articulate manner while educating the public and policymakers; the continued expansion of public transit and paratransit services in the seven-county metropolitan area, and her advocacy for a dedicated funding source for funding transit not only in the Twin Cities but also statewide; and

WHEREAS, Ms. Munyon has served the Regional Transit Board and the public in a manner consistent with the highest professional standards.

NOW, THEREFORE, BE IT RESOLVED:

THAT the Regional Transit Board expresses its gratitude and appreciation to Sherry Roed Munyon for her service to the agency.

BE IT FURTHER RESOLVED:

THAT the Regional Transit Board extends its sincere best wishes to Sherry Roed Munyon for continued success in all her future endeavors.

Adopted this 3rd day May, 1993.

On a roll call vote, eight members voted to approve the resolution; none opposed. The motion and resolution carried unanimously.

Riley excused himself leaving board member Higgins to chair the meeting.

**REPORT OF THE COMMITTEE OF THE WHOLE**

**Acceptance of Dakota County Transit Needs Assessment, Phase I**

Beard moved and Feess seconded:

That the Regional Transit Board accept Phase I of Dakota County Transit Needs Assessment

The motion was unanimously approved.

**Metro Mobility Temporary Certification Policy**

Hunt moved and Hovland seconded:

That the Regional Transit Board approve a Temporary Certification Policy, which temporarily certifies visitors who are Americans with Disabilities Act-certified in another paratransit program to the Metro Mobility program for a period not to exceed 30 days.

The motion was unanimously approved.

**Convenience Fare Proposal**

Hunt moved and Hovland seconded:

That the Regional Transit Board approve implementation of the Metropolitan Transit Commission's revised structure for deep-discounted convenience fares, effective June 1, 1993.

The motion was unanimously approved.

**National Transit Week Promotional Activities**

Grant moved and Hunt seconded that:

The Regional Transit Board approve promotional activities associated with the 1993 National Transit Week, except for the proposed special 25 cent fare on May 20.

The motion was unanimously approved.

There being no further business, Feess moved and Hovland seconded that the meeting be adjourned. The motion carried unanimously and the meeting was adjourned at 4:45 p.m.

I hereby certify that the foregoing constitutes a true and accurate record of the Regional Transit Board meeting of May 3, 1993.

Respectfully submitted,

Kathy Grochowski  
Acting Secretary

Approved by the Regional Transit Board on this 17th day of May 1993.

## REGIONAL TRANSIT BOARD

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

**DATE:** May 17, 1993  
**TO:** Chair and Members of the Administration and Finance Committee  
**FROM:** Dale Ulrich, Comptroller  
**SUBJECT:** 1993/1994 Budget Assumptions

The "1993 Sources and Uses by Fund" reflects the approved budget plus the following changes:

	<u>Change</u>
• Ending fund balances at 12/31/92 were used	+\$1,329,292
• New legislative appropriations for July-Dec. 1993 were used	+2,831,000
• No changes in budgeted expenditure levels	---
<b>Net Adjustment to Budgeted Fund Balance at 12/31/93</b>	<b>\$4,160,292</b>

The following assumptions were used in the "1994 Sources and Uses by Fund":

- Property tax increase of two percent.
- New legislative appropriations.
- Interest, DAC, and Federal Section 8 revenue estimates lowered (total \$355,000)
- All expenditures at 1993 dollar levels.

Allocation of state appropriations between "general fund" and "rural, small urban" tentative, subject to Board change.

STATE APPROPRIATION SCHEDULE '94 - '95 BIENNIUM

	GENERAL FUND	REGULAR ROUTE	METRO MOBILITY	RURAL/SMALL URBAN	TOTAL
JANUARY - JUNE 1993	\$1,306,000	\$5,252,000	\$6,334,000	\$673,000	\$13,565,000
JULY - DECEMBER 1993	\$1,123,000	\$7,746,000	\$6,900,000	\$627,000	\$16,396,000
TOTAL CAL YR 1993 REVENUE	<u>\$2,429,000</u>	<u>\$12,998,000</u>	<u>\$13,234,000</u>	<u>\$1,300,000</u>	<u>\$29,961,000</u>
-----					
JANUARY - JUNE 1994	\$1,123,000	\$7,746,000	\$6,900,000	\$627,000	\$16,396,000
JULY - DECEMBER 1994	\$932,000	\$6,153,500	\$6,487,000	\$373,000	\$13,945,500
TOTAL CAL YR 1994 REVENUE	<u>\$2,055,000</u>	<u>\$13,899,500</u>	<u>\$13,387,000</u>	<u>\$1,000,000</u>	<u>\$30,341,500</u>
-----					
JULY - DECEMBER 1993	\$1,123,000	\$7,746,000	\$6,900,000	\$627,000	\$16,396,000
JANUARY - JUNE 1994	\$1,123,000	\$7,746,000	\$6,900,000	\$627,000	\$16,396,000
TOTAL FISCAL YEAR 1994	<u>\$2,246,000</u>	<u>\$15,492,000</u>	<u>\$13,800,000</u>	<u>\$1,254,000</u>	<u>\$32,792,000</u>
JULY - DECEMBER 1994	\$932,000	\$6,153,500	\$6,487,000	\$373,000	\$13,945,500
JANUARY - JUNE 1995	\$932,000	\$6,153,500	\$6,487,000	\$373,000	\$13,945,500
TOTAL FISCAL YEAR 1995	<u>\$1,864,000</u>	<u>\$12,307,000</u>	<u>\$12,974,000</u>	<u>\$746,000</u>	<u>\$27,891,000</u>

**Regional Transit Board  
Sources and Uses by Fund  
1993**

	TOTAL GENERAL FUND	REGULAR ROUTE	METRO MOBILITY	OPT OUT	RURAL SMALL URBAN	LIGHT RAIL TRANSIT	TOTAL SPECIAL FUNDS	TOTAL ALL FUNDS
<b>1993 Revenues</b>								
Property Taxes		55,692,628		8,027,225	562,822		64,282,675	64,282,675
State Appropriation	2,429,000	12,998,000	13,234,000		1,300,000		27,532,000	29,961,000
Federal								
Section 8	316,800					1,000,000	1,000,000	1,316,800
ISTEA		570,000					570,000	570,000
Interest/Miscellaneous	558,000						0	558,000
1993 Agency Reimbursement			600,000				600,000	600,000
<b>TOTAL REVENUES</b>	<b>3,303,800</b>	<b>69,260,628</b>	<b>13,834,000</b>	<b>8,027,225</b>	<b>1,862,822</b>	<b>1,000,000</b>	<b>93,984,675</b>	<b>97,288,475</b>
<b>1993 Expenditures</b>								
93-01 Policy Management	344,880						0	344,880
93-02 Executive Director	246,820						0	246,820
93-03 P & P Administration	170,976						0	170,976
93-04 Transportation Planning	124,298						0	124,298
93-10 Elderly & Disabled Transp. Planning	254,161						0	254,161
93-11 Rideshare Planning	291,743						0	291,743
93-13 Transit System Planning	323,590						0	323,590
93-14 Transit Programs Admin.	350,586	67,426,158	12,951,300	6,847,625	1,893,719		89,118,802	89,469,388
93-15 Administration	517,349						0	517,349
93-16 Finance	244,988						0	244,988
93-17 Personnel	63,772						0	63,772
93-19 Public Information	294,883						0	294,883
93-20 Capital	10,000						0	10,000
93-23 Light Rail Transit	0					1,071,690	1,071,690	1,071,690
93-26 New Services/Grants	591,523						0	591,523
93-27 Community Relations	57,636						0	57,636
Cost allocation	-637,655	190,407		138,771	257,081	51,396	637,655	0
<b>TOTAL EXPENDITURES</b>	<b>3,249,550</b>	<b>67,616,565</b>	<b>12,951,300</b>	<b>6,986,396</b>	<b>2,150,800</b>	<b>1,123,086</b>	<b>90,828,147</b>	<b>94,077,697</b>
Excess Revenues Over (Under) Expenditures	54,250	1,644,063	882,700	1,040,829	-287,978	-123,086	3,156,528	3,210,778
*1/1/93 Beginning Fund Balance	2,975,973	1,116,237	156,574	0	387,976	211,159	1,871,946	4,847,919
Statutory Authorized Transfers		0		0			0	0
12/31/93 Ending Fund Balance	3,030,223	2,760,300	1,039,274	1,040,829	99,998	88,073	5,028,474	8,058,697

\* General fund includes \$973,020 in restricted funds for new services

REGIONAL TRANSIT BOARD  
SOURCES and USES by FUND  
1994

	GENERAL FUND	REGULAR ROUTE	METRO MOBILITY	OPT OUT	RURAL SMALL URBAN	LIGHT RAIL TRANSIT	TOTAL SPECIAL REVENUE	TOTAL ALL FUNDS
BEGINNING FUND BALANCE	\$3,030,223	\$2,760,300	\$1,039,274	\$1,040,829	\$99,998	\$88,073	\$5,028,474	\$8,058,697
<b>1994 REVENUE</b>								
PROPERTY TAX		56,806,481		8,187,770	574,078		\$65,568,329	\$65,568,329
STATE APPROPRIATIONS	2,055,000	13,899,500	13,387,000		1,000,000		\$28,286,500	\$30,341,500
FEDERAL-								
SECTION 8	300,000					1,000,000	\$1,000,000	\$1,300,000
ISTEA		570,000					\$570,000	\$570,000
DAC REVENUE			360,000				\$360,000	\$360,000
INTEREST/MISCELLANEOUS	460,000						\$460,000	\$460,000
<b>TOTAL REVENUE</b>	<b>2,815,000</b>	<b>71,275,981</b>	<b>13,747,000</b>	<b>8,187,770</b>	<b>1,574,078</b>	<b>1,000,000</b>	<b>95,784,829</b>	<b>98,599,829</b>
<b>1994 EXPENDITURES</b>								
94-01 POLICY MANAGEMENT	344,880							344,880
94-02 EXECUTIVE DIRECTOR	246,820							246,820
94-03 P & P ADMINISTRATION	170,976							170,976
94-04 TRANSPORTATION PLANNING	124,298							124,298
94-10 ELDERLY & DISABLED	254,161							254,161
94-11 RIDESHARE PLANNING	291,743							291,743
94-13 TRANSIT SYSTEM PLANNING	323,590							323,590
94-14 TRANSIT PROGRAMS ADMIN	350,586	67,426,158	12,951,300	6,847,625	1,893,719		89,118,802	89,469,388
94-15 GENERAL ADMINISTRATION	517,349							517,349
94-16 FINANCE	244,988							244,988
94-17 PERSONNEL	63,772							63,772
94-19 PUBLIC INFORMATION	294,883							294,883
94-20 CAPITAL	10,000							10,000
94-22 COMPETITIVE TRANSIT	15,000							15,000
94-23 LIGHT RAIL TRANSIT						1,061,690	1,061,690	1,061,690
94-24 CENTRAL CORRIDOR AA/DEIS						10,000	10,000	10,000
94-26 NEW SERVICES	576,523							576,523
94-27 COMMUNITY RELATIONS	57,636							57,636
<b>TOTAL EXPENDITURES</b>	<b>3,887,205</b>	<b>67,426,158</b>	<b>12,951,300</b>	<b>6,847,625</b>	<b>1,893,719</b>	<b>1,071,690</b>	<b>90,190,492</b>	<b>94,077,697</b>
EXCESS REVENUE OVER(UNDER)								
EXPENDITURES	(1,072,205)	3,849,823	795,700	1,340,145	(319,641)	(71,690)	5,594,337	4,522,132
TRANSFERS-								
COST ALLOCATION	464,000	(186,000)	(67,000)	(69,000)	(67,000)	(75,000)	(464,000)	0
STATUTORY								
<b>ENDING FUND BALANCE 12/31/94</b>	<b>\$2,422,018</b>	<b>\$6,424,123</b>	<b>\$1,767,974</b>	<b>\$2,311,974</b>	<b>(\$286,643)</b>	<b>(\$58,617)</b>	<b>\$10,158,811</b>	<b>\$12,580,829</b>

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## REGIONAL TRANSIT BOARD

Mears Park Centre  
230 East Fifth Street, St. Paul, Minnesota 55101  
292-8789  
TDD 229-2715

**DATE:** May 11, 1993  
**TO:** Chair and Members of the Regional Transit Board  
**FROM:** Howard Blin, Planning Manager  
**SUBJECT:** CMAQ Funding for I-394 Service

### BACKGROUND

The 1993 MTC budget included \$2.4 million in funding from the Congestion Mitigation and Air Quality (CMAQ) program of the Federal Intermodal Surface Transportation Efficiency Act (ISTEA). This funding will cover some of the cost of expanded service the MTC has implemented in the I-394 Corridor over the past several months. In the metropolitan area, CMAQ funds are allocated to various projects by the Transportation Advisory Board and the Metropolitan Council.

At the time the MTC budget was approved, it was assumed that applications for funding from the CMAQ and the other ISTEA programs would be accepted by the Transportation Advisory Board in early 1993. Developing new criteria for evaluating projects took longer than expected, with applications not being accepted until July. Under this process, final Metropolitan Council action on funding requests will not occur until November.

### DISCUSSION

Delays in the ISTEA funding process creates uncertainty in the ability to balance MTC's budget. Costs are currently being incurred for I-394 service, but a final decision on funding must wait until the end of the year. Furthermore, after Metropolitan Council action, the request must be reviewed by various federal agencies, which could push receipt of the funds into early 1994.

To expedite the process, staffs of the RTB, Metropolitan Council, MTC and Mn/DOT have jointly recommended that the funding request be submitted to the Transportation Advisory Board at its May 19 meeting. This approach does not follow the recently developed ISTEA process, but can be justified on the basis of the following:

- Most applications for ISTEA funding are for capital projects, which can more easily be put on hold while awaiting funding than an ongoing project such as I-394 service.
- Providing adequate service on I-394 is a critical factor in the overall success of the regions first large-scale HOV facility.

