



Minnesota Regional Transit
Board: Records.

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

NOTICE OF MEETING CANCELLATION

The board meeting originally scheduled for October 4, 1993 has been cancelled. The next meeting of the full board will be on October 18, 1993 at 4:00 p.m. in Mears Park Centre Chambers.

John Riley
Chairman

mff



**Meeting of the
REGIONAL TRANSIT BOARD
Mears Park Centre Chambers
230 East Fifth Street
St. Paul, Minnesota 55101
Monday, October 18, 1993
4:00 p.m.**

AGENDA

1. **CALL TO ORDER AND ROLL CALL**
2. **APPROVAL OF THE AGENDA**
3. **APPROVAL OF MINUTES**
 - a. Committee of the Whole, September 13, 1993
 - b. Regional Transit Board Meeting, September 20, 1993
4. **CHAIR'S REPORT**
 - a. Metro Mobility Restructuring
 - b. Appointments to Transportation Accessibility Advisory Committee
 - c. Resolution of Appreciation - Gerald Brechlin, No. 93-08
5. **MEMBERS' REPORTS**
6. **EXECUTIVE DIRECTOR'S REPORT**
7. **REPORT OF THE COMMITTEE OF THE WHOLE**

Ruth Franklin, Chair, Administration and Finance Committee

 - a. August 1993 Financial Statements
 - b. Insurance Renewals
 - c. BE Line Contract Renewal with Medicine Lake Bus Company
 - d. Agency Auditor Selection
 - e. Amendments to DARTS and Human Services, Inc. 1993 Capital Contracts
8. **OTHER BUSINESS AND PUBLIC COMMENT**

**John Riley
Chairman**

mff
10/12/93



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

**Minutes of the Meeting of the
REGIONAL TRANSIT BOARD
October 18, 1993**

MEMBERS PRESENT: Ruth Franklin; Vice Chair; Michael Beard; Morgan Grant; Val Higgins; James Hovland; Gary Humphrey; Ruby Hunt; Harry Mares; Dennis Schulstad

MEMBERS EXCUSED: Sharon Feess and John H. Riley

OTHERS PRESENT: Bill Schreiber; Greg Korstad, Legal Counsel; Carol Kummer, Metropolitan Council; General Benton Murdock and Colonel Duane Paisley, National Guard; Tom Sather, Metropolitan Transit Commission; Dan Hibberts, Linda Rother, ATE; Lisa Raduenz, Linda Wolters, Metropolitan Center for Independent Living; Lolly Lijewski, Vision Loss Resources (formerly Minneapolis Society for the Blind; Sue Warner, Courage Center; Melanie Benson, MTC; Gregory L. Andrews, Judy Hollander, Dale Ulrich, Mary Fitzgerald, RTB staff

CALL TO ORDER AND ROLL CALL

The meeting was called by Vice Chair Franklin to order at 4 p.m. and roll was taken.

APPROVAL OF AGENDA

Hunt asked that a brief discussion of the Advisory Council on Metro Governance and the proposals for legislation dealing with the Regional Transit Board be added to the agenda. Franklin said that could be included under "Members' Reports." With that amendment, Mares moved and Grant seconded the agenda be approved. The motion carried unanimously.

APPROVAL OF MINUTES

Mares moved and Hovland seconded approval of minutes of the Committee of the Whole meeting on September 13 and the board meeting on September 20, 1993. The motion was unanimously approved.

CHAIR'S REPORT

METRO MOBILITY RESTRUCTURING

Hollander had distributed an update and staff assessment of the situation, dated October 18, 1993. Hovland asked if the National Guard will participate in the update; he would like to know how many drivers they provided this week and what the back-up plan is if the system fails again on October 22. Franklin said the plan has always been that the guard will stay as long as they are needed.

Hovland asked if the problems of busy phones has been resolved and whether moving vehicles back and forth between vendors will be a problem. Hibberts said there are now 24 lines dedicated to reservations, 18 work stations, and more reservationists are being trained. Customer services phone lines have been set up. Tables on ridership statistics were distributed and reviewed. The figures on phone calls do not reflect those who called and got a busy signal. U.S. West is developing figures on those calls.

In response to Mares' question, Hibberts said Metro Ride is currently operating 41 vehicles, Mayflower is operating 75, and Handicabs is operating 34 vehicles. All three providers claim they can run their routes when the National Guard withdraws.

Members discussed the hours during which the service center accepts trip reservations. Hibberts said the board will be furnished with an On Time Performance Evaluation as soon as the data has been collected.

Grant said the passengers should be allowed to speak. Members agreed but felt comments should be limited to two or three speakers during this part of the agenda. Linda Rother, Director of Community Relations for ATE, said more public meetings are being scheduled. Efforts are underway to get suggestions from customers themselves on how to improve the service.

Paisley said the three objectives of the National Guard are: more buses on the street, allow time to improve the system, and turn the operation back to ATE. He feels there has been great improvement with a lot of work still to be done. He commended RTB, ATE and the riders for their dedication and patience. Full cooperation is needed between all the parties. Dispatchers, users and reservationists must give correct information. He is confident the system will get better and that ATE will be fully operational on October 22. The National Guard stands ready to continue to provide assistance if necessary.

Linda Wolter followed up on information she gave a week ago. A copy of her testimony had been placed before the members at the beginning of this meeting. Wolter said the phone situation is not much improved. Her committee's greatest concern is that riders must get accurate answers on when the van will arrive. This morning she could not get through although it rang 20 times. The computer is still the greatest deficiency in the system. People complain that trips and times of rides are still being wiped out of the system. The Metropolitan Center for Independent Living has started a hotline which recorded 182 calls in its first four days of operation. Wolter responded to questions from board members, adding that the Mayflower drivers do not seem to be adequately trained and she is very concerned about that as well as the misinformation produced by the computers and information not being passed on from reservationists to drivers.

Lolly Lijewski questioned the communications with riders; she has not received anything. A company coming into this area from out of town does not understand the dynamics within the disability community. Within the disability community there are two factions, one of which believes the blind should not have access to service. There is a staffer at ATE who belongs to that faction and it may create a

problem. She questioned how trip denials are reported and the accuracy of some of the information the board has been given.

Responding the Mares' questions about information on the contract with ATE that had been sent to the board, Korstad discussed the options available to the board. RTB can ensure it has a compliance schedule and develop a work plan. There should be court supervision to force ATE to do what they promised to do.

Grant asked the executive director to investigate what possible options the board has to reimburse people for losses due to failure of the system. Riders have called him about lost wages and tickets for events that were missed because the vehicle did not arrive. He would like to have the board investigate some options to reimburse those people. Franklin said that issue can be discussed at the next board meeting. Andrews said legal counsel is investigating the issue. Beard suggested the RTB designate an ombudsman on staff to help any rider who is having problems because of the inability to travel. If we can intercede with employers we should offer that assistance. Schreiber said that since we have so many users at this meeting and their network is so good, it might be appropriate for Hibberts to discuss to the trip denial situation and explain what ATE plans to do. Hibberts said right now ATE is trying to get the system back on its feet and will open up the process gradually. The number of vehicles will meet the demands, but right now they do not want to open it up completely. Hibberts explained that the Americans with Disabilities Act (ADA) regulations present a dilemma with regard to standing order requests. No more than half of the service can be standing order trips, but there are a large number of standing orders from the old system and a large number of new orders. ATE needs to decide how to allocate them. Standing orders are considered special service. He asked for assistance from the Transportation Accessibility Advisory Committee (TAAC) in developing a policy to guide those allocations. Grant said it is his understanding there would be overflow providers for the peak hours. It sounds as though ATE is using the 150 vehicles and if there are more standing orders they are cut off.

APPOINTMENTS TO THE TRANSPORTATION ACCESSIBILITY ADVISORY COMMITTEE (TAAC)

Hollander distributed her October 18 staff report showing the tentative TAAC appointments. Franklin clarified that Dianna Krogstad will serve as acting chair until the permanent chair is named. Hunt moved and Grant seconded:

That the Regional Transit Board approve appointments to the Transportation Accessibility Advisory Committee as proposed in the October 18, 1993 staff memorandum.

The motion was unanimously approved.

RESOLUTION OF APPRECIATION - GERALD BRECHLIN, RES. NO. 93-08

Franklin said she has been on the board throughout its existence and was sorry she could not attend the retirement party for Gerry Brechlin. Higgins moved and Humphrey seconded approval of Resolution No. 93-08. On a roll call vote, the motion and resolution were unanimously approved.

MEMBERS REPORTS

Hunt said she has received a number of concerns about the change to bus route 10, including one from Rep. Osthoff. After talking with Brian Lamb, MTC took her on a tour today to look at the route change. MTC did a good job of realigning the route and improved its efficiency. However, it is unfortunate it does not deal with the concerns of a number of seniors who will now have to walk three blocks for the bus. There may still be a way to deal with that. She was pleased with the information and the way MTC dealt with the problem.

Copies of the table comparing the Metropolitan Reorganization Bills for 1993 and information on testimony to the State Advisory Council on Metropolitan Governance were distributed by Hunt. She represents a group of counties that have been asked to appear. It would be helpful if RTB followed the progress of that committee. At the same time RTB should discuss this at its retreat and decide if the board should present information to the committee.

Franklin said it is extremely important that the board be represented at those meetings and members should discuss the best way to proceed. It will be on the next committee agenda.

EXECUTIVE DIRECTOR'S REPORT

Andrews noted that information had been distributed on the public meeting schedule on the proposed route and service restructuring of North Suburban Lines' Rice Street and Lexington Routes.

REPORT OF THE COMMITTEE OF THE WHOLE

Franklin reviewed the report of the October 11 Committee of the Whole meeting.

AUGUST 1993 FINANCIAL STATEMENTS

Higgins moved and Humphrey seconded:

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

The motion was unanimously approved.

INSURANCE RENEWALS

Hovland moved and Schulstad seconded:

That the Regional Transit Board authorize the executive director to renew the Regional Transit Board's insurance coverage for general liability, property, business auto, fidelity bond, and workers compensation for the period of October 24, 1993 through October 24, 1994 at a premium of \$9,293 with Insurance and Surety Specialists as the agent of record. In addition, the Regional Transit Board authorizes the executive director to place \$55,000 into the

designated risk reserve fund for the purpose of self-insuring public officials liability coverage.

The motion was unanimously approved.

BE LINE CONTRACT RENEWAL WITH MEDICINE LAKE BUS COMPANY

Higgins moved and Humphrey seconded:

That the Regional Transit Board authorize its executive director to enter into a contract with Medicine Lake Bus Company for the operation of the BE Line service for the period of November 1, 1993 through October 31, 1995 for a total contract amount not to exceed \$1,204,896, of which \$1,174,896 is the RTB operation subsidy and \$30,000 is the marketing allowance.

The motion was approved. (Hovland abstained to avoid any possible conflict of interest.)

AGENCY AUDITOR SELECTION

Ulrich said this item did not go through the normal committee process. He referred to the inherent conflict of the staff taking a position on selection of the firm charged with auditing the staff and said staff would be comfortable with the selection of any of the top three candidates. He reviewed the staff memorandum, dated October 11, 1993. Hovland moved and Hunt seconded:

That the executive director be authorized to enter into a three-year contract for audit services for annual audits of the Regional Transit Board with Deloitte & Touche for an amount not to exceed \$51,250 (\$17,000/\$16,750/\$17,500).

The motion was approved (Mares voted nay).

AMENDMENT TO DAKOTA AREA RESOURCES AND TRANSPORTATION FOR SENIORS (DARTS) AND HUMAN SERVICES, INC. 1993 CAPITAL FUNDING CONTRACTS

Mares moved and Humphrey seconded:

That the Regional Transit Board authorize its executive director to amend the Dakota Area Resources and Transportation for Seniors (DARTS) 1993 capital funding contract (Contract No. 93/15/03-16) by \$80,694 from \$75,480 to \$156,174, and to amend Human Services, Inc. 1993 capital funding contract (Contract No. 93/08/03-4) by \$18,232 from \$24,168 to \$42,400.

The motion was unanimously approved.

OTHER BUSINESS

With regard to Metro Mobility, Entzel asked who will pick up the additional costs that have been incurred. Schreiber said that it has been RTB's intent since the National Guard began providing service that the government will not bear those costs. In terms of who will do it, there are contracts between a number of parties to provide Metro Mobility services and we will look to our contractors to provide a resolution of the additional costs.

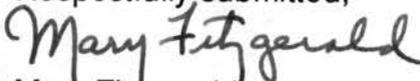
Sue Warner said the system has held her hostage for the past few weeks. Transit for people with disabilities is a right and those rights are being denied. She lost 18 hours of wages, about \$300, because she is a temporary worker and had to pay a private provider for a ride to a job interview. Riders expected glitches and have been patient, but on the first day of the new service she waited four hours to get through on the phone. To this day she is not getting answers on when a ride will arrive or even if it has been dispatched. ATE did not live up to its contract.

Roberta Juarez, said last week she testified as a user of Metro Mobility, said at this meeting she will stress comments that relate to her position at the University of Minnesota as a counselor for the disability service. She has heard numerous comments from students that they get there very late or not at all. This was true late last week. The students are so anxious about the system they are finding other ways to get to school rather than use the vans. One student had used it for many years and is very fluent in how it should work. She was so afraid she could not get to classes that are important to her that she used her three-wheel scooter to get to school. On one trip she was caught in the rain and the scooter shorted out, which is dangerous and resulted in a \$500 bill for repairs, which she must pay out of pocket. Yesterday an acquaintance told her that earlier in the week, after waiting six hours for a ride, he made it home on his own. A student who received a scholarship had to decline it because she could not get there. The system is getting better, but it is nothing to brag about and her faith is gone. She has been shuttled around the city for a long time. If ATE cannot do the job, she urged the board to find someone who can. Schreiber asked Juarez if her routing today was different than last week. Juarez said last week there was none except on Friday. Today and Friday it was fanned out rather than in a straight line.

There being no other business, Hunt moved and Humphrey seconded that the meeting be adjourned. The motion carried unanimously and the meeting was adjourned at 6:03 p.m.

I hereby certify that the foregoing constitutes a true and accurate record of the Regional Transit Board's meeting of October 18, 1993.

Respectfully submitted,



Mary Fitzgerald
Secretary of the Board

Approved by the Regional Transit Board on this fifteenth day of November 1993.



REPORT OF THE COMMITTEE OF THE WHOLE

At its meeting of October 11, 1993, the committee approved the following recommendations:

AUGUST 1993 FINANCIAL STATEMENTS

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

INSURANCE RENEWALS

That the Regional Transit Board authorize the executive director to renew the Regional Transit Board's insurance coverage for general liability, property, business auto, fidelity bond, and workers compensation for the period of October 24, 1993 through October 24, 1994 at a premium of \$9,293 with Insurance and Surety Specialists as the agent of record. In addition, the Regional Transit Board authorizes the executive director to place \$55,000 into the designated risk reserve fund for the purpose of self-insuring public officials liability coverage.

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OTHER BUSINESS

The committee reviewed the Metro Mobility restructuring problems at length and heard testimony from riders and advocates for persons with disabilities. General Murdock and Colonel Paisley of the National Guard and representatives of ATE updated the board on the service delivery issues.

**Ruth Franklin
Chair
Administration and Finance Committee**

mff
10/12/93

August 25, 1993

REGIONAL TRANSIT BOARD

ROLL CALL AND ATTENDANCE SHEET

DATE: 10/18

Member Name Present Vote Vote Vote Vote Vote Vote Vote Vote Vote

Res. 93-08

ISSUE

John Riley	<i>no</i>								
Michael Beard	<i>✓</i>					<i>7</i>			
Sharon Feess	<i>✓</i>	<i>sick</i>							
Ruth Franklin	<i>✓</i>					<i>2</i>			
Morgan Grant	<i>✓</i>					<i>7</i>			
Val M. Higgins	<i>✓</i>					<i>7</i>			
James Hovland	<i>✓</i>					<i>7</i>			
Gary Humphrey	<i>✓</i>					<i>7</i>			
Ruby Hunt	<i>✓</i>					<i>7</i>			
Harry Mares	<i>✓</i>					<i>7</i>			
Dennis Schulstad	<i>✓</i>					<i>7</i>			

Visitors

Staff

Korsland *Sachs*
Schreib *R. Bohn*
Eitz *Lin Radem*
Parsly *Carol Kummer*
Murdal *Linda Roehs*
mff *Dink Wotter*
Melanie *Tolly Lopez*
Beman *to go v*
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REGIONAL TRANSIT BOARD

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

DATE: October 18, 1993
TO: Chair and Members of the Regional Transit Board
FROM: Judith Hollander, Director of Planning and Programs
SUBJECT: Transportation Accessibility Advisory Committee (TAAC) Appointments

Summary

Action is requested by the board to approve the attached list of appointments for membership to the Transportation Accessibility Advisory Committee (TAAC).

Discussion

The TAAC has been formed by the Regional Transit Board to provide advice and make recommendations to the board on issues related to the accessibility of public transit services and the special transportation needs of elderly and disabled persons. Attached to this memorandum are tentative appointments by the board effective upon final board action. The remaining vacancies will be filled as quickly as possible with board action. Concluding the make-up of the committee, two members are selected by the Council on Disability and will serve at that organization's pleasure.

After the full compliment of TAAC has been selected, a chair person will then be appointed. Until a chair is selected, Ms. Dianna Krogstad will continue as acting chair of the committee.

The terms for all committee members shall be concurrent with that of the appointing RTB member. The committee chair and RTB liaison shall serve at the pleasure of the RTB chair.

Recommendation

That the Regional Transit Board approve appointments to the Transportation Accessibility Advisory Committee as proposed.

TENTATIVE TAAC APPOINTMENTS

<u>District/Board Member</u>	<u>Tentative Appointee</u>
A. Feess	Roosevelt Perkins
B. Hovland	David Bruflodt
C. Beard	Chuck Dustrud
D. Schulstad	Roseanne Severance
E. Franklin	Margo LaBeau
F. Mares	
G. Hunt	Dianna Krogstad
H. Humphrey	
Grant (Disabled Rep.)	Bill Blom
Higgins (Senior Rep.)	Roger Blohm
Riley (Chair)	
State Council on Disability	Kurt Strom Sharon Behrens



REGIONAL TRANSIT BOARD

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

Resolution 93-08

Resolution Commending Gerald (Jerry) Brechlin for His Service to the Regional Transit Board, Recognizing His Accomplishments and Honoring Him Upon Retirement

WHEREAS, Gerald (Jerry) Brechlin has been a dedicated employee of the Regional Transit Board since March 19, 1985; and

WHEREAS, Jerry has served in numerous capacities with the agency as fiscal analyst, manager of accounting and treasury, and as program auditor; and

WHEREAS, Jerry has made many significant contributions to the agency including developing the agency's first accounting system, arranging for resolution of the agency's early cash flow needs, establishing and preparing several annual agency budgets, establishing and contracting for annual audits of the agency's finances, and developing the procedures and process for auditing the programs under contract with the Regional Transit Board; and

WHEREAS, Jerry has performed his job responsibilities in a professional manner that placed the financial integrity of this agency always of utmost importance; and

WHEREAS, Jerry approached his daily duties in a pleasant manner that was always friendly and caring to his fellow staff members; and

WHEREAS, Jerry Brechlin is now retiring as a staff member of the Regional Transit Board.

NOW, THEREFORE, BE IT RESOLVED:

1. THAT the Board and Staff of the Regional Transit Board recognize the contributions of Jerry Brechlin and extend our gratitude and appreciation for his eight and one-half years of public service to our agency.
2. THAT the Board and Staff of the Regional Transit Board congratulate Jerry on his retirement from our agency and extend our best wishes for his future.

Adopted this 18th day of October 1993.

John Riley, Chair

Mary Fitzgerald, Secretary



REGIONAL TRANSIT BOARD

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

DATE: October 12, 1993
TO: Chair and Members of the Regional Transit Board
FROM: Randy Rosvold, Senior Planner *RR*
Elaine K. Bauer, Planner *EKB* *HS*
SUBJECT: Public Meetings on Proposed Route and Service Restructuring of North Suburban Lines Rice Street and Lexington Routes

SUMMARY

This memorandum is to inform you of two public meetings that have been scheduled on proposed route and service restructuring plans for North Suburban Lines Rice Street and Lexington Routes. The meetings have been scheduled on October 20, 1993: one at 12:00 noon, in Conference Room 2A, Mears Park Centre, downtown St. Paul; and one at 7:00 p.m. at Circle Pines City Hall. The target date to implement the proposed service restructuring proposal is January 3, 1994, to coincide with North Suburban Lines 1994 contract with the Regional Transit Board. This item is presented for informational purposes only. No action is requested.

BACKGROUND

The Rice Street Route and Lexington Route were identified as high subsidy routes that failed to meet RTB performance standards of \$3.25 subsidy per passenger during the monitoring period of July 1992 through July 1993.

The Rice Street Route begins in Lino Lakes, travels through Circle Pines, Lexington, Shoreview, North Oaks, Little Canada, Roseville, and St. Paul, mainly along Hodgson Road and Rice Street. The Rice Street Route operates all day service on weekdays and Saturdays. There is occasional midday service to Northtown Shopping Center in Blaine. The weekday service failed to meet the performance standards in seven of the twelve months, with an average of \$3.84 subsidy per passenger. Average daily ridership was 628 passengers.

The Lexington Route begins in Blaine, travels through Shoreview, Roseville, and St. Paul. The Lexington Route operates three a.m. and two p.m. peak trips. The Lexington Route failed to meet the performance standards in each of the 12 months the route was monitored, with an average of \$4.81 subsidy per passenger. Average daily ridership was 91 passengers.

DISCUSSION

In mid-September 1993, RTB staff conducted field checks on all trips on North Suburban Lines Rice Street and Lexington routes to document passenger boardings and alightings, to check on-time performance and schedule adherence, and to conduct onboard passenger surveys.

During the week of September 20, RTB staff met with the staff of affected communities to discuss NSL service and receive input and ideas on transit needs. Two public meetings on the proposed changes will be held on October 20.

