



Minnesota Regional Transit  
Board: Records.

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December 7, 1993

REGIONAL TRANSIT BOARD

ROLL CALL AND ATTENDANCE SHEET

DATE: ~~KFB~~ 1/8/94

Member Name	Present	Vote							
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ISSUE

Chair	✓								
Michael Beard	✓								
Sharon Feess	✓								
Ruth Franklin	✓								
Morgan Grant	✓								
Val M. Higgins	✓								
James Hovland	✓								
Gary Humphrey	✓								
Ruby Hunt	✓								
Harry Mares									
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Visitors

M Benson

D Harbert

Staff

gl

gh

mf

mff



**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  
230 East Fifth Street  
St. Paul, Minnesota  
Thursday, January 6, 1994  
4:00 p.m.**

**AGENDA**

The January 3, 1994 meeting of the Regional Transit Board was recessed until the above time and date in order to continue discussion of 1994 legislative initiatives. The board will adopt a position on metropolitan governance.

**Sally Evert  
Chair**

mff  
1/6/94



*perform intermodal for*

DRAFT

Promoting intermodal coordination and a balanced transportation system in the metropolitan area is critical to the mobility and environmental success of the region. The RTA would have planning and programming responsibilities for:

- Roads, Bridges
- Transit, including regular route, Metro Mobility, opt-outs, small urban and rural, ridesharing and TDM
- Rail
- Goods movement
- Bikes and trails

In the area of public transit, the RTA would also:

- own capital equipment
- oversee transit operations

### **Structure**

The Regional Transportation Authority would be made up of 15 members including a 1/2-time chair. Eight would be local elected officials and would be appointed by the Metro Council, based on districts with at least one of these members residing in the City of Minneapolis and another residing the City of St. Paul. Seven, at-large, members would be appointed by the Governor, including the chair. Specific qualifying criteria would be developed for these 7 appointees.

### **Relationships with Other Transportation Agencies**

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

## Benefits

- To be consistent with and optimize the goals of the Intermodal Surface Transportation Efficiency Act (ISTEA)
- To ensure coordination and programming of transportation funds under 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 planning and programming related functions under the auspices of a single-entity
- Greater opportunity for inter-modal coordination

DEADLINE

## Issues

- 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 RTA 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 RTA own capital equipment and property only for transit?
- Would the RTA 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?
- How would MAC/air/airport issues be dealt with?
- Are there other agencies who own/operate equipment? What are advantages? disadvantages?
- Should the agency own and operate? OR own and contract? Need to decide.

# **METROPOLITAN GOVERNANCE:**

**A Proposal from the Seven Metro Counties**

**DECEMBER 10, 1993**

The proposal is to create a regional structure to provide a forum for discussion of regional issues, development and articulation of a regional vision and creation of plans to address problems which transcend local jurisdictional boundaries.

## Executive Summary

### Support for a Regional Organization

An effective regional structure is essential to the economic, social and community well-being of the metropolitan area. Such a structure is necessary to provide a vision for the future of the region which can then guide key investment decisions, to assist the region and state in addressing problems which transcend local jurisdictional boundaries and engage all the major elements of the community in its efforts. The operation of the current structure has proven inadequate to these important tasks. Change is necessary.

Regional planning should be the essential task of this structure in order to ensure:

- ✦ Development and dissemination of the regional vision,
- ✦ Greater effectiveness and efficiency in the delivery of services through diminished fragmentation, better coordination of service delivery and realization of increased economies of scale,
- ✦ a focus on the issues caused by the concentration of poverty while not creating economic polarization,
- ✦ Separating planning from operations,
- ✦ Providing, where appropriate, a regional perspective on problems to assist the state, the region and local units of government in determining the proper approach to addressing problems in the metropolitan area.