These are risks in the expedited approach, particularly if it is perceived that the regional agencies are attempting to circumvent the agreed upon ISTEA process. There is perhaps a greater risk, however, in following the process and discovering in November that a \$2.4 million budget shortfall must be covered before year end.

#### **RECOMMENDATION**

That the Regional Transit Board approve a resolution authorizing submittal of a \$2.4 million application to the Transportation Advisory Board for funding from the Congestion Mitigation Air Quality (CMAQ) program for I-394 transit service.



**REGIONAL TRANSIT BOARD**

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

**RESOLUTION 92-02**

**RESOLUTION APPROVING THE FILING OF AN APPLICATION BY THE  
REGIONAL TRANSIT BOARD WITH THE DEPARTMENT OF  
TRANSPORTATION, UNITED STATES OF AMERICA FOR GRANTS UNDER  
THE INTERMODAL SURFACE TRANSPORTATION EFFICIENCY ACT OF  
1991**

- WHEREAS, the secretary of transportation is authorized to make grants for a mass transportation program of projects; and
- WHEREAS, the Regional Transit Board has prepared and requested approval of an application for operating assistance under the Congestion Mitigation and Air Quality program of the Intermodal Surface Transportation Efficiency Act; and
- WHEREAS, the Transportation Advisory Board accepts applications for Congestion Mitigation and Air Quality funding in the Twin Cities metropolitan area.

**NOW THEREFORE BE IT RESOLVED:**

1. THAT the Regional Transit Board approve the application dated May 12, 1993 for \$2,400,000 of federal transit assistance.
2. Directs the executive director to submit this application to the Transportation Advisory Board.

Adopted this 17th day of May 1993.

---

John H. Riley, Chair

---

Kathy Grochowski, Secretary

## REGIONAL TRANSIT BOARD

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

**DATE:** May 11, 1993  
**TO:** Chair and Members of the Regional Transit Board  
**FROM:** Howard Blin, Planning Manager *HB*  
**SUBJECT:** Amendment to Five-Year Transit Plan

On April 19, 1993, the Regional Transit Board authorized a request to the Metropolitan Council to issue \$20 million of general obligation transit bonds. Thirteen million dollars of this bonding is to be used by the MTC for its capital program, the remaining \$7 million will be used by the RTB.

The Metropolitan Council staff is currently reviewing the bonding request. A primary consideration for the Council is the consistency of the bonding request with the capital element of the RTB's Five-Year Transit Program (Vision '97). A few of the projects for which bonds are being sold were not included in the Five-Year Plan. This is due to one of two factors:

- Projects authorized in 1992, or before, which fall outside the scope of the 1993-1997 plan.
- Projects which were included in the capital budget subsequent to development of the plan.

To ensure consistency, the Council has suggested the attached amendment to the Five-Year Plan. In order to keep the bond sale on schedule, this item is being taken directly to the board.

### RECOMMENDATION

That the Regional Transit Board approve the attached amendment to the capital element of the Five-Year Transit Plan (Vision '97).

5/11/93

**AMENDMENT TO CAPITAL ELEMENT  
OF  
RTB FIVE-YEAR TRANSIT PLAN**

<b>Project</b>	<b>Cost</b>	<b>Discussion</b>
MTC Shelters, Bus Stop Lighting, Signs (combination of separate MTC projects)	\$2,923,289	These projects were approved as part of MTC 1992 Capital Budget and were not included in the plan.
MTC Remodeling of Heywood Office	\$2,246,050	Project was included in MTC 1993 Capital Budget but was not part of the Five-Year Plan.
MTC Electronic Fareboxes	\$8,298,243	This is a project approved in 1992 which has continued into 1993.

**Metropolitan Transit Commission  
Quarterly Operating Statement  
March 31, 1993**



**Ridership Analysis**

**Statement of Revenue & Expense**

**Operating Statistics/Farebox Recovery Ratio**

**Capital Project Status Report**

**Annualized 1993 Revenue & Expense Scenario**

METROPOLITAN TRANSIT COMMISSION  
STATEMENT OF RIDERSHIP  
MARCH, 1993

	MARCH 1993				YEAR-TO-DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE	ACTUAL	BUDGET	VARIANCE	% VARIANCE
<b>BUDGET COMPARISON</b>								
Total Ridership	6,083,344	5,815,000	268,344	4.61%	16,922,755	17,320,000	(397,245)	-2.29%
	<b>'93 MAR.</b>	<b>'92 MAR.</b>	<b>CHANGE</b>	<b>% CHANGE</b>	<b>YTD '93 MAR.</b>	<b>YTD '92 MAR.</b>	<b>CHANGE</b>	<b>% CHANGE</b>
<b>TRIPS BY SERVICE TYPE</b>								
MTC, Comparable Days								
Regular Route (4401)	5,804,654	5,629,276	175,378	3.12%	16,159,072	15,833,847	325,225	2.05%
Western Suburbs (4020)	23,220	23,465	(245)		65,633	65,343	290	
Total MTC, Comparable Days	5,827,874	5,652,741	175,133	3.10%	16,224,705	15,899,190	325,515	2.05%
Special Events	0	0	0		0	50,244	(50,244)	
Total Special Events	0	0	0		0	50,244	(50,244)	
Opt-Out, Comparable Days								
Southwest MTC (4621)	22,745	20,033	2,712		62,845	56,575	6,270	
Minnesota Valley Transit (4030)	84,139	79,334	4,805		232,166	214,947	17,219	
Plymouth Metrolink (4010)	15,796	16,327	(531)		43,850	45,531	(1,681)	
Maple Grove (4060)	19,841	17,803	2,038		54,305	48,851	5,454	
Total Opt-Out, Comparable Days	142,521	133,497	9,024	6.76%	393,166	365,904	27,262	7.45%
MAC-Contract	112,949	103,813	9,136	8.80%	304,884	303,812	1,072	0.35%
Total MTC, Comparable Days	6,083,344	5,890,051	193,293	3.28%	16,922,755	16,619,150	303,605	1.83%
	<b>'93 MAR.</b>	<b>'92 MAR.</b>	<b>CHANGE</b>	<b>% CHANGE</b>	<b>YTD '93 MAR.</b>	<b>YTD '92 MAR.</b>	<b>CHANGE</b>	<b>% CHANGE</b>
<b>COMPARABLE DAY COMPARISON</b>								
Comparable Days	6,083,344	5,890,051	193,293	3.28%	16,922,755	16,619,150	303,605	1.83%
Comparable Day Reversed Adjustment	0	(176,079)	176,079		0	239,387	(239,387)	
Total Actual	6,083,344	5,713,972	369,372	6.46%	16,922,755	16,858,537	64,218	0.38%
	<b>'93 MAR.</b>	<b>'92 MAR.</b>	<b>CHANGE</b>	<b>% CHANGE</b>	<b>YTD '93 MAR.</b>	<b>YTD '92 MAR.</b>	<b>CHANGE</b>	<b>% CHANGE</b>
<b>TRIPS BY FARE TYPE</b>								
Full Farepaying Customers								
Cash, ticket, & tokens	2,432,054	2,273,310	158,744	6.98%	6,721,785	6,602,151	119,634	1.81%
Monthly Pass	1,361,449	1,412,983	(51,534)	-3.65%	3,804,603	3,747,440	57,163	1.53%
Subtotal Full Farepaying	3,793,503	3,686,293	107,210	2.91%	10,526,388	10,349,591	176,797	1.71%
Social Fare Customers								
Senior Citizens	265,551	293,964	(28,413)	-9.67%	690,420	793,930	(103,510)	-13.04%
Under 18	356,967	305,269	51,698	16.94%	966,757	841,753	125,004	14.85%
Limited Mobility	9,013	6,405	2,608	40.72%	23,691	14,729	8,962	60.85%
Subtotal Social Farepaying	631,531	605,638	25,893	4.28%	1,680,868	1,650,412	30,456	1.85%
Non-farepaying Customers								
Transfers	1,380,064	1,301,573	78,491	6.03%	3,945,528	3,760,638	184,890	4.92%
No Pays	165,092	192,734	(27,642)	-14.34%	459,020	504,453	(45,433)	-9.01%
Metro Airport	112,949	103,813	9,136	8.80%	304,884	303,812	1,072	0.35%
Coupons*	205	0	205	N/A	6,067	0	6,067	N/A
Other Service**	0	0	0	N/A	0	50,244	(50,244)	N/A
Subtotal Non-Farepaying	1,658,310	1,598,120	60,190	3.77%	4,715,499	4,619,147	96,352	2.09%
Total Comparable Days	6,083,344	5,890,051	193,293	3.28%	16,922,755	16,619,150	303,605	1.83%

\* All

\*\* Special Events '92: Super Bowl

**METROPOLITAN TRANSIT COMMISSION  
STATEMENT OF REVENUE AND EXPENSE  
MARCH, 1993**

() = Unfavorable Variance

	MARCH YEAR-TO-DATE			ANNUAL BUDGET
	ACTUAL	BUDGET	VARIANCE	
<b><u>OPERATING REVENUES</u></b>				
Passenger fares	\$ 8,984,882	\$ 9,311,740	\$ (326,858)	\$ 36,356,000
Special fares	1,414,368	1,331,580	82,788	5,446,288
Special event revenue	0	0	0	190,624
Auxiliary transit revenues	261,664	224,250	37,414	947,000
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 10,660,914</b>	<b>\$ 10,867,570</b>	<b>\$ (206,656)</b>	<b>\$ 42,939,912</b>
<b><u>OPERATING EXPENSES</u></b>				
Labor	\$ 16,036,436	\$ 15,940,081	\$ (96,355)	\$ 64,489,589
Fringe benefits	8,493,156	8,271,088	(222,068)	32,558,000
Professional & tech. serv.	734,828	777,420	42,592	3,113,332
Materials & Supplies	3,028,363	3,364,567	336,204	12,944,103
Utilities	683,814	634,659	(49,155)	2,020,477
Casualty & liability costs	764,212	691,308	(72,904)	2,763,000
Purchased transit serv.	116,338	117,342	1,004	469,000
Leases & rentals	68,840	52,723	(16,117)	210,760
Advertising & promotion	139,890	174,079	34,189	842,335
Other miscellaneous	123,436	151,324	27,888	456,400
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 30,189,313</b>	<b>\$ 30,174,591</b>	<b>\$ (14,722)</b>	<b>\$ 119,866,996</b>
<b>OPERATING LOSS BEFORE DEPRECIATION</b>				
	\$ (19,528,399)	\$ (19,307,021)	\$ (221,378)	\$ (76,927,084)
DEPRECIATION	\$ 4,738,924	\$ 4,738,924	\$ 0	\$ 17,800,000
<b>NET OPERATING LOSS</b>	<b>\$ (24,267,323)</b>	<b>\$ (24,045,945)</b>	<b>\$ (221,378)</b>	<b>\$ (94,727,084)</b>
<b><u>NON-OPERATING REVENUES</u></b>				
RTB assistance	\$ 17,386,225	\$ 16,625,681	\$ 760,544	\$ 65,201,784
Property taxes: Debt service	469,514	469,500	14	1,878,000
Federal grants	1,815,579	2,424,900	(609,321)	10,000,000
Interest income	206,905	168,450	38,455	674,000
Interest expense	(65,511)	(63,800)	(1,711)	(206,000)
Other	244,117	501,150	(257,033)	15,253,758
<b>TOTAL NON-OPERATING REVENUES</b>	<b>\$ 20,056,829</b>	<b>\$ 20,125,881</b>	<b>\$ (69,052)</b>	<b>\$ 92,801,542</b>
<b>NET INCOME (LOSS)</b>	<b>\$ (4,210,494)</b>	<b>\$ (3,920,064)</b>	<b>\$ (290,430)</b>	<b>\$ (1,925,542)</b>
<b><u>INCOME DISPOSITION</u></b>				
Net Income (Loss)	\$ (4,210,494)	\$ (3,920,064)	\$ (290,430)	\$ (1,925,542)
Fed. share of depreciation	3,177,234	3,177,234	0	11,660,000
<b>INCOME (LOSS) TO RETAINED EARNINGS</b>	<b>\$ (1,033,260)</b>	<b>\$ (742,830)</b>	<b>\$ (290,430)</b>	<b>\$ 9,734,458</b>
<b><u>RETAINED EARNINGS:</u></b>				
BEGINNING OF PERIOD	\$ 75,778,704	\$ 75,778,704	\$ 0	\$ 75,778,704
END OF PERIOD	\$ 74,745,444	\$ 75,035,874	\$ (290,430)	\$ 85,513,162

**METROPOLITAN TRANSIT COMMISSION  
FIXED ROUTE SERVICE  
OPERATING STATISTICS  
MARCH, 1993**

	<b>MARCH YEAR-TO-DATE</b>		
	<b>ACTUAL</b>	<b>BUDGET</b>	<b>VARIANCE</b>
Total Operating Revenue	\$ 10,536	\$ 10,738	\$ (202)
Total Operating Expense	29,284	29,132	(152)
Subsidy Required for Operations	\$ (18,748)	\$ (18,394)	\$ (354)
Passengers-Unlinked	16,617	17,020	(403)
Miles	7,445	7,579	(134)
Passengers Per Mile Total Unlinked	2.23	2.25	(0.02)
<b><u>Operating Revenue</u></b>			
Per Passenger-Unlinked	\$ 0.63	\$ 0.63	\$ 0.00
Per Mile	1.41	1.42	(0.01)
<b><u>Cost of Service</u></b>			
Per Passenger-Unlinked	\$ 1.76	\$ 1.71	\$ (0.05)
Per Mile	3.93	3.85	(0.08)
<b><u>Subsidy</u></b>			
Per Passenger-Unlinked	\$ 1.13	\$ 1.08	\$ (0.05)
Per Mile	2.52	2.43	(0.09)
<b><u>Average Fare</u></b>			
Per Unlinked Passenger	\$ 0.54	\$ 0.55	\$ (0.01)
<b><u>Payroll Platform Ratio</u></b>	1.2204	1.2598	0.0394
<b><u>Fare Recovery Ratio</u></b>			
Total Fixed Route Passenger Revenue (a)	8,985	9,312	
Plus Special Fares	\$ 5	\$ 6	
Plus Social Fare Differential	720	721	
Total Fixed Route Fares	\$ 9,710	\$ 10,039	
Total Fixed Route Expenses (b)	29,034	28,877	
Fixed Route Recovery Ratio %	33.44%	34.76%	
Fixed Route Recovery Ratio % with Prorated Working Capital Reduction	34.05%	35.37%	
RTB Guideline %	35.00%	35.00%	

**FOOTNOTES:**

(a) Passenger revenue includes projects 4010, 4020, 4030, 4060, 4310, 4401 & 4621

(b) Fixed route expenses include Regular Transit Service, Contract Transit Service and General Management Projects.