Following is a summary of the proposed route and service changes for the Rice Street and Lexington Routes.

Rice Street Route - Weekday

- Simplify route structure and timetable.
- Reroute midday buses
- Improve service levels during middays. Service currently runs every 120 to 180 minutes. Propose service would operate every 60 minutes.
- Eliminate midday service to Northern Shoreview, Circle Pines, Lexington, and Lino Lakes, where service was found to be poorly patronized.
- Reroute peak hour trips to/from Shoreview, Circle Pines, Lexington, and Lino Lakes via I-694, I-35E. (New Express Service) There would be no impact on Little Canada.
- Create a route number to identify Rice Street bus service consistent with regular route service identification on the system.

Rice Street Route - Saturday

- Eliminate Saturday service in Blaine, Circle Pines, Lino Lakes, Lexington, and northern Shoreview.
- Simplify route structure and timetable.
- Mimic weekday midday service.
- Improve service levels during Saturdays. Service currently runs every 3 1/2 to 4 hours round trip. The proposed service would operate every 120 minutes.

Lexington Route

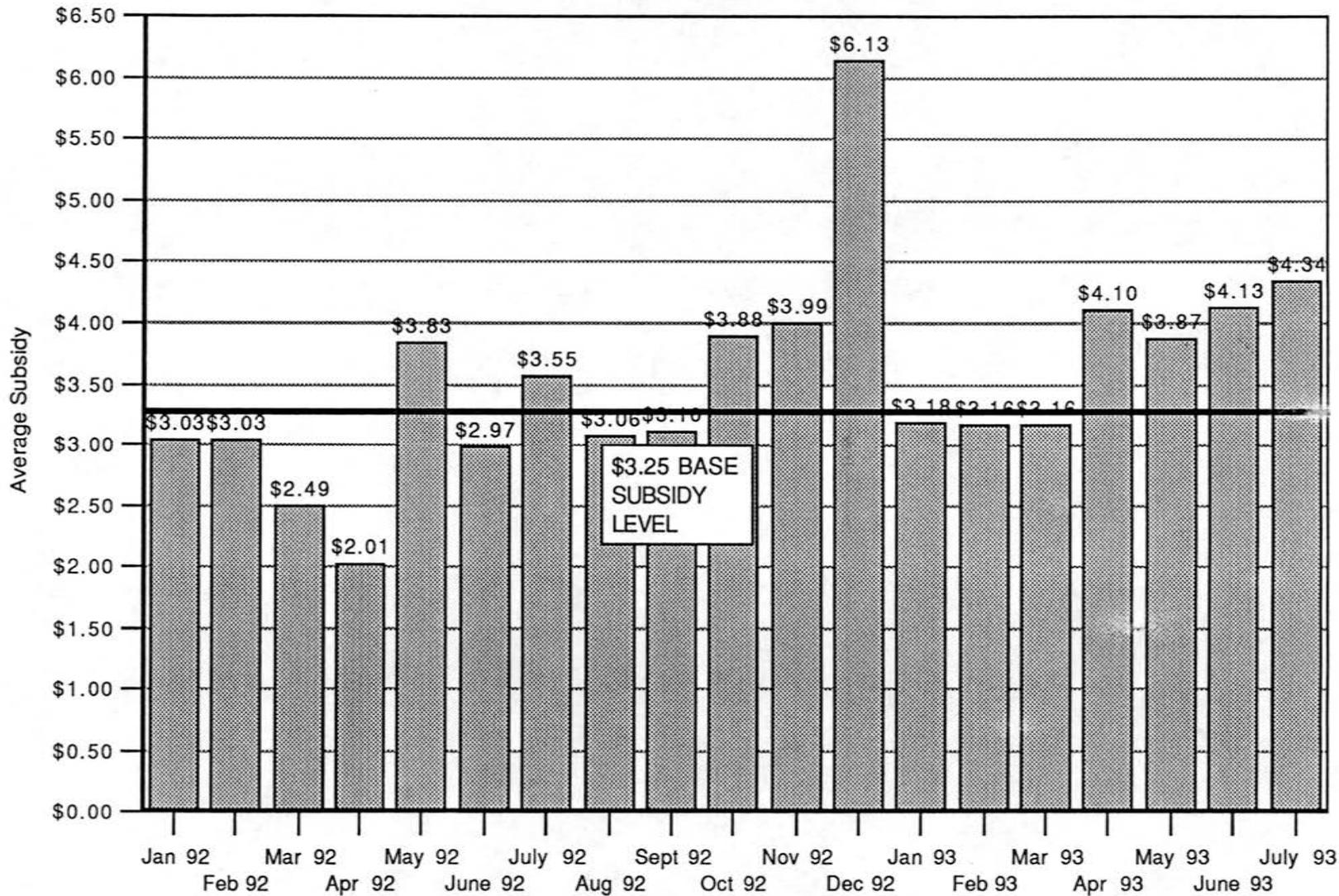
- Eliminate segments of the route that are poorly patronized:
 - Moundsview, Northern Shoreview
 - Segment in Roseville - County Road D, Victoria, Woodhill
- Reroute trips via Grand Pre Apartments
- Provide a balanced number of A.M. trips and P.M. trips. There are currently three A.M. trips inbound and two P.M. trips outbound. Propose three A.M. trips inbound and three P.M. trips outbound.

As a result of the proposed changes, the communities of Circle Pines, Lexington, and Lino Lakes would receive a lower tax levy for property taxes collected for transit operations.

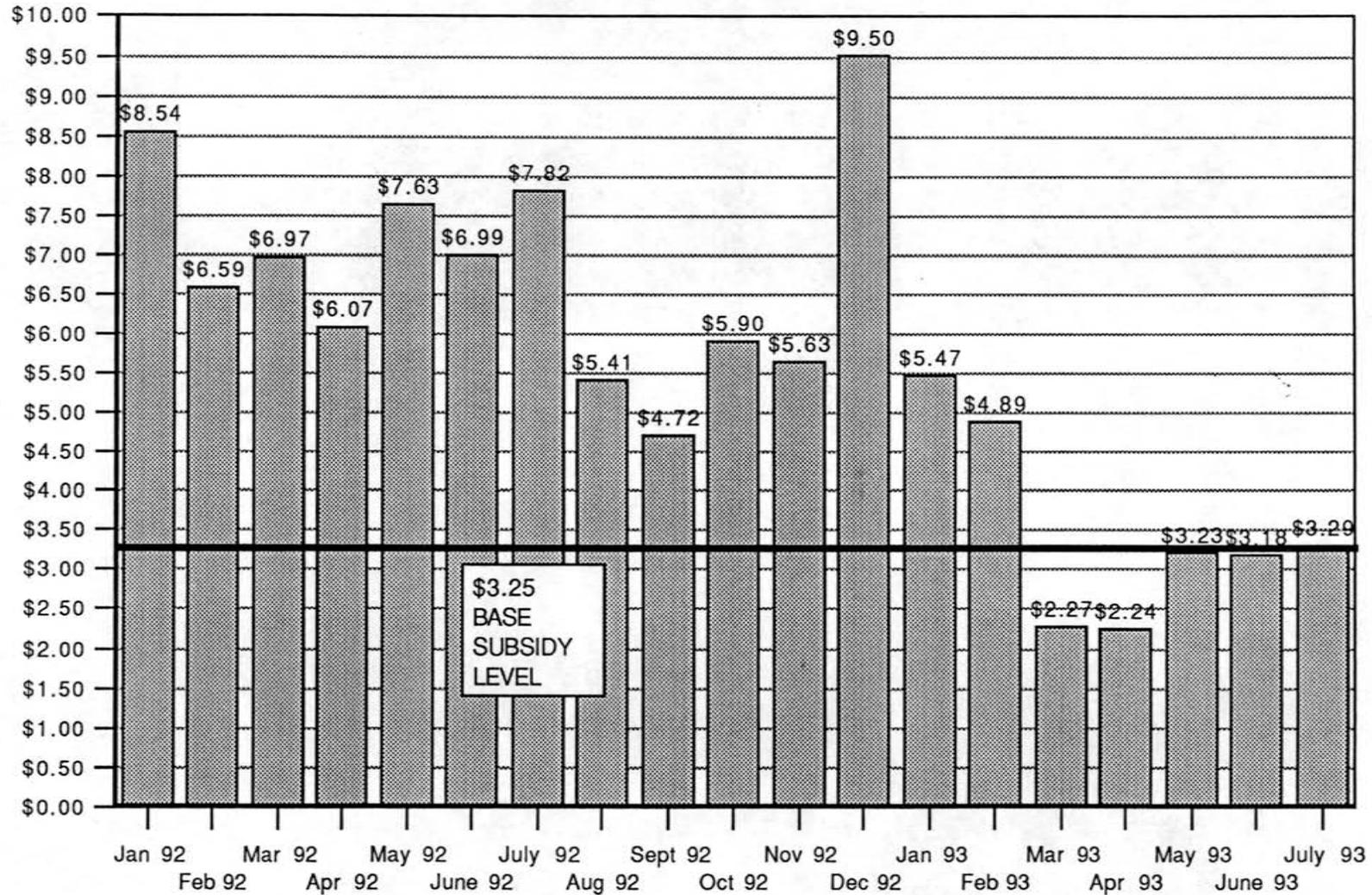
RECOMMENDATION

This item is presented for informational purposes only. No action is requested.

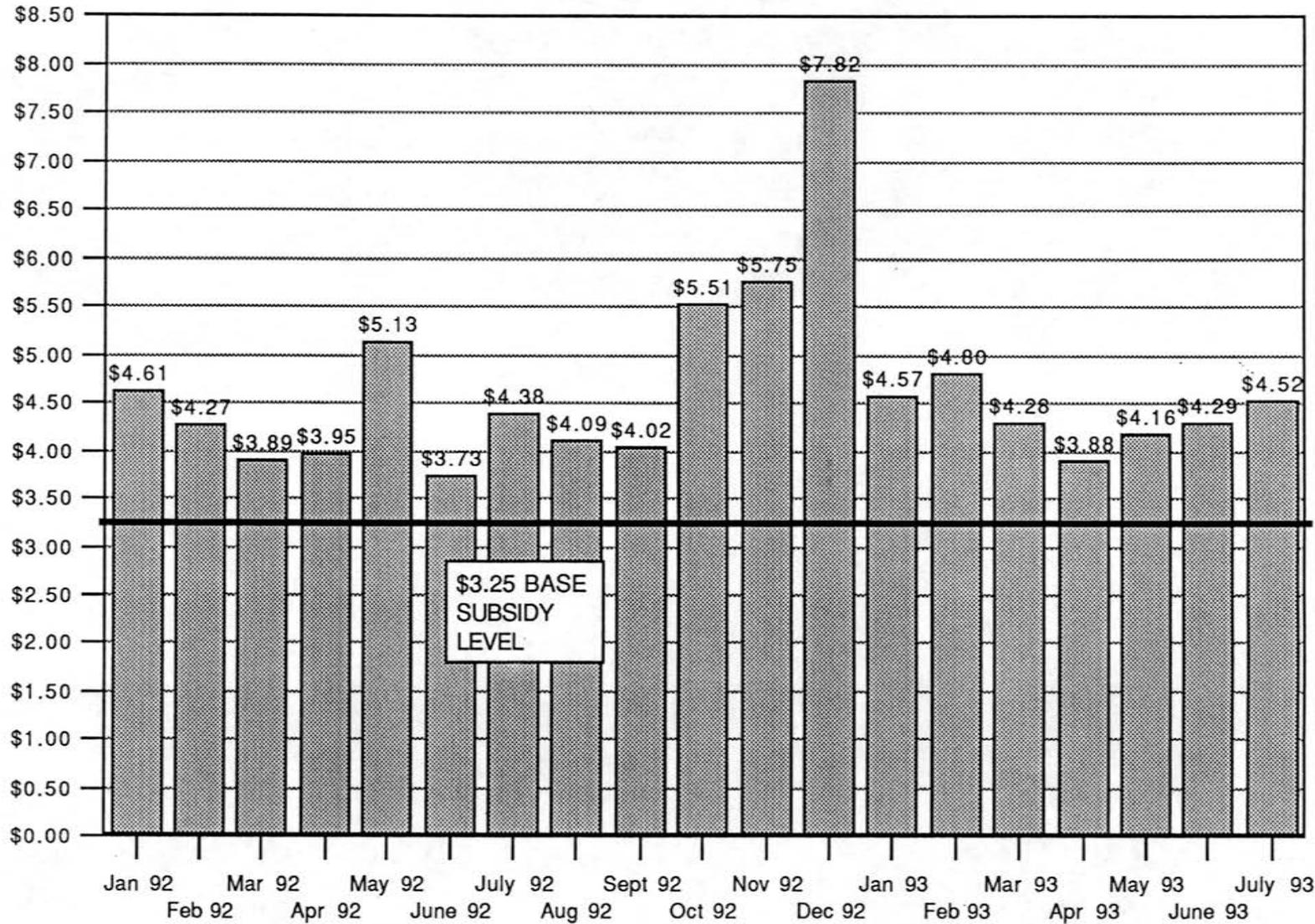
SUBSIDY PER PASSENGER RICE STREET WEEKDAY



SUBSIDY PER PASSENGER RICE STREET SATURDAY



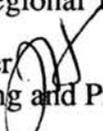
SUBSIDY PER PASSENGER LEXINGTON ROUTE



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REGIONAL TRANSIT BOARD

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

DATE: October 18, 1993
TO: Members of the Regional Transit Board
FROM: Judith G. Hollander, 
Director of Planning and Programs
SUBJECT: Metro Mobility Update and Staff Assessment of Situation

Review of the Past Week

Although a number of improvements were made to the Metro Mobility program this past week and overall scheduled trips stabilized near 4000 average weekday passenger trips, users still continued to experience significant difficulty using the system. RTB staff received frequent complaints about late rides, circuitous routing and discourteous MMSC staff members.

Improvements made during the past week included:

- implemented revised vehicle routing to decrease ride time and improve on-time performance;
- installed additional radio frequencies to provide better communication between drivers and dispatchers;
- installed additional phone lines/computer stations to reduce the wait time for riders calling the center;
- hired and trained additional reservationists to eliminate the "no answer" or busy signals;
- extended reservation hours so more reservations could be handled efficiently; and
- installed new customer service phone line (effective October 19).

The attached tables show that the total scheduled trips stabilized during the week and average call time for customers declined throughout the week despite more reservation times being reopened for customers. One of the tables shows a progressive decline of National Guard members in operation.

The Metropolitan Center for Independent Living installed a message line to accept consumers' concerns and experiences regarding Metro Mobility. We developed a standardized reporting form and a process that will be used to resolve any complaints quickly. Copies of the written descriptions of these calls are forwarded to the MMSC. RTB staff is also fielding constituent calls referred by the Governor's Office. Administrative staff has been devoted to this effort.

Progress on Target Goals

At the October 11 RTB meeting, target goals were established for the Metro Mobility Service Center, communications and fact-finding. Progress in each area follows.

Metro Mobility Update
October 18, 1993
Page 2

Metro Mobility Service Center

During the week of October 11, MMSC staff met daily with the RTB staff and then separately with providers. At the daily provider meetings, procedures were clarified and revised which appear to have eliminated several operational misunderstandings.

Mayflower, Handicabs and Metro Ride continued to hire drivers. Hiring progress reports suggest that there will be a sufficient number of drivers to operate Metro Mobility service without National Guard assistance after October 22, as long as the flexibility to transfer vehicles among those three companies continues.

Communications

During the past week, a number of communications with users were issued. First of all, MMSC distributed a daily "Metro Mobility Update" on all buses. They also faxed an information sheet to a number of organizations serving persons with disabilities. The RTB and MMSC jointly sent a letter to all certified users (see attachment) apologizing for any inconveniences they may have experienced.

Fact-Finding

RTB staff has been in touch with several individuals, including Ken Hosen of Ecosometrics, about seeking expert assistance in conducting an assessment of the transition and early identification and prevention of further significant issues. Staff would like to proceed to hire Mr. Hosen immediately. Additional assistance may be recommended later depending on preliminary findings.

Staff Assessment

Based on the information that we have at present and notwithstanding any other unforeseen circumstances, it appears that all of the target goals will be met by the end of the week. Progress continues on and we feel confident that the system will be running smoothly soon.

Although at this point in time we are confident that the MMSC efforts are steady and productive, RTB staff has begun to do some contingency planning in the event that the RTB feels that seeking additional options is necessary.

Staff first asked legal counsel to review the ATE contract to determine what steps would be necessary to take should termination of that contract appear viable. That memorandum and an executive summary of the contract have been provided to board members. Beyond that, staff has begun to identify additional options/measures that may be appropriate to take should progress not continue to be steady. These alternative actions relate to the RTB/ATE contract, personnel/administration/organization options, methods of ensuring adequate provision of service, and other major overhaul steps. These options are listed below.

Metro Mobility Update
October 18, 1993
Page 3

Contract

The RTB/ATE contract has very specific provisions for performance. RTB staff will enforce all contract provisions. Actions could include:

- Assess liquidated damages against ATE
- Take steps to terminate contract/hire supplemental service coordinator
- Take steps to terminate contract/return to former service design/contract with providers

Personnel/Administration/Organization

- Add staff
- Replace staff
- Make changes in current operating structure/management
- Make changes in RTB management oversight

Ensuring Adequate Provision

- Hire other providers
- Identify other interim public institutions other than National Guard to assist-- Mn/DOT, MTC who can provide staff
- Extend National Guard

Other

- Systemic overhaul based on fact-finding recommendations

At this time, staff recommends that we continue to meet daily with MMSC staff and work toward achieving target goals of operational efficiency and responsiveness. If steady progress is not achieved, staff will recommend alternative actions by the end of this week.



REGIONAL TRANSIT BOARD



October 12, 1993

Dear Metro Mobility Rider:

Please accept our heartfelt apologies for any inconvenience you may have experienced recently on the Metro Mobility system. While we remain confident that this new system will provide much more reliable and effective service when it is up and running, we do appreciate your patience with the interim problems.

There is no program the RTB provides that is more important than Metro Mobility. We pledge to bring in all the resources we need to ensure that persons with disabilities have access to the service they need. We also pledge to do a better job of communicating with you as this situation is corrected.

What happened? We will provide a complete report when we have the system working properly, but the immediate answer is this: a shortage of experienced drivers magnified what would otherwise have been significant startup challenges that are part of a major program transition such as this.

What are we doing about it? Plenty. We have zeroed in on the problems and are fixing them as quickly as possible. With the terrific assistance of the Minnesota National Guard, we are handling as many rides as we can in the short term. Meanwhile, additional drivers are being recruited and trained.

Our lead contractor, ATE, has brought in additional experts to correct problems in the system. They are expanding phone service in the Metro Mobility Service Center to handle your calls. In the meantime, we appreciate your cooperation in limiting calls to only essential calls.

We have made progress in the past week. The Metro Mobility Service Center is now accepting reservations for midday, evening and weekend service. We do ask your continuing cooperation to temporarily postpone any non-essential trips until further notice, particularly during the peak morning and afternoon hours. To schedule a ride, call 221-1928 (221-0014 TTY). For customer service (urgent calls only for now, please), call 221-1932.

Thank you again for your patience and understanding.

Sincerely,

Everyone at the Regional Transit Board
Everyone at the Metro Mobility Service Center

Notice to Metro Mobility Riders

The Metropolitan Center for Independent Living (MCIL) has set up a special phone line to collect your comments, ideas and experiences regarding the Metro Mobility program. The following paragraphs explain how the issues phone line will work. The Regional Transit Board appreciates the center's help during this difficult time. We look forward to hearing from you through the issues phone line.

Metro Mobility issues phone line set up

The Metropolitan Center for Independent Living has started a Metro Mobility issues line to give riders an opportunity to share their experiences -- both good and bad -- with Metro Mobility. The number to call is 334-7495 or 642-2515 TTY. You will have four minutes to record your information. Please indicate the time and date of the incident, the details, the result and your name. If you want to have someone call you back, please also leave your name and number.

The system will record 50 messages. The MCIL will have volunteers recording the information to share with the Regional Transit Board and with ATE, the company that manages the Metro Mobility Service Center. If you get a busy signal, please call again. Also, if you want to volunteer to record the messages from home, please call the number and leave that message.

If you have questions about the issues phone line, call the Metropolitan Center for Independent Living at 646-8342 or 642-2515 TTY.

Regional Transit Board
Mears Park Centre
230 East Fifth Street
St. Paul, MN 55101



Metro Mobility Service Center
245 E. Sixth Street, Suite 200
St. Paul, MN 55101

Bulk Rate
U.S. Postage
PAID
St. Paul, MN
Permit No. 4748

METRO

MOBILITY

The Metro Mobility logo consists of the word 'METRO' in a serif font above a stylized graphic of a wavy line with an arrow pointing to the right, and the word 'MOBILITY' in a serif font below it.

Our problem is not that we are about to die because we can't get to a doctor. We call 911 in an emergency like everybody else.

Our problem is that due to ATE's incompetence, indifference, and dishonesty in managing public transportation for people with disabilities in the Metro Area, we are totally screwed in any attempt to schedule our jobs, our attendant services, and our personal lives.

SOLUTION: Fire ATE. (The last job I, or anyone I know, fucked up this badly, we got fired). Keep the vehicles - we paid for them. Schedule centrally, with an efficient computer program, user friendly to the schedulers. I teach math in an alternative high school. I know several socially maladjusted 17 year old computer nerds who can write one better than what ATE has now. Assign rides to multiple providers - like a giant trip assurance program - and let them do the dispatching.

REFUTATION OF A SMALL NUMBER OF ATE's LIES

After several incidents where my home address and destination were switched, rides scheduled for 8 am got written down as 8 pm, and all of my rides late, late, late, these 2 instances stand out the most:

1. I called Friday, Oct. 15, for a ride from my home at 1106 Irving Ave. N in Minneapolis to Trans Health in St. Louis Park to spend any 2 hours of the business day of Monday, Oct. 18, at Trans Health getting my power chair fixed. I was offered a ride that would get me there at noon and pick me up six hours later, an hour after Trans Health closes. I was told no other rides were available. This does not constitute a legitimate offer of acceptable, comparable paratransit services. It IS A RIDE DENIAL to offer rides several hours different from the times needed that do not even conform to the regular business day.

