



Minnesota Regional Transit
Board: Records.

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

**Meeting of the
REGIONAL TRANSIT BOARD**
Mears Park Centre, Room A
Monday, November 29, 1993
4:00 p.m.

AGENDA

1. **CALL TO ORDER AND ROLL CALL**
2. **APPROVAL OF THE AGENDA**
3. **APPROVAL OF MINUTES**
 - a. Regional Transit Board Meeting, November 1, 1993
 - b. Committee of the Whole Meeting, November 8, 1993
4. **GENERAL BUSINESS**
 - a. Appointment of Chair and Members of Legislative Committee
 - b. Metropolitan Governance
 - c. Chair's Benefit Package
 - d. Resolution Authorizing Execution of Agreement to Conduct Data Collection and Evaluation of the Travlink Intelligent Vehicle-Highway System (IVHS) Operational Test, Resolution No. 93-09
5. **MEMBERS' REPORTS**
6. **EXECUTIVE DIRECTOR'S REPORT**
7. **OTHER BUSINESS**
8. **PUBLIC COMMENT**

Ruth Franklin
Vice Chair

Note to Board Members: There will be a light buffet available before the next hearing.--mf



REGIONAL TRANSIT BOARD

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

**RESOLUTION AUTHORIZING EXECUTION OF AGREEMENT
TO CONDUCT DATA COLLECTION AND EVALUATION OF THE
TRAVLINK INTELLIGENT VEHICLE-HIGHWAY SYSTEM (IVHS)
OPERATIONAL TEST**

Resolution No. 93-09

- WHEREAS,** the Secretary of Transportation is authorized to make grants for mass transportation projects; and
- WHEREAS,** the Regional Transit Board and Minnesota Department of Transportation have prepared and requested approval of an application for operating and capital assistance under Section 6 of the Urban Mass Transportation Act of 1964, as amended; and
- WHEREAS,** the Minnesota Statutes 473.375, Subdivision 8, requires that the Regional Transit Board approve the application of political subdivisions within the metropolitan area for federal transit assistance; and
- WHEREAS,** the Regional Transit Board, at its meeting of August 2, 1993, reviewed and approved the application for \$400,000 of federal transit assistance.

NOW, THEREFORE, BE IT RESOLVED:

THAT the Regional Transit Board authorize the executive director to execute a cooperative agreement with the Federal Transit Administration to conduct data collection and evaluation of the Travlink Intelligent Vehicle-Highway Systems (IVHS) Operational Test.

Adopted this twenty-ninth day of November 1993.

Ruth Franklin
Vice-Chair

Mary Fitzgerald
Secretary

mff
11/23/93



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

**Minutes of the Meeting of the
REGIONAL TRANSIT BOARD
November 29, 1993**

MEMBERS PRESENT: Ruth Franklin; Vice Chair; Michael Beard; Sharon Feess; Morgan Grant; Val Higgins; James Hovland; Gary Humphrey; Harry Mares

MEMBERS EXCUSED: Ruby Hunt, John H. Riley and Dennis Schulstad

OTHERS PRESENT: Bill Schreiber; Mike Robertson, Legal Counsel; Robert Mairs, Tom Sather, Metropolitan Transit Commission; Diane Harberts, State Advisory Committee on Metropolitan Governance; Robin Alexander; Don Ahern, St. Paul Pioneer Press; Lisa Lee; Linda Rother, ATE; Bob Rossman, Amalgamated Transit Union Local 1006; Gregory L. Andrews, Judy Hollander, Dave Jacobson, Dan Murray, Clarence Shallbetter, Clete Luberts, Kathy Grochowski; Dale Ulrich, Mary Fitzgerald, RTB staff

CALL TO ORDER AND ROLL CALL

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

APPROVAL OF AGENDA

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

APPROVAL OF MINUTES

Mares moved and Grant seconded approval of the following minutes:

Regional Transit Board Meeting, November 1, 1993
Committee of the Whole Meeting, November 8, 1993

The motion was unanimously approved.

GENERAL BUSINESS

APPOINTMENT OF CHAIR AND MEMBERS OF LEGISLATIVE COMMITTEE

Franklin recommended, Grant moved and Mares seconded:

That the Regional Transit Board appoint Michael Beard as Chair and Ruby Hunt as Vice Chair of the 1994 Legislative Committee. The committee will meet as Committee of the Whole.

The motion was unanimously approved.

METROPOLITAN GOVERNANCE

Hollander distributed a history of the structural changes made to metropolitan governance. Beard thanked her for her help. He stressed that this is only a starting point and there is a long way to go. The board should have something on paper to start developing consensus. Two or three members met before this meeting and discussed some of the priorities, interface with other agencies and how to strengthen the vision for mobility in this new entity. He encouraged Hollander to share this document.

Most members preferred the use of the word "regional," rather than "metropolitan." Higgins said the most important thing is how much authority the regional agency is given.

Beard said there seems to be an attitude that the Regional Transit Board has to go so whatever follows should be something else. Schreiber said the legislative staff has a practice for refining the definition and he asked staff to contact the legislative staff.

In thinking about the issues that would be created if this were put together, Mares said he would like a list of advantages and disadvantages of this entity owning and operating equipment. Also, with respect to the legal issues regarding a single agency owning and operating equipment, are there other agencies throughout the country that do this?

Humphrey said the whole intermodal concept has brought this type of situation to the forefront. There would be a definite advantage in restructuring under the ISTEA concept. Beard said under the San Diego model of transit governance, the authority owns the assets and somehow distances themselves from day-to-day operations. It would be interesting to see how they put that together. The ISTEA relationship is very important and we will have to deal with it for the next 20 years. A Metropolitan Planning Organization (MPO) would be a very efficient vehicle for channeling those dollars and that will be an important selling point to the Legislature. Higgins warned against including goods movement. Hovland described the possibility of properties outside the metro area being used by carriers like Burlington Northern for intermodal transfers at some point in time. This is an esoteric area, but it would help to plan movement of goods and people in the region. Beard said the Regional Transit Authority (RTA) should at least have some input into that process because of the intermodal traffic that will be hitting the highways. These are all land use issues.

Schreiber said the federal government requires that someone look at all intermodal activity. Certain categories of federal dollars are available for these activities and some agency has to objectively prioritize the projects. Beard said the underlying assumption is that the Transportation Advisory Board (TAB) would be dissolved and the RTA would assume the same responsibilities. Mares said the new structure would reduce bureaucracy and would help coordinate the entire transportation process. Hovland said there are problems attendant upon owning property. The equipment would be leased out under arrangements

similar to the contract with ATE. There would be a group of three members working with each entity. The problems might be endless.

Schreiber added that the board should decide whether to own equipment and contract for operation or own and operate it. Beard said the opt-out communities favor owning and parceling out equipment for them to operate. Humphrey said the advantage of a bigger agency is a better purchase price when bonding. Franklin directed staff to prepare a list of pros and cons on owning the equipment. Harberts said that the capital initiative would increase the possibility of developing a better bidding situation. The board would have to take on an oversight responsibility. One missing element is the private/corporate partnership. Ownership is part of the authority. Grant recommended that another meeting be scheduled after the board has a chance to digest some of these things. Hovland asked people to give their comments to Hollander by Monday morning. Andrews said the State Advisory Commission on Metropolitan Governance has asked for a document laying out RTB's legally mandated responsibilities, those that are permissible by law, and those we do because they are the right thing to do. MTC has been asked to prepare the same information. The presentation must be kept very brief.

Hovland said the time is very short and RTB has not yet met with the Metro Council to present a united front. Schreiber said the State Council has made a preliminary decision and now they are looking at the mandates to determine what would be folded into council responsibilities and what that will require of the council. They seem to be looking at the transportation components. At a later date there will be other opportunities to talk about how ISTEA relates to this. RTB should stress the importance of public participation. Franklin said staff should attend the next commission meeting along with whatever board members are available. Higgins said staff can provide historical perspective because there has been so much turnover on the board. Feess said the issue of this board's relationship to Mn/Dot should be included. No formal action was taken.

CHAIR'S BENEFIT PACKAGE, RESOLUTION NO. 93-10

Schreiber reviewed his November 24, 1993 memorandum. The chair's medical situation is uncertain and his sick leave and vacation are nearly exhausted. If the board approves this benefit package, the chair will resign effective December 1, 1993. The Governor plans to act quickly to appoint a part-time chair so the disability benefits and the salary of the new chair will not exceed the amount budgeted for the chair's position in 1994. Grant moved and Higgins seconded:

That the Regional Transit Board approve Resolution No. 93-10,
Resolution Approving the Payment of Severance Pay.

Higgins said it is his understanding that someone from the Governor's office has been in contact with the family and that they are satisfied with this package. Beard said he applied for membership to the board because of John Riley and he will agree to this severance with deep regret. On a roll call vote, the motion was unanimously approved.

RESOLUTION AUTHORIZING EXECUTION OF AGREEMENT TO CONDUCT DATA COLLECTION AND EVALUATION OF THE TRAVLINK INTELLIGENT VEHICLE-HIGHWAY SYSTEM (IVHS) OPERATIONAL TEST, RESOLUTION NO., 93-09

Andrews explained that in August 1993 the board approved the grant application and is now asked to authorize execution of the agreement. Grant moved and Feess seconded:

That the Regional Transit Board approve Resolution No. 93-09, authorizing the executive director to execute a cooperative agreement with the Federal Transit Administration to conduct data collection and evaluation of the Travlink Intelligent Vehicle-Highway Systems (IVHS) Operational Test.

On a roll call vote, the resolution and motion were unanimously approved.

MEMBERS' REPORTS

Feess said the Northwest Success by Six Transportation Committee completed its 1994 work plan, which includes cooperation with RTB's legislative efforts for a dedicated transportation fund. They will be available to present the plan to any legislators or committees.

Grant reported that he experienced a problem with the Metro Mobility Service Center (MMSC) phones after 11:00 p.m. last week. It has been resolved, but RTB must ensure that it does not reoccur. Had there been someone stranded outdoors and using a pay phone, there would have been serious implications. He asked the ATE representative to assure the board that this will not happen again. Rother said there was a problem last weekend because of the Thanksgiving holiday. AT&T reprogrammed the administrative phone on Wednesday to the weekend mode. The usual person was on vacation and the new person inadvertently deprogrammed the roll-over function. As soon as the problem was identified it was corrected and tested. Today AT&T assured ATE it will not happen again. Franklin asked if something has been written into the program to prevent it. Rother said she will check on it and report back as soon as possible.

Grant said he also concerned that people must not be left on hold for long periods. He has experienced extended waits, particularly in the later hours, trying to get through to the dispatcher. He recommended that ATE install a monitoring system on the dispatchers' phones similar to that on the reservationists' phones. It is important for people to get through to a live person. Rother agreed that it is inexcusable to keep anyone waiting, particularly late at night in the cold. ATE is working with AT&T. Grant said the board needs to know how long people are kept on hold trying to get through to the dispatcher. The board should receive a report. Rother said a program similar to that of the reservationists would cost about \$10,000. Mares suggested that ATE report back to staff about the numbers of people on hold. Rother said they cannot determine that unless they purchase the equipment. They could have six people on six lines on hold. Responding to Hovland's questions, Rother said during the

day general complaints go to Customer Service, 221-0015. Hovland asked if ATE is tracking the kinds of complaints after 6:00 p.m. relative to the number of people they are carrying. Grant said that relates to another aspect of problems with the core system, that is, people calling about where their rides are. That should be picked up right away and without getting the obnoxious record. Any phone system can experience these kinds of problems when new equipment is put in place, Humphrey said. Grant said there should be better safeguards in ensuring the equipment is working properly.

EXECUTIVE DIRECTOR'S REPORT

Andrews said next week the board will be asked to approve a settlement agreement with Handicabs and Metro Ride. Hovland questioned the level of service for agency contracts. In his meeting last week with Open Circle Day Care he found they have been getting very poor service from Metro Ride.

The vice chair asked that the meeting be adjourned so the members could take part in the RTB portion of the Truth in Taxation hearing held in another room. Feess moved and Hovland seconded that the meeting be adjourned. The motion was unanimously approved and the meeting adjourned at 5:30 p.m.