**METROPOLITAN TRANSIT COMMISSION**  
**Capital Project Status Report - May 1993**

<b>FACILITIES</b>				
<b>Project Name</b>	<b>Project Manager</b>	<b>Budget</b>	<b>Schedule</b>	<b>Status</b>
St. Paul Lowertown	Porter	\$150,000	92/93	Active
Comments: Facility is now "substantially completed". In use by MTC as of 3/27/93. Contractor currently working on Punch List items, etc.				
St. Paul West End Layover	Porter	\$150,000	Pending	
Comments: Ongoing discussions with City of St. Paul and Mn/DOT. Staff is in the process of negotiating a five year lease for a part of the Arts High School site with resolution within the next (2) weeks.				
Champlin Park-Ride - #3150	Schumi	OK	OK	Active
Comments: Project completion date expected Summer of 1993. RW purchase agreement executed by MTC; in hands of City.				
Moundsview Park-Ride - #3250	Schumi	Potentially Over	Ok	Active
Comments: Most design approvals are in. Still waiting on Mn/DOT for limited use permit to present to Commission.				
Anoka Park-Ride - #3250	Schumi	Over	OK	Active
Comments: Most design approvals are in. Received Minnesota Department of Administration lease agreement. Will present plans, specification and estimate as soon as we receive Moundsview limited use permit from Mn/DOT.				
U. of M. Bus Turnaround - #3930	Schumi	OK	OK	Idle
Comments: Construction substantially complete. Landscaping work to be completed spring/summer 1993.				
Passenger Waiting Shelters - #3690	Porter	OK	Behind	Active
Comments: 49 Shelters installed. Additional shelters have been installed in Downtown Minneapolis. Construction slated to begin May 1993, to include site improvements and additional shelters.				
Coon Rapids Park-Ride - #3850	Schumi	Potentially Over	OK	Active
Comments: Exploring turnkey/joint venture concept as discussed with the Commission sometime ago. Obtained services quote from Mn/DOT and Minneapolis Special Projects. Have already received quote (for balance of work) from current consultant. (2) MTC has signed the land purchase agreement waiting for authorization from Mn/DOT to send to owner. (3) Will present professional services recommendation to Commission soon.				

<b>FACILITIES</b>				
<b>Project Name</b>	<b>Project Manager</b>	<b>Budget</b>	<b>Schedule</b>	<b>Status</b>
Transit Hub	Porter	\$1M	Design Ongoing	
Comments: (2) shelters will be constructed this year, American Bank Bldg. and Town Square. Contract awarded - Town Square and American Bank Bldg. Construction started at Town Square approximately March 15, 1993.				
Bus Stop Lighting	Porter	\$315,000	92/93	Ongoing
Comments: Approx. 30 lights under this program already installed. Contract award approved to install 62 lights on 45 buildings adjacent to bus stops. Anticipated starting date for installation of lights to be May. Staff anticipates approval to have cities of Minneapolis and St. Paul install 80+ lights.				
Bus Stop Signs	Porter	\$1.5M	Feb. 1993	Ongoing
Comments: Mock-up signs only (72 total), at selected stops near garages and downtown and from Snelling to Lexington on University Avenue for customer and driver feedback/reaction.				
F. T. Heywood Office Redesign	Bryan	\$2,292,000	93/94	Active
Comments: Approval was given at the April 13th Commission meeting to execute a contract with Boarman, Kroos, Pfister & Associates, Inc. to complete Phase I of the Heywood remodeling in an amount not to exceed \$38,360.				
<b>EQUIPMENT</b>				
Buy 25 Articulated Buses - #3311	Diers	\$8,776,618	93/94	
Comment: Specifications have been issued and initial proposals are being evaluated. Best and final offers have been received, and a recommendation will come to the Commission on May 25, 1993.				
Buy 37 Forty-foot Buses	Morris			
Comments: 32 have been received and are in operation. The five ethanol buses have been received and are in operation. The five liquified natural gas buses are not expected until July, 1993, due to delays in engine availability. Fueling arrangements are being worked out with communities and potential suppliers. The consultant for the evaluation study should be selected in May.				
Buy 10 forty-foot Buses	Morris			
Comments: Commission approval to purchase ten of the 97 buses in Project #3312 was received on February 16, 1993. FTA has refused to allow a sole source procurement. The buses will be bought as part of the 97 bus package.				
Electronic Display Demonstration	Isaacs	0		
Comments: The selected vendor was notified by letter of MTC's desire to implement the project, but has not yet responded.				

<b>EQUIPMENT</b>				
<b>Project Name</b>	<b>Project Manager</b>	<b>Budget</b>	<b>Schedule</b>	<b>Status</b>
Purchase Electronic Fareboxes	Thompson	\$8.3M	OK	Ongoing
Comments: Fareboxes were installed at Shingle Creek. Will now begin a four week in-service test. Snelling installation will begin June 4.				
<b>COMPUTERIZATION</b>				
Vehicle Management System	Morris			
Comments: System is up and operating and within budget. We are still working on procedures and training. We will have data entry on the fuel islands in place on a test basis at two garages this spring. We are developing a plan to increase access to the system by mechanics.				
Automated Mark-up Timekeeping	Hayes	\$822,000		Active
Comment: Programming, testing and implementation was accomplished for driver seniority, employee turnover reporting and paddle modules. Also, the electronic fareboxes interface is complete.				
Telephone Improvements - #3125	Keeling	\$727,668	93/94	Active
Comments: The final report has been received from the telecommunications consultant. A request to proceed to solicit RFP's was discussed at the May 4th MTC Work Session.				
Automated Vehicle Locator Project	Hayes	\$155,000	1993	Active
Comments: Systems integrators for the demonstration have been selected and are in the initial design phase.				
<b>FUNDING/GRANTS</b>				
ISTEA Funding 1992 Capital Projects	Auld	\$4,579,000	1993	Ongoing
Comments: (MTC/Mn/DOT) FTA is reviewing to approve the grant in cooperation with FHWA through Mn/DOT. These funds are for St. Paul Downtown Transit Hub (\$700,000), Signage (\$1,519,000), Shelters (\$1,310,000), Lights (\$250,000) and Coon Rapids Park-Ride Lot (\$800,000). Federal share is \$3,663,200. Meeting with Mn/DOT to finalize funding mechanism.				
ISTEA Funding for 1993-I-394 Start-up MTC/RTB/Met Council/Mn./DOT	Auld	\$4,579,000	1993	On-going
Comments: The MTC approved the ISTEA fund grant application for I-394 on 11/4/92. The RTB has not taken action to forward the grant to the TAB and Met Council as of 5/1/93.				

OTHER				
Project Name	Project Manager		Budget	Schedule
Comprehensive Operations Analysis	Lamb		\$365,000	3/31/93
Comments: Final report due April 15, 1993.				
Northside Garage Property Disposal	Thompson		\$ .7M	
Comments: C.B. Commercial Real Estate, Inc. has been hired to dispose of the property. Currently reviewing a bonafide purchase request				

**Metropolitan Transit Commission**  
**Annualized 1993 Revenue & Expense Scenario**  
**as of March 31, 1993**  
**000's Omitted**

**OPERATING REVENUES**

Passenger fares	\$ 36,904
Special fares	5,529
Special event revenue	191
Auxiliary transit revenues	984
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 43,608</b>

**OPERATING EXPENSES**

Labor	\$ 64,586
Fringe benefits	32,780
Professional & tech. serv.	3,071
Materials & Supplies	12,608
Utilities	2,070
Casualty & liability costs	2,836
Purchased transit serv.	468
Leases & rentals	227
Advertising & promotion	808
Other miscellaneous	429
<b>TOTAL OPERATING EXPENSES</b>	<b>\$119,883</b>

**NON-OPERATING REVENUES**

RTB assistance	\$ 65,202
Federal grants	10,000
Other	1,073
<b>TOTAL NON-OPERATING REVENUES</b>	<b>\$ 76,275</b>

**ASSUMPTION**

The annualized 1993 Revenue & Expense was developed based upon the following assumption:

- Three months actual results.
- April - December budget.
- Fare change June 1, 1993 - \$875,000.
- Zero 1993 cost labor settlement.
- Increased passenger revenue eliminates the need to reduce MTC's working capital balance \$700,000.

## REGIONAL TRANSIT BOARD

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

**DATE:** May 13, 1993  
**TO:** John Riley, Chair & Members of the Regional Transit Board  
**FROM:** Gregory Andrews, Executive Director  
**SUBJECT:** Ratification of Board Actions April 5, 1993 and April 19, 1993

### SUMMARY

The Board is asked to approve a motion that would ratify actions taken by the Board at its April 5, 1993 and April 19, 1993 meetings.

### DISCUSSION

On May 5, 1993, we received a memo attached as exhibit A, from Jay Heffern, Met Council General Counsel regarding official notification of the Minnesota Senate regarding recent board appointments. Because proper notice was not given by the Met Council until April 27, 1993, the new Board members were not authorized to exercise their duties as RTB members prior to April 27, 1993. Attached as Exhibit B, is a list of board actions during the period in question.

### RECOMMENDATION

That the Regional Transit Board ratify all actions taken by the Board at its meeting of April 5 and April 19, 1993.

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

DATE: April 30, 1993  
 TO: Dottie Rietow, Sharon Klumpp, Richard Johnson, Ken Morris  
 FROM: Jay Heffern  
 SUBJECT: RTB/MTC Appointments

In the course of determining whether Tom Sather had been confirmed by the Senate as a member of the Regional Transit Board (RTB), questions arose regarding the status of the Council's other March 25, 1993 RTB appointments and the RTB's August, 1992 appointments to the Metropolitan Transit Commission's (MTC). This memorandum is an update on these appointments (other than the Sather appointment).

#### REGIONAL TRANSIT BOARD

On March 25, 1993, the Council appointed the following members to the RTB: Ruby Hunt, Thomas Sather (effective April 30, 1993), Dennis Schulstad, James Hovland, Michael Beard, and Katherine Trummer. These appointments are subject to the Open Appointments Act. The effective date of appointments under the Act is five days after the Council issues a public announcement of the appointments and informs the Secretary of State in writing of the name of the person the Council intends to appoint and the expiration date of that person's term. In addition, RTB appointments are subject to the advice and consent of the Senate. Minn. Stat. § 473.373, subd. 4a (1992). All appointments requiring the advice and consent of the Senate must follow the procedure set forth in Minn. Stat. 15.066 (1992). That procedure is:

1. The appointing authority provides to the President of the Senate a letter of appointment which includes the title of the position for which the appointment is being made; the name, street address, city and county of the appointee; and the term of the appointment.
2. For those positions for which a statement of economic interest is required to be filed pursuant to Minn. Stat. § 10A.09 (1992), the appointing authority gives notice to the Ethical Practices Board at the time the letter of appointment is sent to the President of the Senate. RTB members are required to file a statement of economic interest. Therefore, the Council is required to notify the Ethical Practices Board of RTB appointments and new RTB members are required to file a statement of economic interest.
3. If the appointment is subject to the Open Appointments Act, the appointing authority provides the Senate with a copy of the application at the time the letter of appointment is sent to the President of the Senate. RTB appointments are subject to the Open Appointments Act. Therefore, the Council is required to provide the Senate with a copy of each appointees' application.

Further, Minn. Stat. § 15.066 (1992) provides that appointments become effective and the appointee may commence to exercise the duties of the office upon receipt of the appointment letter by the President of the Senate.

On March 25, 1993, the Chair sent a letter to former Senator Jerome Hughes submitting to the Senate for confirmation the Council's appointments to the RTB. The letter did not comply with the statutorily required elements in that the county of each appointee was not identified in the letter. In addition, the letter did not transmit the applications of the appointees. Apparently, the March 25, 1993 letter was returned to the Council because Jerome Hughes was no longer a member of the Senate. Subsequently, on April 19, 1993, a second letter was sent to Senator Allan Spear, President of the Senate, again transmitting the RTB appointments to the Senate for confirmation. This letter also did not include the county of each appointee nor were the applications of the appointees attached. It is my understanding that the Council's April 19, 1993 letter was received by Catherine Morrison, the Senate's engrossing secretary, on April 27, 1993. In addition, on that same day, the applications of the appointees were delivered to the engrossing secretary's office. Based on these events, Ms. Morrison has concluded that the Council's March 25, 1993 appointments to the RTB are effective as of April 27, 1993. This means that those RTB members appointed by the Council on March 25, 1993 (with the exception of Tom Sather, whose appointment is effective April 30, 1993) were not authorized to exercise their duties as RTB members prior to April 27, 1993.