2. I was transported from my home to the Coffman Union at the U of M Friday, Oct. 15, (two hours late). At 1:30 I called ATE (221-1928) and told them (Gary) to call me when I would actually be picked up - like when they were on their way, since it was raining and cold outside, and their performance of the past week left me little faith that I would be picked up anywhere close to 2 pm - my scheduled time. He said they would call me. At 4 pm, I called again, and was told their driver arrived at 2 and couldn't find me, so I was a no-show and had no way home. I reminded Gary of the arrangements, and asked why the driver or office hadn't called. He said, "We don't do that." (Evidently a policy change occurred in the intervening 2 hours). I told him I had artificial plumbing that would become a medical emergency around 6. He said they would put my name on a list. It occurred to me then that Linda Wolford, who lives in Golden Valley just north of me, would be going home from Coffman Union shortly. I asked Gary to check that out, and was told that Linda's standing order had her going home at 7:10. On checking with Linda, she told me that was her morning pickup time and that she was leaving at 4:30. I hooked up with her, her ride was late, I got home at 6 pm, leaking piss all over myself with my attendant having gone home already. I had a reception at my home for a writer from out of town at 7 pm.

**WE HAVE LIVES!!
STOP FUCKING WITH THEM!!!**

AN "EARTH-TO-RTB-AND THE-GENERAL-PUBLIC" MESSAGE:

Repeat this until you understand it:

"Our rides on Metro Mobility are NOT a medical issue.

We do not need the National Guard to rush us to the hospital.

Our rides on Metro Mobility - and the slow pace of making MTC busses accessible - is a

PUBLIC SERVICE and CIVIL RIGHTS issue."



Testimony Regarding Metro Mobility

**presented to the
Regional Transit Board**

October 18, 1993

handwritten: 10/18/93

I appreciate the opportunity to follow up on our testimony regarding the Metro Mobility system. My name is Linda Wolford. I am the Vice Chair of the Metropolitan Center for Independent Living and a user of Metro Mobility.

We know that you have taken our testimony seriously and we do appreciate the efforts of the staff of the Regional Transit Board (RTB) to find solutions to these problems.

You will recall that last Monday we requested specific action be taken on a number of issues which we felt were of greater importance than the driver shortage.

From our observation and discussion with riders, the telephone system is not much improved. We have been informed that a new customer service line has been added. The greatest concern is that the call will be answered when the van has not come and the rider is not sure of its status.

The computer is the greatest deficiency in the system. It hope to hear progress on this issue.

As you know, MCIL has started a Metro Mobility Issues Line to provide an opportunity for riders to share the problems they are having. In the first four days of operation we received 182 calls. Most of the issues related to reliability of services -- late rides or no shows, difficulty in reaching Metro Mobility and computer misinformation. We have shared the details of these calls with RTB staff and with ATE. We will continue to do so.

I would like to share additional information with you.

One practice of concern which is beginning is the reservationist negotiating with the rider to reschedule a ride. This is done at the time of the reservation. Our understanding was that is not the way it is supposed to operate. Is it counted as a trip denial if the reservationist does not schedule the ride?

- We have noticed an increase in the information supplied by ATE, particularly through its daily Metro Mobility Update. The challenge is to provide information which matches reality and is to be believed. This relates to the lack of trust riders have in the system. It is our believe that riders have cut back on their activities and plans in response to this crisis. The long term effect of this past two weeks concerns us greatly.

We have heard a variety of rumors on the past week. We pledge to confirm and to verify the information which we pass on to our constituents.

I would like to close by restated our concern for riders rights and again call upon the RTB to ensure that your policies are carried out. The system needs to be reliable, dependable and truly meet the needs of riders. If the current management cannot do it, then we urge you to replace them.

We feel it may be helpful for each member to join a rider as they attempt to call in to reserve a ride.
 We believe you will become quickly aware of the level of customer relations at ATE.

I would like to close by restated our concern for riders rights and again call upon the RTB to ensure that your policies are carried out. The system needs to be reliable, dependable and truly meet the needs of riders. If the current management cannot do it, then we urge you to replace them.

METRO MOBILITY ISSUES LINE STATISTICS

OCTOBER

	11&12	13	14	15	TOTAL
NUMBER OF CALLS	17	31	99	35	182
LATE RIDE	9	11	28	15	63
NO SHOW	3	11	23	7	44
DISCOURTEOUS DRIVER	2	3	2	1	8
PHONE BUSY	2	4	16	2	24
WRONG INFORMATION	1		1		2
RESERVATIONIST DISCOURTEOUS		2	4	1	7
COMPUTER - SCHEDULING PROBLEM	2	3	17	4	26
STANDING ORDER		1	4	1	6
LONG RIDE		1	1		2
SEAT BELT - TIEDOWN			3	2	5
PICKED UP TOO EARLY			5	1	6
LIFT OPERATION		1			1

RIDERSHIP STATISTICS

DAY	DATE	TOTAL TRIPS SCHEDULED	TOTAL DEMAND PROVIDED	TOTAL DEMAND SCHEDULE	TOTAL AGENCY TRIPS	NO- SHOWS	CANCELS
Sat	10/2	1624	589	812		47	176
Sun	10/3	1990	636	995		38	321
Mon	10/4	7751	1950	2977	1797	53	974
Tue	10/5	6735	1725	2478	1779	47	706
Wed	10/6	6480	1645	2335	1810	54	636
Thu	10/7	5889	1618	2057	1775	64	375
Fri	10/8	5533	1381	1864	1805	38	445
Sat	10/9	856	324	428		20	84
Sun	10/10	760	305	380		16	59
Mon	10/11	5787	1636	1995	1797	91	268
Tue	10/12	6305	1872	2263	1779	79	312
Wed	10/13	6300	1788	2245	1810	51	406
Thu	10/14	6079	1752	2152	1775	53	347
Fri	10/15	6019	1728	2107	1805	47	332
Sat	10/16	1360	542	680		20	118

		CALLS HANDLED	AVERAGE HOLD TIME	AVERAGE CALL TIME	CUSTOMER LATE REPORTS	CUSTOMER RESERVATION REQUESTS
Sat	10/2	1367	3:36	4:13	N/A	
Sun	10/3	874	2:52	4:23	N/A	
Mon	10/4	1999	2:57	3:10	570	
Tue	10/5	1866	2:31	2:48	668	
Wed	10/6	1737	2:38	2:32	542	
Thu	10/7	1521	2:36	2:31	458	
Fri	10/8	1681	2:53	2:33	424	
Sat	10/9	731	3:21	1:49	45	
Sun	10/10	595	5:33	6:15	29	1096
Mon	10/11	1224	5:26	4:24	272	1257
Tue	10/12	1121	5:11	4:22	277	1075
Wed	10/13	950	5:43	4:46	248	881
Thu	10/14	1372	4:33	4:05	233	1192
Fri	10/15	1372	4:47	4:05	243	1728
Sat	10/16	673	3:41	3:47	83	497
Sun	10/17	492	3:36	3:55	46	560

GUARDS IN OPERATION

	MAY- FLOWER	HANDI- CABS	METRO- RIDE	TOTAL	% OF ORIGINAL CONTINGENT
Thu 10/7	105	70	0	175	100.00%
Fri 10/8	76	68	0	144	82.29%
Sat 10/9	25	55	0	80	45.71%
Sun 10/10	25	52	0	77	44.00%
Mon 10/11	41	98	0	139	79.43%
Tue 10/12	34	78	0	112	64.00%
Wed 10/13	33	74	0	107	61.14%
Thu 10/14	33	76	0	109	62.29%
Fri 10/15	20	76	0	96	54.86%
Sat 10/16	37	26	0	63	36.00%
Sun 10/17	34	26	0	60	34.29%
Mon 10/18	10	44	0	54	30.86%
Tue 10/19	6	44	0	50	28.57%
Wed 10/20	6	34	0	40	22.86%
Thu 10/21	0	24	0	24	13.71%
Fri 10/22	0	10	0	10	5.71%
Sat 10/23	0	0	0	0	0.00%
Sun 10/24	0	0	0	0	0.00%

REGIONAL TRANSIT BOARD

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

DATE: October 15, 1993
TO: Members of the Regional Transit Board
FROM: Gregory L. Andrews, Executive Director
Judith G. Hollander, Director of Planning and Programs *GH*
SUBJECT: Background Materials on RTB/ATE Contract

Enclosed as background information for Monday's board discussion on Metro Mobility, is the following:

- (1) Summary of Agreement Between RTB and ATE Management and Service Company, Inc. for Metro Mobility System Coordinator Services, prepared by RTB counsel.
- (2) Copy of Agreement Between RTB and ATE Management and Service Company, Inc. for Metro Mobility System Coordinator Services.
- (3) Memorandum dated October 14, 1993 to Greg Andrews from Greg Korstad regarding Agreement Between RTB and ATE Management and Service Company, Inc. for Metro Mobility System Coordinator Services.

Additional information on the status of the Metro Mobility program, progress toward RTB targets, actions underway and prognosis for next week will also be available at Monday's meeting.

Please call either of us if you have any questions or would like any specific type of information made available to you.

Mary
for your file.

MEMORANDUM

LARKIN, HOFFMAN, DALY & LINDGREN, LTD.

Attorneys at Law
1500 Norwest Financial Center
7900 Xerxes Avenue South
Bloomington, Minnesota 55431
Telephone: (612) 835-3800
FAX: (612) 896-3333

TO: Gregory L. Andrews
Executive Director
Regional Transit Board

FROM: Gregory E. Korstad 

DATE: October 15, 1993

RE: Executive Summary: ATE Management and Service
Company, Inc., Metro Mobility System Coordinator
Agreement

This memorandum provides an outline of the Agreement Between the Regional Transit Board and ATE Management and Service Company, Inc., for Metro Mobility System Coordinator Services (the ATE Contract). The ATE Contract is one of the principal documents describing the framework for the new Metro Mobility service and documents ATE Management and Service Company, Inc. (ATE) obligations to provide coordinator services and vehicles for the Metro Mobility program. The other relevant documents are the RFP Response, the Statement of Work and the Operator Contracts. The principle contract provisions are identified below. Articles of the ATE Contract that are "boiler plate" or not specific to the Metro Mobility program are deleted.

Article 3: Term - ATE is obligated to provide coordinator services through October 1996. RTB has an option to extend the agreement for an additional 24 months.

Article 4: Statement of Work - ATE is obligated to perform services described in a work plan. These services include program administration, operator procurement and evaluation, centralized reservation scheduling and vehicle management, all in accordance with ATE's work plan.

RTB is obligated to pay ATE reimbursement of its expenses, plus a 13.5% management and corporate overhead fee up to a maximum annual amount which ranges from \$1.8 to \$2.1 million over the term. The ATE Agreement requires for documentation in order to obtain reimbursement expenses.

Article 7: Payment to Operators - ATE is required to pay operators immediately upon receipt of reimbursement from RTB.

Article 8: Performance Standards - The contract contains performance standards for system productivity after the first six months and places limits on customer ride time, customer telephone hold time, preventable accidents, and road calls which must be met under ATE's administration.

Liquidated damages amounts have been agreed upon for system productivity, ride time, telephone hold time, preventable accidents, and preventive maintenance. A productivity and budget savings incentive payment may be earned by ATE.

Article 9: Subcontracting - ATE is responsible for subcontracting any services not performed directly by ATE but only with RTB prior approval.

Article 15: Termination for Convenience - RTB has reserved the right, without cause or default by ATE, to terminate the ATE Agreement on 60 days' written notice. Thereafter RTB would be obligated to ATE only for costs incurred prior to the termination date and termination expenses. In any termination, RTB would be required to have a successor system coordinator to take over responsibility for vehicle payments (see Article 27 below).

Article 16: Default - RTB may also terminate the agreement for ATE's default on 10 days' notice if, after the notice is given, ATE does not cure the default.

Article 19: Documentation - ATE is required to maintain detailed records and submit a monthly summary report describing the manner in which the service was operated and evaluating performance against objectives and standards. RTB may audit ATE's performance and inspect its activities or property in order to determine that the ATE Contract obligations are being properly fulfilled.

Article 20: Indemnification - ATE agrees to defend the RTB for any loss to any person incident to ATE's performance.

Article 26: Capital Equipment - ATE agrees to acquire necessary capital equipment (i.e., computer, etc.) and to transfer title to those items to RTB once they have been fully amortized.

Article 27: Acquisition of Vehicles - Because RTB may not own transit vehicles, and in order to provide a regional fleet of uniform, new Metro Mobility vehicles, ATE has agreed to acquire 150 paratransit vehicles. RTB pays a monthly vehicle payment to ATE to reimburse the cost of acquiring the vehicles. ATE has assigned its right to the vehicle payments to its lender in order to obtain financing. Accordingly, RTB pays a portion of ATE's consideration under the contract directly to the bank that provided purchase money financing for the vehicles.

The vehicles have been financed on a five-year term equal to the duration of their useful life in transit service. Since the ATE Contract is initially for four years, a provision was made obligating ATE to transfer the vehicles to a successor operator if the ATE Contract is terminated or not renewed.

In addition, RTB has agreed with ATE's lender not to terminate the ATE Contract unless a successor to ATE has been designated to take over responsibility for the vehicle payments.

RFP Response and Statement of Work

The nuts and bolts of ATE's obligations are described in two documents: the Response to RTB's Request for Proposals for Operator Services; and the Statement of Work attached to the ATE Contract. Both of these documents contain a specific detailed description of the services proposed to be provided, the cost of those services, and standards against which performance would be measured. Those documents are incorporated into the ATE agreement by reference and should also be referred to in describing ATE's obligations.

Operator Contracts

In addition, ATE has begun, but not completed, a competitive procurement proceeding to obtain operator contracts. One operator contract has been executed with Mayflower Contract Services, Inc., obligating Mayflower Contract Services, Inc. (Mayflower), to operate 75 of the 150 new vehicles at a fixed rate per month, plus a fixed rate per vehicle per month, plus a variable rate per vehicle hour. Under the agreement between Regional Transit Board and ATE Management and Service Company, Inc., and Mayflower Contract Services, Inc., for operation of Metro Mobility Regional Paratransit Service (the Mayflower Agreement), Mayflower Contract Services, Inc. is obligated to provide drivers and operate Metro Mobility vehicles under the coordination and administration of ATE. The RTB does not directly administer operator activities. The Mayflower Contract provides for the payment of liquidated damages for failure to maintain on-time performance obligations. Liquidated damages are also assessed for failure to meet maintenance and other vehicle obligations. Payments are based on invoices audited by ATE's computer system. Under the Mayflower Contract, Mayflower agrees to indemnify both ATE and RTB from any claims relating to services provided by Mayflower.

AGREEMENT BETWEEN
REGIONAL TRANSIT BOARD
AND
ATE MANAGEMENT AND SERVICE COMPANY, INC.
FOR METRO MOBILITY SYSTEM
COORDINATOR SERVICES

THIS AGREEMENT, entered into this ____ day of _____, 19____, is made by and between the REGIONAL TRANSIT BOARD of Minneapolis-St. Paul, Minnesota (hereinafter referred to as the "RTB") and ATE MANAGEMENT AND SERVICE COMPANY, INC., a wholly owned subsidiary of Ryder System, Inc. (hereinafter referred to as "ATE").

WHEREAS, the RTB is authorized in accordance with Minnesota Statutes, Section 473.386 to enter into a contract for administration of the Metro Mobility program in the Minneapolis-St. Paul metropolitan area; and

WHEREAS, the RTB has determined that it requires Coordinator services for day-to-day administration, management and operation of the Metro Mobility program; and

WHEREAS, ATE has represented that it has the necessary expertise and personnel and is qualified to perform such services; and

WHEREAS, the RTB has authorized the execution of this Agreement;

NOW, THEREFORE, it is mutually understood and agreed as follows:

I. COMPLETE AGREEMENT

This Agreement, including all exhibits and other documents incorporated herein or made applicable by reference, constitutes the complete and exclusive statement of the terms and conditions of the agreement between RTB and ATE and it supersedes all prior representations, understandings and communications. The validity in whole or in part of any term or condition of this Agreement shall not affect the validity of other terms or conditions. Either party's failure to insist in any one or more instances upon the other party's performance of any term(s) or condition(s) of this Agreement shall not be construed as a waiver or relinquishment of either party's right to such performance, or to future performance, of such term(s) or condition(s) by the other party, and the parties' obligation in respect thereto shall continue in full force and effect. Changes hereto shall not be binding upon either party except when specifically confirmed in writing by an authorized representative of each party and issued in accordance with Article XIV hereof.

II. DEFINITIONS

For purposes of this Agreement, the following terms shall have the meanings stated:

A. SPECIAL TRANSPORTATION SERVICE

Special Transportation Service shall mean motor vehicle transportation provided on a regular basis by a public or private person designated to serve handicapped persons, elderly persons, and others with special transportation needs who are unable to use mainline bus service. Special transportation services shall be as authorized by Minn. Stat. § 174.31, Minn. Stat. § 473.386, and Minn. Rules Part 8840.0100 to 8840.6300.

B. COORDINATOR

Coordinator shall mean ATE Management and Service Company, Inc.

C. OPERATOR

Operator shall mean any public or private person, corporation, or entity that delivers special transportation services under contract with ATE.

D. CUSTOMER

Customer shall mean any eligible person or persons who receive or request Special Transportation Service.

E. VEHICLES

Vehicles shall mean the 150 paratransit vehicles to be acquired by ATE as Coordinator of the Metro Mobility program and to be used by the Operators to provide Special Transportation Service.

III. TERM

This Agreement for Coordinator services shall commence on May 18, 1993, and continue in full force and effect through October 1, 1996 (Initial Term), unless earlier terminated or extended as provided elsewhere in this Agreement.

The RTB may elect to extend the term of this Agreement for an additional twenty-four (24) months commencing October 2, 1996, and continuing through October 1, 1998 (Option Term), upon ATE's written agreement to continue to provide Coordinator services, and otherwise perform in accordance with this Agreement.

IV. STATEMENT OF WORK

ATE shall, upon receipt of a written notice to proceed from RTB, perform all work necessary to complete in a manner satisfactory to the RTB the Coordinator services set forth in Exhibit A, entitled "Statement of Work," which is attached to and made a part of this Agreement.

ATE shall also perform in accordance with its Proposal to RTB dated April 5, 1993, which is incorporated in this Agreement by reference. Any conflicts between the requirements of Exhibit A and the technical approach presented in ATE's proposal shall be referred to RTB for final resolution in accordance with Article XIII.

ATE shall provide full and competent technical services to handle and correct any and all problems that arise associated with the administration, management and operation of the system.

V. KEY PERSONNEL

ATE shall provide the persons named below to perform the corresponding functions shown, which persons are hereby designated as Key Personnel under this Agreement. No person named below, or his/her successor approved by RTB, shall be removed or replaced by ATE, nor shall his or her specified function or level of commitment hereunder be changed by ATE, without the prior written consent of RTB, whose reasonable consent will not be withheld.

Name	Function	Level of Commitment
Daniel Hibbert	General Manager	100%
Michael Rademacher	Assistant General Manager	100%
Linda Rother	Assistant General Manager	100%
Malcolm Diggs	Director of Safety and Training	100%

If RTB becomes dissatisfied with the performance of any person designated as Key Personnel under this Agreement, RTB shall so notify ATE in writing. Within ten (10) working days of receipt of such notice, ATE shall, at its sole discretion, either propose a replacement person for evaluation and approval by RTB or present to RTB a plan for correcting the incumbent's performance deficiencies within a period of thirty (30) days thereafter. If either RTB rejects the plan presented by ATE or the incumbent's performance deficiencies are not corrected to RTB's satisfaction within the thirty (30) day plan period approved by RTB, then ATE shall, within ten (10) working days after rejection of the plan or expiration of the 30-day plan period, provide interim management and shall, within thirty (30) days propose to RTB a replacement person for evaluation and approval by RTB.

VI. PAYMENT TO ATE

- A. The RTB agrees to pay ATE, reimbursement for all reasonable and necessary costs and expenses incurred in providing the services required hereunder, in addition to ATE's management fee of 10% and corporate overhead of 3.5% of such costs and expenses.
- B. Subject to the provisions of paragraph C below, no payment shall be made to or requested by ATE in excess of the following annual amounts:
- Initial Start-up Period (May 18, 1993 - October 1, 1993) - \$334,660
- Year One (October 2, 1993 - October 1, 1994) - \$1,825,889
- Year Two (October 2, 1994 - October 1, 1995) - \$1,901,418
- Year Three (October 2, 1995 - October 1, 1996) \$1,985,619
- Year Four (October 2, 1996 - October 1, 1997) \$2,077,210
- Year Five (October 2, 1997 - October 1, 1998) \$2,177,074
- C. ATE shall be responsible for compliance with the maximum reimbursement limit and shall notify RTB immediately if the maximum reimbursement limit is projected to be exceeded. The RTB and ATE recognize the changes in the Metro Mobility service may, from time to time, require changing the maximum reimbursement amount to reflect changes made by RTB in service standards or levels. ATE shall submit to RTB prior to August 1 of each year a budget for the following year. The budget submission shall contain justifications for any proposed changes and any request to revise the maximum reimbursement amount for the next year. Based on ATE's submission, RTB will negotiate the maximum reimbursement amount in accordance with Article XIV hereof.
- D. Payments shall be made by the RTB to ATE monthly, based on submission of a detailed request for funds. ATE will provide the RTB with a cover invoice summarizing all expenses to be reimbursed supported by actual invoice receipts, payroll registers and other documentation supporting the reimbursement request. Reimbursement of depreciated capital equipment (other than revenue vehicles) will be based on a straight line monthly payment schedule approved by the RTB including a rate of interest consistent with the current market rate for short term loans. Vehicle Payments (as defined hereinafter in Article XXVII) shall be separately stated or invoiced and shall be paid each month in advance pursuant to Article XXVII hereof. A monthly summary report in a form approved by the RTB shall accompany each request for funds. Each request for funds shall be submitted within fifteen (15) days after the end of the month in

which services are provided and shall be paid within fifteen (15) days after receipt by RTB on or before the first day of the succeeding month.