I hereby certify that the foregoing constitutes a true and accurate record of the Regional Transit Board's meeting of November 29, 1993.

Respectfully submitted,



Mary Fitzgerald
Secretary of the Board

Approved by the Regional Transit Board on this 20th day of December 1993.



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

**Meeting of the
REGIONAL TRANSIT BOARD**
Mears Park Centre Chambers
230 East Fifth Street
St. Paul, Minnesota 55101
Monday, December 6, 1993
4:00 p.m.

AMENDED AGENDA

1. **CALL TO ORDER AND ROLL CALL**
2. **APPROVAL OF THE AGENDA**
3. **APPROVAL OF MINUTES**
 - a. Regional Transit Board Meeting, November 15, 1993
 - b. Regional Transit Board Meeting, November 19, 1993
4. **REPORT OF THE COMMITTEE OF THE WHOLE**

Val Higgins, Chair, Policy Committee

 - a. Proposed 1994 Service Plan for North Suburban Lines Rice Street Weekday and Saturday, and Lexington Weekday Service
5. **GENERAL BUSINESS**
 - a. Approval of Three-Provider Metro Mobility System
 - b. Update on Metro Mobility
 - c. Request to Hold Public Hearing on 1994 Americans with Disabilities Paratransit Plan Update
 - d. Resolution of Appreciation, Res. No. 93-11
6. **MEMBERS' REPORTS**
7. **EXECUTIVE DIRECTOR'S REPORT**
8. **OTHER BUSINESS**
9. **PUBLIC COMMENT**

**Ruth Franklin
Vice Chair**



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

DATE: January 4, 1994
TO: Board Members
FROM: Mary Fitzgerald
SUBJECT: Truth in Taxation Public Hearing Minutes

Attached for your information are the minutes of the Truth in Taxation Public Hearing held November 29, 1993. Approval is not needed on public hearing minutes.

mff
Att.

Metropolitan Council, Regional Transit Board,
Metropolitan Mosquito Control District, Metropolitan Airports Commission

PUBLIC HEARING - TRUTH IN TAXATION

Thursday, November 29, 1993

Council Chambers - 5:00 P.M.

Dottie Rietow, Chair of the Metropolitan Council, called the meeting to order at 5:00 p.m. She stated that the purpose of the public hearing is to review the budgets and proposed tax levies on the four agencies. Each agency will present its budget and will respond to questions from the audience on the budget. Comments or questions can be submitted in writing to Richard Johnson of the Metropolitan Council for the record.

METROPOLITAN COUNCIL

Members present: Dottie Rietow, Chair; Richard Johnson, Executive Director; Sondra Simonson, District 5; Jules Smith, District 4; Terry Flower, District 16; Esther Newcome, District 11; Dede Wolfson, District 13; Martha Head, District 6; Mary Smith, District 3; Carol Kummer, District 8; Bill Schreiber, District 2; Steve Wellington, District 14.

Richard Johnson, Executive Director, Metropolitan Council, presented an overview of how the property tax levies on the various agencies are translated into what is appearing on the property tax statements. Johnson, using a property tax statement representative of a residence in Ramsey County as an example, explained the formula used to determine the proposed property tax for 1994. Johnson said three important ingredients determine the formula: what the taxing jurisdictions ask in terms of total tax dollars to fund programs; what has happened to the market value of property; and the overall tax capacity of the individual counties.

Following are comments and questions posed by a boisterous audience. Names of many of the speakers are not recorded as the available microphone was not used by the participants.

Justification was asked for the large increase in taxes as opposed to a low cost of living increase. Johnson reaffirmed that market value increases and tax capacity increases have a direct bearing on the percent of tax increase. Johnson indicated the tax increase for the special taxing districts is .73%, a small portion of the overall tax levy.

A question was asked how often property is inspected by assessors. Bill Schreiber, Council member, responded that state law mandates that assessors must physically inspect each house once every four years and explained the procedure the assessor follows. Schreiber said an appeals process is available at the county level in the event a homeowner feels his property has been assessed too high.

Tom DuPont, St. Louis Park, asked if the formula had been tested to see if it works citing discrepancies in tax assessments of houses in his neighborhood. Schreiber responded that each taxing jurisdiction (or county) is responsible for assuring that taxes are properly assessed and suggested the county assessor be contacted if a discrepancy is suspected in the calculation of the proposed property tax statement.

The largest number of comments and questions were regarding dissatisfaction with the increase in percent of property tax and levy for operation of the agencies. Mary Smith, Council member, referred to the steady reduction of the expenses and staff at the Metropolitan Council over the past five years. She commented that the percent of levy by the agencies is very small compared to the total overall property tax.

Schreiber commented that of the amount of taxes levied by jurisdiction, the most goes to schools, second to county, third to city, and last to metropolitan services, and taxes levied for all metro activities per household would average approximately \$57. He asked if it would be worth giving up all metro activities, which includes all transit operations (including bus operation and metro mobility), mosquito control, solid waste activities, and planning for the metropolitan area, for a \$57 reduction in property taxes.

A question was asked why homeowners are made responsible for paying taxes to cover bankrupt businesses. Schreiber responded that personal property taxes have been subsidized for years by commercial and industrial property. Because of the decline in market value and loss of that tax base, those taxes are passed on to the homeowners.

Johnson presented an overview of the Metropolitan Council budget for 1994 and discussed the sources of funding available to the Council to cover the expenditures for daily operating expenses, debt service for bonds issued, purchase of capital equipment, and grants. The total budget for 1994 of all those things is \$54,846,000 as compared to \$57,343,000 in 1993, the third year in a row that the Council has shown a reduction in the property tax levy.

Johnson discussed the variety of sources of funds received for the Council's budget. Property taxes are the primary source of dollars to cover operating expenses, federal dollars are received for transportation planning and the Housing and Redevelopment Authority (HRA), state dollars are designated primarily for solid waste activities and other money is received for services provided to other agencies.

The staff compliment of 190 clerical, professional and management employees will be reduced to a staff compliment of 148 in 1994, the largest reduction since 1990. The major reduction proportionally in 1994 is occurring in the management area, but reduction is occurring throughout the agency.

Consultant dollars in 1994 are projected at \$904,000, down from \$1.3 million in 1993. Independent contractors are projected at \$578,000 in 1994. This amount does not reflect an increase in the use of independent contractors, rather represents federally funded pass through dollars for contracts through HRA for services in the local communities.

Johnson addressed a question about grants and explained that grants are funded by federal dollars that are used by the Metro HRA to provide Section 8 housing assistance certificates to approximately 4500 low income households throughout the metropolitan area.

In answer to a question raised about why Minnesota's taxes keep rising, Schreiber responded that taxes of Minnesota homeowners in the past have been subsidized significantly by business and industrial properties. Minnesota property taxes are considerably lower than in Wisconsin; however, Wisconsin business tax is 50% less than in Minnesota. The legislature is beginning to realize that business cannot afford to operate in Minnesota because of the high rate of tax. Schreiber encourages citizens to contact their legislators and request a more fair tax system than Minnesota currently has.

A public hearing on the Council's work program and budget will be held Thursday, December 9, 1993 at 5:00 p.m. in the Metropolitan Council chambers; and Thursday, December 16, 1993 at 4:00 p.m. the final budget and tax levy will be adopted.

REGIONAL TRANSIT BOARD (RTB)

Members present: Ruth Franklin, Chair; Greg Andrews, Executive Director; Val Higgins, Seniors representative; Harry Mares, District F; Gary Humphrey, District H; Jim Hovland, District B; Sharon Feess, District A; Michael Beard, District C

Dale Ulrich, Controller, presented an overview of the RTB budget for 1994. Ulrich said the two major sources of revenue to fund transit programs and agency operations in the metropolitan area are received from property taxes and direct state appropriations from the legislature. Property taxes are levied to subsidize the operation of transit programs in the metro region, and to pay principal and interest on the general obligation bonds issued to purchase transit equipment and regional transit facilities.

James Hurm, City Administrator, city of Shorewood, read a letter he sent to the Metropolitan Transit Commission (MTC) in August 1993 referring to the large amount of property tax assessed the city of Shorewood for limited MTC bus service to that area, and asking for immediate action to adjust Shorewood to the lowest level of tax feathering with their neighbor Tonka Bay. Hurm has asked the RTB to make a determination on this matter prior to the certification of the 1994 transit structure. Franklin responded that the RTB will look into this and respond back to Shorewood whether or not there could be feathering.

Bernard Beerman, Inver Grove Heights, questioned the justification for the changes in services at Metro Mobility and are these changes really cost-effective. Ulrich responded that Metro Mobility is funded by state appropriation and not by property tax. The goal of efficiency in the delivery of services was not a matter of trying to reduce dollars but a realization that to meet a significant demand for services, a different organization of service would be required in the future to reduce the growing costs of the program to a level of increase that would be slower than the ridership increase.

Dick Himes, Wayzata asked what the light rail transit money is being used for. Andrews responded that a \$2 million federal grant was awarded to fund a two year project to do an alternative analysis on the central corridor between Minneapolis and St. Paul. Andrews said the grant dollars pass through RTB to MNDoT, who is by state statute the lead agency on the project, along with Ramsey and Hennepin Counties.

Dan Ramirez, Brooklyn Center, asked who appoints the MTC board. Franklin responded that the RTB appoints the MTC board after reviewing applicants at a public hearing. Experience in management or business, and/or transit are required.

James Kennedy, Eagan, commented about the increase in RTB staff for 1994 and also requested that the surplus in the fund balance be returned to the taxpayers this year.

A public hearing on the RTB 1994 proposed budget was held on August 9, 1993. The board will adopt the final 1994 budget and property tax levy at their meeting on December 13, 1993 at 4:00 p.m.

METROPOLITAN MOSQUITO CONTROL DISTRICT (MMCD)

Members present: Chair Steve Loeding, Dakota County Commissioner; Randy Johnson, Hennepin County Commissioner; Bob Sjogren, Director, Mosquito Control District; Dick Wedell, Ramsey County Commissioner; Jim Trench, Attorney for District; John Siegfried, Carver County Commissioner; Ray Foslid, Scott County Commissioner

Bill Caesar, Business Administrator, presented an overview of the proposed MMCD tax levy for 1994. MMCD is the agency responsible for performing mosquito control in the metropolitan area and research for future programs.

Mark Iverson, St. Paul, commented on the cash reserves and asked if this money is in a dedicated, interest accruing, account and put back into the program. Caesar responded that the reserve is designated for buildings, and the balance is cash flow.

Cathleen German, Maplewood, asked if it would not have been cheaper to continue to rent, rather than spend millions on a new building. Loeding responded the decision was to build a facility that would combine the four field operations (with specialized work space requirements) with administration under one roof, and also provide centralized meeting facilities for metropolitan county government. At a cost of \$3.2 million, the payback on the operation would be seven years, at which point the taxpayers would be saving money by not having rental payments.

German asked what the money dedicated to environment studies was used for. Dr. Sjogren responded that as a result of a settlement of a lawsuit with a number of environmental groups in 1987, a Scientific Peer Review Panel was formed. This panel of scientific experts conducts independent long term impact studies to search for adverse environmental impacts on the results of the MMCD program operations. MMCD is authorized by legislation to spend up to 2.5% of its budget in this area.

The MMCD commission will hold a public hearing when it adopts the final 1994 budget on December 15, 1993 at 9:00 a.m. at the MMCD office at 2099 University Avenue, St. Paul.

METROPOLITAN AIRPORTS COMMISSION (MAC)

Staff present: Denise Kautzer, Director, Finance; Lynn Richardson, Deputy Executive Director in Charge of Airports; David Dumbrowski, Director, Legislative and Labor Relations; Bob Stassen, Director, Public Affairs; Steve Busch, Finance Manager

Denise Kautzer, Director Finance, and Steve Busch, Finance Manager, made presentations on the revenue and expenses from the operation of the Minneapolis/St. Paul International Airport. Kautzer commented on the 50th anniversary this year of the airport. She explained the MAC does not assess a property tax, although it has the authority to do so. The airport is supported totally by user fees. Busch explained in detail the increases and decreases of revenue for 1994. Revenue is generated in excess of expenses and is put back into the airport system to pay debt service and capital improvements.