### METROPOLITAN TRANSIT COMMISSION

As part of the effort to determine the facts related to the RTB appointments, I spoke with George McCormick, Senate Counsel's office and counsel to the Senate's engrossing secretary, to understand his interpretation of Minn. Stat. § 15.066 (1992). In the course of that conversation, Mr. McCormick informed me that Catherine Morrison, the Senate's engrossing secretary, did not have the statutorily required paperwork from the RTB for its August, 1992 appointments of Ms. Christine Dean and Ms. Allyson Hartle to the MTC. It is my understanding that Ken Morris had a similar conversation with Catherine Morrison and George McCormick on April 29, 1993. I contacted Mike Kuehn, RTB staff, and obtained copies of the RTB's August 19, 1992 transmittal of these appointments to the President of the Senate. The letter appears to comply with the requirements of Minn. Stat. § 15.066 (1992). (The appointments to the MTC are not subject to the Open Appointments Act. Consequently, the RTB is not required to provide the Senate with a copy of appointees' applications.) Attached to this memorandum is a copy of the RTB's transmittal. Thus, it appears that the RTB complied with the required statutory procedure for the appointment of Ms. Dean and Ms. Hartle to the MTC. The difficulty is that the Senate's engrossing secretary believes the Senate did not receive the letter. Minn. Stat. § 15.066 (1992) provides that the appointments become effective and the appointee may commence to exercise the duties of the office upon receipt of the appointment letter by the President of the Senate. Thus, there remains a question whether the RTB's August, 1992, appointments to the MTC are effective.

### SUGGESTED ACTIONS

I suggest that the following actions occur as soon as possible:

1. Notify the RTB Chair that the effective date of the members appointed by the Council on March 25, 1993 is April 27, 1993 (with the exception of Tom Sather whose appointment is effective April 30, 1993).
2. Request the RTB Chair to review all matters acted on between April 1, 1993 and April 27, 1993 to determine whether any or all of them should be ratified by the RTB at its next meeting.

3. Request the RTB Chair to contact each of the newly-appointed members who have not filed a statement of economic interest and direct them to do so immediately.
4. Have Council and RTB staff meet with Ms. Catherine Morrison to resolve the question of whether and when the Senate received the RTB's transmittal of the MTC appointments. Depending on the outcome of that meeting, further actions may be necessary regarding the MTC appointments.

If you would like any further information regarding any of these matters, please let me know and I would be happy to meet with you to discuss it further.

ERM00658

Attachment



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

### REPORT OF THE COMMITTEE OF THE WHOLE

At its meeting of March 22, 1993, the committee approved the following recommendations:

#### REVIEW OF ST. PAUL CULTURAL AREA TROLLEY SERVICE CONCEPT

That the Regional Transit Board approve the concept of the Downtown Cultural Area Trolley as outlined in the staff report dated March 11, 1993 and direct staff to gather more information and present it to the Administration and Finance Committee at its next meeting.

#### FINAL RECOMMENDATIONS FOR HIGH SUBSIDY ROUTES MTC ST. PAUL 35CH WEEKDAY AND MTC MINNEAPOLIS 44A WEEKDAY

That the Regional Transit Board:

1. Approve the restructuring of MTC St. Paul Route 35C and Route 35H to: combine into a common route path, operate three bus trips during each peak period, utilize the Maplewood Mall park and ride lot, and coordinate with shuttle services at White Bear Lake City Hall with the existing provider under contract to White Bear Area Transit Commission.

Direct the Metropolitan Transit Commission to report the operating savings resulting from elimination of on-peak period buses on St. Paul Routes 35CH.

Request White Bear Area Transit Commission (WBAT) to enter into negotiations with the existing provider of WBAT services to provide peak-hour shuttle services in White Bear Lake and White Bear Township coordinated to MTC express services.

2. Approve the restructuring of MTC Minneapolis Route 44A and MTC Minneapolis Route 44A weekday express.

#### FINAL RECOMMENDATIONS FOR HIGH SUBSIDY ROUTE MTC ST. PAUL NO. 10 SUNDAY SERVICE: OPTIONS TO IMPROVE CURRENT PERFORMANCE

That the Regional Transit Board direct that MTC St. Paul No. 10 Sunday service be restructured as outlined in the staff report dated March 11, 1993, by reducing hours of service and rescheduling trip times.

OTHER BUSINESS:

Members also reviewed the Washington County Transit Planning Study and the Fiscal Year 1993-1994 transit research programs that the University of Minnesota's Center for Transportation Studies has proposed for funding by the RTB.

Val M. Higgins  
Chair  
Policy Committee

mff  
3/24/93

## REGIONAL TRANSIT BOARD

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

DATE: March 30, 1993  
TO: Chair and Members, Regional Transit Board  
FROM: Dale Ulrich, Comptroller  
SUBJECT: Resolution to Ratify Bond Sale

### SUMMARY

Passage of the attached resolution is a necessary step to complete the sale of \$7,780,000 general obligation transit system refunding certificates, Series 1993B.

### BACKGROUND

The sale of the refunding bonds was recommended by financial consultants to the Metropolitan Council and was officially requested by the Regional Transit Board on March 16, 1993. The bonds were sold on March 25.

The issue was rated Aaa by Moody's, AAA by Standard and Poor's. Four bids were received on the sale of the certificates, ranging from the winning, true interest cost of 4.46% to the highest, 4.57%. The winning bid was made by a consortium of Chemical Securities, Inc., First Chicago Capital Markets Inc., and Hutchinson, Shockey, Erley & Company.

The original bonds were sold in May, 1988 at a 6.67% net interest rate. The estimated present value of the savings of the refunding is \$348,000, net of the costs of the sale.

### RECOMMENDATION

That the Regional Transit Board adopt the ratifying resolution.

Resolution No. 93-04

**RATIFYING RESOLUTION OF METROPOLITAN COUNCIL  
PROVIDING FOR ISSUANCE OF GENERAL OBLIGATION TRANSIT  
SYSTEM REFUNDING CERTIFICATES OF INDEBTEDNESS,  
SERIES 1993B, AND RELATED MATTERS**

**WHEREAS,** The Metropolitan Council (the "Council") by Resolution No. 1993-17 (the "Bond Resolution") accepted bid on sale of \$7,780,000 General Obligation Transit System Refunding Certificates of Indebtedness, Series 1993B; and

**WHEREAS,** The Regional Transit Board (the "Board") is required to comply with certain covenants set forth in the Bond Resolution.

**NOW, THEREFORE, BE IT RESOLVED:**

by the Regional Transit Board that the Board hereby ratifies, affirms and approves the Bond Resolution and agrees to be bound by all provisions therein relating to the Board.

Adopted this fifth day of April 1993.

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John H. Riley  
Chair

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Mary Fitzgerald  
Secretary



## REPORT OF THE COMMITTEE OF THE WHOLE

At its meeting of April 12, 1993, the committee approved the following recommendations:

### FINANCIAL STATEMENTS—JANUARY AND FEBRUARY 1993

That the Regional Transit Board receive the January and February 1993 unaudited financial statements and direct that they be placed on file.

### AUDIT ADVISORY COMMITTEE REPORT

That the Regional Transit Board approve the Audit Advisory Committee report dated March 18, 1993.

### REQUEST TO METROPOLITAN COUNCIL TO INITIATE ISSUANCE OF GENERAL OBLIGATION TRANSIT BONDS

That the Regional Transit Board request that the Metropolitan Council issue \$20,000,000 of General Obligation Transit bonds. Of this amount, \$13,000,000 shall reduce the Metropolitan Transit Commission's remaining 1992 legislative authorization and \$7,000,000 shall reduce the Regional Transit Board's remaining 1992 legislative authorization.

### AMERICANS WITH DISABILITIES PARATRANSIT ELIGIBILITY FIELD TEST

That the Regional Transit Board approve the work program and timeline and authorize the executive director to enter into a contract, not to exceed \$11,583, with the University of Minnesota for testing the functional assessment tool.

### REVISED AGENCY TRAVEL POLICIES

That the Regional Transit Board adopt the March 30, 1993 revision of the Travel and Expenses Policies and Procedures.

### 1993 REGIONAL TRANSIT BOARD MESSENGER NEWSLETTER CONTRACT

That the Regional Transit Board authorize the executive director to enter into a contract with Morgan Williams and Associates not to exceed \$17,700 for the design, production and printing of four 8-page newsletters.

**OTHER BUSINESS**

The members also discussed the proposed Metropolitan Governance legislation and directed that it be placed on the next board agenda.

**Ruth Franklin, Chair  
Administration and Finance Committee**

mff  
4/13/93

## REGIONAL TRANSIT BOARD

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

**DATE:** May 4, 1993

**TO:** Chair and Members of the Committee of the Whole

**FROM:** Judith Hollander, Director of Planning and Programs  
Edward Kouneski, Manager of Special Projects  
Dave Jacobson, Senior Project Manager  
Deb Nelles, Paratransit Analyst  
Barb Quade, Planner

**SUBJECT:** Award of Contract for Metro Mobility System Coordinator

### SUMMARY

This memorandum describes the outcome of the evaluation process used to select a new Metro Mobility System Coordinator to perform centralized reservation, scheduling and dispatch services. RTB staff is recommending that the contract be awarded to ATE Management and Service Company, Inc.

This recommendation is being reviewed with the Transportation Accessibility Advisory Committee (TAAC) on Wednesday, May 5, 1993. TAAC member comments and advice will be relayed to the Committee of the Whole at the meeting on Monday, May 10, 1993.

### BACKGROUND

On February 1, 1993, the RTB released a Request for Proposals (RFP) for the Metro Mobility System Coordinator (MMSC). This called for services to be provided on a cost-plus-fixed-fee basis for a five-year period. The initial term of the contract is three years and there is an option to extend it for an additional two years.

The MMSC will hold contracts with three to five operators to deliver the service and will select the operators using a competitive proposal process. Operators will be compensated on an hourly rate basis, and payments will be made to them directly by the RTB. The RFP assumed that operators would own the vehicles.

With this understanding, eight firms submitted proposals:

- ATE Management and Service Company, Inc., a subsidiary of Ryder System, Inc., headquartered in Cincinnati, Ohio.
- Automated Dispatch Service, Inc., referred to as Team ADS, located in Miami, Florida.
- Becklund Home Health Care, Inc., based in Golden Valley, Minnesota.

- COMSIS Corporation, located in Pittsburgh, Pennsylvania.
- MAPD, Inc., a non-profit company being established in Minnesota.
- Mayflower Contract Services, Inc., headquartered in Shawnee Mission, Kansas.
- Metropolitan Transit Commission (MTC), the public transit agency in the Twin Cities.
- Multisystems, Inc., based in Cambridge, Massachusetts (with DAVE Transportation Services, Inc.)

The RTB's evaluation committee consisted of the five authors of this memorandum, the TAAC chair and vice-chair, and a county provider. The committee met to review the eight proposals on April 15, 1993. The purpose of this initial stage of the evaluation was to "short-list" the finalists by ranking the proposals in each of five pre-designated categories. The top three ranked proposers -- ATE Management, Mayflower, and the MTC -- were then interviewed on April 23 and April 26, 1993.

The evaluation categories that were described and weighted in the coordinator RFP document are as follows:

1. Qualifications. Experience/qualifications of firm(s) in performing similar work in a large metropolitan area. (15%)
2. Staff. Relevant experience and demonstrated skills of the staff assigned to manage this project on-site. (20%)
3. Software. Proven ability of the software selected. (15%)
4. Understanding. Understanding of the scope of work and responsiveness of the proposal including (but not limited to) the firm's ability to: (a) meet the implementation schedule; (b) deal with transition issues; and (c) apply knowledge of the Americans with Disabilities Act (ADA) and Minnesota Rules regarding the provision of Special Transportation Service (STS). (20%)
5. Cost. The cost for services, including the total amount and the reasonableness of the line items proposed. (30%)

## **DISCUSSION**

Following is a summary of the evaluation of the written proposals and the presentations. In addition, reasons for selecting ATE Management are given and the next steps -- issuing an RFP for operators and negotiating an optional lease purchase agreement for vehicles -- are discussed.

### **Written Proposals**

Based on the review of the written proposals, the ATE and Mayflower proposals ranked highest considering the weighted averages across all categories. Their scores were 2.2 and 2.4, respectively. MTC was ranked third at 3.1. Next were COMSIS at 4.4; Becklund at 4.9; MAPD at 5.2; Team ADS at 5.3; and Multisystems at 5.3.

The attached exhibit titled "Metro Mobility System Coordinator Evaluation Results" shows the scores in each of the categories. Note the following:

- The ATE proposal scored first on experience and qualifications, first on understanding of the project, and second on staff assigned to the project.
- The software proposed by Mayflower and the MTC was ranked highest (this same software was also proposed by MAPD, Inc.); it is the PASS system, developed by On-Line Data Products. ATE proposed its own software product, APS; this has many features that are similar to PASS but differs in its scheduling methodology. Both receive excellent reviews from references.

The range of costs proposed by all of the firms is shown in the attached exhibit titled "Metro Mobility System Coordinator Cost Summary." Two other exhibits, attached, include line item comparisons among the eight proposers for "start-up" and for "Year 1" expenses.

In our view, ATE offers the most value for the price. ATE's first-year costs were slightly lower than Mayflower's but higher than the MTC's. ATE's start-up costs are the highest of the three, but ATE provided more detail than the others on the tasks required for an orderly transition. Of the three, the MTC has the fewest resources devoted to the transition, and the lowest labor budget, which is due in part to possible understaffing of the reservations function. RTB staff will be prepared to present more detailed information on this aspect of the proposal review at the committee meeting, if it is desired.

### **Presentations**

The evaluation committee formed impressions of each proposer based on the presentations. Mayflower's presentation was slightly favored over ATE's. After considering both the written proposals and the presentations, however, RTB staff members all concluded that ATE should be awarded the contract, although this opinion was not unanimous among the committee members.

### **Reasons for Selecting ATE Management**

The reasons for selecting ATE are elaborated upon here:

- The ATE proposal thoroughly describes the technical details for start-up and ongoing operation of the system and, therefore, gives us the highest degree of confidence that

the transition will be managed well and the target October 1, 1993 start date will be met.