- E. As partial consideration for cost reimbursement, ATE shall deduct from its monthly invoices the price of all convenience tickets sold by ATE and any administrative fee collected under agency contracts.

Agencies under contract with ATE to subsidize Metro Mobility trips will be invoiced by ATE based on actual services provided. Payment of these invoices shall be made to ATE. ATE agrees to provide RTB with a monthly statement separating itemizing administrative fees from trip fees for purposes of reconciling invoices.

- F. The Request for Funds and Monthly Summary Report shall be sent to:

Regional Transit Board
Mears Park Centre, 7th Floor
230 East Fifth Street
St. Paul, MN 55101
Attn: Metro Mobility Project Manager

- G. ATE's final monthly payment under this Agreement (excluding any Vehicle Payment that may be due) shall be withheld until completion of a final contract audit by the RTB. The final audit shall be completed within sixty (60) calendar days of the final day of service provided by ATE. Upon completion of the final audit, the RTB shall make a final payment to ATE of any withheld payment due. Should the audit not be completed within this time period, ATE will be paid the entire amount of the final invoice.

All invoices and related records pertaining to performance under this Agreement are subject to annual audit by the RTB. If, as a result of an annual audit, it is determined that the RTB has overpaid ATE, ATE shall immediately refund to the RTB the amount of the overpayment. If it is determined that RTB has underpaid ATE, RTB shall immediately pay ATE the underpaid amount.

VII. PAYMENT TO OPERATORS

ATE shall hold contracts with Operators for dedicated service and shall have agreements with other companies for supplemental service.

ATE shall review and approve Operator invoices within the first fifteen (15) days of the month. Upon approving the invoices, ATE shall submit to the RTB, under separate cover, a request for reimbursement for all Operator invoices. Payment for Operator services shall be made to ATE not more than fifteen (15) days from submission by ATE. Payment shall be made by ATE to the Operator upon receipt of such funds from the RTB.

All operator invoices will be reviewed for accuracy by ATE. Only approved charges will be submitted to the RTB for reimbursement. ATE shall deduct from Operator invoices all cash fares collected and retained by the Operator.

VIII. PERFORMANCE STANDARDS

ATE shall ensure that minimum standards of performance be maintained by the Operators through its established practice of oversight, policy enforcement, and a system of liquidated damages and incentives contractually agreed to between ATE and the Operators.

A. SYSTEM STANDARDS

- System productivity will be at least 2.5 passengers per vehicle revenue hour after the first six months of operation.
- Customer ride time will not exceed 90 minutes within the Metro Mobility service area.
- Customers' telephone hold time will not exceed one minute.
- Preventable accidents will not exceed 2.4 accidents per 100,000 miles (based on a 12-month rolling average).
- All vehicles will receive preventive maintenance within the required time frames.
- Road calls will not exceed 1 call per 20,000 revenue hours of service.

B. LIQUIDATED DAMAGES AND INCENTIVES

During each month, ATE shall maintain a minimum standard of performance as outlined by the performance standards in Paragraph A of this Article. Failing to meet these standards during any one month period (except as otherwise provided) may result in a reduction in the management fee of the following amounts:

- System Productivity - .25 percentage point reduction in the management fee for every .1 passengers per hour not achieved to a maximum reduction of 1.0 percentage point.
- Ride Time - \$500 per month that the standard is not met.
- Telephone hold time - \$550 per month that the system average falls below standard.

- Preventable accidents - \$550 per month that the system average falls below standard.
- Preventive maintenance - \$55 per vehicle per month that preventive maintenance is not performed in the required time frames.

ATE and RTB acknowledge that monetary value of failure to meet performance standards is not capable of measurement and that the foregoing amount is a reasonable sum in order to provide partial compensation for loss arising out of failure to meet performance standards.

ATE may receive as an incentive for exceeding the performance standards through the following increases to its management fee:

- System productivity (passenger trips per hour) - .25 percentage point addition in the management fee for every .1 passengers per hour above the performance standard not to exceed 1.0 percentage points. In order to receive this incentive, there cannot be an increase in the ratio of valid complaints to total trips provided, comparing the current month with the previous three-month average.
- Budget - 10% of the savings achieved in the MMSC operating budget as measured by the actual invoiced amounts at the end of each budget year compared to the budgeted amounts in Section VI.

IX. SUBCONTRACTING BY ATE

ATE shall not assign or subcontract its obligations under this Agreement to any third parties, including operators of transit vehicles, unless RTB shall have first approved the subcontractor and the terms of any subcontract. The RTB may disapprove any such third party contracts. Consent by RTB to a subcontracting or assignment of ATE's obligations under this Agreement shall not relieve ATE of its primary responsibility for performance hereunder.

ATE shall have sole responsibility for determining that any subcontractor or assignee is able to adequately perform those duties proposed to be subcontracted. RTB has no control over the subcontractor's performance. Accordingly, ATE shall be responsible for both its act and those of its subordinates, employees and any and all subcontractors during the term of this Agreement. ATE shall be responsible for any and all claims made by any third party to the extent caused by any act or omission on the part of ATE's employees, its subcontractors or other persons while so engaged in any of the work or services to be rendered.

X. INDEPENDENT CONTRACTOR

Under the terms of this contract, ATE and its subcontractors shall be considered as independent contractors and have and retain full control and supervision of the services and full control over the employment and direct compensation and discharge of all persons employed by ATE and the respective subcontractor performing services under this Agreement.

Any and all employees of ATE, its subcontractors or other persons while engaged in the performance of any work or services required by ATE under this Agreement shall not be considered employees of the RTB, and any and all claims that may or might arise under the Workers' Compensation Act of Minnesota on behalf of said employees or other persons while so engaged to be the obligation of ATE or of the respective subcontractor employing such persons.

ATE agrees to be solely responsible for all matters relating to payment of ATE employees, including compliance with social security, all payroll taxes and withholdings, unemployment compensation, and all other regulations governing such matters.

ATE expressly acknowledges that nothing in this Article shall be construed to diminish RTB's rights with regard to the disposition of key personnel as set forth in Article V of this Agreement.

XI. INSURANCE

- A. ATE shall have in effect an insurance plan acceptable to RTB that will protect ATE, RTB and any other party having an interest deriving from this Agreement, from claims which may arise from ATE's acts or omissions or from the acts or omissions of ATE's subcontractors or Operators.
- B. During performance hereunder, and throughout the term of this Agreement, ATE shall maintain the insurance requirements specified in Exhibit A, which shall be full-coverage insurance not subject to self-insurance conditions (except that vehicle collision coverage may be self-insured and vehicle comprehensive coverage may incorporate a deductible), and ATE shall not, of its own initiative, cause such insurance to be canceled or materially changed during the term of this Agreement.
- C. Not less than ten (10) working days prior to commencement of this Agreement, ATE shall furnish to RTB a broker-issued certificate of insurance showing the required insurance coverages for ATE and further providing that:

- 1) RTB is named as an additional insured on the Comprehensive General Liability and Comprehensive Automobile Liability insurance with respect to performance hereunder; and
 - 2) The coverage shall be primary and noncontributory as to any other insurance with respect to performance hereunder; and
 - 3) Thirty (30) days prior written notice of cancellation or material change in insurance coverage to be given to RTB.
- D. Within ninety (90) days from the effective date of this Agreement, ATE shall furnish to RTB a copy of the actual policy endorsement(s) naming RTB as an additional insured as specified in paragraph C, subparagraph 1 of this article. Each endorsement shall state the insurance policy number, the policy term and the insurance coverages for which RTB is an additional insured.
- E. Within ninety (90) days from the effective date of the Operators' Agreements, ATE shall also provide RTB with copies of all Operators' policies and endorsements naming ATE and RTB as additional insured and meeting the Insurance requirements of this Article and Exhibit A.

XII. FORCE MAJEURE

Either party shall be excused from performing its obligations under this Agreement during the time and to the extent that it is prevented from performing by a cause beyond its control, including, but not limited to: any incidence of fire, flood, or strike; acts of God; commandeering of material, products, plants or facilities by the federal, state or local government; national fuel shortage; or a material act of omission by the other party, when satisfactory evidence of such cause is presented to the other party, and provided further that such nonperformance is beyond the reasonable control of, and is not due to the fault or negligence of the party not performing.

XIII. PRECEDENCE

Conflicting provisions hereof, if any, shall prevail in the following descending order of precedence: (1) the provisions of this Agreement; (2) the provisions of Exhibit A; (3) ATE's proposal to RTB dated April 5, 1993; (4) all other documents and sources cited or incorporated by reference in this Agreement.

XIV. CHANGES

- A. By written notice or order, RTB may, from time to time, order work suspension or make changes in the scope of service or schedules, or any other particular of Exhibit A, the Statement of Work, of this Agreement. IF any such change causes an increase or decrease in ATE's cost of services,

ATE shall promptly notify RTB thereof and assert its claim for adjustment of the maximum reimbursement limit for the current contract year within thirty (30) days after the change is ordered, and an equitable adjustment shall be made effective to the date of the change. However, nothing in this clause shall excuse ATE from proceeding immediately with the Agreement as changed.

- B. ATE acknowledges that during the term of this Agreement, RTB may decide to make changes in RTB's Metro Mobility program. If this occurs, ATE and RTB agree to negotiate in good faith any necessary changes in the terms and conditions of this Agreement. In the event the parties are unable to agree on such changes, either party shall have the right to terminate this Agreement in accordance with the provisions of Article XV hereof.
- C. Notwithstanding the provision of paragraphs A and B above, neither the maximum cumulative obligation nor the term of this Agreement shall be deemed to be changed except by specific written amendment to the Agreement signed by both parties indicating such change.

XV. TERMINATION FOR CONVENIENCE

RTB may, for its own convenience, terminate this Agreement at any time in whole or in part by giving ATE sixty (60) days written notice thereof. Upon receipt of said notice, ATE shall immediately take action not to incur any additional obligations, costs or expenses, except as may be reasonably necessary to terminate its activities. RTB shall pay ATE's reasonable and allowable costs, including the unamortized portion of all depreciable ATE owned equipment (excluding revenue vehicles), through the effective date of termination and those reasonably necessary costs incurred by ATE to terminate its activities under the Agreement. As a condition of such right to terminate, the RTB shall also require that any successor designated by RTB shall assume all of ATE's obligations relating to the Vehicles including without limitation, all obligations under any Notes, Note Agreement, Security Agreement or Fiscal Agency Agreement, or shall otherwise assume all such obligations. Thereafter, ATE shall have no further claims against RTB under this Agreement. All finished or unfinished documents and other materials procured or produced by ATE hereunder shall, at the option of RTB, become RTB property upon the date of such termination.

XVI. DEFAULT AND EXCESS REPROCUREMENT LIABILITY

RTB may terminate this Agreement for ATE's default if a federal or state proceeding for the relief of debtors is undertaken by or against ATE, or if ATE makes an assignment for the benefit of creditors, or if ATE breaches any material term(s) or violates any material provision(s) of this Agreement and does not cure such breach or violation within ten (10) calendar days after receipt of written notice thereof from RTB. ATE shall be liable for any and all reasonable costs of securing replacement services actually incurred by RTB as the direct result of such

default provided however, that any interruption in service resulting from seizure of the Vehicles by any financial institution having a security interest in the Vehicles due to RTB's failure to make any Vehicle Payment or failure to timely designate a successor Coordinator or any other act or omission by RTB, will not result in any ATE liability hereunder.

XVII. FEDERAL, STATE AND LOCAL LAWS

ATE warrants that in the performance of this Agreement, it shall comply with all applicable federal, state and local laws, statutes and ordinances and all lawful orders, rules and regulations promulgated thereunder.

XVIII. NOTICE OF LABOR DISPUTE

Whenever ATE has knowledge that any actual or potential labor dispute may delay performance of this Agreement, ATE shall immediately notify and submit all relevant information to RTB. ATE shall require a similar notice from its subcontractors.

XIX. DOCUMENTATION

A. RECORDS

ATE agrees to keep and maintain all records required by the RTB under this contract for a period of three (3) years from the date of final payment and to allow the RTB to copy and inspect all of the required records at any time during regular business hours.

Upon request, ATE shall furnish to the RTB copies of all reports required by law or regulation to be furnished to the RTB or any other governmental body or authority having legal jurisdiction over operational matters of ATE.

ATE shall, at the end of the term of this Agreement, turn over in a timely fashion any and all records relating to the work performed pursuant to this Agreement, if requested by RTB.

B. MANAGEMENT AND OPERATIONS REPORTS

ATE agrees to maintain operational records documenting the performance of the service. Operational records shall include, but are not limited to, the following:

1. Monthly Summary Report

ATE shall prepare and submit a Monthly Summary Report. This report shall include:

- a. Report of Coordinator activities, report of performance against management's objectives and standards, report of Operator performance, key operating statistics, and a description of Customer complaints, Operator contract violations and disposition.
- b. ATE shall use its best efforts to provide such additional information as may be reasonably requested by the RTB.

2. Financial Records

ATE shall separately account for all project expenditures and any other relevant financial records or documents. ATE and any subcontractors shall keep full and complete books of account following generally accepted accounting principles reflecting its operations pursuant to this Agreement.

C. **AUDITS**

As required by Minn. Stat. § 15.17, the records, books, documents and accounting procedures and practices of ATE and of any subcontractor relating to work performed pursuant to this Agreement shall be subject to audit and examination by the RTB and the legislative auditor or state auditor.

RTB shall make a final audit of records of performance of this Agreement. RTB may make annual audits of ATE's performance. ATE and the Operators shall permit the RTB or its designee to inspect, copy and audit such accounts, records, and business documents at any time during regular business hours, as they may relate to the performance under this Agreement, upon reasonable prior notice.

ATE shall deliver to the RTB within 30 days after completion a copy of any internal or external audit of this Agreement done by ATE or at its request or any the direction of any governmental agency or department.

D. **INSPECTIONS**

The RTB at its expense shall have the right in its discretion to monitor, examine and investigate all elements of ATE's activities or property associated with this Agreement. ATE shall cooperate with the RTB and assist with inspections as requested by the RTB and as authorized by Minn. Stat. § 473.375, subd. 6.

XX. INDEMNIFICATION

ATE undertakes and agrees to defend, indemnify and hold harmless the RTB and all of the RTB's board members, agents and employees from and against all suits and causes of action, claims, losses, demands, and expenses, including, but not limited to, attorneys' fees and costs of litigation, damage or liability of any nature whatsoever, for death or injury to any person, including ATE's employees and agents, or damage to or destruction of any property of either party hereto or of third parties, to the extent arising in any manner by reason of or incident to the performance of the contract on the part of ATE or a subcontractor.

XXI. NOTICE

All notices hereunder and communications regarding the obligations of the parties under this Agreement shall be effected by the delivery of said notices in person to the destinations specified below or by depositing said notices in the U.S. Mail, registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

RTB:
Regional Transit Board
230 East Fifth Street
Mears Park Centre, 7th Floor
St. Paul, Minnesota 55101

Attn: Metro Mobility
Project Manager

ATE:
ATE Management and Service
Company, Inc.
49 East Fourth Street, Suite 700
Cincinnati, Ohio 45202

Attn: Regional Vice President
Transit Contracting Division

XXII. EQUAL EMPLOYMENT OPPORTUNITY

In conjunction with the execution of its obligations hereunder, ATE agrees that it and any subcontractors hereunder in performing the work required by this Agreement shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, age, political affiliation, or sexual preference, and shall take affirmative actions to ensure applicants are employed and employees are treated during employment without regard to race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, age, political affiliation, or sexual preference in all matters including employment, upgrading, demoting, or transfer, recruitment or recruitment advertising; layoff, return from layoff or termination; rates of pay or other forms of compensation; and selection for training or apprenticeship.

ATE shall obtain and keep in force a certificate of compliance with the equal employment opportunity/affirmative action obligations of Minn. Stat. § 363.073,

or provide evidence of compliance with the provisions of House File 2596, enacted April 16, 1988.

XXIII. TARGETED GROUP BUSINESSES

ATE agrees to comply with Minnesota Statutes, Section 474.142 requiring contractors to make good faith efforts to encourage meaningful participation of targeted group businesses in the procurement of goods and service. "Targeted Group Business" means a small business designated by the Minnesota Commissioner of Administration under Minnesota Statutes, Section 16B.19, that is majority owned and operated by women, minorities, or persons with disabilities. Upon request, ATE will submit proof to the RTB of its good faith efforts made to comply with this section.

XXIV. AMERICANS WITH DISABILITIES ACT OF 1990

ATE hereby agrees that it will comply with the Americans with Disabilities Act of 1990 and all rules and regulations thereunder, including those imposed by the U.S. Department of Transportation, and that, in accordance with the Americans with Disabilities Act, no Qualified Disabled Person shall, by reason of such disability, be excluded from the participation in or be denied the benefits of transportation services, programs or activities or otherwise be subject to discrimination.

XXV. DISPUTES

Any dispute under this Agreement that the parties agree to arbitrate shall be settled in accordance with the rules and procedures of the American Arbitration Association. This Agreement shall be governed by the laws of Minnesota.

XXVI. CAPITAL EQUIPMENT

ATE shall be liable to RTB for damage to or loss of non-revenue vehicle capital equipment or property funded by RTB for ATE's possession and use under this Agreement. ATE's liability in this regard shall include, but not be limited to, damage or loss caused by collision, negligence, abuse, vandalism, fire or theft, but in no event shall such liability exceed the replacement cost of the capital equipment, or other property so damaged or lost. All non-vehicle capital equipment purchased hereunder shall become the property of RTB at the time it is fully reimbursed to ATE.

Unless otherwise provided in this Agreement, upon delivery to ATE or manufacture or acquisition by it of any materials, parts, tooling or other property for which RTB has provided funding to ATE, ATE assumes the risk of, and shall be responsible for, any damage to or loss of such property. ATE will ensure that the Operators' insurance policies required hereunder are maintained in force, that the capital equipment is maintained to the standards provided in ATE's agreements with the Operators, and will exert reasonable efforts to ensure that due

care is taken to protect and preserve the capital equipment. In any event, upon the conclusion of this Agreement or upon demand by RTB, ATE shall return such property to RTB in the condition in which it was received, except for reasonable wear and tear and except for such property as has been reasonably consumed in performance of work under this Agreement.

XXVII. ACQUISITION OF VEHICLES

ATE and RTB agree that in order for the Operators to provide the Special Transportation Services to be coordinated by ATE under this Agreement, a fleet of 150 paratransit vehicles (collectively the "Vehicles") will be required. ATE hereby agrees to acquire the Vehicles and to dedicate the use of such Vehicles solely to the performance of the Special Transportation Services to be performed by the Operators. A description of the Vehicles is attached to this Agreement as Exhibit B.

In consideration of the acquisition of the Vehicles by ATE, RTB agrees to pay to ATE the monthly amounts in the payment schedule attached to this Agreement as Exhibit C. Said payments are hereinafter referred to as the "Vehicle Payments." The RTB agrees that it will be solely responsible for all costs, expenses or penalties imposed by the financial institution providing financing for the Vehicles, as a result of any late Vehicle Payments from RTB to ATE or any designated fiscal agent.

Payments made pursuant to this Article shall be in addition to all other amounts required to be paid by RTB under this Agreement. So long as ATE shall acquire and dedicate at all times 150 Vehicles for use by the Operators in the performance of this Agreement, there shall be no reduction or abatement in the amount of the Vehicle Payments on account of the theft, loss, destruction or damage to any Vehicle whether caused by collision, negligence, abuse, vandalism or fire.

RTB acknowledges and agrees that the Vehicle Payments may be assigned by ATE to a bank or other financial institution (the "Assignee") which has provided financing to ATE to finance the acquisition of the Vehicles. At the request of ATE, RTB will provide written acknowledgment of such assignment to the Assignee and shall agree to make all Vehicle Payments to such financial institution or to such fiscal agent as ATE and the Assignee shall direct. All such payments shall be in the form of wire transfer of immediately available funds to such bank account as ATE and such Assignee shall direct and shall be accompanied by a remittance advice designating such as Vehicle Payments. RTB's failure to pay any such Vehicle Payment within ten (10) days of the due date shall constitute a default by RTB hereunder, and if any such default is not cured after notice from ATE, Assignee or any fiscal agent and upon Assignee's exercise of any remedy it may have under the Security Agreement between ATE and Assignee, ATE may terminate this Agreement without any further obligation or liability hereunder, but in no event shall any such termination relieve the RTB of its obligation to pay ATE for services, expenses, and other reimbursement amounts due through the

date of such termination, including the unamortized portion of all ATE owned depreciable equipment, in addition to the reasonably necessary costs of termination (including any interest accrued and payable to the Assignee through the date of termination).

In the event of a termination of this Agreement for any reason, provided the RTB is not in default of any payment due to ATE hereunder, ATE will transfer all Vehicles to any successor Coordinator or service provider designated by the RTB, upon assumption by such successor of all obligations of ATE under this Agreement and any agreement related hereto including, without limitation, any Security Agreement, Note Agreement, Fiscal Agency Agreement, etc., relating to the Vehicles, and upon the written release of ATE from all obligations under any and all such agreements. RTB agrees to require that any such successor assume all the foregoing obligations of ATE under the aforementioned agreements, or to otherwise assume any and all obligations and liabilities under said agreements, if no successor is designated. RTB further agrees that under no circumstances will ATE have any residual liability for the Vehicles.