To answer a question regarding the high charge for parking at the Minneapolis/St. Paul Airport, Kautzer responded that parking fees at the airport are comparable to downtown Minneapolis and St. Paul. Many airports in other areas are subsidized through property tax for parking charges.

A comment was made regarding the excess of parking attendants and suggested the airport look into automated technology to handle parking fees. Busch stated that the staffing levels are monitored for efficiency very closely. He could not offer any information on the technology.

Dick Himes, Wayzata, asked what the \$3 passenger facility fee amounting to approximately \$28 million/year is used for. Busch responded that accounting of this revenue is handled completely separate from the airport operating budget. The current application of these dollars is used for the skyway system, parking towers, improvements to the upper and lower roadway system, reconstruction of part of runway on the airfield, and a people mover (still under development) to transport people to the car rental services. All of these projects must have FAA approval.

A question was asked if we expand the current airport, will we be able to handle traffic 15 years from now. Busch responded that the dual track study now in progress will determine this. Stassen commented that through computer projections and forecasts, the airport could conceivably handle traffic for the next 30 years. Stassen commented that economic studies show the airport is a major economic generator of jobs and funds that flow back into the local economy, which are not reflected in the annual statement of the airport.

After completion of all agency presentations, the Metropolitan Council members returned to answer wrap-up questions that were not answered previously because of time constraints.

Mike Alban commented on the lack of cooperation between county, schools and political leaders. Kummer responded that it would make sense to hold consolidated meetings where everyone would be present at one time. Schreiber commented that part of the problem is with the complexity of the Minnesota tax system. The public tends to focus on the percent of increase, where the focus should be on the actual dollars spent to operate specific services.

Dick Himes, Wayzata, questioned what caused the decline in commercial and industrial tax capacity. Schreiber commented that overbuilding of commercial and industrial property resulted in competition on rents, which reflected on the market value of the building. This caused a ripple effect through the entire system.

Himes commented that the purpose of the Metropolitan Council is to deal with economic growth and questioned who should take the responsibility for that. Schreiber responded that the stock market gives no guarantees and stated examples of overpriced agricultural land and overbuilding in real estate-market as prime examples of problems with our economy.

Lisa Lee asked who to contact in order to get information on what *Other Taxing Districts* refers to. Schreiber responded that this tax is typically for watershed districts and to contact a county Department of Property Taxation to get an explanation of taxes for a specific area.

The hearing was adjourned at 8:25 p.m.

Respectfully submitted,

Shirley Willenbring, Secretary

TAX LETTERS SUMMARY

AS OF DECEMBER 7, 1993

Mr. and Mrs. James Beauclair
1852 Chatsworth
Roseville, MN 55113

Getting out of hand - hitting property owners
year after year

Kelly Binek
5219 Chicago Avenue South
Minneapolis, MN 55417

"Get the hell out of our pockets", expect your cooperation
in fighting for reduced taxation and government regulation

Henry Blackburn, M.D.
1525 Kaltern Lane
Minneapolis, MN 55416

Strongly protest, ridiculous, unconscionable

Kathleen J. Brady and
David C. Zumeta
4720 East 34th Street
Minneapolis, MN 55406

Intense displeasure with the tax increase

Jack Calvaresi
8420 3rd Avenue
Bloomington, MN 55420

Increases slowly squeezing me off of my property

Willis M. Decko
2947 46th Avenue South
Minneapolis, MN 55406

Outrageous increase that no one should be forced to pay
Cannot continue to pay out dollars

John R. De Lambert
331 Mt. Curve Boulevard
St. Paul, MN 55105

Increase is ridiculous

Mr. and Mrs. Donald Dennis
5842 Admiral Lane
Minneapolis, MN 55429

We are being taxed to death, try cutting back

Mr. and Mrs. Janos Eder
2428 East Indian Way
North St. Paul, MN 55109

Live within your budget, hope you lose your jobs

Mr. and Mrs. Thomas Ehrhardt
4645 York Avenue South
Minneapolis, MN 55410

Combined increase since 1990 will equal 64%, cannot continue to
live in Minneapolis

Ms. Phyllis W. Engel 944 Knox Avenue South Minneapolis, MN 55419	80 year old widow, small pension and social security
Joseph R. Freer 4003 Crestwood Place White Bear Lake, MN 55110-4238	Increase in property tax is too much
Mr. David J. Frost 58 Kipling Street St. Paul, MN 55119	Wages frozen in 1992, get back to the basics and cut out the frills
Beverly Furman 3801 Xerxes Avenue South Minneapolis, MN 55410-1134	Curtail services and forego any tax increase
Marie A. Furton 1456 West Idaho Avenue Falcon Heights, MN 55108	Not only are they so high but have no idea what they go for
Jane Gilbert 5917 Oakland Avenue South Minneapolis, MN 55417	Increases year after year are unacceptable
Mr. and Mrs. Ronald Gonzalez 2416 126th Street West Rosemount, MN 55068	Hard to believe the increases
Mr. and Mrs. Douglas Harkins 10208 Scarborough Road Bloomington, MN 55437	Must quit spending
Mr. and Mrs. David Hartman 5337 Scenic Heights Drive Minnetonka, MN 55345	Assessed home value is inaccurate and unwarranted
David Hartwell Bellcomb Technologies Incorporated 70 North 22nd Avenue Minneapolis, MN 55411	How is it possible to justify increases that are ten percent higher than the level of inflation, seriously disturbing
Kathryn A. Hedman 6053 Clinton Avenue South Minneapolis, MN 55419	Way out of line, will soon tax me out of my home
Mr. and Mrs. Ken Hirsch 5817 Hyland Courts Drive Bloomington, MN 55437	Extremely angry and appalled by increase in property taxes

<p>George T. Holden Parkwood Apartments c/o Hollan/Hopkins Post Office Box 580792 Minneapolis, MN 55458</p>	<p>Find constructive ways to keep your annual budget to no more than an increase equal to the prior year's inflation</p>
<p>Bernard and Kathy Horwath 4486 Timberline Court Vadnais Heights, MN 55127</p>	<p>This is unconscionable, vehemently oppose this 1994 budget</p>
<p>Eugene Housewright 539 Glendale Street St. Paul, MN 55104</p>	<p>Totally unacceptable, totally against increase</p>
<p>Mr. and Mrs. David Isaacson 7669 Knollwood Drive Mounds View, MN 55112</p>	<p>Protest another drastic increase, live within your means</p>
<p>Dale G. Jeske 8610 Rockford Road New Hope, MN 55427</p>	<p>Retired person on a fixed income, object to the increase</p>
<p>Ron Johnson Box 350 Excelsior, MN 55331</p>	<p>Proposed increase is obscene, reduce or vote MC out of existence</p>
<p>James Kelly 2950 Fernwood Street Roseville, MN 55113</p>	<p>Worse display of arrogance, soliciting a taxpayer's revolt</p>
<p>Mr. and Mrs. Walter J. Kimble 2165 Wisconsin Avenue North Golden Valley, MN 55427</p>	<p>Need to cut - eliminate unnecessary, costly spending</p>
<p>Mr. and Mrs. Walter J. Kimble 2165 Wisconsin Avenue North Golden Valley, MN 55427</p>	<p>End it now</p>
<p>Gordon Kircher 2320 Kirkwood Lane North Plymouth, MN 55441</p>	<p>No reason to tax the senior citizen when they are on a fixed budget</p>
<p>Thomas Krauel Attorney at Law Thomas W. Krauel and Associates, Ltd. 2126 5th Street White Bear Lake, MN 55110</p>	<p>Object to the tremendous increase, see that increases are more in line with reality</p>

<p>Thomas W. Krauel Attorney at Law Thomas W. Krauel & Associates 2126 5th Street White Bear Lake, MN 55110</p>	<p>Totally opposed to increase, totally unwarranted being inflation is only 3 or 4%</p>
<p>Mary A. Krzisnik to 1001 West Sherren Street Roseville, MN 55113-4430</p>	<p>Single person, 75 years old, have objections and very serious concerns to the proposed unconscionable tax increases</p>
<p>John R. Leighton 4800 Maple Road Edina, MN 55424</p>	<p>Request that you review my property tax for 1994</p>
<p>Mr. and Mrs. Gerald P. Lindwall 880 Basswood Lane Eagan, MN 55123</p>	<p>Extreme displeasure with the nearly 50% property tax increase</p>
<p>Robert Lubben 4180 Ximines Lane North Plymouth, MN 55441</p>	<p>Strongly oppose a tax increase and demand a justification for same</p>
<p>James F. Luecke 9608 Russell Avenue South Bloomington, MN 55431</p>	<p>Object to any increase in taxes, do some cutting</p>
<p>Nancy M. Lundquist 1900 Asbury Street Falcon Heights, MN 55113-6148</p>	<p>Widow, 74 years old, fixed income, increase in taxes make it difficult to remain in home</p>
<p>Ronald Lunke 9117 Toledo Road Bloomington, MN 55437</p>	<p>Strongly oppose this property tax increase</p>
<p>Ronald Lux 2555 Oak Court White Bear Lake, MN 55110</p>	<p>Take harsh action to do some strong cutting</p>
<p>Arvy Mack Mack Equipment Sales Co. 5701 Lois Lane Edina, MN 55439</p>	<p>Become more efficient, cut back on spending, not a bottomless pit</p>
<p>William B. Malevich 1877 Summit St. Paul, MN 55105</p>	<p>Your proposal is preposterous, unbelievable, insensitive, insulting and ridiculous</p>

Alan Marken
471 Sidney Street East
St. Paul, MN 55107

Outraged at the raise in our taxes, lower our taxes

Martin T. Martin
5801 Clinton Avenue South
Minneapolis, MN 55419

86 years old, income limited, will be forced to sell this house

John McGirl, Jr.
Doherty, Rumble & Butler
3500 Fifth Street Towers
150 South Fifth Street
Minneapolis, MN 55402-4235

Proposed increase is absolutely outrageous

Karen L. Meile
2194 St. Croix
Roseville, MN 55113

Unbelievable, look into this unjust evaluation

Mr. and Mrs. Jack W. Meyer
1351 Keston Atreet
St. Paul, MN 55108

Protest this increase

Mr. and Mrs. James Minnick
9149 Meadowview Road
Bloomington, MN 55425

Makes me so mad I could spit

Mr. and Mrs. Marvin J. Morin
4715 Isabel Avenue South
Minneapolis, MN 55406

Why must our taxes be raised, on social security and a small pension

David H. Ness
7162 72nd Lane North
Brooklyn Park, MN 55428

I hope upon reviewal this can be corrected (market value)

Brett W. Olander
Jardine, Logan & O'Brien
2100 Piper Jaffray Plaza
444 Cedar Street
St. Paul, MN 55101-2160

At no point in my life have I been so disgusted about a proposed tax

Mr. and Mrs. Douglas Orton
River Acres
7995 115th Street South
Cottage Grove, MN 55016

Learn how to say no, you are not serving us well

Howard A. Ostrem
1824 Rolling Green Curve
Mendota Heights, MN 55118

Express my strong objection to the proposed 1994 property tax increase

Mr. LeRoy Otto
9528 Woodbridge Road
Bloomington, MN 55438-1667

Increase proposal out of line

Mr. Jon R. Pederson
233 3rd Avenue Northeast
Osseo, MN 55369

Outrageous amount of tax increase

Philip Peltier
360 West Emerson
West St. Paul, MN 55118

All this spending just has to stop

Ms. Sandra J. Petschl
2559 Mayfair Avenue
White Bear Lake, MN 55110

Increases not fair

Mr. and Mrs. Herbert L. Pick, Jr.
2261 Folwell Street
St. Paul, MN 55108

Request justification for the incredible proposed rise in taxes

Mr. and Mrs. Michael Pierro
5880 Christmas Lake Road
Shorewood, MN 5533

Can increase be justified, taxed out of homes

Mr. and Mrs. Peter G. Plagemann
1955 Cleveland Avenue North
St. Paul, MN 55113

Outrageous and out of proportion to rate of inflation

Mr. and Mrs. Michael C. Pohl
603 Hamline Avenue South
St. Paul, MN 55116

Absolutely and completely opposed to increase

Mr. and Mrs. James Ragborg
15408 Bryant Avenue South
Burnsville, MN 55306-5417

What the purpose of this money is and why do you think you need such a drastic increase in your funding