- The ATE proposal also provides complete documentation on the budget assumptions used to estimate costs. Based on a test of the reasonableness of the line items proposed, we are confident that all costs have been covered.
- ATE's staffing plan, moreover, is well defined and provides the most reservationists to handle the call volume.
- ATE provides a software system that is proven; the company has experience operating this software in several cities. The software is strongly supported by technical specialists, and it will be customized and upgraded as needed.
- ATE has proposed a management team that includes a general manager, Mr. Dan Hibbert, with a background in regional planning. Mr. Hibbert has worked closely with the disability community on issues related to paratransit service and accessible public transportation. He was responsible for developing the Americans with Disabilities Act (ADA) plan in Tucson, Arizona, with extensive community input. Leaders in the disability community there have praised his performance.
- ATE will hire, locally, an assistant general manager responsible for operations, who will oversee the daily functioning of the system, including the reservations, scheduling, and dispatch activities. ATE has proposed an assistant general manager, Mr. Steve Rowland, for quality control, to oversee the customer service activities and the operator selection and monitoring including vehicle maintenance and street supervision. ATE has also proposed a safety and training director, Mr. Malcolm Diggs.
- The ATE proposal is distinguished by a vehicle acquisition plan, offered as an option, that would enable an entirely new fleet of vehicles to be in service by October 1. The vehicles would be delivered in phases, beginning in August 1993, making it possible to accelerate the selection of operators. This could ease the transition difficulties that we have already begun to experience as some current providers have elected to discontinue service. Due to manufacturer production schedules, it is necessary to order the vehicles in the early part of May so that the delivery dates can be guaranteed.

In conclusion, the ATE proposal is the most resourceful; it gives us the most confidence that our start date is possible, with the added value of having control of a regional fleet of vehicles, and also that all costs are covered and all technical details required for the transition and ongoing operations have been carefully examined and planned.

### **Next Steps**

Following contract award, two activities need to begin immediately. One is the selection of operators by ATE; the other is negotiation of a lease purchase agreement for vehicles, an optional element of the ATE proposal. Both are discussed further here:

- Operator Selection. ATE, as the coordinator for Metro Mobility, is responsible for selecting and entering into contract with three to five operators. The evaluation of proposals will be done with RTB staff and TAAC representative involvement. The timeline calls for the operator RFP to be released on June 1, 1993 with contractors selected by July 12, 1993. The operators would be paid on an hourly rate basis with funds to be authorized by the RTB. RTB staff will review the selection process results with the board and request funding authorization as an action item on the board agenda in July 1993.
- Fleet Acquisition. With our recommendation to award the coordinator contract to ATE, RTB staff is recommending that a lease purchase agreement be negotiated with ATE so that a uniform, regional fleet of vehicles could be made available to the operators. It is possible that the lease can be structured on a tax exempt basis, since the vehicles would be dedicated exclusively for a public purpose. Minnesota financing laws permit this type of lease arrangement, however, the RTB is restricted by Minnesota Statutes 373.375, subd. 4 from acquiring any title or interest in vehicles. To gain the cost savings benefit that tax exempt status offers, one option is for the RTB to designate another public entity to which the title would transfer at the end of the lease. Another option is to have ATE hold title to the vehicles with a buy-out provision in the lease agreement that allows the RTB to require that the title be transferred, if necessary, to another coordinator in the future. The latter is preferred.

ATE has proposed a fleet mix acceptable to RTB staff that includes three sizes of vehicles. ATE is able to secure a fleet discount for this purchase. The vehicle manufacturer, MetroTrans, has met all specifications of both ADA and Minnesota STS rules. The annualized fleet cost would be approximately \$1.8 million for a lease term of four years, assuming the need for 150 vehicles, as indicated in the RFP, and a tax exempt lease package. This equates to approximately \$4.00 per revenue hour of service, which is the amount budgeted by RTB staff as part of the operators' hourly rate. Under this alternative arrangement, the RTB would make monthly lease payments to ATE for the vehicles, and the operators would have vehicle costs excluded from the hourly rates.

## **RECOMMENDATION**

That the Regional Transit Board authorize the executive director to negotiate and enter into:

- a contract with ATE Management & Service Company, Inc. to serve as the Metro Mobility System Coordinator, with costs not to exceed \$334,660 for start-up expenses and \$1,825,889 for the first year of service; and
- a lease agreement with ATE for the acquisition of a regional fleet of paratransit vehicles for use by the operators.

**METRO MOBILITY SYSTEM COORDINATOR  
EVALUATION RESULTS**  
Rank (Score)

	Overall	Qualifications (15%)	Staff (20%)	Software (15%)	Understanding (20%)	Cost (30%)
ATE	1 (2.2)	1(2.4)	2(4.8)	4(3.6)	1(4.4)	1(2.4)
Mayflower	2 (2.4)	2(2.9)	1(4.4)	1(2.0)	2(5.0)	2(4.8)
MTC	3 (3.1)	3(3.8)	3(6.0)	2(2.7)	3(5.4)	3(7.2)
COMSIS	4 (4.4)	6(5.0)	7(8.6)	8(6.3)	4(6.0)	4(9.6)
Becklund	5 (4.9)	8(7.2)	6(7.8)	5(5.1)	6(7.2)	5(12.0)
MAPD	6 (5.2)	7(6.8)	7(8.6)	2(2.7)	8(9.2)	6(14.4)
Team ADS	7 (5.3)	5(4.8)	4(6.4)	5(5.1)	6(6.6)	8(19.2)
Multisystems	8 (5.3)	4(4.7)	5(7.2)	7(5.9)	7(7.8)	7(16.8)

**METRO MOBILITY SYSTEM COORDINATOR  
COST SUMMARY**

	<u>Start-up</u>	<u>Year 1</u>	<u>Annual Average Increase</u>	<u>Total Five-Year Contract</u>
MAPD	\$184,300	\$1,363,273	2.6%	\$7,401,175
MTC	\$183,644	\$1,750,007	3.1%	\$9,520,523
Mayflower	\$216,425	\$1,841,023	2.8%	\$10,012,171
ATE	\$334,660	\$1,825,889	4.5%	\$10,301,870
Becklund	\$592,756	\$2,085,501	4.5%	\$12,010,060
COMSIS	\$291,607	\$2,497,636	3.6%	\$13,610,123
Multisystems	\$805,433	\$1,420,580	38.4%	\$16,877,744
Team ADS	\$654,809	\$3,403,914	4.4%	\$19,137,378

**METRO MOBILITY SYSTEM COORDINATOR  
LINE ITEM COMPARISON**

**Start-Up**

	ATE/Ryder	Becklund	COMSIS	MAPD	Mayflower	MTC/ Unisys	Multisystems/ DAVE	Team ADS
A. Labor	\$96,081	\$158,322	\$95,861	\$70,000	\$122,286	\$49,509	\$152,308	\$128,334
B. Fringes	17,517	28,502	31,922	26,600	10,089	21,568	53,308	38,036
C. General/Administrative	11,000	19,850	30,127	4,000	0	4,620	39,067	227,119
D. Facility	19,800	35,100	10,000	29,400	18,000	74,728	80,750	41,583
E. Office Equipment	3,162	39,010	24,500	1,700	0	0	35,600	10,000
F. Other Equipment	122	0	2,906	1,200	0	0	0	0
G. Computer Software and Hardware	22,000	0	18,741	17,100	0	31,800	128,229	49,000
H. Telephone and Radio	5,476	9,900	15,700	6,000	2,000	0	18,973	12,720
I. Consultant Services	96,727	210,000	13,500	5,000	0	0	164,050	47,100
J. Insurance	8,717	6,017	0	700	0	0	52,100	450
K. Materials and Supplies	18,700	41,000	10,000	15,000	10,450	0	1,450	4,500
L. Miscellaneous Expenses	4,934	3,700	19,401	7,600	53,600	0	16,500	30,486
M. Fixed Fee	30,424	41,355	18,949	0	0	0	63,098	65,481
<b>TOTAL</b>	<b>\$334,660</b>	<b>\$592,756</b>	<b>\$291,607</b>	<b>\$184,300</b>	<b>\$216,425</b>	<b>\$183,644</b>	<b>\$805,433</b>	<b>\$654,809</b>

**METRO MOBILITY SYSTEM COORDINATOR  
LINE ITEM COMPARISON**

Year 1

	ATE/Ryder	Becklund	COMSIS	MAPD	Mayflower	MTC/ Unisys	Multisystems/ DAVE	Team ADS
A. Labor	\$833,070	\$1,059,606	\$1,010,938	\$567,000	\$1,019,040	\$643,591	\$491,000	\$1,415,750
B. Fringes	227,603	205,872	336,642	215,500	176,294	287,941	171,850	375,883
C. General/Administrative	113,909	33,300	256,002	4,000	4,356	15,945	125,942	485,250
D. Facility	96,299	74,200	59,600	117,600	68,136	243,184	80,750	91,000
E. Office Equipment	13,649	6,900	8,300	10,100	9,736	20,324	0	22,382
F. Other Equipment	365	8,400	30,227	14,600	21,718	0	0	30,600
G. Computer Software and Hardware	121,852	207,742	73,683	103,939	81,084	232,550	118,273	299,684
H. Telephone and Radio	28,773	104,100	126,460	45,800	95,104	56,862	178,826	160,328
I. Consultant Services	75,890	115,000	185,914	0	0	0	81,250	109,400
J. Insurance	52,289	31,381	7,500	3,800	20,414	94,920	23,300	27,100
K. Materials and Supplies	64,600	72,000	74,827	66,000	63,000	25,000	29,300	28,800
L. Miscellaneous Expenses	30,335	21,500	135,113	91,000	84,889	79,532	8,800	17,346
M. Fixed Fee	165,990	145,500	192,430	123,934	197,253	50,000	111,290	340,391
<b>TOTAL</b>	<b>\$1,825,889</b>	<b>\$2,085,501</b>	<b>\$2,497,636</b>	<b>\$1,363,273</b>	<b>\$1,841,023</b>	<b>\$1,750,007</b>	<b>\$1,420,580</b>	<b>\$3,403,914</b>

**REGIONAL TRANSIT BOARD**

**MEARS PARK CENTRE  
230 EAST FIFTH STREET, ST. PAUL, MINNESOTA 55101  
292-8789**

**DATE:** April 21, 1993  
**TO:** Chair and Members of the Administration and Finance Committee  
**FROM:** Gerri Sutton, Accountant  
**SUBJECT:** Financial Statements - March 1993

**SUMMARY**

The Administration and Finance Committee is asked to review the March 1993, financial statements. These financial statements have been prepared on the modified accrual basis and in accordance with generally accepted accounting principles.

**DISCUSSION**

The total ending fund balance for March 1993 is \$5 million, showing little change from the February 1993 financial statements. The Metro Mobility fund balance continues to improve, with March ending at a level of \$447,000.

**RECOMMENDATIONS**

That the Regional Transit Board receive the March 1993, financial statements and direct that they be placed on file.

Attachment  
GS/me

REGIONAL TRANSIT BOARD  
FINANCIAL STATEMENTS  
Ending March 1993

Balance Sheet.....	Page 1
Combined Statement of Revenues, Expenditures and Fund Balance.....	Page 2
Special Revenue Funds.....	Page 3
Program Status Report and Comments.....	Page 4
Transit Provider Status Report.....	Pages 5&6
Investment Summary by Fund.....	Page 7
Schedule of Bond Receipt and Disbursement.....	Page 8

**REGIONAL TRANSIT BOARD  
COMBINED BALANCE SHEET - ALL FUND TYPES and ACCOUNT GROUPS  
AS OF MARCH 31, 1993**

	GENERAL FUND	SPECIAL REV FUNDS	AGENCY FUND	FIXED ASSETS	TOTAL ALL FUNDS	MAR 1992 ALL FUNDS	CHANGE
<b>ASSETS</b>							
CASH	\$0	\$864,800	\$3,509		\$868,309	\$953,442	(\$85,133)
INVESTMENTS	\$11,382,242	\$0	\$2,892,015		\$14,274,258	\$7,853,198	\$6,421,060
TAXES RECEIVABLE	\$0	\$68,568,029	\$11,352,455		\$79,920,484	\$77,750,446	\$2,170,038
ACCRUED INTEREST RECEIVABLE	\$12,460	\$0	\$0		\$12,460	\$2,239	\$10,221
DUE FROM OTHER FUNDS	\$159,414	\$7,080,974	\$0		\$7,240,388	\$29,262	\$7,211,126
DUE FROM OTHER GOVERNMENTAL UNITS	\$0	\$0	\$0		\$0	\$0	\$0
STATE OF MINNESOTA RECEIVABLE	\$1,240,700	\$19,776,050	\$0		\$21,016,750	\$20,694,000	\$322,750
FEDERAL GOVERNMENT RECEIVABLE	\$0	\$590,182	\$0		\$590,182	\$62,996	\$527,186
OTHER ASSETS	\$17,221	\$1,085,353	\$394,208	\$575,782	\$2,072,563	\$2,253,091	(\$180,528)
<b>TOTAL ASSETS</b>	<b>\$12,812,037</b>	<b>\$97,965,387</b>	<b>\$14,642,188</b>	<b>\$575,782</b>	<b>\$125,995,394</b>	<b>\$109,598,674</b>	<b>\$16,396,720</b>
<b>LIABILITIES</b>							
ACCOUNTS PAYABLE	\$175,034	\$331			\$175,365	\$179,604	(\$4,238)
ACCRUED PAYROLL LIABILITIES	\$176,576	\$2,049			\$178,625	\$159,980	\$18,644
DUE TO OTHER GOVERNMENTAL UNITS	\$93,581	\$0	\$9,366,066		\$9,459,646	\$9,382,975	\$76,671
MTC PAYABLE	\$0	\$21,493,234	\$1,989,899		\$23,483,133	\$17,641,979	\$5,841,154
TRANSIT PROVIDERS PAYABLE	\$0	\$4,165,906	\$2,892,015		\$7,057,922	\$6,209,195	\$848,726
DUE TO OTHER FUNDS	\$7,080,974	\$159,414	\$0		\$7,240,388	\$29,262	\$7,211,126
DEFERRED REVENUE	\$1,910,025	\$70,425,202			\$72,335,227	\$70,965,810	\$1,369,418
OTHER LIABILITIES	\$11,900				\$11,900	\$11,900	\$0
DEFERRED COMP HELD			\$394,208		\$394,208	\$319,630	\$74,578
<b>TOTAL LIABILITIES</b>	<b>\$9,448,089</b>	<b>\$96,246,137</b>	<b>\$14,642,188</b>	<b>\$0</b>	<b>\$120,336,414</b>	<b>\$104,900,335</b>	<b>\$15,436,079</b>
<b>FUND EQUITY</b>							
INVESTMENTS IN FIXED ASSETS RESERVED / DESIGNATED	\$1,131,041		\$0	\$575,782	\$575,782	\$568,602	\$7,180
UNRESERVED / UNDESIGNATED	\$2,232,906	\$1,719,251	\$0	\$0	\$3,952,157	\$4,027,716	(\$75,559)
<b>TOTAL FUND EQUITY</b>	<b>\$3,363,947</b>	<b>\$1,719,251</b>	<b>\$0</b>	<b>\$575,782</b>	<b>\$5,658,980</b>	<b>\$4,698,339</b>	<b>\$960,641</b>
<b>TOTAL LIABILITIES &amp; FUND EQUITY</b>	<b>\$12,812,037</b>	<b>\$97,965,388</b>	<b>\$14,642,188</b>	<b>\$575,782</b>	<b>\$125,995,394</b>	<b>\$109,598,674</b>	<b>\$16,396,720</b>