RTB acknowledges that ATE has granted to the Assignee a security interest in the Vehicles in order to induce the Assignee to provide financing without recourse to ATE for the acquisition of the Vehicles. ATE agrees not to allow any additional incumbrance, lien, or security interest other than the security interest to the Assignee to be placed on the vehicles. RTB acknowledges and agrees that in the event that (i) RTB shall elect to terminate this Agreement pursuant to the provision of Article XV without designating a successor Coordinator or service provider (regardless of whether such termination shall have been caused by any action or inaction on the part of ATE), (ii) RTB shall fail to make the Vehicle Payments as provided herein (regardless of whether such failure shall have been caused by any action or inaction on the part of ATE or the failure or alleged failure on the part of ATE to fulfill its obligations to RTB hereunder), and fails to cure such failure or (iii) an Event of Default shall exist under the Security Agreement between ATE and the Assignee, then the Vehicles may be seized by the Assignee or its agents and disposed of in accordance with the terms of the Security Agreement. RTB further acknowledges that this Agreement is subject to the rights of the Assignee under the Security Agreement and related agreements, and RTB agrees that no breach or default by ATE shall arise hereunder upon the exercise of Assignee's rights under the Security Agreement, as a result of the acts or omissions of the RTB.

SIGNATURES

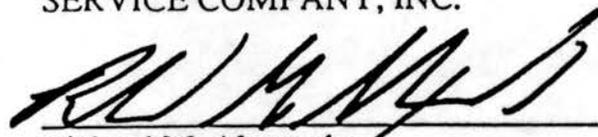
IN WITNESS WHEREOF, the parties signed below have caused this Agreement to be executed.

REGIONAL TRANSIT BOARD



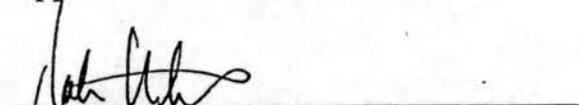
Gregory L. Andrews
Its: Executive Director
230 East Fifth Street
Mears Park Centre, 7th Floor
St. Paul, Minnesota 55101

ATE MANAGEMENT AND
SERVICE COMPANY, INC.

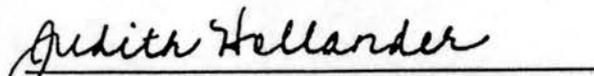


Richard M. Alexander
Its: Regional Vice President
49 East Fourth Street, Suite 700
Cincinnati, Ohio 45202

Approved as to form:



Dale Ulrich, Comptroller



Judith Hollander, Director of
Planning and Programs

Exhibit A

STATEMENT OF WORK

This statement of work covers both the start up and the ongoing tasks required of ATE in performing the Metro Mobility Service Center (MMSC) functions.

Metro Mobility will operate during the same hours that fixed route bus service is available. In the central cities, Minneapolis and St. Paul, and in several surrounding suburbs, the hours will be 5:00 a.m. to 1:00 a.m. In certain other first-ring suburbs, the hours will be 6:00 a.m. to 11:00 p.m., initially. Future changes in service hours may be made to coincide with fixed route bus service. Transfers will be coordinated in conjunction with the local county programs whose service areas overlap or lie outside of the Metro Mobility service area.

1. PROGRAM ADMINISTRATION

ATE will have overall responsibility for managing the Metro Mobility service for the RTB.

ATE will ensure that Metro Mobility is meeting all local, state and federal requirements, including the Minnesota special transportation service (STS) operating standards and the Americans with Disabilities Act (ADA) regulations and requirements. Following are the basic administrative tasks that are required of ATE.

1.1 *Secure a facility for the system management.*

- a. All MMSC staff should be housed at this facility.
- b. The facility should be located within the core area in a central location, easily accessible to persons requesting certification in the Metro Mobility program.
- c. The facility must meet all local, state and federal ADA accessibility requirements.
- d. The facility must be large enough to house all staff with enough space to ensure a proper work atmosphere in any weather condition.

1.2 *Establish a uniform set of policies and procedures.* ATE will develop a full set of policies and procedures for all staff involved in the program, whether an employee of the MMSC or the vehicle operators. These policies and procedures will be subject to RTB review. ATE and each operator will at all times adhere to the Minnesota Rules regarding the provision of Special Transportation Services, Parts 8840.5100 to 8840.6300.

ATE will perform the following activities:

- a. Establish policies and procedures for all operator staffs including drivers, managers and mechanics.
- b. Establish policies and procedures for all MMSC staff and ensure compatibility with operator policies.
- c. Establish drug and alcohol testing procedures for the Metro Mobility program that are fully compatible with local, state and federal rules. ATE will be responsible for ensuring that each operator adheres to these requirements.

1.3 *Develop documents to procure operator services.*

- a. ATE will subcontract with up to three operators, in addition to establishing arrangements for supplementary service. Request for Proposals (RFPs) will be prepared and sent to all local and national management and operating firms.
- b. The RTB prefers that all operators be available in all regions of the service area. This will serve to increase the flexibility of the MMSC in terms of using the most appropriate vehicle for a particular run. Operators should not be contractually restricted to a region.
- c. ATE will perform analysis to determine the number of service hours necessary to meet the demand and the potential productivity of the service.

1.4 *Perform procurement of operator services.*

- a. ATE will release RFP(s) to procure operators for the Metro Mobility program. These operators will contract directly with ATE.

- b. The RTB must approve the award of all subcontracts for operations services and will work closely with ATE in the procurement process.
- c. RTB may allow ATE to operate service if it is in the best interests of Metro Mobility to do so.

1.5 *Secure and monitor insurance requirements.* ATE will be required to ensure that each operator has in force the required amounts of insurance to properly protect the operator, ATE and the RTB. In addition, ATE must also have appropriate levels of coverage.

a. ATE must maintain the following insurance in force during the life of the contract. Said liability policies shall provide that RTB be named as additional insured for contractors full limits of coverage. This insurance will protect the contractor and RTB from claims which may arise from the contractor's or subcontractor's acts or omissions. It includes:

i. Workers Compensation and Employers Liability Insurance in accordance with the laws of the State of Minnesota.

ii. Comprehensive General Liability Insurance for:

- Premises/operations
- Contractual liability
- Personal injury
- Products/completed operations
- Property damage

with the following minimum limits of liability:

- \$1,000,000 -- Per occurrence for bodily injury,
- \$1,000,000 -- Per occurrence for property damage,
- \$2,000,000 -- combined single limits

iii. Business Automobile Liability Insurance, to cover the use of all owned, hired, and non-owned vehicles. The minimum liability limits will be the following:

- \$2,000,000 -- per occurrence for bodily injury,

- \$2,000,000 -- per occurrence for property damage,
 - \$4,000,000 -- combined single limits.
- iv. Professional Liability Insurance covering the contractor, its agents and employees in an amount not less than \$1,000,000. This insurance will cover errors and omissions.
- b. ATE will ensure that all operators of service adhere, at a minimum, to the same level of insurance as spelled out above. This insurance will protect the operator, ATE and RTB from claims which, may arise from the subcontractor's acts or omissions.
- 1.6 *Oversee fare collection management* . The operators will retain the fare collected as part of their contractual rate. ATE will be responsible for monitoring and ensuring that the operator reports are accurate, so that the operators are paid the adjusted monthly rate based on the fares they were required to collect.
- a. Through the MMSC computer, ATE should be able to calculate the fare for each passenger and the correct dollar amount that should be collected by each operator. This will be reconciled with the amounts reported by the operators, and deducted from the operators monthly rate.
 - b. ATE will ensure that the operators are utilizing standard transit industry fare collection procedures in the collection and counting of fare revenue.

2. VEHICLE MANAGEMENT

ATE will procure and lease the vehicles and associated equipment for use in the Metro Mobility service.

- 2.1 ATE will be responsible for determining the type and number of vehicles needed and the necessary specifications. ATE will also assist RTB in developing a vehicle paint scheme and logo for Metro Mobility.
- 2.2 If all of the new vehicles procured are not available at the time that service is to be implemented, on October 1, 1993, or if the number to be procured is insufficient, ATE will be responsible to supply vehicles for the short

term, if needed; this may involve relying on used vehicles available from the operators during an interim period. ATE will ensure that radios will be installed in the various vehicles at the start-up using short term vehicles, and during a transition to new vehicles.

- 2.3 ATE will ensure that all new vehicles used in Metro Mobility service fully comply with the ADA regulations on vehicle standards for this type of service.
- 2.4 ATE will ensure that each vehicle is in compliance with Minnesota Rules, Parts 8840.5100 to 8840.6300. This includes ensuring that each operator is in compliance, with proper licenses and inspections. In addition, ATE will be responsible for ensuring that the vehicles are delivered as specified with the correct paint scheme and logo.
- 2.5 ATE will be responsible for ensuring that the operators properly maintain the vehicles according to strict standards developed by the RTB and ATE. It will be ATE's responsibility to ensure the condition of the capital equipment does not deteriorate from inadequate maintenance or neglect. ATE should give preference to operators that have indoor storage.
- 2.6 ATE will develop all forms and procedures to properly track maintenance and may elect to track each vehicle's record using software developed for that purpose. It may also be advantageous to have direct modem links to the operators so that they can enter the necessary data.

3. ADA ELIGIBILITY CERTIFICATION

The MMSC will conduct the eligibility certification of passengers for the Metro Mobility program. ATE will develop the procedures and forms based on the RTB's specifications. The eligibility process will be composed of the following elements that will be the responsibility of the MMSC:

- 3.1 Develop and distribute information regarding the Metro Mobility service and how one can apply for the service, making certain that all information brochures and forms used in the certification process are in accessible formats, as required under ADA.

- 3.2 Review applications and determine eligibility for the service, based on guidelines established by RTB and currently used by the Metro Mobility Administrative Center (MMAC). Notify applicants of their eligibility or ineligibility and provide the proper documentation for those accepted, and an explanation of why persons were not deemed eligible, and the procedures to file for an appeal to the eligibility determination.
 - 3.3 In 1994, recertify all eligible passengers over a 12-month period.
 - 3.4 Provide a telephone number as well as TTY and fax (can be part of customer services) for persons with questions regarding ADA issues.
 - 3.5 Provide support to RTB in determining which fixed routes should be made accessible first regarding changes to the RTB's annual update of its ADA plan.
 - 3.6 Ensure that the certification function will be staffed or that subcontracts with other qualified firms are established as needed.
4. CENTRALIZED RESERVATIONS, SCHEDULING AND DISPATCH (CRSD)

ATE will assume full responsibility for the reservations, scheduling and dispatch functions. In addition, the system must be able to distinguish between funding sources for billing purposes. This is a key element to the success of the service. It is expected that with the centralization of scheduling functions, the productivity will increase significantly, reducing the system's overall costs. Current productivity is estimated to be approximately 2.1 passengers per vehicle hour. A 10 percent improvement in productivity is the immediate goal, to be achieved in the first month, with further improvements over time. Productivity should be at 2.5 passengers per paid vehicle hour by the end of the sixth month of the contract, for the dedicated vehicle portion of service; and productivity should continue to improve over the life of the contract.

The following is required:

- 4.1 RTB prefers to have costs for the computer hardware as well as telephone hardware based on a five-year contract at which time the hardware becomes the property of RTB.

4.2 ATE will provide software and hardware to assist in the client registration, trip reservation, scheduling, dispatching, data entry and management information functions. RTB reserves the right to reject any software proposals for these functions. RTB is interested in software that has a proven track record in the preparation field. The software selected should adhere to the following recommendations:

- a. Functional Specifications. The software offered must be able to meet the functional specifications detailed in Appendix D of the RTB's Request for Proposals document dated February 1, 1993.
- b. Computer Assisted Scheduling. The scheduling process should be "computer assisted" rather than automated. The computer assist mode should be able to provide the scheduler with suggestions and the capability to perform sort functions.
- c. Call Backs. The MMSC must limit the number of "call backs," those trips requests that have not been confirmed or need to be changed due to a scheduling need. Call backs cannot exceed 10 percent of the persons requesting demand trips for a given day (5 percent of the one-way demand trips). Passengers must be notified of a pick-up time change by no later than 9 p.m. the day prior to the service.
- d. Geo-Coding. The computer system must be set up with a fully functioning geo-coded data base for all street addresses. When a street address is entered as an origin or destination the appropriate zone or coordinate will be displayed and then communicated to scheduling and dispatch staff as well as drivers on their manifests. RTB prefers that the geo-coding be based on the local book map.
- e. Geographic Information System. The software should have the capability to integrate GIS functions into the system software. GIS can be used to plot origins and destinations, and allow the scheduler or dispatcher to visually depict the locations of these stops. While this is not a high priority at this time, RTB would like to have the visual capabilities of GIS within the next two years.

- f. Linkage with Operators. ATE should provide a computer link between the MMSC and the operators for the purpose of sending schedules to remote printers and for operators to download ridership information, if necessary.
- g. On Board Data Reconciliation. RTB desires to have on board data reconciliation capabilities through the use of MDT or other appropriate technology. With current ridership it will be cost effective to utilize on board reconciliation for one time data entry. RTB prefers to use a technology that can also be used for digital dispatch purposes. ATE will make software changes required to install this technology.
- h. System Hardware. The hardware will be proven in the field and be able to function at the speed necessary to allow a reservation clerk to fully book a trip within 4 minutes of initiating the call. Speed is of the essence for scheduling and dispatch purposes as well. The computer system should be PC based using 486 micro computer technology. ATE will be responsible for the maintenance of the hardware and will ensure that the link between the operators and the MMSC is functioning properly. The system should also have a back up capability that can immediately function in the event of a failure of the primary machine, or in the event of a power outage.
- i. Support Services Required. RTB needs to be assured that the computer system will be supported in the future. ATE will be responsible for bringing the system to a functional state that is satisfactory to RTB.
- i. Installation/Implementation. ATE will install in the software a sophisticated database of streets. For a service area the size of Metro Mobility, this is a very substantial task that will require significant vendor time as well as MMSC staff time. The following is required:
- ATE will use the book map for geo-coding purposes.
 - ATE will provide and implement an installation plan to include:

- Implementation time frames -- the RTB expects a fully functioning on-line system within 75 days of the notice to proceed.
 - ATE will download the existing client files from the existing administering agency's computer and install on the new system.
 - ATE will specify the information to be used to set up the geo-code database (tiger files, city/county data, zones, etc.).
- ii. *Computer System Training.* Training is an essential component of successful implementation. Training should be comprehensive and complete for all staff involved in the operation of the system. A plan should be developed that will accomplish the training of staff. Training should be accomplished by persons well versed with the system, not a local contractor without experience in operating the system. A computer system operator should also be trained to be able to deal with a large variety of day-to-day problems. ATE is responsible to provide a detailed training plan.
 - iii. *Quality Control.* ATE must ensure that the data entered into the database is accurate and dependable, and that it stays that way for the life of the contract as the service area changes over time.
 - iv. *On Going Maintenance Support.* RTB must be assured that software support will be provided for as long as the software is used. ATE must supply the RTB with periodic upgrades to ensure that RTB has a high quality product.

The other aspect of maintenance is response time to problems. If there is a system failure or other problem, RTB needs to be assured that ATE will respond immediately to fix it so that service is not affected. Requirement are:

- 24-hour-a-day, everyday telephone/modem support.

- Warranty coverage in terms of software and hardware.
 - Response time of no more than two hours during regular business hours to correct a software problem that results in a system failure.
 - Future access to source codes by RTB if needed.
- v. *Software Upgrades.* It is intended that this software be in use for at least five years. It is expected that upgrades will be available a number of times over the life of the software to keep pace with the hardware technology.
- 4.3 Regarding the reservation, scheduling and dispatch functions, as a minimum, RTB requires that a dispatcher be on duty at the MMSC offices during all hours that vehicles are on the road and until every passenger has been transported to their destination.
- 4.4 ATE will procure any other hardware necessary to perform the reservations scheduling and dispatch functions.
- a. ATE will provide a radio system that is capable of reaching all parts of the service area. This includes ATE securing all appropriate licenses to operate the radio. The radio system must have sufficient channels and base stations to dispatch the entire system in a timely manner, as well as having channel(s) for digital transmission.
 - b. The telephone system used for this service should be purchased by ATE and leased to RTB over the five years of the contract and must have sufficient excess capacity to ensure that persons are not placed on hold for more than one minute. The system should have the following capabilities.
 - i. Be able to handle the peak periods for telephone calls.
 - ii. The system must have a direct line to customer reservations and customer service without

requiring the user to perform any other tasks such as entering an additional number to reach these services; in other words, it must be extremely user friendly. There will be a separate telephone number for a TTY.

- iii. The system must have the capability to transfer any call in the system -- including administration, scheduling and dispatch -- to any other place in the system.
- iv. The system must have full management information capability, to measure a variety of performance measures such as length of call, length of time on hold, and numbers of calls per hour and per reservation clerk. The system must have full reporting capabilities as well as on line capabilities.
- v. The telephone numbers secured for the service should relate to the service and should be easy to remember. RTB will retain the exclusive right to use these telephone numbers in the event that a contract is terminated with ATE.

5. CUSTOMER SERVICES AND SYSTEM MONITORING

An important component of ADA paratransit is the assurance of service quality. While the ultimate responsibility for service quality resides with the RTB, the RTB will be assigning the day-to-day responsibilities of service monitoring and customer services to ATE. It is recommended that ATE organize a customer services/system monitoring department to handle the responsibilities in those areas as outlined below.

- 5.1 ATE will provide a customer services department. Customer services must be responsive to the passengers' needs. The following will be required of the customer services function, please respond to each and describe how it will be accomplished.
 - a. Customer services must include the recording and documenting of all complaints, investigating complaints and responding to the complainant. In almost all cases the customer services staff will respond to complaints in one day, with a follow up in writing.

- b. Customer services will document all complaints in detail and report monthly on the types of complaints received. All complaints relating to safety concerns will be called into RTB within one hour of receipt or the next morning the RTB offices are open.
- c. Customer services will track passenger no shows and late cancellations and will establish a process to advise passengers of the policy. Customer services, with approval from RTB, will enforce this policy.
- d. Customer services will also serve as an ombudsman for the resolution of issues relating to the service as brought up by passengers, the RTB, operators, or the MMSC staff.
- e. Customer services will be required to conduct telephone user surveys each month to determine the perceived quality of service.
- f. ATE will produce a monthly newsletter for all passengers in order to keep them informed of service changes.

5.2 ATE will also be charged with overall service monitoring. ATE must ensure that service is being provided in a timely manner, and of the quality specified by the RTB and mandated by ADA as well as by the Minnesota operating standards for special transportation services.

- a. While the operators will be required to provide most of the on-road supervision and accident investigation, ATE will be responsible for ensuring that these operator responsibilities are carried out in the proper manner. This may require that the MMSC have a street presence for scheduling purposes, complaints, major accidents or other safety related issues.
- b. ATE will ensure that all drivers are fully trained and will track operator drivers to ensure that they remain fit to drive in Metro Mobility service.
- c. ATE will provide monthly monitoring reports that will detail the system's performance for the month. Data to be collected and reports to be generated will be determined by RTB based on the list developed in

the management information system section of the functional specifications in *Appendix D* of the RTB's Request for Proposals document dated February 1, 1993.

- d. ATE will ensure that itself and each of the operators is in full compliance with the Minnesota Rules, Department of Transportation, Special Transportation Services, Operating Standards, Parts 8840.5100 to 8840.6300. These minimum standards, or any higher standards required in the RFP must be met.
- e. ATE will monitor each operator's performance regarding all aspects of the Minnesota operating standards for special transportation services (STS). This will include but not be limited to the following: STS certificate of compliance, vehicles and equipment, inspections, driver qualifications, driver training (including vulnerable adult reporting requirements), standards for vehicle operation, maintenance, insurance and recordkeeping. The MMSC will coordinate with Minnesota Department of Transportation, Office of Motor Carrier Services regarding vehicle inspection.
- f. ATE will provide a monthly bill to all human service agencies contracting for service. Currently this is limited to approximately 400 one-way trips daily to seven group sites. However, the RTB will encourage additional coordination.

6. SAFETY AND RISK MANAGEMENT

Safety and risk management functions are considered by RTB to be essential to the system's success. ATE will be responsible for oversight of some risk management functions, and will be directly responsible for others, including most aspects of training. ATE will be responsible for the following.

- a. Accident and incident investigation is a critical component of successful risk management. While it is proposed in this RFP that the operator take the lead role in this effort, ATE will be required to develop the forms, and policies and procedures for the operators. In addition, ATE will be responsible for oversight of these activities and in the event of a

major accident or incident, will become closely involved in the investigation.

- b. ATE will be responsible for ensuring that each operator has the required insurance in force during the contract period. Proper insurance levels will be determined by RTB with assistance from ATE. Recommended levels are previously detailed.
- c. Coordination of maintenance with risk management will also be a risk management function. ATE will monitor all aspects of maintenance, with risk management staff coordinating safety related monitoring activities.
- d. The majority of driver training will be conducted by ATE. This training is considered a risk management function and is essential to the provision of a quality service. ATE will oversee all training and directly provide the following.
 - i. ATE will develop a full driver and staff training program, using generally accepted approaches used in the industry as well as those approaches considered standard in Minnesota. This will include: passenger assistance methods, sensitivity, first aid, CPR, policies and procedures, emergency procedures, daily vehicle inspections, defensive driving and on board training.
 - ii. ATE will perform most of the training functions for new and existing drivers, to include passenger assistance methods, sensitivity, first aid, CPR, policies and procedures, emergency procedures, daily vehicle inspections and other training as applicable. The operators will be responsible for defensive driving and on board training, as determined by ATE. Drivers will not be permitted in revenue service until they have satisfactorily completed all required training. Waivers will be considered for experienced and trained drivers. RTB strongly encourages the hiring of current experienced drivers that may be displaced by the new system.

- iii. ATE will also train all telephone and dispatch staff in sensitivity, telephone skills (including TTY use), and emergency procedures as appropriate. All management including operator staff will receive as a minimum sensitivity and passenger assistance methods training.
- iv. Refresher training will be required for all drivers on a biannual basis and on an as needed basis.
- v. Unless otherwise specified in this document, the minimum standards for driver training will be the Minnesota Rules, Parts 8840.5100 to 8840.6300.