Mr. and Mrs. Michael L. Reynolds
2286 Nashua Lane
St. Paul, MN 55120-1641

Outraged, how dare you propose to increase taxes by 35.5%

Michael Rieschl
1628 Wilson Avenue
St. Paul, MN 55106

I cannot pay a 41.4% increase

Mr. and Mrs. J.B. Rogness
5801 Excelsior Boulevard
St. Louis Park, MN 55416-2829

Small business are getting squeezed, no, no new or higher taxes

W. Paul Rupert 2621 Innsbruck Court St. Paul, MN 55112	I do not like it, I protest
Mr. and Mrs. Timothy Scanlan 342 Mississippi River Boulevard North St. Paul, MN 55104	Increase in property tax is ridiculous
Mr. and Mrs. Mark Sellner 3637 Oak Creek Drive East Vadnais Heights, MN 55127	Consternation with the proposed property tax bill, strongly oppose
Mr. and Mrs. Thomas Sendecky 5912 Diamond Lake Lane Minneapolis, MN 55419	Enough is enough, we are both senior citizens on a fixed budget
Mr. and Mrs. David Shingler 4222 Abbott Avenue South Minneapolis, MN 55410	Start making some responsible fiscal decisions
Mr. and Mrs. Melver Sjostrand 2508 Woodbridge Street Roseville, MN 55113	Gross inequity in the taxes and evaluations, elderly couple-70s
M. Shane Smith 9603 Wyoming Terrace Bloomington, MN 55438	Look for things to be trimmed or cut
Mr. Luther M. Stalland Attorney at Law 5 Appletree Square Bloomington, MN 55425	Percentage increases are unconscionable
Delbert M. Strand 10317 Portland Avenue South Bloomington, MN 55420	Be more fiscally responsible
Kathleen H. Stuart 2516 Beverly Road St. Paul, MN 55104	Protest the proposed increase, do everything possible to reduce tax increase
Mr. and Mrs. Charles Tarnowski 6400 York Avenue South, Apartment 312 Edina, MN 55435-2323	Increase is excessive, hold it and cut back, we are retired
Dale Tennison 1311 North Cleveland Avenue St. Paul, MN 55108-1828	Irresponsible, reduce expenses

Kenneth Theis
Shakopee Valley Printing
5101 Valley Industrial Boulevard South
Post Office Box 359
Shakopee, MN 55379

Excessive and would like to know the reasons why

Andrew J. Thelen
2496 Pascal Street North
Roseville, MN 55113

Proposed increase is insane, come to your senses, do not attempt such a thoughtless and foolish increase

Valori Trantanella
2040 North Lexington Avenue
Roseville, MN 55113

Phone call to R. Johnson

Robert T. Ungerman
President
Lamperts
1850 Como Avenue
St. Paul, MN 55108-2796

People cannot continue to pay increasing amounts in property taxes

Deborah Van Slyke
310 Cloverleaf Drive North
Golden Valley, MN 55422

Extremely upset at the increase, what does this special tax district do, why do we need a special tax district

John E. Van Steenwyk
4448 Abbott Avenue South
Minneapolis, MN 55410

Proposed tax increase is an obscenity

Betty Vogt
548 Pelham Boulevard
St. Paul, MN 55104-4938

Increase seems unreasonable, when you are on a fixed income

Mr. and Mrs. Vernon Wendt
3855 Thomas Avenue North
Minneapolis, MN 55412-1804

Request revision of proposed property tax

Brian and Kim Windschitl
16840 North Hillcrest Court
Eden Prairie, MN 55344

We are against any increase in property tax, government needs to cut back

Michael Wollman
NDEITA
National Dance-Exercise
Instructors Training Association
1503 South Washington Avenue, Suite 208
Minneapolis, MN 55454-1037

Will be forced to move my business if tax increase is not decreased

IF YOU HAVE QUESTIONS YOU WOULD LIKE TO HAVE ADDRESSED AS PART OF THIS HEARING, PLEASE WRITE THEM BELOW:

What ~~ser~~ additional services are we getting for the 34% increase?

How do we cope when WE aren't getting raises in our jobs??

NAME/ADDRESS (OPTIONAL)

IF YOU HAVE QUESTIONS YOU WOULD LIKE TO HAVE ADDRESSED AS PART OF THIS HEARING, PLEASE WRITE THEM BELOW:

The admitted surplus of tax money collected in the millions!

Yet my tax has gone up from 1991 \$1877 to \$2251

for an increase of \$444!

NAME/ADDRESS (OPTIONAL)

Betsy Command
15621 N. Hillcrest
Eden Prairie, MN
55346

I am outraged.
I can not afford it.
I've made no improvements.



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

**Meeting of the
REGIONAL TRANSIT BOARD**
Mears Park Centre, Room A
Monday, November 29, 1993
4:00 p.m.

AGENDA

- 1. CALL TO ORDER AND ROLL CALL**
- 2. APPROVAL OF THE AGENDA**
- 3. APPROVAL OF MINUTES**
 - a. Regional Transit Board Meeting, November 1, 1993
 - b. Committee of the Whole Meeting, November 8, 1993
- 4. GENERAL BUSINESS**
 - a. Appointment of Chair and Members of Legislative Committee
 - b. Metropolitan Governance
 - c. Chair's Benefit Package
 - d. Resolution Authorizing Execution of Agreement to Conduct Data Collection and Evaluation of the Travlink Intelligent Vehicle-Highway System (IVHS) Operational Test, Resolution No. 93-09
- 5. MEMBERS' REPORTS**
- 6. EXECUTIVE DIRECTOR'S REPORT**
- 7. OTHER BUSINESS**
- 8. PUBLIC COMMENT**

Ruth Franklin
Vice Chair

Note to Board Members: There will be a light buffet available before the next hearing.--mf

November 17, 1993

REGIONAL TRANSIT BOARD
ROLL CALL AND ATTENDANCE SHEET

DATE: 11/29/93

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

ISSUE

John Riley			Res. 93-10		913-9				
Michael Beard	✓			✓		✓			
Sharon Feess	✓			✓		✓			
Ruth Franklin	✓			✓		✓			
Morgan Grant	✓			✓		✓			
Val M. Higgins	✓			✓		✓			
James Hovland	✓			✓		✓			
Gary Humphrey	✓			✓		✓			
Ruby Hunt	ex								
Harry Mares	✓			✓		✓			
Dennis Schulstad	ex								

Visitors

- T Sadeh
- L Rabin
- B Ross
- D Herbert
- R Mann
- mff W S Chirba
- Sia Su
- Don Ahern
- Robin Alexander

Staff

- dj
- hy
- jh
- c-s.
- de
- gs



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

**Minutes of the Meeting of the
REGIONAL TRANSIT BOARD
November 1, 1993**

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

MEMBERS EXCUSED: John H. Riley

OTHERS PRESENT: Bill Schreiber; Michael Robertson, Legal Counsel; Carol Kummer, Metropolitan Council; Tom Sather, Metropolitan Transit Commission; Dan Hibberts, ATE; Don Ahern, Pioneer Press; Corbin Kidder, Metropolitan Senior Federation; Arnie Entzel, Amalgamated Transit Union; 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 4:00 p.m. and roll was taken.

APPROVAL OF AGENDA

Feess moved and Grant seconded approval of the agenda; the motion carried unanimously (Schulstad not present).

APPROVAL OF MINUTES

Hunt moved and Mares seconded approval of minutes of the Committee of the Whole meeting on September 27 and the board meeting on October 11, 1993. The motion was unanimously approved (Schulstad not present).

EXECUTIVE DIRECTOR'S REPORT

UPDATE ON METRO RIDE LITIGATION

Andrews reviewed the Metro Ride's litigation against the board stemming from the bid award for paratransit service. In September the court lifted the Temporary Restraining Order so ATE could contract with Mayflower and extended the contract with Handicabs and Metro Ride. Meetings continued through the month of October and a tentative resolution has been reached. The proposal is to contract with Metro Ride operating 50 vehicles and Handicabs operating 25 vehicles. When the appropriate paperwork is received it will be presented to the board as soon as possible.

UPDATE ON METRO MOBILITY RESTRUCTURING

Hollander said the consultant, Ken Hosen, will arrive the week of November 15 and begin his review of ATE's operations and interview providers and users to get at what went wrong and identify any systemic problems with the system. Staff is meeting with the counties to work out the reimbursement for the help they have provided in delivering Metro Mobility service. Copies of the letter to ATE regarding contract compliance, dated November 1, 1993, were distributed.

In response to Beard's questions regarding service in the outlying areas, Hollander said when Metro Mobility was restructured service was focused in the area mandated by the Americans with Disabilities Act (ADA). Certain parts of Scott and Carver Counties are not in the service area. It was intended that local providers would offer accessible service and be reimbursed on a different basis by the RTB. During this rough transition the providers agreed to provide some of those trips. A contract amendment will be needed. Beard asked if it will be the responsibility of the counties to provide service and whether those increased costs be included in their contracts. Hollander said those costs will be included in the contracts, but there is no cost history. Some counties are uncomfortable because RTB did not receive additional funding. The contracts are not adjusted yet for additional dollars. Funding is short, so the contracts will be negotiated very carefully.

Hovland asked for data on the on-time performance for the week ending October 31. Grant said, regarding the third bulleted item in the letter, we are still deficient in the number of radio channels. Drivers have a very difficult time getting through on the radio when the information on the manifest is wrong. The radio frequency tie-up could be alleviated somewhat if drivers did not need approval to back up their vehicles. The authority is with someone in the office who does not know if the driver is in a safe area. ATE should reconsider some of those rules imposed on drivers. With respect to the first item (phone lines), Grant said the system is somewhat improved but there are still problems at rush hour. On October 27 he was kept on hold on October 27 for over ten minutes. Other riders report busy signals for over half an hour. Hibberts said back-up accidents are very severe and ATE's practice reinforces with the drivers the need to be extremely careful. The new display terminals will allow drivers to transmit data to the dispatch center automatically, which will cut down on the traffic on the radio frequencies.

Hibberts distributed printed materials that were been mailed to riders and the weekly ridership statistics. Grant said he has not yet received a flyer through the mechanism of putting them on the vehicles. Hibberts reviewed the guidelines for how long customers may be on a vehicle. Mares said last week he was still receiving calls from people who rode for over 90 minutes and he is concerned that the problem is not solved. Grant said today his ride exceeded 90 minutes. The on-time performance is clearly related to the accuracy of the manifest. Hovland asked Hibberts to include information showing the progress over the past few weeks in the on-time performance data. Franklin said the members are all relieved to hear things are improving. (Schulstad arrived.)

REPORT OF THE COMMITTEE OF THE WHOLE

Policy Committee Chair Higgins reviewed the report of the board's October 25 meeting.

REGULAR ROUTE FARE INCREASE

At its meeting of October 25, the Committee of the Whole approved the following recommendations:

That the Regional Transit Board approve the following increases:

1. The added charge for express service shall be increased from 25 cents to 50 cents, effective throughout the day. Express fares are to be charged on regular routes operating a minimum of four (4) miles non-stop on a highway.
2. The per-ride discount offered to purchasers of convenience fares (monthly passes, token and ten-ride cards) shall be reduced from 25 cents to 20 cents.
3. Fares offered during off-peak periods to seniors, youth and riders with limited mobility cards shall be increased from 25 cents to 50 cents. In addition, ten-ride cards priced at 35 cents per ride shall be offered for use during the off-peak by seniors, youth, and persons with limited mobility cards.
4. Previous actions by the Regional Transit Board approving the following regular route fare increases shall also become effective December 1, 1993.
 - Increase the base fare from 85 cents to \$1.00
 - Eliminate the 25 cent zone charge
 - Increase the downtown zone fare from 25 cents to 50 cents during peak periods.

Higgins said the peak charges should have been added to Item 4. He moved that the board reaffirm the actions previously approved as noted in Item 4. Fees seconded the motion.

Schulstad said the increase in the base fare from 85 cents to \$1.00 seems logical, but looking back, it was raised two years ago from 50 cents to 85 cents, which means that it was doubled in a very short period of time. This also affects senior fares. We have to look at the entire reason for bus service. It is not a profit-making business and this is not the right way to increase ridership. He will not support the motion.