**REGIONAL TRANSIT BOARD**  
**COMBINED STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**GENERAL AND SPECIAL REVENUE FUND TYPES - FOR THREE MONTHS ENDED MARCH 31, 1993**

	GENERAL FUND	SPECIAL REVENUE FUNDS	TOTAL ALL FUNDS	TOTAL BUDGET ALL FUNDS	ACTUAL BUDGET VARIANCE FAV/(UNFAV)
BEGINNING FUND BALANCE	\$3,051,755	\$1,796,164	\$4,847,919	\$3,518,627	\$1,329,292
<b>REVENUE</b>					
PROPERTY TAX		\$16,085,877	\$16,085,877	\$16,070,669	\$15,208
STATE APPROPRIATIONS	\$636,675	\$5,976,264	\$6,612,939	\$6,612,938	\$2
FEDERAL GRANTS	\$22,715	\$392,499	\$415,214	\$471,700	(\$56,486)
INTEREST	\$113,212	\$0	\$113,212	\$139,500	(\$26,288)
AGENCY REIMBURSEMENT	\$0	\$125,310	\$125,310	\$150,000	(\$24,690)
MISCELLANEOUS	\$50	\$0	\$50	\$0	\$50
<b>TOTAL REVENUE</b>	<b>\$772,652</b>	<b>\$22,579,950</b>	<b>\$23,352,602</b>	<b>\$23,444,806</b>	<b>(\$92,204)</b>
<b>EXPENDITURES</b>					
SALARIES & BENEFITS	\$397,477	\$16,504	\$413,981	\$443,365	\$29,384
MEMBER PER DIEMS	\$5,550		\$5,550	\$10,000	\$4,450
CONSULTING	\$40,311	\$0	\$40,311	\$66,250	\$25,939
LEGAL FEES	\$8,313		\$8,313	\$32,500	\$24,187
PROFESSIONAL SERVICES	\$8,933	\$0	\$8,933	\$352,188	\$343,255
MET COUNCIL CHARGEBACKS	\$46,899		\$46,899	\$46,900	\$1
LOCAL TRAVEL	\$6,355	\$106	\$6,460	\$12,763	\$6,302
NON-LOCAL TRAVEL	\$4,384	\$0	\$4,384	\$11,750	\$7,366
MATERIALS & SUPPLIES	\$7,469	\$197	\$7,666	\$9,638	\$1,971
OCCUPANCY/TELEPHONE	\$50,858		\$50,858	\$54,071	\$3,213
PUBLIC COMMUNICATIONS	\$21,611	\$42	\$21,653	\$41,475	\$19,822
EQUIP RENTAL/MAINTENANCE	\$6,719	\$0	\$6,719	\$8,650	\$1,931
INSURANCE	\$2,207		\$2,207	\$16,050	\$13,843
CAPITAL EXPENDITURES	\$6,307	\$0	\$6,307	\$2,500	(\$3,807)
EMPLOYEE RECRUITMENT/DEVELOPMENT	\$5,188	\$80	\$5,268	\$6,625	\$1,357
TRANSIT PROGRAMS/GRANTS	\$1,292	\$22,480,521	\$22,481,814	\$22,404,701	(\$77,113)
<b>TOTAL EXPENDITURES</b>	<b>\$619,873</b>	<b>\$22,497,450</b>	<b>\$23,117,323</b>	<b>\$23,519,424</b>	<b>\$402,101</b>
EXCESS/(DEFICIENCY) REV OVER EXP	\$152,779	\$82,500	\$235,279	(\$74,618)	\$309,897
<b>FUND BALANCE</b>					
TRANSFERS					
BOARD AUTHORIZATIONS	\$0	\$0	\$0	\$0	\$0
COST ALLOCATIONS	\$159,414	(\$159,414)	\$0	\$0	\$0
<b>NET TRANSFERS</b>	<b>\$159,414</b>	<b>(\$159,414)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>ENDING FUND BALANCE</b>	<b>\$3,363,947</b>	<b>\$1,719,250</b>	<b>\$5,083,198</b>	<b>\$3,444,009</b>	<b>\$1,639,189</b>

**REGIONAL TRANSIT BOARD**  
**COMBINED STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE--**  
**ALL SPECIAL REVENUE FUNDS--FOR THE THREE MONTHS ENDED MARCH 31, 1993**

	REGULAR ROUTE 012	METRO MOBILITY 013	OPT OUT 014	RURAL SM/URB 015	LRT 016	TOTAL SPECIAL FUNDS	BUDGET SPECIAL FUNDS	ACT/BUDG VARIANCE FAV/(UNFAV)
BEGINNING FUND BALANCE	1,116,237	156,574	0	387,976	135,377	1,796,164	1,237,320	558,844
<b>REVENUE</b>								
PROPERTY TAX	13,978,118	0	1,966,668	141,091		16,085,877	16,070,669	15,208
STATE APPROPRIATIONS	2,560,350	3,087,825	0	328,089	0	5,976,264	5,976,263	2
FEDERAL GRANTS	142,500				249,999	392,499	392,500	(1)
INTEREST	0	0	0	0	0	0	0	0
AGENCY REIMBURSEMENT		125,310		0		125,310	150,000	(24,690)
MISCELLANEOUS	0	0	0	0	0	0	0	0
<b>TOTAL REVENUE</b>	<b>16,680,968</b>	<b>3,213,135</b>	<b>1,966,668</b>	<b>469,180</b>	<b>249,999</b>	<b>22,579,950</b>	<b>22,589,431</b>	<b>(9,481)</b>
<b>EXPENDITURES</b>								
MTC OPERATING SUBSIDY	16,499,008					16,499,008	15,848,856	(650,152)
MTC RIDESHARE	153,732					153,732	153,732	0
MTC JOBSEEKERS	99,132					99,132	107,665	8,533
MTC MMAC		151,644				151,644	188,407	36,763
NON-MTC FIXED ROUTE	655,091					655,091	746,287	91,196
OPT OUT			1,696,615			1,696,615	1,711,906	15,292
RURAL SYSTEMS				373,126		373,126	370,214	(2,912)
SMALL URBAN				97,345		97,345	103,216	5,871
METRO MOBILITY PROVIDERS		2,770,884				2,770,884	3,049,418	278,534
LIGHT RAIL TRANSIT					16,928	16,928	267,923	250,994
OTHER	(16,055)					(16,055)	0	16,055
PROVIDER CAPITAL EXP	0	0	0	0	0	0	0	0
TRANSIT PROGRAMS/GRANTS	0	0	0	0	0	0	0	0
<b>TOTAL EXPENDITURES</b>	<b>17,390,908</b>	<b>2,922,528</b>	<b>1,696,615</b>	<b>470,471</b>	<b>16,928</b>	<b>22,497,450</b>	<b>22,547,623</b>	<b>50,173</b>
EXCESS/(DEFICIENCY) REVENUE OVER EXPENDITURE	(709,940)	290,607	270,053	(1,291)	233,071	82,500	41,808	40,692
<b>FUND BALANCE</b>								
TRANSFERS								
BOARD AUTHORIZATIONS	0	0	0	0	0	0	0	0
COST ALLOCATION	(47,602)	0	(34,693)	(64,270)	(12,849)	(159,414)	(159,414)	(0)
NET TRANSFERS	(47,602)	0	(34,693)	(64,270)	(12,849)	(159,414)	(159,414)	(0)
<b>ENDING FUND BALANCE</b>	<b>358,695</b>	<b>447,181</b>	<b>235,361</b>	<b>322,415</b>	<b>355,599</b>	<b>1,719,251</b>	<b>1,119,715</b>	<b>599,536</b>

**REGIONAL TRANSIT BOARD  
PROGRAM STATUS REPORT MARCH 1993  
25% OF FISCAL YEAR**

#	PROGRAM	ORIGINAL BUDGET	EXPENSE THRU PERIOD END DATE	UNEXPENDED BUDGET	EXPENSE AS % OF BUDGET
93-01	RTB Chair's Office	\$344,880	\$69,000	\$275,880	20.01%
93-02	Executive Director's Office	\$246,820	\$40,703	\$206,117	16.49%
93-03	Programs/Planning Admin	\$170,976	\$46,698	\$124,278	27.31%
93-04	Transportation Planning Process	\$124,298	\$29,378	\$94,920	23.64%
93-10	Elderly and Disabled	\$254,161	\$39,673	\$214,488	15.61%
93-11	Rideshare Planning	\$291,743	\$13,840	\$277,903	4.74%
93-13	Transit System Planning & Impl.	\$323,590	\$59,627	\$263,963	18.43%
93-14	Transit Programs and Admin.	\$89,469,388	\$22,527,967	\$66,941,421	25.18%
93-15	Administrative Services	\$517,349	\$103,155	\$414,194	19.94%
93-16	Financial Management	\$244,988	\$60,441	\$184,547	24.67%
93-17	Personnel Administration	\$63,772	\$12,928	\$50,844	20.27%
93-19	Public Information	\$294,883	\$62,403	\$232,480	21.16%
93-22	Competitive Transit Services	\$0	\$1,731	(\$1,731)	0.00%
93-23	Light Rail Transit	\$1,071,690	\$16,928	\$1,054,762	1.58%
93-26	Transit Test Mktg of New Serv.	\$591,523	\$12,618	\$578,905	2.13%
93-27	Community Relations	\$57,636	\$13,928	\$43,708	24.16%
93-XX		\$0	\$0	\$0	0.00%
	Sub-Total	\$94,067,697	\$23,111,017	\$70,956,680	24.57%
93-20	Capital Expenditure Program	\$10,000	\$6,307	\$3,693	63.07%
	Total Programs and Capital Expenditures	\$94,077,697	\$23,117,323	\$70,960,374	24.57%

**SPECIAL REVENUE FUNDS  
SCHEDULE OF EXPENDITURES  
as of March 31, 1993  
25.00% of Year**

	1993 Contract	1993 Budget	3 months Expense	Unexpended Budget	Expense % Of Budget
<b>REGULAR ROUTE</b>					
North Suburban	762,029	762,029	194,504	567,525	25.52%
U Of M - Route #52	483,000	483,000	154,796	328,204	32.05%
Valley Transit	110,117	110,117	25,405	84,712	23.07%
Roseville Circulator	580,000	580,000	138,934	441,066	23.95%
Be Line	430,000	430,000	141,452	288,548	32.90%
Regular Route Expense	2,365,146	2,365,146	655,091	1,710,055	27.70%
North Suburban-Audit Adj.			(16,055)		
Adj. Regular Route Expense	2,365,146	2,365,146	639,036	1,710,055	27.02%
MTC-Western Suburbs	620,000	620,000	139,646	480,354	22.52%
MTC-Rideshare-Local	0	0	85,822	(85,822)	ERR
MTC-Rideshare-ISTEA	614,928	614,928	67,910	547,018	11.04%
MTC-Jobseekers	430,660	430,660	99,132	331,528	23.02%
RTB-Jobseekers	0	0	0	0	ERR
MTC-Regular Route	63,395,424	63,395,424	16,359,362	47,036,062	25.81%
MTC-Regular Route Expense	65,061,012	65,061,012	16,751,872	48,309,140	25.75%
Total Regular Route Expense	67,426,158	67,426,158	17,390,908	50,019,195	25.79%
<b>METRO MOBILITY</b>					
National	2,215,061	2,215,061	269,289	1,945,772	12.16%
Yellow Taxi	1,698,594	1,698,594	381,148	1,317,446	22.44%
Wilder	405,521	405,521	106,482	299,039	26.26%
United Services	686,729	686,729	16,398	670,331	2.39%
Metro Ride	931,160	931,160	385,891	545,269	41.44%
H.T.S.	309,660	309,660	65,155	244,505	21.04%
H.S.I.	177,708	177,708	45,030	132,678	25.34%
Handicabs	2,494,289	2,494,289	711,432	1,782,857	28.52%
Ebenezer	1,915,142	1,915,142	446,841	1,468,301	23.33%
Diamond Cab	545,800	545,800	128,961	416,839	23.63%
DARTS	458,177	458,177	109,158	349,019	23.82%
City Wide	359,831	359,831	100,479	259,352	27.92%
Contemporary Transportation	0	0	941	(941)	ERR
Metropolitan Area Transit	0	0	1,459	(1,459)	ERR
Safe Ride	0	0	433	(433)	ERR
Triad Transportation	0	0	1,785	(1,785)	ERR
Metro Mobility Expense	12,197,672	12,197,672	2,770,884	9,426,788	22.72%
MTC-MMAC	753,628	753,628	151,644	601,984	20.12%
Total Metro Mobility Expense	12,951,300	12,951,300	2,922,528	10,028,772	22.57%