7. ADHERENCE TO PERFORMANCE STANDARDS

The RTB will institute a number of penalties and incentives based on system performance standards. Some of these will relate directly to ATE's performance, while others will be pass-through incentives and penalties to the operators. The performance standards are listed below. Please note that penalties may be lifted during times of extreme weather conditions that may inhibit the ability to perform up to standard. Incentives and penalties may be refined after service has been implemented through mutual agreement of the RTB and ATE.

- a. *System productivity will be at least 2.5 passengers per vehicle revenue hour.* This will be determined on a monthly basis. Vehicle revenue hour is defined as those hours in which the operator is paid for operating the vehicle under the direction of ATE.

It is not expected that this level of productivity will be achieved before the first six months of service, therefore penalties will not be imposed and incentives will not be awarded until after that time, however incentives of one percent of average monthly MMSC payment for each .1 percent increase over 2.5 passengers per hour will be in effect immediately.

- b. *Valid complaints and violations combined should not exceed five per 20,000 one way trips.* This will be determined on a monthly basis. Valid complaints (regarding any aspect of the service) will be verified

and agreed upon by ATE and RTB staff designated for that role. Sample violations, currently in place, are outlined in *Appendix E* of the RTB's Request for Proposal document dated February 1, 1993, and can be amended upon agreement of ATE and the RTB.

- c. *Ride time will not exceed 90 minutes for core area service.* In addition an average ride time performance standard will be developed after service has been initiated.
- d. *Telephone hold time will not exceed one minute.* Average hold time will be developed after service has been initiated. The MMSC will be encouraged to take a proactive approach to recommending that passengers call during certain times to reduce the peak call times.
- e. *Preventable accidents will not exceed 1 per 20,000 revenue service hours.* Preventable accidents will be determined by MMSC based on criteria developed by ATE with input from the RTB.
- f. *All vehicles will receive preventive maintenance within the required time frames.* This includes ensuring that the vehicles stay clean and are free of dents rust or other defects.
- g. *Road calls will not exceed 1 call per 20,000 revenue hours of service.* In the event that a vehicle is disabled, all passengers on board will be picked up by other vehicle(s) within 30 minutes. This time period will be lowered in the event of extreme weather.

8. OTHER ADMINISTRATIVE FUNCTIONS

Other administrative functions include reporting needs, planning assistance, and representation at meetings as requested by RTB.

- a. Perform operations planning functions to ensure the most efficient and effective service possible. This includes the allocation of service hours, the identification of changes in travel patterns, the identification of long distance service corridors, and

other functions as needed. In addition ATE will assist RTB in long range planning efforts.

- b. RTB desires to have a data entry system that requires one time data entry only. This would require the use of some type of on-board data reconciliation approach.
- c. Produce regular and ad hoc reports as required by RTB.
- d. Weekly meetings between RTB and ATE to review service and coordinate activities.

9. IMPLEMENTATION PLAN

Critical to the success of Metro Mobility is a smooth transition that minimizes the negative impact on passenger services. ATE will:

- a. Develop a detailed transition/implementation plan that will include all of the tasks necessary to successfully implement the project and a detailed timeline of when critical details will be concluded. This plan should include each detailed step, when it will be implemented and by whom. Particular detail should be given to hiring staff, setting up the reservation and scheduling system, procuring operators, training staff and phasing in the service to ensure that in the event that an incumbent drops out of the program before their contract is ended, that ATE will be able to step in to ensure that service is not disrupted. The following will be specifically required.
 - i. A staffing plan for the transition and up through the implementation identifying staff that will participate and when they will be phased into the project.
 - ii. Resumes and descriptions of the MMSC manager, and all key staff. RTB will reserve the right to reject any proposed management staff person for this project prior to them being hired by the MMSC.
 - iii. Emphasis should be placed on hiring persons with Metro Mobility experience. That is, persons

who are currently or had been working with the system. At the same time care must be taken to ensure that existing operations are not damaged by the MMSC employing operator staff before the contract is terminated. Operators should also place the same emphasis on hiring experienced staff.

**ATTACHMENT B
VEHICLE DESCRIPTION**

ATE Management & Service Company, Inc.
49 East Fourth Street, Suite 700
Cincinnati, Ohio 45202-3803
(513) 381-7424
(513) 381-0149 FAX
(800) ATE-1944

July 27, 1993

Ms. Terri Hobbs
MetroTrans
255 O'Dell Road
Griffin, Georgia 30223

Dear Terri:

This letter is to confirm ATE's order to purchase the following equipment:

Equipment	Quantity	Price
Classic II	75	\$39,338 per unit
Classic 22	50	\$44,788 per unit
Classic 24	22	\$45,790 per unit
Classic 24	3	\$49,263 per unit

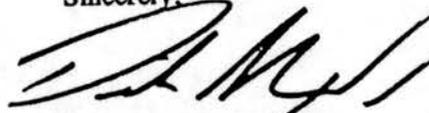
All prices represent F.O.B. St. Paul, Minnesota. Delivery is expected by October 1, 1993.

The specifications for these vehicles include Ryder's SPO plus the changes and additions outlined in your letter of April 1, 1993 (attached) including revised interior layouts (attached), and updated modifications as requested by the client (July 23, 1993 letter, attached).

Metrotrans agrees that vehicles will arrive meeting all specification requirements as outlined by Chapters 8840.5925 and 8840.5940 Department of Transportation, Special Transportation Services (attached) and the Americans With Disabilities Act. Any deficiencies identified as not meeting Federal or State requirements will be corrected by Metrotrans at Metrotran's expense.

As always, it's a pleasure.

Sincerely,



Richard M. Alexander
Vice President
Transit Contracting Division

c: Ed Kouneski
Dan Hibbert



April 1, 1993

**METROTRANS
CORPORATION**

777 Greenbelt Parkway
Griffin, Georgia
30223

(404) 229-5995
Fax: (404) 229-4943

Mr. Dick Alexander
ATE MANAGEMENT AND SERVICES COMPANY, INC.
49 East Fourth Street, Suite 700
Cincinnati, Ohio 45202-3803

Dear Dick:

METROTRANS CORPORATION is pleased to quote vehicles for the Minneapolis, Minnesota contract. We propose three vehicles, the CLASSIC II SV, a 22-foot CLASSIC and a 24-foot CLASSIC all with paratransit/raised-floor (no wheelwell) configurations. The specifications are as follows:

CLASSIC II SV

Ford E-350 Cutaway/Single Rear Wheel Chassis
Full Floating Rear Axle
7.3 Liter Diesel Engine
Power Steering/Power Brakes
E-40D Automatic Transmission
130 Amp Alternator
30,000 BTU Rear Air Conditioning
Fully Raised Floor Eliminating Wheelwells
Braun Automatic Wheelchair Lift Per ADA
Two Forward-Facing Four-Point Tiedowns w/Lap Belts

Grocery Rack Right Front (In lieu of Hostess)
Seat Belts All Seats
Back Up Alarm
Transpec Roof Escape Hatch
PA System w/Two Speakers
Two Way Radio Prewire
Heated Stepwells
Weldon Arrowed Turn Signals/Rear Center Brake Light
Rear Help Bumper
Fire Extinguisher/First Aid Kit/Flare Kit/Triangle Warning
Fasten Seat Belt Sign/No Smoking Sign
Flashlight/Ice Scraper/Blanket/Seatbelt Cutter
Exterior Paint Base White w/Standard Striping

Your price for these vehicles is \$38,983.00 each (FOB, Minneapolis), this price excludes any applicable taxes or license. Delivery will be as per pre-arranged schedule negotiated between Metrotrans and ATE upon receipt of contract.

Boston

Philadelphia

Los Angeles

San Francisco

Washington, D.C.

New York

Ft. Lauderdale

Chicago

Atlanta

Denver

Charlotte

CLASSIC 22-FOOT

Ford E-350 Cutaway 158" Wheelbase Chassis
7.3 Liter Diesel Engine
Power Steering/Power Brakes
E-40D Automatic Transmission
130 Amp Alternator
40,000 BTU Rear Air Conditioning
Fully Raised Floor Eliminating Wheelwells
Braun Semi-Automatic Wheelchair Lift Per ADA
Five Forward-Facing Four-Point Tiedowns w/Lap Belts
Forward-Facing Seating for 3 Including Driver
Two Double Jumpseats over Rear Tiedowns
Grocery Rack Right Front (In lieu of Hostess)
Seat Belts All Seats
Back Up Alarm
Transpec Roof Escape Hatch
PA System w/Two Speakers
Two Way Radio Prewire
Heated Stepwells
Weldon Arrowed Turn Signals/Rear Center Brake Light
Rear Help Bumper
Fire Extinguisher/First Aid Kit/Flare Kit/Triangle Warning
Fasten Seat Belt Sign/No Smoking Sign
Flashlight/Ice Scraper/Blanket/Seatbelt Cutter
Exterior Paint Base White w/Standard Striping

Your price for these vehicles is \$44,483.00 each (FOB, Minneapolis), this price excludes any applicable taxes or license. Delivery will be as per pre-arranged schedule negotiated between Metrotrans and ATE upon receipt of contract.

CLASSIC 24-FOOT

Ford E-350 Cutaway 176" Wheelbase Chassis
7.3 Liter Diesel Engine
Power Steering/Power Brakes
E-40D Automatic Transmission
130 Amp Alternator
40,000 BTU Rear Air Conditioning
Fully Raised Floor Eliminating Wheelwells
Braun Semi-Automatic Wheelchair Lift Per ADA
Two Forward-Facing Four-Point Tiedowns w/Lap Belts
Forward-Facing Seating for 13 Including Driver
Two Double Jumpseats over Rear Tiedowns

Grocery Rack Right Front (In lieu of Hostess)
Seat Belts All Seats
Back Up Alarm
Transpec Roof Escape Hatch
PA System w/Two Speakers
Two Way Radio Prewire
Heated Stepwells
Weldon Arrowed Turn Signals/Rear Center Brake Light
Rear Help Bumper
Fire Extinguisher/First Aid Kit/Flare Kit/Triangle Warning
Fasten Seat Belt Sign/No Smoking Sign
Flashlight/Ice Scraper/Blanket/Seatbelt Cutter
Exterior Paint Base White w/Standard Striping

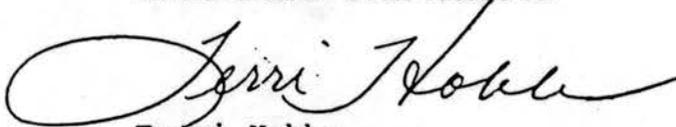
Your price for these vehicles is \$45,410.00 each (FOB, Minneapolis), this price excludes any applicable taxes or license. Delivery will be as per pre-arranged schedule negotiated between Metrotrans and ATE upon receipt of contract.

These vehicles do not include radios, fare boxes or exterior graphics as more information is required for these quotes.

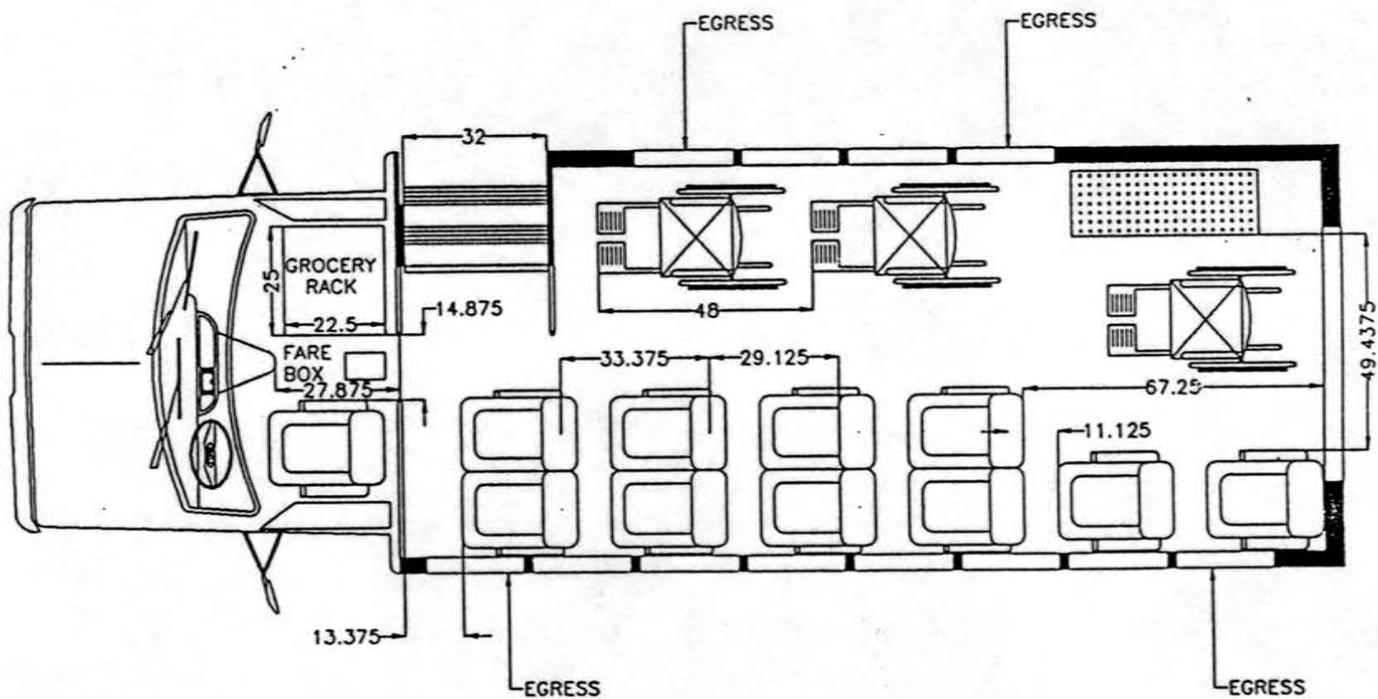
In order to meet the required delivery date of October 1, 1993, we must have confirmation of this order by May 1, 1993. Notification every week after that will result in late delivery of 15 buses per week.

As always we appreciate the opportunity to partner with you and ATE Services. Please contact me if I can be of further assistance.

Yours truly,
METROTRANS CORPORATION



Terri Hobbs
Executive Vice President



NOTE:
 UNIT TO HAVE FULLY RAISED FLOOR.
 FAREBOX PROVIDED BY CONTRACTOR.

CAD PRODUCED DRAWING



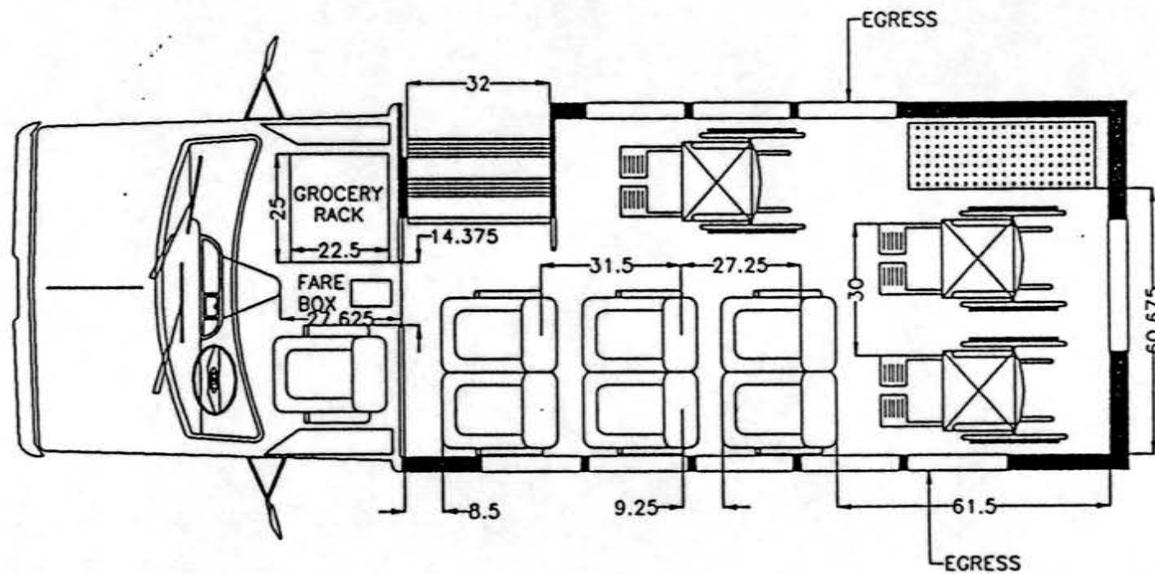
METROTRANS CORPORATION

GRIFFIN, GEORGIA 30223

DATE	SCALE	APPROVED	DESIGNER	DRAFTER
6/17/93	NONE			DWE

REVISIONS	DATE	BY

ATE - MINNEAPOLIS, MINNESOTA
 CLASSIC 24



NOTE:
 UNIT TO HAVE FULLY RAISED FLOOR.
 FAREBOX PROVIDED BY CONTRACTOR.

CAD PRODUCED DRAWING



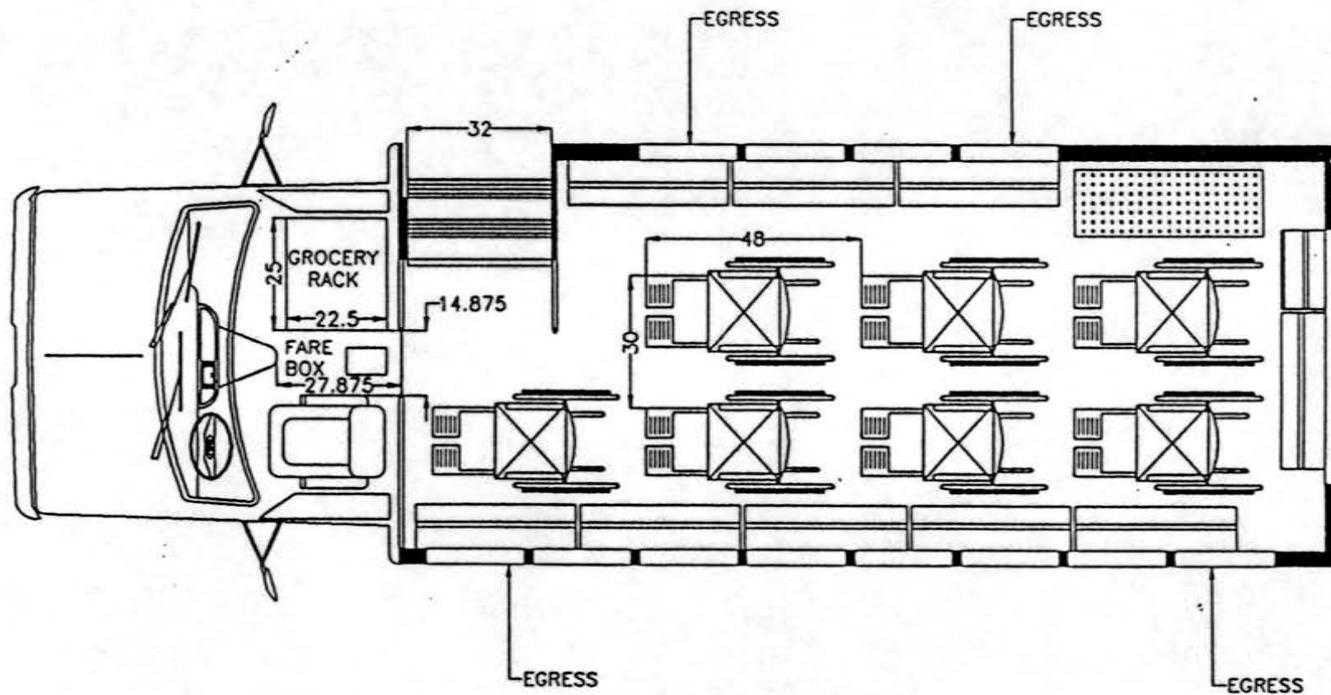
METROTRANS CORPORATION

GRIFFIN, GEORGIA 30223

DATE	SCALE	APPROVED	DESIGNER	DRAFTER
6/17/93	NONE			DWE

REVISIONS	DATE	BY

ATE - MINNEAPOLIS, MINNESOTA
 CLASSIC II



NOTE:
 UNIT TO HAVE FULLY RAISED FLOOR.
 FAREBOX PROVIDED BY CONTRACTOR.

CAD PRODUCED DRAWING



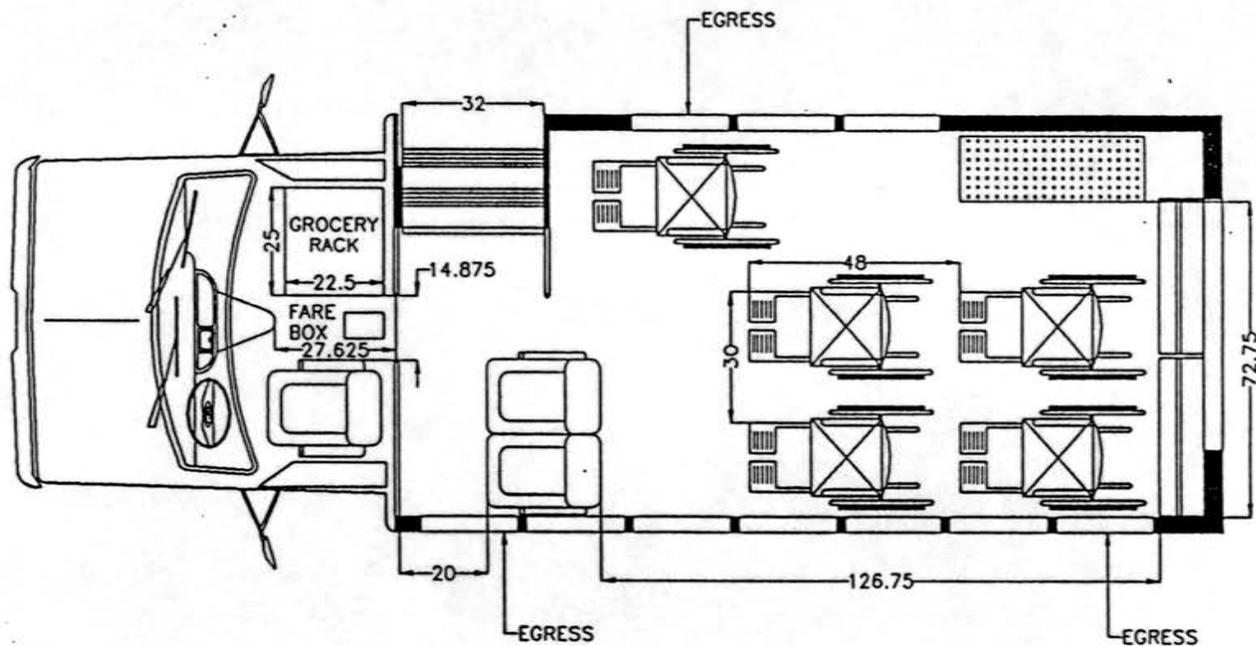
METROTRANS CORPORATION

GRIFFIN, GEORGIA 30223

DATE	SCALE	APPROVED	DESIGNER	DRAFTER
6/17/93	NONE			DWE

REVISIONS	DATE	BY

ATE - MINNEAPOLIS, MINNESOTA
 CLASSIC 24



NOTE:
 UNIT TO HAVE FULLY RAISED FLOOR.
 FAREBOX TO BE PROVIDED BY CONTRACTOR.