Grant also spoke against raising fares at this time. The downtown zone fare increase takes us in the wrong direction and we should encourage people to use

the buses during peak hours rather than drive to their places of employment. That is especially true in Minneapolis where the ramps are on the periphery. Hovland said that as members heard at the fare hearings, increases in social fares are of the greatest concern; however, the only way MTC can acquire additional operating capital is by raising fares and we are in an awful position of rates versus ridership. The board does not want to cut back on service. The items under No. 4 are acceptable. Franklin said no one enjoys increasing fares, but anyone who took part in cutting service found it worse. Many people in the outlying areas need the service as much and are not wealthy. She believes she has to support this proposal.

Schulstad said in 1991 the fare was 50 cents and now, in 1993, we are increasing it to a dollar. Perhaps reducing rates would increase ridership. MTC admits that raising rates would decrease ridership. We are going the wrong direction and will drive people away. Bus travel should be convenient and inexpensive. Franklin said it is unfortunate that bus service is not like normal businesses. The farebox only contributes 35 percent, at best, and the more riders you have, the most costly it is. Vote was taken to reaffirm Item 4. The motion carried with Schulstad and Grant opposed.

Higgins moved approval of Item 1; Beard seconded the motion.

1. The added charge for express service shall be increased from 25 cents to 50 cents, effective throughout the day. Express fares are to be charged on regular routes operating a minimum of four (4) miles non-stop on a highway.

Beard apologized for not being able to attend last week's meeting because he was out of town. He asked how many routes will fall out of the "express" category. Blin said most routes will continue to charge express fares. Very few will drop out when the "four-mile" standard is applied. Higgins spoke in favor of the increase, although the matter of four miles should be revisited. The yardstick should be how many minutes. Staff says that it difficult to calculate, but he disagrees because there are printed schedules that reflect the length of time for any trip. Humphrey said the number of stops should define whether service is express or not, but the board can continue to refine this. The motion was unanimously approved.

Higgins moved approval of Item 2; Hovland seconded the motion.

2. The per-ride discount offered to purchasers of convenience fares (monthly passes, token and ten-ride cards) shall be reduced from 25 cents to 20 cents.

Humphrey said his preference in voting procedure would be to vote the entire report up or down. He will oppose the change because this is another reduction to the discount very soon after the reduction in June 1993. Schulstad said discounted fares are intended to induce people to use transit service. Merchandisers use the technique all the time and it clearly works. He is opposed to the proposal. Mares said he joined the board in September and had not been

aware the discount was reduced in June. Blin said the impact was mitigated somewhat because the reduction was combined with elimination of zone charges for some passengers, but this increase will cost some riders an additional nickel. Vote was taken and the motion carried. (Schulstad, Grant, Mares and Humphrey voted nay.)

Higgins moved and Beard seconded:

3. Fares offered during off-peak periods to seniors, youth and riders with limited mobility cards shall be increased from 25 cents to 50 cents. In addition, ten-ride cards priced at 35 cents per ride shall be offered for use during the off-peak by seniors, youth, and persons with limited mobility cards.

Higgins said he has no problem with the youth fare at this time, but the board should reconsider limited mobility and youth fares in the future. He is concerned about the senior fares because 75 percent of seniors fall below the poverty level. Hovland moved to amend the motion to separate out senior fares. Schulstad seconded the motion.

3. Fares offered during off-peak periods to youth and riders with limited mobility cards shall be increased from 25 cents to 50 cents. In addition, ten-ride cards priced at 35 cents per ride shall be offered for use during the off-peak by youth and persons with limited mobility cards.

Hovland said it seems the money MTC needs is covered in the other increases. The greatest controversy was in the social fares. Those seniors cannot afford to take that increase and he would prefer to leave them at the old fare. Schulstad agreed. The MTC is heavily subsidized by taxpayers who have said they want to support this service. For a very large percentage of seniors, this is their only form of transportation. If there is any reason for a bus company, it is that. In addition, this is for off-peak travel when most buses are nearly empty. Franklin asked if the intent is to also pull out limited mobility fares. Hovland amended his motion to remove seniors from the main motion and leave their fare at the 25-cent level. Schulstad seconded the motion.

Hunt said that what is misleading here is talking about doubling the fare to 50 cents. She asked if the 10-ride cards should be forgotten and simply increase the fare to 35 cents rather than require them to bother with the cards. She will oppose the motion because she would like to discuss the question raised by Beard about the proposed compromise of a 35-cent fare with a 10-cent discount on the 10-ride cards. In response to Franklin's question, Andrews said there will still be a convenience card at \$2.50 for 10 rides. Franklin said she agrees with earlier comments about large increases, particularly since those with high incomes are probably not using the bus. Humphrey said he favors the amendment but questions the methodology.

Sather asked the board not to break up the group and make drivers guess ages. The senior passenger count has been decreasing in excess of seven percent in

the past few years even though the senior population has been increasing. It is very difficult to administer a variety of fares and it is better and easier for the consumer to keep it as simple as possible. He believes in keeping the social fares together. Schulstad offered and Hovland seconded the following substitute motion. Grant concurred, adding that the vast majority of Metro Mobility users live on less than \$5,000 per year.

That the Regional Transit Board not approve any change in the social fares for seniors, youth and riders with limited mobility.

The motion was unanimously approved.

Feess said she hopes the Legislature will provide the money to balance the budget.

OTHER BUSINESS

Beard said it has been pointed out unfairly by politicians and newspapers that we are trying to run this as a business. He deeply resents that sentiment. This is a social service, but the rules of good business operation are not suspended. It takes money to operate the bus company and that is what this board is about. No one is trying to squeeze profits--there is no profit. The point is we are trying to extend as much service as possible to transit-dependent commuters. It is demagoguery to imply we are trying to make money at the expense of poor people. He is thankful we do not have to hold hearings on cutting routes. He thanked board members and MTC who helped get this done.

Andrews distributed a case study on San Diego's Metro Transit Development Board, which had been discussed at the Friday meeting of the board. Franklin asked if the board wishes to present testimony at the meeting on November 3. Hollander reviewed the draft statement, which introduces Ruth Franklin, explains what RTB does, its relationship to others, what is working well with the current governance structure (maximizing service, opt-outs' successes, regional view, contracts with 40 different providers, innovations) and what can be changed to make it better. Feess said the draft reflects what the members talked about and it flows well. Higgins moved and Mares seconded:

That the Regional Transit Board approve the draft testimony to be presented by Ruth Franklin to the State Council on Metropolitan Governance.

The motion was unanimously approved. Franklin thanked Hollander, saying the draft was excellent work.

PUBLIC COMMENT

Jim Muegge, 2197 Upper Afton Road, St. Paul, objected to the process followed in eliminating the Sibley and Fifth Street bus stop on a trial basis. Franklin explained this is a policy board and suggested he leave his remarks and petition with RTB staff, who will review them with MTC staff and try to resolve the problem. Hunt recommended that he also contact Robert Mairs, who represents his area and is the Chair of the MTC.

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

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

Respectfully submitted,

Mary Fitzgerald
Secretary of the Board

Approved by the Regional Transit Board on this sixth day of December 1993.



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

**Minutes of the Meeting of the
COMMITTEE OF THE WHOLE
November 8, 1993**

MEMBERS PRESENT: Ruth Franklin, Chair; Michael Beard; Sharon Feess; Morgan Grant; Val Higgins; Ruby Hunt; Gary Humphrey; Harry Mares

MEMBERS ABSENT: John Riley, Jim Hovland and Dennis Schulstad

OTHERS PRESENT: Dan Hibbert, ATE; Bill Schreiber and Esther Newcome, Metropolitan Council; Arnie Entzel, Amalgamated Transit Union, Local 1006; Beverley Miller, Minnesota Valley Transit; Don Ahern, St. Paul Pioneer Press; Jim Lasher; LSA Design, Inc.; Tim Kirchoff, Anoka County Traveler; Sharon White; Richard Neumeister, Metro Mobility driver; John Sweeney; Judy Hollander, Dale Ulrich, Gerri Sutton, Howard Blin, Len Simich, Mike Opatz, Assata Brown, Mark Fuhrmann, Mary Fitzgerald, RTB staff

CALL TO ORDER AND ROLL CALL

Administration and Finance Committee Chair Franklin called the meeting to order at 4:05 p.m. and roll was taken.

APPROVAL OF AGENDA

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

UPDATE ON METRO MOBILITY RESTRUCTURING

Hollander said members have received copies of ATE's response to RTB's letter regarding contract compliance. Hibbert distributed an updated report on the Weekly Demand Service Ridership and weekly Route Status Reports, which had been requested by Member Hovland at the last meeting so that comparisons could be made. Hibbert stated that service is improving and the system is coming up to full speed. Driver training is receiving the greatest attention. He answered questions about seat belts extenders, daily trips and the policy on "no-shows." Regarding the standing order rides home, Hibbert said ATE is working with the providers to get more vehicles out during the afternoon peak period. Last week they started to see some signs of improvement. ATE brought in two new dispatchers to get on top of the problem. The problems encountered when drivers do not respond to calls will be mitigated by the new technology in the vehicles

which will allow the MMSC to track the vehicles. There is enough capacity in the system to provide more service. Mares asked for some idea of when the system will be running efficiently. Hibbert said that will require improved on-street driver performance and enhancement of the technology. Drivers are required to inspect the restraints to ensure the passenger is safe; it cannot be left to the passenger.

Neumeister said drivers do not respond to calls if they are already transporting someone, but they do call in if they are asked if anyone is in a certain location.

SEPTEMBER 1993 FINANCIAL STATEMENTS

Beard moved and Hunt seconded:

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

The motion was unanimously approved.

METROPOLITAN TRANSIT COMMISSION SECTION 9 GRANT APPLICATION

Blin reviewed the staff report dated November 1, 1993. Franklin said this committee should be given an update on the financial impact of the MTC's union settlement. Feess asked when the board will receive MTC's proposed 1994 budget. Ulrich said the operating budget was received last week. Staff is studying it and preparing questions. Markes moved and Grant seconded:

That the Regional Transit Board approve the Metropolitan Transit Commission's application for federal fiscal year 1994 funding from the Federal Transit Administration's Section 9 program.

The motion was unanimously approved. In response to Grant's question, Blin said a 40-foot bus costs approximately \$225,000. The lift portion of that cost is between \$10,000 and \$15,000.

ANOKA COUNTY TRAVELER 1993 CONTRACT AMENDMENT

Brown presented the October 28 staff report. In response to Grant's question, she said the Anoka Traveler is totally accessible. The new vehicles are needed to expand service and handle all the paratransit service in Anoka County. Kirchoff added that there are two back-up vehicles and in dire straits they can use school bus equipment.

Beard said he is concerned about what is happening to the Scott and Carver Counties dial-a-ride service. Higgins moved and Feess seconded:

That the Regional Transit Board authorize the executive director to amend Anoka County Traveler's 1993 Transit Funding contract

(Contract No. 93/09/11-40) retroactive from October 2, 1993 and remaining in effect until December 31, 1993 by \$54,737 from \$444,824 to \$499,565.

The motion was unanimously approved.

SOUTHWEST METRO TRANSIT COMMISSION CAPITAL CONTRACT

Opatz reviewed the October 26 staff report. Franklin asked if staff is sure the new park-and-ride projects can be built. Lasher said one site has not been selected and the other is operating. Higgins said he was informed that the site selection presentation of the MPTA conference was very well received. A lot of people say they have to make a stop on the way home and the approach described at the conference was to establish park-and-rides in the vicinity of needed services. Simich said some of these projects already are using that technique and breaking new ground. One facility will be a joint facility with the developers providing the services. Higgins said these programs can offer the opportunity to try new approaches. He moved and Beard seconded:

That the Regional Transit Board authorize the executive director to enter into a capital contract with Southwest Metro Transit Commission in an amount not to exceed \$930,863 for the additional capital projects discussed in this memorandum, and amend the Regional Transit Board's Five-Year Transit Plan to include the Southwest Metro Transit capital projects.

The motion was unanimously approved.