**SPECIAL REVENUE FUNDS  
SCHEDULE OF EXPENDITURES  
as of March 31, 1993  
25.00% of Year**

	1993 Contract	1993 Budget	3 months Expense	Unexpended Budget	Expense % Of Budget
<b>OPT-OUT</b>					
City Of Plymouth	1,348,763	1,348,763	337,191	1,011,572	25.00%
City Of Shakopee	248,712	248,712	62,178	186,534	25.00%
Southwest Metro	1,474,226	1,474,226	368,556	1,105,670	25.00%
Mn Valley Transit	3,202,402	3,202,402	800,601	2,401,801	25.00%
Maple Grove	573,522	573,522	143,382	430,140	25.00%
<b>Opt Out Expense</b>	<b>6,847,625</b>	<b>6,847,625</b>	<b>1,711,908</b>	<b>5,135,717</b>	<b>25.00%</b>
MN Valley Transit-Prior Yr Adj.			(15,293)		
<b>Adj. Opt Out Expense</b>	<b>6,847,625</b>	<b>6,847,625</b>	<b>1,696,615</b>	<b>5,135,717</b>	<b>24.78%</b>
<b>SMALL URBAN</b>					
Columbia Heights	83,000	83,000	20,172	62,828	24.30%
Hastings	82,172	82,172	18,801	63,371	22.88%
Hopkins	34,752	34,752	6,929	27,823	19.94%
NEST	111,434	111,434	27,858	83,576	25.00%
STEP	10,880	10,880	2,586	8,294	23.77%
White Bear	90,626	90,626	20,999	69,627	23.17%
<b>Small Urban Expense</b>	<b>412,864</b>	<b>412,864</b>	<b>97,345</b>	<b>315,519</b>	<b>23.58%</b>
<b>RURAL</b>					
Westonka	31,715	31,715	7,929	23,786	25.00%
Senior Transport.	27,217	24,179	6,045	18,134	25.00%
Senior Community	48,520	48,521	12,129	36,392	25.00%
Scott County	119,519	119,519	29,880	89,639	25.00%
H.S.I.	227,047	227,047	56,763	170,284	25.00%
DARTS	393,912	393,912	102,210	291,702	25.95%
Carver County	124,332	124,332	31,547	92,786	25.37%
Anoka County Volunteer	23,500	23,500	5,874	17,626	25.00%
Anoka County Linwood	15,796	15,796	3,414	12,382	21.61%
Anoka County Traveler	444,824	444,824	109,400	335,424	24.59%
Lakeville	27,510	27,510	7,936	19,574	28.85%
<b>Rural Expense</b>	<b>1,483,892</b>	<b>1,480,855</b>	<b>373,126</b>	<b>1,107,729</b>	<b>25.20%</b>
<b>Total Rural/Small Urban Exp.</b>	<b>1,896,756</b>	<b>1,893,719</b>	<b>470,471</b>	<b>1,423,248</b>	<b>24.84%</b>
<b>NON-PROVIDER EXPENDITURES</b>		0	0	0	ERR
<b>LIGHT RAIL TRANSIT</b>		1,071,690	16,928	1,054,762	1.58%
<b>Grand Total</b>	<b>89,121,839</b>	<b>90,190,492</b>	<b>22,497,450</b>	<b>67,661,694</b>	<b>24.94%</b>

**REGIONAL TRANSIT BOARD  
INVESTMENT SUMMARY BY FUND  
FOR MONTH ENDED March 1993**

PURCHASE DATE	MATURITY DATE	DESCRIPTION	PURCHASE PRICE	BROKER	YIELD
<b>GENERAL FUND-</b>					
		Beginning balance	\$9,229,089		
		sold	(\$9,229,089)		
1-Mar-93	15-Mar-93	CP- Univ. Sup. Systems	\$1,997,569	Smith Barney	3.129
	15-Mar-93	sold	(\$1,997,569)		
1-Mar-93	15-Apr-93	CP-Student Loan Finance	\$831,738	Smith Barney	3.137
1-Mar-93	15-Apr-93	CP- Univ. Sup. Systems	\$961,231	Smith Barney	3.137
8-Mar-93	15-Mar-93	CP- Nellie Mae	\$2,473,508	Smith Barney	3.102
	15-Mar-93	sold	(\$2,473,508)		
15-Mar-93	22-Mar-93	CP-GE	\$374,789	American Bank	2.902
	22-Mar-93	sold	(\$374,789)		
15-Mar-93	29-Mar-93	CP- Sycamore	\$1,498,250	Dain Bosworth	3.004
	29-Mar-93	sold	(\$1,498,250)		
15-Mar-93	5-Apr-93	CP- Univ. Sup. Systems	\$3,992,708	Smith Barney	3.131
22-Mar-93	5-Apr-93	CP- Heller Financial	\$239,731	American Bank	2.883
26-Mar-93	12-Apr-93	CP- Sycamore	\$4,358,631	Dain Bosworth	3.095
29-Mar-93	19-Apr-93	CP- DIC America	\$998,203	Dain Bosworth	3.086
<b>TOTAL OUTSTANDING</b>			<b>\$11,382,242</b>		
<b>BOND ISSUE # 1</b>					
		Beginning balance	\$587,485		
		sold	(\$587,485)		
1-Mar-93	8-Mar-93	Repurchase Agreement	\$587,774	Smith Barney	3.250
	8-Mar-93	sold	(\$587,774)		
8-Mar-93	15-Mar-93	Repurchase Agreement	\$588,145	Smith Barney	3.100
	15-Mar-93	sold	(\$588,145)		
15-Mar-93	22-Mar-93	Repurchase Agreement	\$588,062	Smith Barney	3.200
	22-Mar-93	sold	(\$588,062)		
22-Mar-93	5-Apr-93	Repurchase Agreement	\$588,448	Smith Barney	3.050
		Balance	\$588,448		
<b>BOND ISSUE # 2</b>					
		Beginning Balance	\$2,298,381		
		sold	(\$2,298,381)		
8-Mar-93	22-Mar-93	Repurchase Agreement	\$2,300,973	First Bank St. Paul	2.900
	22-Mar-93	sold	(\$2,300,973)		
22-Mar-93	5-Apr-93	Repurchase Agreement	\$2,303,568	First Bank St. Paul	2.900
		Balance	\$2,303,568		

**REGIONAL TRANSIT BOARD  
SCHEDULE OF BOND RECEIPTS AND DISBURSEMENTS  
AS OF MARCH 31, 1993**

	<b>TOTAL CAPITAL BOND</b>	<b>TOTAL BUDGET CAPITAL BOND</b>	<b>ACTUAL/BUDGET VARIANCE FAV/(UNFAV)</b>
<b>BEGINNING BALANCE</b>	\$2,944,716	\$2,944,716	\$0
<b>RECEIPTS</b>			
BOND ISSUES	\$0	\$7,000,000	(\$7,000,000)
INTEREST	\$21,908	\$0	\$21,908
<b>TOTAL RECEIPTS</b>	<u>\$21,908</u>	<u>\$7,000,000</u>	<u>(\$6,978,092)</u>
<b>DISBURSEMENTS</b>			
CAPITAL EXPENDITURES	\$74,609	\$3,244,000	\$3,169,391
MISCELLANEOUS	\$0	\$0	\$0
<b>TOTAL DISBURSEMENTS</b>	<u>\$74,609</u>	<u>\$3,244,000</u>	<u>\$3,169,391</u>
<b>EXCESS/(DEFIC) RECEIPTS OVER DISBURSEMENTS</b>	(\$52,701)	\$3,756,000	(\$3,808,701)
<b>OTHER DISBURSEMENTS</b>			
STATUTORY AUTHORIZATIONS			
COST ALLOCATIONS			
<b>NET OTHER DISBURSEMENTS</b>	\$0	\$0	\$0
<b>ENDING BALANCE</b>	<u>\$2,892,015</u>	<u>\$6,700,716</u>	<u>(\$3,808,701)</u>
<b>DISBURSEMENT DETAIL</b>			
<b>ISSUE #1 -</b>		<b>ISSUE #2 -</b>	
Human Services	\$36.40	Southwest Metro	\$57,725.40
Human Services	\$1,403.77	Southwest Metro	\$6,012
City of Roseville	\$5,076.80		
Mall of America	\$3,332.00		
City of Roseville	\$225.04		
Mall of America	\$379.62		
Harmon Glass	\$418.15		
			<u>\$63,737</u>
		<b>TOTAL</b>	<u>\$74,609</u>

\$10,871.78

**Route 55 Contract Award**  
**April 28, 1993 (Revised May 10, 1993)**  
**Page 4**

#### **RECOMMENDATION**

That the Regional Transit Board authorize its executive director to enter into a five-year contract with Medicine Lake Bus Company for the period of ~~September 1, 1993 through August 31, 1998~~ August 1, 1993 through July 31, 1998 in an amount not to exceed \$2,820,169, plus an additional \$75,000 for marketing and pocket schedule printing costs.

**Attachment A: Route 55 RFP Scoring Summary**

Proposal Criterion	MTC - A Marginal	MTC - A Full Cost	MTC - B Marginal	MTC - B Full Cost	MLBC Option 1	MLBC Option 2	MLBC Option 3	MLBC Option 4	OBSBC/ Penske	ATC/ Vancom
<b>Cost Section</b>										
Vehicle Capital Costs	480	480	480	480	600	600	484	484	279	115
All Other Operating Costs	<u>1,500</u>	<u>975</u>	<u>1,378</u>	<u>1,367</u>	<u>1,060</u>	<u>956</u>	<u>978</u>	<u>1,086</u>	<u>340</u>	<u>59</u>
<i>Subtotal</i>	1,980	1,455	1,858	1,847	1,660	1,556	1,462	1,570	619	175
<b>Vehicle Section</b>										
Total Mileage	180	180	180	180	540	540	540	540	900	900
Date, Model, Condition	135	135	148	148	123	123	123	123	160	140
Seating Capacity	180	180	180	180	170	170	170	170	150	170
Wheelchair Lift and Tie-downs	150	150	150	150	0	0	170	170	180	180
Farebox Model & Type	180	180	180	180	160	160	160	160	160	180
Route & Destination Signage	<u>180</u>	<u>180</u>	<u>180</u>	<u>180</u>	<u>170</u>	<u>170</u>	<u>170</u>	<u>170</u>	<u>160</u>	<u>170</u>
<i>Subtotal</i>	1,005	1,005	1,018	1,018	1,163	1,163	1,333	1,333	1,710	1,740
<b>Qualifications Section</b>										
Experience in Similar Service	448	443	388	388	410	410	410	410	125	383
Personnel	283	283	263	263	280	280	280	280	115	230
Financial Creditability	298	298	298	298	262	262	262	262	105	279
Understanding of RFP	<u>150</u>	<u>150</u>	<u>150</u>	<u>150</u>	<u>140</u>	<u>145</u>	<u>150</u>	<u>145</u>	<u>45</u>	<u>140</u>
<i>Subtotal</i>	1,179	1,174	1,099	1,099	1,092	1,097	1,102	1,097	390	1,032
<b>Management Plan Section</b>										
Admin. Support Services	212	212	199	199	198	198	198	198	75	170
Vehicle Maintenance	223	223	193	193	218	218	218	218	140	190
Driver Selection & Training	215	215	175	175	218	218	218	218	95	189
Implementation Plan	<u>202</u>	<u>202</u>	<u>184</u>	<u>184</u>	<u>190</u>	<u>190</u>	<u>190</u>	<u>190</u>	<u>75</u>	<u>184</u>
<i>Subtotal</i>	851	851	751	751	823	823	824	823	385	733
Bonus Points	38	38	38	38	35	35	45	45	0	23
<b>GRAND TOTAL</b>	<b>5,052</b>	<b>4,522</b>	<b>4,763</b>	<b>4,752</b>	<b>4,772</b>	<b>4,674</b>	<b>4,764</b>	<b>4,867</b>	<b>3,104</b>	<b>3,703</b>

**Attachment B: Route 55 RFP Proposal Summary**

Proposal / Option	Total Points	Rank	5-Year Total Cost	Hourly Rate	Proposed Vehicles	Proposed Drivers	Proposed Maintenance
MTC A-Marginal	5,052	1	\$3,118,502	\$59.53	1989 &90 Gilligs	MTC Contracted	MTC Union
MLBC 4: Charter and Lift	4,867	2	\$4,020,169	\$76.72	Rehab 1979 RTS	Medicine Lake	Medicine Lake
MLBC 3: Lift, No Charter	4,764	3	\$4,244,840	\$81.01	Rehab 1979 RTS	Medicine Lake	Medicine Lake
MTC B-Marginal	4,763	4	\$3,385,172	\$64.62	1989 &90 Gilligs	National	National
MTC B-Full Cost	4,752	5	\$3,407,610	\$65.05	1989 &90 Gilligs	National	National
MTC 2: A-Full Cost	4,522	6	\$4,265,248	\$81.41	1989 &90 Gilligs	MTC Contracted	MTC Union
ATC/Vancom	3,703	7	\$7,163,700	\$134.76	Rehab 1979 RTS	ATC / Vancom	ATC / Vancom
<b>OBSBC/Penske</b>	<b>3,104</b>	<b>8</b>	<b>\$6,178,145</b>	<b>\$116.22</b>	<b>1993 Thomas MVP</b>	<b>Osseo-Brooklyn</b>	<b>Penske</b>
MLBC 1: Charter, No Lift	4,772	Rejected	\$3,818,479	\$72.88	Rehab 1979 RTS	Medicine Lake	Medicine Lake
MLBC 2: No Charter or Lift	4,674	Rejected	\$4,043,360	\$77.17	Rehab 1979 RTS	Medicine Lake	Medicine Lake

## REGIONAL TRANSIT BOARD

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

**DATE:** April 26, 1993  
**TO:** Chair and Members of the Administration and Finance Committee  
**FROM:** Len Simich, Senior Project Manager  
Michael Opatz, Project Administrator   
**SUBJECT:** University of Minnesota Route 52 Contract Renewal

### SUMMARY

This memorandum presents a recommendation for a two-year contract renewal with the University of Minnesota for the operation of Route 52 for the period July 1, 1993 through June 30, 1995 in an amount not to exceed \$1,035,611. The contract will remain a 50/50 cost sharing arrangement between the Regional Transit Board and the University.