CAD PRODUCED DRAWING



METROTRANS CORPORATION

GRIFFIN, GEORGIA 30223

DATE	SCALE	APPROVED	DESIGNER	DRAFTER
6/17/93	NONE			DWE

REVISIONS	DATE	BY

ATE - MINNEAPOLIS, MINNESOTA
 CLASSIC 22



**METROTRANS
CORPORATION**

777 Greenbelt Parkway
Griffin, Georgia
30223

(404) 229-5935
Fax: (404) 229-4943

July 23, 1993

Mr. Dick Alexander
ATE MANAGEMENT & SERVICES COMPANY, INC.
49 East Fourth Street, Suite 700
Cincinnati, Ohio 45202-3803

Dear Dick:

Thank you for the information on the regional meeting, we are looking forward to our involvement and sponsorship. Thanks for thinking of us.

As we discussed we will be using our corporate jet to fly from Griffin to D. C. for the meeting. This may work as a time for Dan and his associates to come to the plant for a pre-delivery inspection. We could just fly to D.C. after the inspection and they could arrange flights from D.C. to wherever at meetings end. We need an agenda to make sure we can get Dan to where he needs to be on time.

This could also provide an opportunity for Rob Hoffman to visit our facility and see these units in progress. We are happy to cooperate in any way and we have five empty seats on the plane. Please advise when you know.

For your information, we are manufacturing *five vehicles per day* for this contract, any delays can cause substantial problems. On Monday, upon receipt of the stripe diagrams we will have fifteen vehicles at the paint shop which have each been delayed from one to three days. We of course will do our best to overcome this delay, however, please keep it in mind. I will notify you of our progress.

Boston

Philadelphia

Los Angeles

San Francisco

Washington, D.C.

New York

Ft. Lauderdale

Chicago

Atlanta

Denver

Charlotte

The following options have been requested:

J-Rail Frame - 9" X 14" w/Plexiglass Cover	\$ 35.00 Pr Bus
One Slot Brochure Holder	\$ 10.00 Pr Bus
Interior Signs Warning of Exterior Height	\$ 5.00 Pr Bus
Installing Brackets/Pre-Wire	
/Antenna for Gandalf	\$120.00 Pr Bus
Exterior Numbers and Application	N/C
Plastic Liners on Seats Under Fabric	N/C
Additional Paint Stripe	\$110.00 Pr Bus
TOTAL ADDED OPTIONS:	\$280.00 Pr Bus

PAGE TWO
JULY 23, 1993

Final pricing per bus with these options is:

CLASSIC II:	\$38,983.00	
	75.00	(Grab Rails on Seats)
	280.00	(Additional Listed Options)
	<u> </u>	
	\$39,338.00	Per Bus X 75 Units
CLASSIC 22:	\$44,483.00	
	25.00	(Grab Rail on Seat)
	280.00	(Additional Listed Options)
	<u> </u>	
	\$44,788.00	Per Bus X 50 Units
CLASSIC 24:	\$45,410.00	
	100.00	(Grab Rails on Seat)
	280.00	(Additional Listed Options)
	<u> </u>	
	\$45,790.00	Per Bus X 22 Units
CLASSIC 24: (ALL TIEDOWNS)	\$48,983.00	
	280.00	(Additional Listed Options)
	<u> </u>	
	\$49,263.00	Per Bus X 3 Units

This brings us up to date on everything discussed and added. We have been asked about supplying and applying the logos. The application is no charge, however we cannot quote the logos until we see the camera-ready art. We will give you a quote upon receipt of the logo information.

Upon receipt of this letter (via fax) please forward a purchase order or confirmation letter for the total order. We can handle the logos as a separate deal or I can quote you Monday if the information arrives in time. If you prefer to hold the P. O. for the logo price, please just fax a letter confirming the deal.

It is great to work with you guys! Please let me know how I can be of further assistance.

Yours truly,
METROTRANS CORPORATION



Terri Hobbs
Executive Vice President

ATE MINNEAPOLIS

CLASSIC II

100-137 - HANDICAPS
150-136 - MAYFLUOR

22' CLASSIC

200-224 - HANDICAPS
250-274 - MAYFLUOR

24' CLASSIC

300-311 - HANDICAPS
350-362 - MAYFLUOR

40BBS/ATE MINN	CLASSIC II	93-3500-CII	1FDJE37MXP4B70583	3679	100
40BBS/ATE MINN	CLASSIC II	93-3501-CII	1FDJE37M1P4B70584	3680	101
40BBS/ATE MINN	CLASSIC II	93-3502-CII	1FDJE37M3P4B70585	3681	102
40BBS/ATE MINN	CLASSIC II	93-3503-CII	1FDJE37M5P4B70586	3682	103
40BBS/ATE MINN	CLASSIC II	93-3504-CII	1FDJE37M7P4B70587	3683	104
40BBS/ATE MINN	CLASSIC II	93-3505-CII	1FDJE37M9P4B70588	3684	105
40BBS/ATE MINN	CLASSIC II	93-3506-CII	1FDJE37MCP4B70589	3685	106
40BBS/ATE MINN	CLASSIC II	93-3507-CII	1FDJE37M5P4B75982	3686	107
40BBS/ATE MINN	CLASSIC II	93-3508-CII	1FDJE37M7P4B70590	3687	108
40BBS/ATE MINN	CLASSIC II	93-3509-CII	1FDJE37M9P4B70591	3688	109
40BBS/ATE MINN	CLASSIC II	93-3510-CII	1FDJE37MCP4B70592	3689	110
40BBS/ATE MINN	CLASSIC II	93-3511-CII	1FDJE37M2P4B70593	3690	111
40BBS/ATE MINN	CLASSIC II	93-3512-CII	1FDJE37M4P4B70594	3691	112
40BBS/ATE MINN	CLASSIC II	93-3513-CII	1FDJE37M6P4B70595	3692	113
40BBS/ATE MINN	CLASSIC II	93-3514-CII	1FDJE37M7P4B75983	3693	114
40BBS/ATE MINN	CLASSIC II	93-3515-CII	1FDJE37M8P4B70596	3694	115
40BBS/ATE MINN	CLASSIC II	93-3516-CII	1FDJE37MXP4B70597	3695	116
40BBS/ATE MINN	CLASSIC II	93-3517-CII	1FDJE37M1P4B70598	3696	117
40BBS/ATE MINN	CLASSIC II	93-3518-CII	1FDJE37M9P4B75984	3697	118
40BBS/ATE MINN	CLASSIC II	93-3519-CII	1FDJE37M3P4B70599	3698	119
40BBS/ATE MINN	CLASSIC II	93-3520-CII	1FDJE37M6P4B70600	3699	120
40BBS/ATE MINN	CLASSIC II	93-3521-CII	1FDJE37M8P4B70601	3700	121
40BBS/ATE MINN	CLASSIC II	93-3522-CII	1FDJE37MXP4B70602	3701	122
40BBS/ATE MINN	CLASSIC II	93-3523-CII	1FDJE37MCP4B75985	3702	123
40BBS/ATE MINN	CLASSIC II	93-3524-CII	1FDJE37M1P4B70603	3703	124
40BBS/ATE MINN	CLASSIC II	93-3525-CII	1FDJE37M3P4B70604	3704	125
40BBS/ATE MINN	CLASSIC II	93-3526-CII	1FDJE37M5P4B70605	3705	126
40BBS/ATE MINN	CLASSIC II	93-3527-CII	1FDJE37M7P4B70606	3706	127
40BBS/ATE MINN	CLASSIC II	93-3528-CII	1FDJE37M9P4B70607	3707	128
40BBS/ATE MINN	CLASSIC II	93-3529-CII	1FDJE37MCP4B70608	3708	129
40BBS/ATE MINN	CLASSIC II	93-3530-CII	1FDJE37M2P4B70609	3709	130
40BBS/ATE MINN	CLASSIC II	93-3531-CII	1FDJE37M9P4B70610	3710	131
40BBS/ATE MINN	CLASSIC II	93-3532-CII	1FDJE37MCP4B70611	3711	132
40BBS/ATE MINN	CLASSIC II	93-3533-CII	1FDJE37M2P4B70612	3712	133
40BBS/ATE MINN	CLASSIC II	93-3534-CII	1FDJE37M4P4B70613	3713	134
40BBS/ATE MINN	CLASSIC II	93-3535-CII	1FDJE37M6P4B70614	3714	135
40BBS/ATE MINN	CLASSIC II	93-3536-CII	1FDJE37M8P4B70615	3715	136
40BBS/ATE MINN	CLASSIC II	93-3537-CII	1FDJE37MXP4B70616	3716	137
40BBS/ATE MINN	CLASSIC II	93-3538-CII	1FDJE37M1P4B70617	3717	138
40BBS/ATE MINN	CLASSIC II	93-3539-CII	1FDJE37M3P4B70618	3718	139
40BBS/ATE MINN	CLASSIC II	93-3540-CII	1FDJE37M5P4B70619	3719	140
40BBS/ATE MINN	CLASSIC II	93-3541-CII	1FDJE37M7P4B70620	3720	141
40BBS/ATE MINN	CLASSIC II	93-3542-CII	1FDJE37M9P4B70621	3721	142
40BBS/ATE MINN	CLASSIC II	93-3543-CII	1FDJE37MCP4B70622	3722	143
40BBS/ATE MINN	CLASSIC II	93-3544-CII	1FDJE37M7P4B70623	3723	144
40BBS/ATE MINN	CLASSIC II	93-3545-CII	1FDJE37M9P4B70624	3724	145
40BBS/ATE MINN	CLASSIC II	93-3546-CII	1FDJE37MCP4B70625	3725	146
40BBS/ATE MINN	CLASSIC II	93-3547-CII	1FDJE37M2P4B70626	3726	147
40BBS/ATE MINN	CLASSIC II	93-3548-CII	1FDJE37M4P4B70627	3727	148
40BBS/ATE MINN	CLASSIC II	93-3549-CII	1FDJE37M6P4B70628	3728	149
40BBS/ATE MINN	CLASSIC II	93-3550-CII	1FDJE37M8P4B70629	3729	150
40BBS/ATE MINN	CLASSIC II	93-3551-CII	1FDJE37MCP4B70630	3730	151
40BBS/ATE MINN	CLASSIC II	93-3552-CII	1FDJE37M2P4B70631	3731	152
40BBS/ATE MINN	CLASSIC II	93-3553-CII	1FDJE37M9P4B70632	3732	153
40BBS/ATE MINN	CLASSIC II	93-3554-CII	1FDJE37MXP4B70633	3733	154
40BBS/ATE MINN	CLASSIC II	93-3555-CII	1FDJE37M1P4B70634	3734	155
40BBS/ATE MINN	CLASSIC II	93-3556-CII	1FDJE37M3P4B70635	3735	156
40BBS/ATE MINN	CLASSIC II	93-3557-CII	1FDJE37M5P4B70636	3736	157
40BBS/ATE MINN	CLASSIC II	93-3558-CII	1FDJE37M7P4B70637	3737	158
40BBS/ATE MINN	CLASSIC II	93-3559-CII	1FDJE37M9P4B70638	3738	159
40BBS/ATE MINN	CLASSIC II	93-3560-CII	1FDJE37MCP4B70639	3739	160
40BBS/ATE MINN	CLASSIC II	93-3561-CII	1FDJE37M2P4B70640	3740	161
40BBS/ATE MINN	CLASSIC II	93-3562-CII	1FDJE37M4P4B70641	3741	162
40BBS/ATE MINN	CLASSIC II	93-3563-CII	1FDJE37M6P4B70642	3742	163
40BBS/ATE MINN	CLASSIC II	93-3564-CII	1FDJE37M8P4B70643	3743	164

HOBS/ATE MINN	CLASSIC II	93-3565-C11	1FDJE374LPHE70644	3744	177
HOBS/ATE MINN	CLASSIC II	93-3566-C11	1FDJE374OPHE70645	3745	178
HOBS/ATE MINN	CLASSIC II	93-3567-C11	1FDJE3748PHB70646	3746	179
HOBS/ATE MINN	CLASSIC II	93-3568-C11	1FDJE374XPHE70647	3747	180
HOBS/ATE MINN	CLASSIC II	93-3569-C11	1FDJE3741PHB70648	3748	181
HOBS/ATE MINN	CLASSIC II	93-3570-C11	1FDJE3743PHB70649	3749	182
HOBS/ATE MINN	CLASSIC II	93-3571-C11	1FDJE374XPHE70650	3750	183
HOBS/ATE MINN	CLASSIC II	93-3572-C11	1FDJE3741PHB70651	3751	184
HOBS/ATE MINN	CLASSIC II	93-3573-C11	1FDJE3743PHB70652	3752	185
HOBS/ATE MINN	CLASSIC II	93-3574-C11	1FDJE3745PHB70653	3753	186
HOBS/ATE MINN	22' CLASSIC	93-3575-C22	1FDKE30M9PHB70654	3754	200
HOBS/ATE MINN	22' CLASSIC	93-3576-C22	1FDKE30M0PHB70655	3755	201
HOBS/ATE MINN	22' CLASSIC	93-3577-C22	1FDKE30M2PHB70656	3756	202
HOBS/ATE MINN	22' CLASSIC	93-3578-C22	1FDKE30M4PHB70657	3757	203
HOBS/ATE MINN	22' CLASSIC	93-3579-C22	1FDKE30M6PHB70658	3758	204
HOBS/ATE MINN	22' CLASSIC	93-3580-C22	1FDKE30M8PHB70659	3759	205
HOBS/ATE MINN	22' CLASSIC	93-3581-C22	1FDKE30M4PHB70660	3760	206
HOBS/ATE MINN	22' CLASSIC	93-3582-C22	1FDKE30M6PHB70661	3761	207
HOBS/ATE MINN	22' CLASSIC	93-3583-C22	1FDKE30M8PHB70662	3762	208
HOBS/ATE MINN	22' CLASSIC	93-3584-C22	1FDKE30MXPHE70663	3763	209
HOBS/ATE MINN	22' CLASSIC	93-3585-C22	1FDKE30M1PHB70664	3764	210
HOBS/ATE MINN	22' CLASSIC	93-3586-C22	1FDKE30M3PHB70665	3765	211
HOBS/ATE MINN	22' CLASSIC	93-3587-C22	1FDKE30M5PHB70666	3766	212
HOBS/ATE MINN	22' CLASSIC	93-3588-C22	1FDKE30M7PHB70667	3767	213
HOBS/ATE MINN	22' CLASSIC	93-3589-C22	1FDKE30M9PHB70668	3768	214
HOBS/ATE MINN	22' CLASSIC	93-3590-C22	1FDKE30M0PHB70669	3769	215
HOBS/ATE MINN	22' CLASSIC	93-3591-C22	1FDKE30M7PHB70670	3770	216
HOBS/ATE MINN	22' CLASSIC	93-3592-C22	1FDKE30M9PHB70671	3771	217
HOBS/ATE MINN	22' CLASSIC	93-3593-C22	1FDKE30MCPHE70672	3772	218
HOBS/ATE MINN	22' CLASSIC	93-3594-C22	1FDKE30M2PHB70673	3773	219
HOBS/ATE MINN	22' CLASSIC	93-3595-C22	1FDKE30M4PHB70674	3774	220
HOBS/ATE MINN	22' CLASSIC	93-3597-C22	1FDKE30M6PHB70675	3775	221
HOBS/ATE MINN	22' CLASSIC	93-3598-C22	1FDKE30M8PHB70676	3776	222
HOBS/ATE MINN	22' CLASSIC	93-3599-C22	1FDKE30MXPHE70677	3777	223
HOBS/ATE MINN	22' CLASSIC	93-3600-C22	1FDKE30M1PHB70678	3778	224
HOBS/ATE MINN	22' CLASSIC	93-3601-C22	1FDKE30M3PHB70679	3779	250
HOBS/ATE MINN	22' CLASSIC	93-3602-C22	1FDKE30MXPHE70680	3780	251
HOBS/ATE MINN	22' CLASSIC	93-3603-C22	1FDKE30M1PHB70681	3781	252
HOBS/ATE MINN	22' CLASSIC	93-3604-C22	1FDKE30M3PHB70682	3782	253
HOBS/ATE MINN	22' CLASSIC	93-3605-C22	1FDKE30M5PHB70683	3783	254
HOBS/ATE MINN	22' CLASSIC	93-3606-C22	1FDKE30M7PHB70684	3784	255
HOBS/ATE MINN	22' CLASSIC	93-3607-C22	1FDKE30M4PHB75986	3785	256
HOBS/ATE MINN	22' CLASSIC	93-3608-C22	1FDKE30M9PHB70685	3786	257
HOBS/ATE MINN	22' CLASSIC	93-3609-C22	1FDKE30MCPHE70686	3787	258
HOBS/ATE MINN	22' CLASSIC	93-3610-C22	1FDKE30M2PHB70687	3788	254
HOBS/ATE MINN	22' CLASSIC	93-3611-C22	1FDKE30M4PHB70688	3789	260
HOBS/ATE MINN	22' CLASSIC	93-3612-C22	1FDKE30M6PHB70689	3790	261
HOBS/ATE MINN	22' CLASSIC	93-3613-C22	1FDKE30M2PHB70690	3791	262
HOBS/ATE MINN	22' CLASSIC	93-3614-C22	1FDKE30M4PHB70691	3792	263
HOBS/ATE MINN	22' CLASSIC	93-3615-C22	1FDKE30M6PHB70692	3793	264
HOBS/ATE MINN	22' CLASSIC	93-3616-C22	1FDKE30M8PHB70693	3794	265
HOBS/ATE MINN	22' CLASSIC	93-3617-C22	1FDKE30MXPHE70694	3795	266
HOBS/ATE MINN	22' CLASSIC	93-3618-C22	1FDKE30M1PHB70695	3796	267
HOBS/ATE MINN	22' CLASSIC	93-3619-C22	1FDKE30M3PHB70696	3797	268
HOBS/ATE MINN	22' CLASSIC	93-3620-C22	1FDKE30M5PHB70697	3798	269
HOBS/ATE MINN	22' CLASSIC	93-3621-C22	1FDKE30M7PHB70698	3799	270
HOBS/ATE MINN	22' CLASSIC	93-3622-C22	1FDKE30M9PHB70699	3800	271
HOBS/ATE MINN	22' CLASSIC	93-3623-C22	1FDKE30M1PHB70700	3801	272
HOBS/ATE MINN	22' CLASSIC	93-3624-C22	1FDKE30M3PHB70701	3802	273
HOBS/ATE MINN	22' CLASSIC	93-3625-C22	1FDKE30M5PHB70702	3803	274
HOBS/ATE MINN	24' CLASSIC	93-3626-C24	1FDKE30M7PHB70703	3804	280
HOBS/ATE MINN	24' CLASSIC	93-3627-C24	1FDKE30M9PHB70704	3805	301
HOBS/ATE MINN	24' CLASSIC	93-3628-C24	1FDKE30M0PHB70705	3806	302
HOBS/ATE MINN	24' CLASSIC	93-3629-C24	1FDKE30M2PHB70706	3807	303
HOBS/ATE MINN	24' CLASSIC	93-3630-C24	1FDKE30M4PHB70707	3808	304
HOBS/ATE MINN	24' CLASSIC	93-3631-C24	1FDKE30M6PHB70708	3809	305
HOBS/ATE MINN	24' CLASSIC	93-3632-C24	1FDKE30M8PHB70709	3810	306

HOBBS/ATE MINN	24' CLASSIC	93-3633-C24	1F0KE30M4PHB70710	3811	307
HOBBS/ATE MINN	24' CLASSIC	93-3634-C24	1F0KE30M6PHB70711	3812	308
HOBBS/ATE MINN	24' CLASSIC	93-3635-C24	1F0KE30M8PHB70712	3813	309
HOBBS/ATE MINN	24' CLASSIC	93-3636-C24	1F0KE30MXPBH70713	3814	310
HOBBS/ATE MINN	24' CLASSIC	93-3637-C24	1F0KE30M1PHB70714	3815	311
HOBBS/ATE MINN	24' CLASSIC	93-3638-C24	1F0KE30M3PHB70715	3816	350
HOBBS/ATE MINN	24' CLASSIC	93-3639-C24	1F0KE30M5PHB70716	3817	351
HOBBS/ATE MINN	24' CLASSIC	93-3640-C24	1F0KE30M7PHB70717	3818	352
HOBBS/ATE MINN	24' CLASSIC	93-3641-C24	1F0KE30M9PHB70718	3819	353
HOBBS/ATE MINN	24' CLASSIC	93-3642-C24	1F0KE30MOPHB70719	3820	354
HOBBS/ATE MINN	24' CLASSIC	93-3643-C24	1F0KE30M7PHB70720	3821	355
HOBBS/ATE MINN	24' CLASSIC	93-3644-C24	1F0KE30M9PHB70721	3822	356
HOBBS/ATE MINN	24' CLASSIC	93-3645-C24	1F0KE30MOPHB70722	3823	357
HOBBS/ATE MINN	24' CLASSIC	93-3646-C24	1F0KE30M2PHB70723	3824	358
HOBBS/ATE MINN	24' CLASSIC	93-3647-C24	1F0KE30M4PHB70724	3825	359
HOBBS/ATE MINN	24' CLASSIC	93-3648-C24	1F0KE30M6PHB70725	3826	360
HOBBS/ATE MINN	24' CLASSIC	93-3649-C24	1F0KE30M8PHB70726	3827	361
HOBBS/ATE MINN	24' CLASSIC	93-3650-C24	1F0KE30MXPBH70727	3828	362