SOUTHWEST METRO TRANSIT COMMISSION CONTRACT AMENDMENT

Opatz reviewed the October 26 staff report. Higgins said he does not look favorably upon contract amendments that are needed because someone did not budget correctly. He would like more explanation. Bentley explained some of the unanticipated expenses and the reasons they occurred. The reverse commute program is a joint effort with the City of Minneapolis to bring people from the inner city out to their area for employment opportunities. Revenue is less than expected on the reverse commute and Mall of America services because they expected to have full buses. There has been quite a lot of improvement recently. Simich said that on the advice of the Audit Advisory Committee, the philosophy through the contract negotiations has been to hold the line and come back later for an amendment rather than have a surplus. Higgins asked that staff be very careful not to abuse the process. Hunt moved and Humphrey seconded:

That the Regional Transit Board authorize its executive director to amend the Southwest Metro Transit 1993 contract (Contract No. 92/09/11-37) by \$165,000 for a total contract amount not to exceed \$1,736,484.

Humphrey said he has no problem with changing the line items. The reverse commute certainly ties into where the Metropolitan Area is going. There was nothing the opt-out communities could do about the RTB's decision not to approve the fare increase. The motion was unanimously approved.

1994 PROVIDER CONTRACTS

Hollander introduced Mark Fuhrmann, the new Manager of Programs. He has a strong background in Minnesota at Medicine Lake Lines and as a staff member at the Legislature. His most recent experience was as the head of Technical Analysis and Metropolitan Liaison Section of the County Office of Transportation for Fairfax County, Virginia. Fuhrmann presented an overview of the 20 provider contracts. The Washington Human Services, North Suburban Lines and the DARTS contracts are not included in this group. Beard asked there is extra money for 1994 in the tax base. Fuhrmann said there is some levy increase; however, there are some increases in the contracts that very nearly level it out.

Grant asked if there are any projections on when Maple Grove and other, smaller systems will be fully lift-equipped. Simich said Maple Grove service may be put out on Request for Proposal (RFP). If they remain on contract with MTC, they will become fully accessible when MTC becomes accessible. Neither Maple Grove or Minnesota Valley Transit (MVTA) are a high priority for accessible service. If they go to new vehicles, the fleet would turn over in the next two years.

Franklin said she received a call from someone on the Columbia Heights City Council asking why Columbia Heights is receiving a lesser percentage than other paratransit programs. Feess said she was asked why Fridley was pulled out of their piece of the program. Brown said, regarding the dollar amount, the \$59,000 is what they requested in their budget, eliminating the City of Fridley. Fridley was eliminated because of the "Vision" plan. The Anoka County Traveler is fully accessible and RTB has a policy to have people use these services rather than Metro Mobility. Feess asked if Columbia Heights has reacted to this. Brown said she has not seen a response. The staff person understood and agreed with it. There are no plans to eliminate the program. Hollander said Anoka County is anxious to have a uniform policy throughout the county. Overall, the dial-a-ride service is more productive than Metro Mobility.

Beard said Representative McCollum commented that MTC contracts were only a page long--why are these so much longer? Simich said her frustration relates to the start-up on the agreement and the relationship seems to have gotten better. Grant asked why it is not fully lift-equipped since National has an abundance of vehicles and it would provide greater options for people who formerly used only paratransit. Simich said the vehicles have a particular paint scheme and are dedicated to that service. It is coming up for re-bidding very soon. Grant said he hopes RTB does everything it can as a board to expedite lift-equipped service wherever possible.

Regarding Scott County, Beard asked if there is money available to offset the extra Metro Mobility costs. Ulrich said the package presented is close to the budget target, but we are essentially at zero fund balance for rural service. He called attention to the last paragraph on Page Two. The dollar amount for those contracts is significant. Franklin said we are spending all the money that is available and have nothing left for DARTS, North Suburban Lines and HSI. She asked how those services will be funded. Jacobson said that for the last quarter the funds will come from New Service and in 1994 it will be reviewed again. Franklin asked if all these programs should have been cut back. Hollander said the board will have to make some of those decisions, but when we come in next month we will also have the RTB budget on the table. The board will have to make some hard decisions. In December staff will present recommendations to the board. Feess noted that the subsidy for Senior Transportation is over \$5.00 per passenger. The subsidy has increased but there has been no increase in service. Jacobson said this is replacement funding for old funding sources. Brown added that the subsidy performance standard for this kind of service is \$9.00; the miles have been increased and there is a slight increase in the number of passengers. The Audit Committee said this program has been underfunded. Hollander said staff will develop a more complete explanation for the members before the final action.

There was discussion of the farebox recovery ratios, which are difficult to compare since the MTC farebox recovery rate does not include the cost of capital, but the other providers do include it. Hunt asked if more of these services would meet the standard if the cost of capital were included. Bentley said the fixed route service would meet it. The primary measurement will always be the per-passenger subsidy on each route in determining the success of any given route. Opt-outs would welcome a fare increase on any of their routes. Beard moved and Mares seconded:

That the Regional Transit Board:

1. Authorize the executive director to renew annual operating assistance contracts effective January 1, 1994 with the following transit service providers in amounts not to exceed those listed below:

<u>Small Urban Communities</u>	<u>Vehicle Capital</u>	<u>RTB Subsidy</u>	<u>Total Contract</u>
Columbia Heights	\$0	\$59,005	\$59,005
City of Hastings (TRAC)	0	82,172	82,172
City of Hopkins	0	34,752	34,752
Northeast Suburban Transit (NEST)	0	111,434	111,434
St. Louis Park Emergency Program (STEP)	0	11,129	11,129
White Bear Area Transit (WBAT)*	0	<u>170,480</u>	<u>170,480</u>
Subtotal	\$0	\$468,972	\$468,972

County/Rural Special Transportation Service

Anoka County Traveler	\$0	\$587,324	\$587,324
Anoka Volunteer Program	0	23,500	23,500
Anoka Linwood Volunteer	0	15,796	15,796
Carver County	0	124,332	124,332
Delano Transportation	0	48,250	48,250
Scott County	0	119,519	119,519
Senior Transportation Program	0	47,000	47,000
Westonka Rides	0	<u>31,715</u>	<u>31,715</u>
Subtotal	\$0	\$997,436	\$997,436

Regular Route

Valley Transit**	\$0	<u>\$220,234</u>	<u>\$220,234</u>
Subtotal	\$0	\$220,234	\$220,234

Replacement (Opt-Out) Service

City of Maple Grove	\$5,705	\$462,843	\$468,548
Minnesota Valley Transit Authority	39,372	3,065,185	3,104,557
City of Plymouth	80,280	1,159,203	1,239,483
City of Shakopee	68,817	252,425	321,242
Southwest Metro Transit	<u>248,000</u>	<u>1,866,660</u>	<u>2,114,660</u>
Subtotal	\$442,174	\$6,806,316	\$7,248,490

Grand Total \$442,174 \$8,492,958 \$8,935,132

*White Bear Area Transit was previously approved by the Board on August 16, 1993.

** Valley Transit contract is for both CY 1994 and 1995 (\$110,117 each year). See program footnotes for additional details.

Responding to Humphrey's concerns, Hollander said DARTS will receive funds, probably at the current level. The motion was unanimously approved.

OTHER BUSINESS

Franklin reported on the governance meeting on November 3. The board members had a different approach to governance so she called Metro Council Chair Dottie Rietow to propose a joint meeting with the council. Members discussed appointing a smaller group to meet with the council. Franklin said the council should set the meeting date based upon the availability of as many council members as possible.

There will be a tour of MTC's Heywood facilities on November 15 and the board meeting will be held in their conference room.

I hereby certify that the foregoing constitutes a true and accurate record of the Regional Transit Board's Committee of the Whole meeting of November 8, 1993.

Respectfully submitted,

Mary Fitzgerald
Secretary of the Board

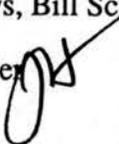
Approved by the Regional Transit Board on this sixth day of December 1993.

REGIONAL TRANSIT BOARD

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

DATE: November 23, 1993

TO: Members of the Regional Transit Board
Greg Andrews, Bill Schreiber

FROM: Judy Hollander 

SUBJECT: Draft Governance Proposal

Enclosed is a copy of the draft governance proposal brainstormed at last Friday's retreat and refined by Board Members Beard, Hovland and Hunt on Monday. I have also added a number of issues for board members to consider when reviewing the proposal.

Copies of this proposal are being faxed/sent only to board members today. If you have comments or changes, please call Greg or I on Wednesday or Monday.

Relationships with Other Transportation Agencies

- Would replace the Transportation Advisory Board (TAB), the Regional Transit Board and the Metropolitan Transit Commission
- The RTC would be responsible for planning and programming functions within a ten-year time frame; the Metropolitan Council would continue to be responsible for these functions beyond the ten-year time frame.
- The Metropolitan Council would appoint 8 of the 15 members, approve the RTC's implementation plan and issue bonds.
- MTC would function as an operating division of the RTC but not as an independent operating agency.
- The RTC would work with Mn/DOT in these ways:
 - Coordination of movement of goods by various modes of transportation

Benefits

- To be consistent with the Intermodal Surface Transportation Efficiency Act (ISTEA)
- To ensure coordination and programming of transportation funds under Federal ISTEA
- Ability to be responsive to constituents' concerns
 - Majority of board members are local elected officials
 - Citizen committees could be established to deal with special interests, e.g. persons with disabilities, seniors, providers
- Places all transportation related functions under the auspices of a single entity
- Greater opportunity for inter-modal coordination

Issues for Board Consideration

- Federal transportation regulations require that the MPO approves federal highway programming.
- What benefits does this structure offer over the existing Metro Council/TAB structure?
- Is there an inherent conflict of interest to give the RTC the authority to establish transportation priorities and yet also have the responsibility to own capital equipment and property for certain purposes and be responsible for transit operations?
- Is there a legal issue regarding a single agency both "regulating" and operating transit services?
- Does the RTC own capital equipment and property only for transit?
- Would the RTC be responsible for establishing transportation spending for some or all of these funding sources: federal? state trunk highway? county state aid highway? municipal state aid street? improvements? preservation? maintenance?



REGIONAL TRANSIT BOARD

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

**RESOLUTION AUTHORIZING EXECUTION OF AGREEMENT
TO CONDUCT DATA COLLECTION AND EVALUATION OF THE
TRAVLINK INTELLIGENT VEHICLE-HIGHWAY SYSTEM (IVHS)
OPERATIONAL TEST**

Resolution No. 93-09

WHEREAS, the Secretary of Transportation is authorized to make grants for mass transportation projects; and

WHEREAS, the Regional Transit Board and Minnesota Department of Transportation have prepared and requested approval of an application for operating and capital assistance under Section 6 of the Urban Mass Transportation Act of 1964, as amended; and

WHEREAS, the Minnesota Statutes 473.375, Subdivision 8, requires that the Regional Transit Board approve the application of political subdivisions within the metropolitan area for federal transit assistance; and

WHEREAS, the Regional Transit Board, at its meeting of August 2, 1993, reviewed and approved the application for \$400,000 of federal transit assistance.

NOW, THEREFORE, BE IT RESOLVED:

THAT the Regional Transit Board authorize the executive director to execute a cooperative agreement with the Federal Transit Administration to conduct data collection and evaluation of the Travlink Intelligent Vehicle-Highway Systems (IVHS) Operational Test.

Adopted this twenty-ninth day of November 1993.

Ruth Franklin
Vice-Chair

Mary Fitzgerald
Secretary

mff
11/23/93

Handwritten: "29/93"

REGIONAL TRANSIT BOARD HISTORY OF STRUCTURAL CHANGES

Date	Action
1984	<p>Legislature established the RTB and required the RTB to:</p> <ul style="list-style-type: none"> • Prepare an "interim implementation plan" by December 1984, indicating how the RTB would implement council policies during 1985 through 1987. <p>Prepare a "implementation plan" by August 1986, outlining the RTB's plans for 1987 to 1991.</p> <ul style="list-style-type: none"> • Annually prepare a budget and three-year financial plan. • Establish a "local planning and development program" to ensure local governments' assistance in RTB planning and decision-making. • Implement an improved, more coordinated system of service for the elderly and handicapped. • Assume responsibility for the region's transit contracts, following development of the interim implementation plan. • Assume authority to levy local property taxes. • Reduce the transit taxes of cities whose taxes exceed the value of service they receive. • Assume responsibility for the metropolitan ridesharing program, and establish a rideshare advisory committee. • Coordinate metropolitan transit operations and establish a program for providing transit users with schedule and service information. <p>The Legislature granted the RTB authority to establish performance standards for transit operators, and it permitted the board to borrow money for operations or capital needs. The Legislature restricted the RTB's ability to contract for service, declaring that such contracts could not reduce the MTC's staffing, ridership, financial conditions, or total level of service.</p>
1985	<ul style="list-style-type: none"> • Reduced the number of RTB members from 15 to 9 • Prohibited the RTB from holding property.