### DISCUSSION

The University of Minnesota Route 52 express service began in 1970. In 1974, the University requested that the MTC incorporate Route 52 into the mainline bus service and assume full financial responsibility for the service. MTC concluded that Route 52 was a specialized service that directly benefited the University. Therefore, a 50/50 cost sharing arrangement of operation expenses was implemented. However, the University has managerial control over Route 52 and pays 100 percent of the administrative expenses.

As a result of a competitive procurement process, the University entered into two-year contract with Medicine Lake Bus Company (MLBC) for the operation of Route 52 for the period of July 1, 1989 through June 30, 1991. The contract included options to renew for two additional two-year periods. The first renewal option was exercised and now expires June 30, 1993.

The Route 52 commuter semi-express service consists of 13 routes utilizing 35 large transit buses to provide service Monday through Friday 7:00 a.m. - 6:15 p.m. to and from Twin Cities residential areas. Average daily ridership during the Fall, Winter, and Spring school term exceeds 3,500 passengers. Besides having strong daily ridership, the Route 52 system currently has a 35.01 percent farebox return and has a subsidy per passenger rate of \$1.75, making it one of the most efficient transit systems in the region.

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The following summarizes actual operating statistics for the Route 52 over the current contract period beginning July 1, 1991, and ending June 30, 1993:

	<b>Actual</b> <b>July 1, 1991</b> <b>- June 30, 1992</b>	<b>Est. Actual</b> <b>July 1, 1992</b> <b>- June 30, 1993</b>	<b>Total</b>
Service Hours	23,230	25,358	48,588
Hourly Rate	\$62.11	\$64.62	(Avg.) \$63.37
Total Operating Costs	\$1,442,928	\$1,638,634	\$3,081,562
Operating Revenue	\$566,651	\$573,701	\$1,140,352
Missed Trip Credits	\$2,607	\$4,107	\$6,714
University Share (50%)	\$436,835	\$530,413	\$967,248
RTB Share (50%)	\$436,835	\$530,413	*\$967,248
Passengers	602,472	605,575	1,208,047
Subsidy Per Passenger	\$1.45	\$1.75	\$1.60

\* The budgeted RTB subsidy amount for the period July 1, 1991 through June 30, 1993 is \$966,191. The estimated actual RTB subsidy amount is \$967,248. Therefore, staff may be requesting a budget amendment to the current contract once the final figures are known.

The University has recently negotiated the second of the two-year contract renewal options with MLBC for the period July 1, 1993 through June 30, 1995. The proposed hourly rate for the first year of the renewal is \$66.56, which represents a 3 percent increase over the \$64.62 rate for the previous annual period. The proposed rate for the second year of the renewal is \$67.90, which represents a 2 percent increase over the rate for first year of the renewal. The proposed RTB subsidy request for the two-year contract is \$1,035,611, which represent an overall 7 percent increase over the current two-year estimated actual amount of \$967,248.

The following statistics illustrate the \$1,035,611 subsidy request for the total contract renewal period of July 1, 1993 through June 30, 1995:

	<b>Proposed</b> <b>July 1, 1993</b> <b>- June 30, 1994</b>	<b>Proposed</b> <b>July 1, 1994</b> <b>- June 30, 1995</b>	<b>Total</b>
Service Hours	25,358	25,358	50,716
Hourly Rate	\$66.56	\$67.90	(Avg.) \$67.23
Total Operating Cost	\$1,687,828	\$1,721,808	\$3,409,636
Operating Revenues	\$669,207	\$669,207	\$1,338,414
University Share (50%)	\$509,310	\$526,301	\$1,035,611
RTB Share (50%)	\$509,311	\$526,300	\$1,035,611
Passengers	605,575	605,575	1,211,150
Subsidy Per Passenger	\$1.68	\$1.74	\$1.71

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Concerns surrounding the University's commitment to transit have been raised in the past, mainly due to declines in Route 52 ridership, University parking priced at lower than market rates, and the building additional parking spaces at a time when enrollment has been decreasing.

However, for the first time since the 1988/89 school year, Route 52 ridership has not declined, rather a modest increase was realized. Much of the turn around in ridership can be attributed to the University's Travel Demand Management (TDM) program. The University and the RTB have established several strategies in the past two years to improve transit ridership on Route 52; including:

- Providing a 10 percent discount on the purchase of monthly passes by students, staff and faculty who purchase their pass at the University.
- Revamping the entire Route 52 system, including: extending routes to serve major hubs such as the Mall of America, Southdale, and Northtown; route changes to provide better alignment to where the University population resides; opening up reverse commute options; and providing a new route from the Roseville area.
- Increasing the parking rates towards a better balance between the cost of parking and riding the bus.

**RECOMMENDATION**

That the Regional Transit Board authorize its executive director to enter into a contract with University of Minnesota for the operation of Route 52 for the period of July 1, 1993 through June 30, 1995 in an amount not to exceed \$1,035,611.

## REGIONAL TRANSIT BOARD

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

DATE: April 28, 1993  
TO: Chair and Members of the Administration and Finance Committee  
FROM: Len Simich, Senior Project Administrator  
SUBJECT: White Bear Area Transit Service Expansion

### SUMMARY

This memorandum presents a staff recommendation to amend the White Bear Area Transit (WBAT) 1993 contract in an amount not to exceed \$149,412. The proposed contract amendment will accommodate:

- increased dial-a-ride service, including the addition of the City of Mahtomedi,
- the operation of a portion of the restructured MTC high-subsidy Route 35C, and
- the provision of internal, curb-to-curb Metro Mobility trips.

### DISCUSSION

White Bear Area Transit is a joint-powers organization providing demand-responsive transit service to the citizens of White Bear Lake, White Bear Township, and Birchwood since 1983. WBAT has 2 vans, plus the Lionmobile. The Lionmobile serves the elderly residents who do not qualify for Metro Mobility. National School Bus (NSB) is under contract with WBAT for the provision of the van service. WBAT annually enters into a contract with the RTB providing 60 percent of total expenses. WBAT must finance the remaining 40 percent through the city funds and passenger fares.

RTB staff and WBAT have been working cooperatively on expanding the WBAT system to accommodate the transit needs in this area. The following describes the three proposed service expansion elements:

#### Dial-A-Ride Expansion

WBAT and RTB staff have determined that the expansion of the dial-a-ride service to include more dial-a-ride service hours and the City of Mahtomedi is needed. Dial-a-ride service would be more cost-effective, and better meet the needs of the communities than regular route service. The City of Mahtomedi has agreed to join the WBAT joint powers agreement, and fund its share of the 60/40 funding formula .

The expansion to add service hours and include the City of Mahtomedi in the service area would add approximately nine additional service hours to the current 16 daily service



## **MEMORANDUM**

**TO:** Metropolitan Transit Commission

**FROM:** Robert D. Thompson 

**DATE:** April 27, 1993 

**SUBJECT:** RTB's Competitive Transit Policies

### **Background**

In 1988 the RTB adopted the Standards, Procedures and Guidelines for Competitive Procurement of Transit Services to be used as a guideline when bidding on RTB funded transit service. In 1990 Deloitte & Touche developed the guidelines for the use of marginal costs in awarding contracts for RTB funded transit services. The RTB is currently revisiting this material in an attempt to update its Competitive Transit Policies.

### **Discussion**

The RTB currently has under discussion a revised policy on Competitive Transit Policies. This policy, as currently written, could potentially have serious consequences for the MTC by;

- Mandating when marginal costing may be used by the MTC in pricing transit services,
- Making a portion of the existing MTC's fleet available for private operators and,
- Defining what transit service should be considered for competitive procurement.

The discussion of competitive transit policies by the RTB is an attempt to update their existing Standards, Procedures and Guidelines for Competitive Transit Service which was adopted in 1988 (attachment 1). In conjunction with that policy in 1990 the RTB contracted with Deloitte & Touche to provide the guidelines for the justification of marginal costs in awarding contracts for public transit services (attachment #2). Since the inception of the Competitive Transit Service Guidelines the MTC has followed that policy in pricing its bids for all regular route service from the Opt Out communities and the RTB. The MTC as well as the RTB assisted Deloitte & Touche in the development of the justification for marginal costing guidelines and the MTC concurred with findings of the report.

The focus of the RTB's proposed changes to the competitive transit policies are to "encourage the MTC to focus its efforts in the core, fully developed service area; and seeking to lower the MTC's high peak-to base ratio, a structural issue that hinders cost effectiveness, in part due to restrictive union work rules."

### Marginal Costing

The RTB is proposing that marginal costing, by the MTC, be restricted to pricing service in the MTC's core area. This is the area defined in Minnesota Statutes, Section 473.385. All service outside the service area which is the basically peak service, would be priced with fully allocated costs.

Any Competitive Transit Policy should be constructed to focus on providing the most cost efficient transit service to all residents of the service area without establishing geographic barriers where marginal pricing cannot be used. If the MTC's marginal cost is lower than a private operator cost for service bid the MTC should be awarded the contract as this provides the most cost efficient use of the tax dollar (RTB subsidy).

To force MTC to bid fully allocated cost artificially increases the cost of service above and beyond the actual cost to the taxpayer and the MTC. Ultimately the costs of the other segments of service will increase and the incremental or marginal costs will be comparable to the fully allocated cost. The MTC participated in the 1990 Deloitte & Touche justification of marginal costs study and concurred with their conclusion regarding the level of service that would justify marginal costing. The results are:

	<u>Proposed Contract</u>	<u>Cumulative Impact</u>
Peak Vehicles	4% - 8%	15% - 18%
Vehicle Miles	5% - 10%	15% - 20%

If the proposed service falls below the limits marginal costs are justified. If the proposed services is above the ranges marginal costs are not justified. If within the ranges or a split the individual contract should be further reviewed.

The Deloitte & Touche study discusses the concept for determining the fully allocated and marginal costs of the proposed service. One segment of the marginal costs are the support costs that often change as levels of service change. The MTC and RTB have had numerous discussions on the regional support cost the MTC incurs that generally have been excluded from the marginal cost calculations. The RTB is now suggesting that some of the regional support costs of the MTC, previously excluded in the cost from the cost calculation, be included. These costs are the costs of service planning, scheduling and marketing.

### MTC Fleet

The RTB is suggesting that a portion of the MTC's fleet be made available to the private operators. The MTC would provide its equipment maintenance expertise to determine that the vehicles are being properly maintained and in some cases actually perform the maintenance. The FTA has indicated that even though the vehicles in question were 100% locally funded, 13c problems may still exist and legal counsel should review this matter.

### Competitively Bid Transit Services

The RTB is now suggesting that it may be advantageous to competitively bid out all MTC peak period service that originates outside the MTC service area in addition to high subsidy and existing contract services. The following fixed route services then subject to competitively procurement would be:

- High subsidy routes, according to RTB specifications.

- Existing contract services, whether publically or privately operated.
- Peak period service outside the core, fully developed service area. (This includes all MTC service that has only a portion of the route outside the core.)

Minnesota Statutes Section 473.385, Subd. 2 describes the transit service the RTB may provide financial assistance to private, for profit operators to operate. This section clearly allows the RTB to consider competitively procurement of the following:

- Regular route services that the RTB and the MTC agree are not or will not be operated for a reasonable subsidy by the MTC. (High Subsidy)
- Regular route services provided under section 473.388. (Opt Out)
- Regular route services provided on June 2, 1989, by a private, for profit operation under contract with the RTB . . . . (Route 55)

This section does however appear to disallow competitive procurement of peak period service outside the core, fully developed service area.

- Regular route services outside of the fully developed service area that are not operated on June 2, 1989, by the MTC (all post June 2, 1989 service operating outside the core area can be competitively bid, pre June 2, 1989 service operated by MTC cannot).

#### Summary

The MTC should endorse the competitive procurement of transit services as long as it is focused upon providing the most cost efficient transit service to the residents of the transit taxing district without establishing geographic barriers to prevent the MTC from using marginal costing.

The MTC should continue to endorse the Deloitte & Touche study on the Justification for Marginal Cost Proposals as a relevant and objective study of the use of marginal cost proposals for transit services.

The use of the MTC's fleet by private operators should be thoroughly reviewed to determine if legally and/or logistically this is a feasible option. The RTB has suggested this option may be worthy of future study.

The RTB should be aware that recommending the competitive procurement of peak period regular route service originating outside the core is disallowed by Minnesota Statute, Section 473.385, Subd. 2. All service of this nature operated by the MTC prior to June 2, 1989 should remain with MTC by statute .

Competitive procurement of transit service in the region can be a viable alternative if reasonable guidelines are established allowing the MTC to use marginal costing, where appropriate, and if minimizing the ultimate cost to the taxpayer is the ultimate goal.

#### Recommendation

No action is requested, this item is presented for discussion purposes.

RDT:pjs/757