CC: TERRI HOBBS
DICK ALEXANDER

ATTACHMENT C
VEHICLE PAYMENT SCHEDULE

Compounding period...: Monthly

Nominal annual rate...: 7.250 %
 Effective annual rate: 7.496 %
 Periodic rate.....: 0.6042 %
 Equivalent daily rate: 0.02014 %

CASH FLOW DATA

Event	Date	Amount	#	Period	End-date
1	Loan	09-01-93	6,757,636.00	1	
2	Payment	10-01-93	172,645.74	42	Monthly 03-01-97
3	Payment	04-01-97	81,175.31	6	Monthly 09-01-97

AMORTIZATION SCHEDULE - Normal amortization, 360 day

Pmt	Date	Payment	Interest	Principal	Balance
Loan	09-01-1993				
1	10-01-1993	172,645.74	40,827.39	131,818.35	6,757,636.00
2	11-01-1993	172,645.74	40,030.99	132,614.75	6,625,817.65
3	12-01-1993	172,645.74	39,229.77	133,415.97	6,493,202.90
4	01-01-1994	172,645.74	38,423.72	134,222.02	6,359,786.93
5	02-01-1994	172,645.74	37,612.79	135,032.95	6,225,564.91
6	03-01-1994	172,645.74	36,796.97	135,848.77	6,090,531.96
7	04-01-1994	172,645.74	35,976.21	136,669.53	5,954,683.19
8	05-01-1994	172,645.74	35,150.50	137,495.24	5,818,013.66
9	06-01-1994	172,645.74	34,319.80	138,325.94	5,680,518.42
10	07-01-1994	172,645.74	33,484.08	139,161.66	5,542,192.48
11	08-01-1994	172,645.74	32,643.31	140,002.43	5,403,030.82
12	09-01-1994	172,645.74	31,797.47	140,848.27	5,263,028.39
13	10-01-1994	172,645.74	30,946.51	141,699.23	5,122,180.12
14	11-01-1994	172,645.74	30,090.41	142,555.33	4,980,480.89
15	12-01-1994	172,645.74	29,229.14	143,416.60	4,837,925.56
16	01-01-1995	172,645.74	28,362.66	144,283.08	4,694,508.96
17	02-01-1995	172,645.74	27,490.95	145,154.79	4,550,225.88
18	03-01-1995	172,645.74	26,613.97	146,031.77	4,405,071.09
19	04-01-1995	172,645.74	25,731.70	146,914.04	4,259,039.32
20	05-01-1995	172,645.74	24,844.09	147,801.65	4,112,125.28
21	06-01-1995	172,645.74	23,951.12	148,694.62	3,964,323.63
22	07-01-1995	172,645.74	23,052.76	149,592.98	3,815,629.01
23	08-01-1995	172,645.74	22,148.97	150,496.77	3,666,036.03
24	09-01-1995	172,645.74	21,239.72	151,406.02	3,515,539.26
25	10-01-1995	172,645.74	20,324.97	152,320.77	3,364,133.24
26	11-01-1995	172,645.74	19,404.70	153,241.04	3,211,812.47
27	12-01-1995	172,645.74	18,478.87	154,166.87	3,058,571.43
28	01-01-1996	172,645.74	17,547.45	155,098.29	2,904,404.56
29	02-01-1996	172,645.74	16,610.39	156,035.35	2,749,306.27
30	03-01-1996	172,645.74	15,667.68	156,978.06	2,593,270.92
31	04-01-1996	172,645.74	14,719.27	157,926.47	2,436,292.86
32	05-01-1996	172,645.74	13,765.13	158,880.61	2,278,366.39
					2,119,485.78

RECEIVED FROM THE BANK

Int	Date	Payment	Interest	Principal	Balance
33	06-01-1996	172,645.74	12,805.23	159,840.51	1,959,645.27
34	07-01-1996	172,645.74	11,839.52	160,806.22	1,798,839.05
35	08-01-1996	172,645.74	10,867.99	161,777.75	1,637,061.30
36	09-01-1996	172,645.74	9,890.58	162,755.16	1,474,306.14
37	10-01-1996	172,645.74	8,907.27	163,738.47	1,310,567.67
38	11-01-1996	172,645.74	7,918.01	164,727.73	1,145,839.94
39	12-01-1996	172,645.74	6,922.78	165,722.96	980,116.98
40	01-01-1997	172,645.74	5,921.54	166,724.20	813,392.78
41	02-01-1997	172,645.74	4,914.25	167,731.49	645,661.29
42	03-01-1997	172,645.74	3,900.87	168,744.87	476,916.42
43	04-01-1997	81,175.31	2,881.37	78,293.94	398,622.48
44	05-01-1997	81,175.31	2,408.34	78,766.97	319,855.51
45	06-01-1997	81,175.31	1,932.46	79,242.85	240,612.66
46	07-01-1997	81,175.31	1,453.70	79,721.61	160,891.05
47	08-01-1997	81,175.31	972.05	80,203.26	80,687.79
48	09-01-1997	81,175.31	487.52	80,687.79	0.00
Grand totals		7,738,172.94	980,536.94	6,757,636.00	

13 12 01 1997

172 645 74

70 770 14

101 811 10

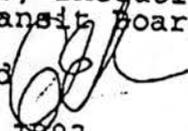
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MEMORANDUM

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TO: Greg Andrews, Executive Director
Regional Transit Board

FROM: Greg Korstad 

DATE: October 14, 1993

RE: Agreement Between Regional Transit Board and ATE
Management and Service Company, Inc. for Metro
Mobility System Coordinator Services

This memo describes certain provisions of the agreement between the Regional Transit Board and ATE Management and Service Company, Inc. for Metro Mobility System Coordinator Services (the Agreement) relating to procedures available to the Regional Transit Board (RTB) to terminate the Agreement.

The Agreement is one component of the new Metro Mobility service system and should be considered along with the operator/provider agreements and representations made in conjunction with vehicle financing. Simply stated, the RTB needs to have a successor Metro Mobility Service Center coordinator available to take over the system before terminating the existing coordinator's agreement in order to avoid problems with vehicle and operator availability.

Termination Upon Default

The term of the Agreement is through October 1, 1996 unless otherwise terminated. ATE Management and Service Company, Inc. (ATE) and RTB have specifically agreed that RTB may terminate the Agreement for ATE's default. In pertinent part, the Agreement provides "RTB may terminate this Agreement for ATE's default...if ATE breaches any material term(s) or violates any material provision(s) of this Agreement and does not cure such breach or violation within ten (10) calendar days after receipt of written notice thereof from RTB."

Based upon this provision, termination for default contains three pre-conditions. First, the basis for claiming default must be "material term(s)" or "material provision(s)" of the Agreement. This issue is a question of fact (i.e. is the default something

that adversely affects the ability to accomplish the goals of the Agreement).

The second pre-condition is that RTB must notify ATE of specific items of ATE's default. The Agreement allows ATE the opportunity to cure default within ten days. Accordingly, in order to give meaning to the opportunity to cure the default, it is necessary that RTB identify the term or provision it believes is not being complied with or met so that ATE has a meaningful opportunity to correct the problem.

The third pre-condition for termination for default is that ATE not have cured the default within the following ten calendar days after receipt of written notice.

Accordingly, under this provision, the RTB may decide to attempt to terminate for default, however, ATE has the ability to improve its performance in order to prevent termination. Under this provision, termination for default necessarily takes a minimum of ten days to accomplish.

Force Majeure

In analyzing the question whether a default has occurred in ATE's obligations under the Agreement it is important to consider the doctrine of "force majeure". This legal doctrine provides that a party to an agreement is not obligated to perform if a force outside its control prevents it from doing so. In the Agreement, RTB and ATE have contractually limited the doctrine of force majeure as applied to performance under the Agreement. The Agreement allows both RTB and ATE to "be excused from performing its obligations under this Agreement during the time and to the extent that it is prevented from performing by a cause beyond its control... [which] is not due to the fault or negligence of a party not performing." In determining whether to notify ATE of a default, RTB should consider whether the basis for ATE's nonperformance was outside its control.

Termination for Convenience

RTB has also reserved the right to terminate the Agreement on sixty days written notice for "convenience". Simply stated, this allows the RTB in its absolute discretion to terminate the Agreement. Thus, a termination for convenience under the Agreement would not involve the potential factual arguments about whether ATE's breach occurred, whether the breach was material, whether the breach was due to a force majeure, and whether ATE's attempts to cure the default were successful. In a decision to terminate for convenience, as in the case of all decisions by a political subdivision, the RTB may not act arbitrarily, capriciously or unreasonably in deciding to terminate the Agreement. What this means, essentially, is that the RTB needs to have a reason for making the decision. This constraint does not, however, mean that the basis for the decision must meet any

particular criteria, but simply means that there must be a basis for taking the action.

Conclusion

My advice in this regard is that should a termination of ATE's contract be desired, strong consideration should be given to whether RTB's purposes can be accomplished under the "Termination for Convenience" provision of the Agreement. If not, specific alleged items of default should be identified and evaluated in order to submit a meaningful notice of default under the Agreement.

RTB should also keep in mind that in addition to the termination for default remedy, other enforcement tools are available to obtain contract compliance.

10-15-93

TO WHOM IT MAY CONCERN ON THE
TRANSPORTATION COMMITTEE;

Since October 1st when the
new Metro Mobility system took
effect, I have been very
disappointed and displeased.
I would like to explain
why I feel this way.

I ~~VE~~^{VE} been a standing order
for almost a year with
Ebenezer, and I was told
with the new system, my
standing order would still
be considered a priority
ride and I would have
nothing to worry about.

Before Oct 1st I received a
letter asking me to call Metro
Mobility to negotiate a pick-up
time for my continued standing
order 3 days a week. I have
to be to work between 9:30 and 9:45
am.

ON The old system:

EBenezer would pick me up at 9:15 am and take me to work.

< When I was told I would now, have to be ready between 8:20 am and 8:50 am ready-time I adjusted because I realized things would be tough for awhile and that I would need to be more flexible.

I would like to make an accurate account of my first two weeks under the new system.

My standing order is for 3 days a week Tues, wed's and Fridays.

Like I stated before I was told my new ready-time would be 8:20-8:50 am.

In order for them to get me to work by 9:30 am (20 minutes away).

My return home time is 1:15 pm. the same for each three days.

Tues the 5th of October.°

I ~~was~~^{WAS} ready at 8:20 am - metro pick's me at 9:15 am and transported me to work. AT 1:15 pm I was picked up

for return home, I rode on the van for approximately an hour or so and was dropped off at home at 2:30 pm.

WED the 6th Metro Mobility never arrived at all to bring ^{me} to work.

FRI the 8th I had cancelled my ride for that day a week in advance as my daughter was to be married the next day. The driver showed up anyway at 8 am.

Tues the 12th Metro Mobility arrived at 7:45 am - told us that I was down for a 7:30 pickup ready time which was incorrect. I called to the metro # explaining I had not been ready when he arrived and that my ready-time was supposed to be no earlier than 8:20 am. Metro then sent another van over at 9 am to pick me up. - that afternoon I sat at work until 2:30 pm waiting for my 1:15 return ride. I rode home with a co-worker instead. I found out

my attendant got very upset and told the driver that my ready time is not until 8:20 am and to please call through his dispatch and explain what is going on again. The driver Kevin was nice enough to call back and tell us that they are very sorry and will send a van at 8:20. Still at this point; my standing order times have not been fixed in the computer after consecutive phone calls and promises.

I think this account of what has gone ~~on~~ these last two weeks is explanatory as to why I am so frustrated. I wish I knew how long I would have to deal with this continued stress in my life.

Live-in attendant. Melissa Bletcher

10-15-93

client - Nancy A. Johnson

Metropolitan Reorganization Bills 1993

Robert M. Hunt

IMPACTS	Mondale SF 931 (Pugh H.F. 1090)	Mondale SF 478 (Orfield H.F. 641)	Luther SF 1250 (Carruthers H.F. 1053)	Flynn SF 843 (McCollum H.F. 959)	Flynn SF 1127 (Mariani H.F. 1188)	
Overview	Creates an elected council; eliminates MWCC, RTB, MTC, MPOSC, and transfers ownership, powers and duties of the agencies to the council (except certain RTB functions which are given to TAB), and establishes two operating divisions (waste control and transit).	Creates an elected council; eliminates MWCC, MAC, MSFC, RTB, and transfers ownership, powers and duties to the council and establishes three operating divisions (waste control, airports, sports facilities), retaining the former metro agency governing boards as advisory committees; abolishes the MMCC.	Restructures metropolitan government to distinguish between legislative and executive functions, rather than planning and operating functions; creates an appointed policymaking board called Twin Cities Metro Board as the legislative branch and an agency, Twin Cities Metro, as executive branch. Eliminates RTB, MTC, metro CRRAs, MWCC, MPOSC, MMCC.	Creates an elected council; restructures metro agencies to give council greater control over appointments and budgets.	(transit governance only) Retains 3-tiered structure, but eliminates the RTB and MTC boards; establishes MnDOT and CRRAs as joint lead agencies, with MnDOT responsible for EIS, final design and construction of LRT (same as provisions for LRT governance in S.F. 414 - Flynn).	
Metro Governance	Elected; 16 members; 4 yr terms; chair selected by and from among the members for a two-year term. Council is part-time, nonpartisan and paid a salary of \$20,000/year.	Elected; 16 members; 4 yr terms; chair selected by and from among the members. Part-time, nonpartisan, salary at 90% of legislators' salaries, plus per diem.	Metro Board - 13 members (12 from districts and a chair appointed by the governor); 4 yr terms; board is provided a small staff to assist with policy analysis and evaluation. Board has authority to levy, bond, adopt rules, adopt plans. Metro commissioner appointed by the governor; deputies for agency's divisions appointed by the commissioner.	Elected; 16 members; 4 year terms (max. of 2 terms); public financing (metro property tax) of campaigns in exchange for spending limits; chair selected by and from among the members; council is part-time, nonpartisan, and paid an unspecified salary.		
Transit	RTB	Abolished; taxing authority, implementation planning, LRT planning given to the council.	Abolished; powers and duties given to the council; ends opt-out funding.	Abolished; taxing authority given to board; policy and implementation plan approval to board.	Council appoints chair; council given review and approval of capital budget and review and comment on operating budget.	Abolished; functions transferred to new Metropolitan Transit Authority (MTA) headed by a chief administrator appointed by the council chair; MTA capital and operating budgets, implementation and service plans subject to council approval.
	TAB	Given RTB financial subsidy and contract management and brokering functions; chaired by vice-chair of council.	Unaffected	Given RTB financial subsidy and contract management/brokering functions.	Unaffected	unaffected
	CRRAs (Metro)	Unaffected	Unaffected	Abolishes the metro CRRAs and transfers assets, debts, etc. to Metro.	Removes metro CRRAs from LRT/transit activities; prohibits metro CRRAs from levying for LRT except to repay outstanding bonds.	Reduces role of metro CRRAs in LRT final design and construction in favor of MnDOT.
Sewers/MWCC	Abolished; council owns and operates the bus service.	Commission restructured as an advisory committee to the council; waste control established as an operating division of the council; ownership of the system and duties of MWCC given to the council.	Abolished; ownership and operation of sewer system given to Metro (bonding, taxing, rulemaking, policy and implementation plan approval by the board).	Council appoints the chair; council given review and approval of capital budget and review and comment on operating budget.		
Parks/MPOSC	Abolished and duties assumed by the council.	Unaffected	Abolished; power and duties transferred to Metro or Metro Board.	Unaffected		
Sports Facilities MSFC	Unaffected	Commission restructured as an advisory committee to the council; sports facilities established as an operating division of the council; ownership of the facilities and duties of the commission transferred to the council.	Unaffected	Unaffected		
Airports/MAC	Unaffected	Commission restructured as an advisory committee to the council; airports established as an operating division of the council; ownership of the facilities and duties of the commission transferred to the council.	Unaffected	Commission restructured as a metro agency with 6 members from statutory districts and the chair appointed by the council; council given review and approval of capital budget and review and comment on operating budget; MAC required to prepare and submit a implementation plan to council for approval.		
Mosquito Control MMCC	Unaffected	Abolished	Abolished; powers, duties, assets and debts, etc. transferred to Metro/Metro Board.	Unaffected		
Other				Transfers review and approval of local comp. plans from council to newly created Metropolitan Land Use Planning Commission.		
Summary	Elected council with centralized authority over highway/transit, sewer, parks; highly conducive to planning controls on highway/transit and sewer construction, choice housing and agricultural preservation.	Elected council with centralized authority over all metro systems, including MAC, MSFC & MMCC highly conducive to highway/transit, sewer, housing and ag. planning controls.	Appointive regional structure with centralized authority over highways/transit, sewer, parks and mosquito control; conducive to planning controls on highway/transit, sewer construction, housing and ag. preservation.	Elected council with little change in authority over most metro systems, except for increased planning powers over MAC; land planning viability increases without reducing local autonomy.	Strong council authority over highway/transit planning and systems; LRT design and construction authority to MnDOT.	

Abbreviations:

- council -
- RTB - metropolitan council
- MTC - regional transit board
- MSFC - metropolitan transit commission
- MSFC - metropolitan sports facilities commission
- MAC - metropolitan airports commission
- MWCC - metropolitan waste control commission
- MPOSC - metropolitan parks and open space commission
- MMCC - metropolitan mosquito control commission
- TAB - transportation advisory board

- MPOSC - metropolitan parks and open space commission
- CRRAs - county regional railroad authority
- MMCC - metropolitan mosquito control commission
- TAB - transportation advisory board
- metropolitan agency or agency - one or more of RTB, MTC, MWCC, MSFC, MAC, or MPOSC

Text - Deborah Dyson, House Research • Summary - Jim Robins - Senate Majority Research

rh hadant
10/15/93

INFORMATION ON TRANSIT TESTIMONY

These are the questions that the State Advisory Council on Metropolitan Governance are asking the various transit groups to answer:

1. What is it about the current structures that are helping or hindering the provision of transit services in the seven county metro area;
2. Each organization is to answer the specific question to whom they're accountable; and
3. What is actually happening within their organization.

The Council directed staff to do the following things in preparation for the meeting:

1. Inventory the transit scene;
2. Put together written information on models of transit governance from other parts of the country and include Carol Flynn's legislation.

The purpose for the meeting will be to consider transit structures and issues of governance, so models of governance will be a significant topic...

The focus for this session is transit, rather than the entire area of transportation....

The date for the meeting is Nov. 3, 1993 and I believe that the location is 112 of the State Cap.....

The plan is to allow each stakeholder that the group identified to have about 10 minutes for testimony, to answer the various questions listed above....

Stakeholders names recorded at the time of the meeting included the following:

1. Mn DOT
2. Met Council
3. RTB
4. MTC
5. TAB
6. Joint LRT group
7. Metro Mobility
8. the Opt-outs

Staff may have come up with more after the meeting was over, but this was the initial list.....

REGIONAL TRANSIT BOARD

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

DATE: October 11, 1993
TO: Chair and Members, Administration and Finance Committee
FROM: Dale Ulrich, Comptroller
SUBJECT: Agency Auditor Selection

The RTB recently issued, with Board approval, an RFP for audit services for the required annual audits of the Agency. The RFP calls for a three year contract covering calendar years 1993 - 1995. This new contract follows a three year agreement with McGladrey & Pullen for the years 1990 - 1992. Prior to 1990, Deloitte & Touche or its predecessor firm, Deloitte, Haskins & Sells, had served as auditors since the formation of the Agency in 1984.

The RFP included information about the evaluation standards, and included the intended rating schedule, a copy of which is attached here. You may note that cost is an element of the rating, but not of primary importance. More emphasis was placed on the background and experience of the firms and their assigned personnel.

The RFP was submitted to approximately 20 identified public auditing firms and the Minnesota Society of CPAs, which made it available to its member firms in turn. We received six proposals by the deadline on October 1.

I and three members of the finance staff rated the nine proposals according to the criteria of the evaluation rating schedule. The results of that effort showed that three firms were strong candidates with respect to their overall qualifications. Several other firms also appeared competent and competitively priced their services, but had significantly less government auditing experience and no prior exposure to the transit industry.

The top three were very close in the ranking of all four of the raters, especially considering the subjectivity that is inevitably involved in deciding whether an element is "good" or "very good." I therefore considered them equally qualified.

The top three (alphabetically), and their total bids for the three years, are:

Deloitte & Touche, \$51,250	(\$17,000/16,750/17,500)
McGladrey & Pullen, \$51,100	(\$16,300/17,000/17,800)
Tautges, Redpath & Co \$47,830	(\$15,280/15,950/16,600)

(The range in bids of all respondents ranged from \$43,050 to \$53,000 for the three years.)

The decision to open the next three year contract to the community did not reflect a determination to replace the incumbent auditor, rather it expressed Board established tradition to allow others to compete and to test the pricing through competition, particularly in view of its multi-year nature.

My recommendation is based on the results of the ratings, all four of which placed Deloitte first, with McGladrey and Tautges tied for second. As previously noted, all three firms are considered acceptable by the finance staff.

RECOMMENDATION:

That the Executive Director be authorized to enter into a three year contract for audit services for annual audits of the RTB with Deloitte & Touche for an amount not to exceed \$51,250. (\$17,000/16,750/17,500)