- Permitted the RTB to take actions that reduce the total level of MTC service, although the RTB was still prohibited from causing MTC employee reductions or imposing hardships on the MTC's financial condition or ridership.
- Required the RTB to establish programs to reduce transit costs to (1) job-seekers who lack private transportation, and (2) the "transit-disadvantaged" population (including elderly, disabled, or low-income people).
- Transferred general obligation bonding authority from the RTB to the Metropolitan Council, and eliminate the RTB's short-term bonding authority.
- Prohibited public expenditures for light rail transit research or planning without legislative authorization; required the RTB to complete a total assessment of the region's transit service needs and an implementation plan before performing work on light rail transit; and authorized the RTB to commence light rail transit planning for the corridor between downtown St. Paul and Minneapolis following completion of the implementation plan.
- Required the board to include uniform fare policies for regular route transit in its 1986 implementation plan.
- Required the board to establish an advisory committee for issues related to transportation of the elderly and handicapped.
- Transferred authority over the hiring, firing, and promotion of RTB staff from the board to the staff.

1986

- Required at least one RTB member to be age 65 or older.
- Required the RTB to submit its implementation plan to the Metropolitan Council, and permitted the council to decide when the RTB should develop new implementation plans.
- Required the RTB to prepare financial plans every two years (previously they were due each year).

1987

- Required Metropolitan Council members to consult with legislators before making appointments to regional agencies.

- Required members of the RTB and other regional agencies to communicate regularly with legislators, Metropolitan Council members, and local officials in their districts.
- Clarified the purposes of the RTB, as shown below; directed the RTB to avoid direct operational planning, administration, and management of specific transit services and facilities, to the greatest extent possible.
- **To foster effective delivery of existing transit services and encourage innovation in transit service;**
- **To prepare implementation and financial plans for the metropolitan transit system;**
- **To set policies and standards for implementing the transit policies and programs of the state and transit policies of the Metropolitan Council;**
- **To conduct transit research and evaluation;**
- **To administer state and metropolitan transit subsidies.**

**- Statutory Purposes of the Regional Transit Board -
(1987)**

- Required the RTB implementation plan to indicate board policies that will govern its decisions to change fare policies.
- Required the RTB to send local government officials copies of the draft implementation plan at least 30 days prior to its public hearings.
- Required the RTB's financial plan to outline transit fares and any changes in these fares foreseen during the planning period.
- Determined that cities could be eligible for "replacement service" (opt-out) only if they submit an application for assistance by July 1988.
- Required the RTB to contract with transit operators or local governments for route planning and scheduling services, with the RTB retaining approval power.
- Required the RTB to establish a project management team to advise it on the development of competitive bidding guidelines, standards, and procedures; and prohibited the RTB from competitively bidding service unless it is in accordance with these guidelines.

- Prohibited the RTB from receiving federal capital or operating assistance for transit, and asked the board to report to the Legislature by January 1988 on the merits of transferring federal fund receipt from the MTC to the RTB.
- Prohibited the board from spending any funds on light rail transit planning (including preliminary engineering) or test marketing of new services if the expenditures reduce the level of regular route service.
- Required the RTB's contracts for "special transportation" (such as service to the elderly and handicapped) to specify standards and reimbursement rates.
- Required the RTB to delegate the management and administration of Metro Mobility operations to a contractor, and required the RTB to develop performance and compliance standards for this administrator.
- Required the RTB to ensure that the Metro Mobility administrator responds to user complaints and obtains provider reports on service problems; and required the RTB to annually report to the Legislature on Metro Mobility complaints and provider reports.
- Required that the RTB consult with its special transportation advisory committee in a timely manner before making service changes.
- Required the board to evaluate special transportation service providers annually.
- Authorized county rail authorities to have the principal role in planning light rail transit.

The effect of the many changes since 1983 was to place primary transit planning responsibilities (except light rail transit) with the Regional Transit Board, while limiting the MTC to transit operations, route and service scheduling, and capital planning. The Metropolitan Council develops long-range policies and plans, issues general obligation bonds for capital expenditures, and reviews and approves the RTB's capital budget (through the 1989 budget year), implementation plan, and financial plan.

1989

- Restructured and expanded the RTB Board to include eleven members with government or management experience. Appointments are subject to the advice and consent of the senate and are appointed by the Metropolitan Council and the governor. The council appoints eight members, one from each of the metropolitan agency districts. At least six of these

members must be elected officials of cities, towns, or counties. Although RTB board members serve four year terms, an elected official may continue only as long as the person holds office. The governor appoints the chair as well as a member who is age 65 or older and a member with a disability.

- Required the RTB to establish a joint LRT advisory committee to assist the RTB in planning LRT facilities and in coordinating the LRT activities of the county regional railroad authorities and the MTC.
- Gave the RTB the responsibility of developing a regional LRT plan and financing recommendations which incorporate the ideas of the regional railroad authorities where feasible and the authority to review the physical design aspects of county LRT plans in order to insure conformity with the regional LRT plan. RTB approval was also to be required for state LRT grants from Mn/DOT. In addition to regional overview, the RTB was made eligible to receive federal capital funds for LRT.

Source: "Metropolitan Transit Planning," January 1988, Program Evaluation Division, office of the Legislative Auditor, State of Minnesota.

RESOLUTION OF APPRECIATION

Resolution No. 93-11

WHEREAS, John H. Riley was appointed Chair of the Regional Transit Board on January 20, 1993 and has tendered his resignation effective December 1, 1993; and

WHEREAS, As Chair of the Regional Transit Board, John Riley has tirelessly devoted his time and energy toward advancing public transit in the Seven-County Metropolitan Area; and

WHEREAS, Mr. Riley spent countless hours conferring with local government officials and lawmakers in an effort to secure a growth oriented, dedicated source of funding for transit and has helped clarify the issue for legislators

WHEREAS, John Riley has provided this board and policy-makers throughout the State of Minnesota with the benefit of his insight and vision in planning for the future of this community, the effects of which will be felt for decades to come.

NOW, THEREFORE, BE IT RESOLVED:

THAT the Regional Transit Board congratulates John H. Riley on his very successful tenure as a Chair of the Regional Transit Board and recognizes the outstanding contributions he has made toward developing a transit system that best serves all the citizens of this region; and

BE IT FURTHER RESOLVED:

THAT the members and staff of the Regional Transit Board extend our sincere appreciation to John Riley and our best wishes for the future.

Adopted this sixth day of December 1993.

Ruth Franklin
Vice Chair

Mary Fitzgerald
Secretary



REGIONAL TRANSIT BOARD
Mears Park Centre, 230 East 5th Street
St. Paul, Minnesota 55101
612/229-2707

DATE: November 24, 1993
TO: Members of the Regional Transit Board
FROM: Bill Schreiber *Bill*
SUBJECT: Chairman's Benefit Package

As you know, Chairman John Riley is in Maryland receiving treatment for a recurrence of a brain tumor. Although the first regimen of therapy has been completed, further tests and analysis will be required in two weeks with the potential for further therapy.

Due to the uncertainty of his health, John and his family recognize the difficulty in carrying out his responsibilities as Chairman of the Regional Transit Board. Attention to his health must be John's primary focus; however, without some type of benefit package a resignation would create a huge problem--no money to make house payments, meet other living expenses or pay for medical expenses not covered by insurance.

John's health coverage is with the state employees' health plan, administered by Blue Cross/Blue Shield. When he came to the RTB in January he was concerned about switching health carriers due to his pre-existing condition. He opted to exercise his rights under COBRA (the federal legislation that allows an employee to continue group health insurance at his or her own expense for 18 months after separation.) By action of the board, the RTB is paying the state insurance premium in lieu of the RTB's normal employee insurance package.

John did not apply for the RTB's disability insurance plan because he had previously been rejected for similar coverage due to his pre-existing condition. There is reason to believe that John would now qualify for disability income under Social Security. However, I understand there is a five-month waiting period and qualification typically takes nine months.

In the event of John's resignation, the family is interested in two items:

1. Continued state health, dental and life coverage for the maximum period under COBRA, which is June 30, 1994; and
2. Disability income for a period of nine months, allowing John to meet some of his financial obligations while qualifying for Social Security coverage.

Regional Transit Board Members

November 24, 1993

Page 2

Under state law, the RTB is considered a governmental subdivision. The authority for a governing body to grant additional benefits at the time of separation is found in M.S. 465.72 through M.S. 465.722, copies of which are attached.

M.S. 465.722, subdivisions 1 through 4, were adopted by the 1993 Legislature in response to media coverage of generous severance packages granted to certain metropolitan area city managers and school superintendents. The new sections define a "highly compensated employee" as one whose wages are greater than 60 percent of the Governor's annual salary and one whose salary is equal or greater than 80 percent of the annual wages of the second highest paid employee of the local unit of government.

John does not meet the definition of a highly compensated employee because his RTB salary is less than 60 percent of the Governor's; however, I believe it is important that any benefits package meet the spirit of the law. The new legislation limits highly compensated employees to a benefit package at separation not to exceed an amount equivalent to six months' wages. In the case of John Riley, six months' wages would be \$31,603.50.

Governor Carlson is very sympathetic to John's health problems. He appreciates his contributions to Minnesota as Commissioner of Transportation and as the Governor's Chief of Staff. He recognizes the dilemma that faces John because of his pre-existing condition, which precluded disability insurance coverage.

With this background in mind and with the Governor's Office concurrence, I recommend that the board establish the following benefits for John so he can resign from office for health reasons, recognizing that he would not have qualified for the RTB's disability income insurance program because of a pre-existing condition:

1. Payment of health, dental and life insurance premiums for the duration allowed by COBRA; and
2. Payment of disability income equal to 60 percent of monthly salary for a period of nine months.

If John resigns effective December 1, the cost of this package would be \$1,204.68 for health insurance coverage through June 30, 1994; and disability income of \$3,160.35 per month for nine months. The package would total \$29,647.83, nearly \$2,000.00 less than the maximum established by the 1993 Legislature for highly compensated employees .

This item is on the agenda for your special board meeting on November 29. I will attempt to contact each of you before the meeting to answer any questions.

WS/mf
Att.

contract shall include the total of all lease payments for the entire term of the lease under a lease-purchase agreement. The obligation created by a lease purchase agreement shall not be included in the calculation of net debt for purposes of section 475.53, and shall not constitute debt under any other statutory provision. No election shall be required in connection with the execution of a lease purchase agreement authorized by this section. The city, county, town, or school district must have the right to terminate a lease purchase agreement at the end of any fiscal year during its term.

History: 1965 c 266 s 1; 1976 c 44 s 67; 1979 c 3 s 1; 1982 c 523 art 15 s 4; 1988 c 639 s 6; 1989 c 329 art 5 s 16; 1990 c 562 art 5 s 12

465.72 SEVERANCE PAY.

Subdivision 1. Payment; limits. Except as may otherwise be provided in Laws 1959, chapter 690, as amended, a county, city, township, school district or other governmental subdivision may pay severance pay to its employees and adopt rules for the payment of severance pay to an employee who leaves employment. Severance pay does not include compensation for accumulated sick leave or other payments in the form of periodic contributions by an employer toward premiums for group insurance policies for a former employee. The severance pay must be excluded from retirement deductions and from any calculations in retirement benefits. Severance pay must be paid in a manner mutually agreeable to the employee and employer over a period not to exceed five years from retirement or termination of employment. If a retired or terminated employee dies before all or a portion of the severance pay has been disbursed, that balance due must be paid to a named beneficiary or, lacking one, to the deceased's estate. Severance pay provided for an employee leaving employment may not exceed an amount equivalent to one year of pay.

Subd. 2. [Repealed, 1988 c 605 s 14]

History: 1973 c 123 art 5 s 7; 1973 c 298 s 1; 1979 c 334 art 6 s 24; 1980 c 614 s 151; 1Sp1981 c 4 art 2 s 37; 1986 c 455 s 91; 1988 c 605 s 10

465.721 RIGHTS, POWERS AND DUTIES; MUNICIPALITIES

952

465.721 FUNDING.

No county, city, township, or other governmental subdivision shall implement a plan for payment of severance pay pursuant to section 465.72 until a plan providing for full funding has been developed and approved by the governing body. This section does not apply to school districts.

History: 1980 c 600 s 9; 1984 c 463 art 7 s 21

465.73 TOWN HALLS; FIRE HALLS OR RESCUE EQUIPMENT; LOANS TO POLITICAL SUBDIVISIONS.

For purposes of constructing, repairing, or acquiring town halls, fire halls or fire or rescue equipment any city, county, or town may borrow up to \$250,000 directly from or guaranteed by the Farmers Home Administration or other agency of the United States Department of Agriculture on a note secured by a mortgage on the property purchased with the borrowed funds. The city, county, or town may assign revenues from the town halls, fire or rescue department, or fire hall or any other available funds to the Farmers Home Administration or other agency of the United States Department of Agriculture or its guaranteed lender to repay the loan. The amount of the obligation shall not be included when computing the net debt of the city, county, or town. An election shall not be required to authorize the note and mortgage or assignment of revenues.

History: 1976 c 140 s 1; 1977 c 210 s 1; 1978 c 476 s 1; 1Sp1989 c 1 art 5 s 34; 1991 c 120 s 1

465.74 AUTHORIZATION TO OPERATE DISTRICT HEATING SYSTEMS.

Subdivision 1. Cities of the first class. Any city operating or authorized to operate a public utility pursuant to chapter 652 or its charter is authorized to acquire, construct,

administrative official to pay the claims that meet the standards and procedures established by the board. This subdivision does not apply to a home rule charter county for which the county charter provides an alternative method for paying claims made against the county.

Sec. 11. Minnesota Statutes 1992, section 412.271, subdivision 1, is amended to read:

Subdivision 1. METHOD. No disbursement of city funds, including funds of any municipal liquor dispensary operated by the city, shall be made except by an order drawn by the mayor and clerk upon the treasurer. Except when issued for the payment of judgments, salaries and wages previously fixed by the council or by statute, principal and interest on obligations, rent and other fixed charges, the exact amount of which has been previously determined by contract authorized by the council, and except as otherwise provided in subdivisions 4 and 5, and 8, no order shall be issued until the claim to which it relates has been audited and allowed by the council.

Sec. 12. Minnesota Statutes 1992, section 412.271, is amended by adding a subdivision to read:

Subd. 7. DEFINITION. For purposes of this section, a "city administrative official" means a city manager, administrator, treasurer, senior fiscal officer, clerk, or clerk-treasurer.

Sec. 13. Minnesota Statutes 1992, section 412.271, is amended by adding a subdivision to read:

Subd. 8. DELEGATION OF AUTHORITY FOR PAYING CERTAIN CLAIMS. A city council, at its discretion, may delegate its authority to pay certain claims made against the city to a city administrative official. City councils opting to delegate their authority to review claims before payment pursuant to this subdivision shall have internal accounting and administrative control procedures to ensure the proper disbursement of public funds. The procedures shall include regular and frequent review of the city administrative officials' actions by the council. A list of all claims paid under the procedures established by the city council shall be presented to the council for informational purposes only at the next regularly scheduled meeting after payment of the claim. A city council that delegates its authority to pay certain claims made against the city must adopt a resolution authorizing a specified city administrative official to pay the claims that meet the standards and procedures established by the council. A city council of a city that does not prepare annual audited financial statements which have been attested to by an independent certified public accountant, public accountant, or the state auditor, may not delegate its authority for paying certain claims against the city pursuant to this subdivision.

Sec. 14. Minnesota Statutes 1992, section 412.641, subdivision 1, is amended to read:

Subdivision 1. The city manager shall be chosen by the council solely on the basis of training, experience, and administrative qualifications and need not be a resident of the city at the time of appointment. The manager shall be appointed for an indefinite period and may be removed by the council at any time, but after having served as manager for one year the city manager may demand written charges and a public hearing on the charges before the council prior to the date when final removal takes effect. A demand for written charges and a hearing must be made within seven days of notification of the council's intent to remove the city manager. The council shall set a date and a reasonable time for a public hearing, which must be held within 30 days of the demand and may not be reconvened or recessed until a further date, absent approval of the council. The council shall notify the city manager within five days of the hearing, of the council's decision to retain or remove the city manager. The decision of the council is final. Pending such hearing and removal, the council may suspend the manager, with or without pay, at the council's discretion, from office. The council may designate some properly qualified person to perform the duties of the manager during absence or disability.

Sec. 15. [465.722] SEVERANCE PAY FOR HIGHLY COMPENSATED EMPLOYEES.

Subdivision 1. DEFINITIONS. For the purposes of this section, the terms defined in this subdivision have the meanings given them.

(a) "Local unit of government" means a statutory or home rule charter city, county, town, school district, metropolitan or regional agency, or other political subdivision.

(b) "Wages" has the meaning provided by section 3401(a) of the Internal Revenue Code of 1986, as amended through December 31, 1992.

(c) "Highly compensated employee" means an employee of a local unit of government with estimated annual wages that:

- (1) are greater than 60 percent of the governor's annual salary; and
- (2) are equal to, or greater than, 80 percent of the estimated annual wages of the second highest paid employee of the local unit of government.

Subd. 2. LIMITS ON SEVERANCE PAY. Notwithstanding any contrary provision of section 465.72, subdivision 1, severance pay for a highly compensated employee includes benefits or compensation with a quantifiable monetary value, that are provided for an employee upon termination of employment and are not part of the employee's annual wages and benefits and are not specifically excluded by this subdivision. Severance pay shall not include payments for accumulated vacation, accumulated sick leave, and accumulated sick leave liquidated to cover the cost of group term insurance provided under section 471.61 to retiring employees. Severance pay for a highly compensated employee does not include payments of periodic contributions by an employer toward premiums for group insurance policies. The severance pay for a highly compensated

employee must be excluded from retirement deductions and from any calculations of retirement benefits. Severance pay for a highly compensated employee must be paid in a manner mutually agreeable to the employee and the governing body of the local unit of government over a period not to exceed five years from retirement or termination of employment. If a retired or terminated employee dies before all or a portion of the severance pay has been disbursed, the balance due must be paid to a named beneficiary or, lacking one, to the deceased's estate. Except as provided in subdivision 3, severance pay provided for a highly compensated employee leaving employment may not exceed an amount equivalent to six months of wages.

Subd. 3. EXCEPTIONS TO MAXIMUM ALLOWABLE SEVERANCE PAY FOR A HIGHLY COMPENSATED EMPLOYEE. Severance pay for a highly compensated employee may exceed an amount equivalent to six months of wages if:

(1) the severance pay benefit is included in an employment contract between the employee and the local unit of government that is in effect on the effective date of this section, and the termination of employment occurs before the expiration date of said contract;

(2) the severance pay is part of an early retirement incentive offer approved by the governing body of the local unit of government and the same early retirement incentive offer is also made available to all other employees of the local unit of government who meet generally defined criteria relative to age or length of service;

(3) the governing body of a local unit of government adopts a resolution certifying that:

(i) the highly-compensated employee was a full-time employee of the local unit of government for the entire period between January 1, 1983, and December 31, 1992;

(ii) the highly-compensated employee was covered by one or more employment contracts or agreements which entitled the employee to specified severance pay benefits throughout the entire ten-year period specified in clause (i);

(iii) the employment contract or agreement in effect on December 31, 1992, will, at the time of the employee's separation from employment with the local unit of government, result in a severance payment that exceeds the limits specified in subdivision 2; and

(iv) the amount of severance pay that exceeds the limits specified in subdivision 2 was based on a commitment to provide the employee with a specified severance guarantee in lieu of a higher level of some other form of compensation; or

(4) the commissioner of employee relations has determined a position

New language is indicated by underline, deletions by strikeout.

within a specific local unit of government requires special expertise necessitating a larger severance pay guarantee to attract or retain a qualified person. The commissioner shall develop a process for the governing body of a local unit of government to use when applying for an exemption under this clause. The commissioner shall review each proposed exemption giving due consideration to severance pay guarantees that are made to other persons with similar responsibilities in the state and nation.

Nothing in this subdivision shall be deemed to allow total severance payments for a highly compensated employee that exceed the limits established in section 465.72.

Subd. 4. GOVERNING BODY MUST APPROVE CERTAIN PAYMENTS; TIME FOR RECISION. Notwithstanding section 13.43, subdivision 2, any payment to a highly compensated employee for settling disputed claims, whether or not the claims have been filed, or any payment to a highly compensated employee for terminating a written employment contract, must be approved by the governing body of the local unit of government during a public meeting. The financial terms of a payment made pursuant to this subdivision must be made public at the meeting. The effective date of the governing body's approval of a payment made pursuant to this subdivision shall be 15 days after the date of the public meeting. The governing body of a local unit of government approving a payment pursuant to this subdivision, or the employee to whom the payment is to be made, may rescind or reject the payment, prior to the effective date of the governing body's approval.

Sec. 16. [471.666] PERSONAL USE OF PUBLICLY-OWNED AUTOMOBILES PROHIBITED.

Subdivision 1. DEFINITIONS. For purposes of this section, the following definitions shall apply:

(a) "Local government vehicle" means a vehicle owned or leased by a political subdivision of the state of Minnesota or loaned to a political subdivision.

(b) "Political subdivision" means a statutory or home rule charter city, county, town, school district, metropolitan or regional agency, or other special purpose district of this state.

(c) "Local government employee" or "employee" means an individual who is appointed or employed by a political subdivision, including all elected officials of political subdivisions.

Subd. 2. RESTRICTED USES. A local government vehicle may be used only for authorized local government business, including personal use that is clearly incidental to the use of the vehicle for local government business. A local government vehicle may not be used for transportation to or from the residence of a local government employee, except as provided in subdivision 3.

New language is indicated by underline, deletions by strikeout.



RESOLUTION APPROVING THE PAYMENT OF SEVERANCE PAY

Resolution No. 93-10

- WHEREAS,** John H. Riley, the appointed chair of the Regional Transit Board, the Governor of the State of Minnesota and the Regional Transit Board have reached an agreement that, based upon his health condition, John H. Riley will no longer serve as chair of the Regional Transit Board effective December 1, 1993; and
- WHEREAS,** A portion of the consideration for this agreement is the payment to John H. Riley of severance pay as authorized by Minnesota Statutes 465.72, Subd. 1; and
- WHEREAS,** The Regional Transit Board determines that the payment of severance benefits to John H. Riley as a result of his inability to perform the duties of his office due to health problems is a unique, single case situation because he is the only full-time Regional Transit Board employee not otherwise covered by a severance policy, and was excluded from disability insurance coverage otherwise provided to all full-time Regional Transit Board employees; and
- WHEREAS,** the Regional Transit Board has determined that it is reasonable to pay John H. Riley severance pay of \$29,647.83 to be paid as follows:

\$200.78 per month for the months of January through June 1994 to pay continuation of health, dental and life insurance benefits.

\$3,160.35 per month for the months of December 1993 through August 1994, an amount equal to the amount disability insurance would have paid at 60 percent of current salary.

NOW, THEREFORE, BE IT RESOLVED:

1. THAT upon John H. Riley's resignation as chair of the Regional Transit Board, the Regional Transit Board authorizes the payment of severance pay to John H. Riley in the amount of \$29,647.83 to be paid as mutually agreed between John H. Riley and the Regional Transit Board as follows:

\$200.78 per month for the months of January through June 1994 to pay continuation of health, dental and life insurance benefits; and

\$3,160.35 per month for the months of December 1993 through August 1994 to provide a disability payment at 60 percent of current salary.

Adopted this twenty-ninth day of November 1993.

Ruth Franklin
Vice-Chair

Mary Fitzgerald
Secretary

mff
11/23/93