### A Proposal

We support the creation and operation of a single regional planning and coordination body, the Metropolitan Coordinating Council (MCC), which would be responsible for regional planning. Planning responsibilities of the MCC would include:

- 800 Mhz
- Land Use
- Economic Development
- Housing
- Transportation
- Surface water and ground water (elimination of water management and watershed organizations)
- Educational Facilities
- Regional Sewers collection treatment

MCC report regularly to a newly created, joint Senate and House Commission, the Legislative Commission on Metropolitan Affairs (LCMA). We would recommend that several options be considered for membership of the MCC (See Appendix A for greater detail). These options differ in the manner of selection of chair (by MCC members or the Governor) and the composition of the membership (all appointed by groupings of local officials or some by local officials and some by the legislature, similar to the selection of Regents of the University of Minnesota).

This is obviously a sensitive and critical issue that requires additional work. We believe, however, that some combination of appointments by local government officials, and in several options, by the Governor and the Legislature, is superior to direct election or continuation of the current system of all appointments being made by the Governor.

Once the planning is completed for a given service, the MCC would decide how regional services would be delivered. There should be no single model for delivery of all regional services. To insure flexibility, efficiency and accountability in the delivery of services, operations options would include delivery of services: 1) by local units, 2) through joint powers boards established among local units or 3) through a "public utility".

Because this reorganization and reappropriation of functions would take many years, priority should be given to those services which are judged to be most in need of change.

## Role of County Government

Any discussion of metropolitan governance must include the role that counties have come to play in delivery of services in the state of Minnesota. Such a discussion should start with the history and extent to which the state Legislature has assigned additional responsibilities to counties in the last 20-30 years. That investment is significant and transcends regional boundaries of the Twin Cities and other metropolitan regions in the state. The investment also transcends political boundaries within a metropolitan region.

In the late 1960's and early 1970's the federal and Minnesota State governments began to look for a level of local government that was large enough to efficiently deliver services and small enough to be responsive to the people receiving those services. Throughout the nation various efforts to create regional agencies (meaning regions larger than counties) did not achieve the results expected. In fact, most of the metropolitan governments were comprised of one county, such as Dade County, Florida.

In Minnesota, the state legislature and the executive branch decided counties were the appropriate level. Counties were selected for a number of reasons. Firstly, as in the rest of the nation, the movement in social services, public health and criminal justice was towards deinstitutionalization and community based programming. Secondly, in Minnesota, counties are an administrative arm of the state, and as such the creation of state-funded/county-operated systems was facilitated. Thirdly, since there are far fewer counties than municipalities in Minnesota, the state believed it could minimize overall administrative costs while achieving a regional delivery of services. Finally, by choosing counties to operate and deliver services, the state could establish a partnership with local government both in the administration and funding of services. This solution became the hallmark for legislation of the '70's and early '80's.

The state then began a concentrated effort to transfer delivery of services to the county level. In 1973, the state passed the Community Corrections Act, recognizing the responsiveness of counties based on their proximity to the voters. In 1976, came the Community Health Services Act, and in 1979, the Community Social Services. Those programs were followed in 1981 by the Waste Management Act which gave counties primary authority for solid waste and household hazardous waste management. These programs were supplemented by increasing responsibilities in the environment, courts, and transportation.

**This shift was so significant that by the late eighties approximately 80% of the typical county's budget had not been a county responsibility prior to 1972.** Not only have counties responded to these changes with substantial funding of their own, but they have also performed to the benefit of the citizens they serve and the state.

Minnesota now serves as a model to the nation in the areas of community corrections, community social services, public health and solid waste management. We did not just "dump" our people out of state institutions but worked together at the state and county level to develop alternative programs. Where there was a "non-system" of solid waste management, we produced, in a little over a decade, model programs in collection, recycling and disposal of municipal waste and household hazardous waste.

In addition to the above accomplishments, the counties have responded to the new programming with funding of their own. In the areas of Community Social Services, Community Corrections and Community Health Services the state commitment to funding has remained fairly level, while the counties' share has grown four and five fold. In solid waste management, the state has provided support for recycling through the sales tax; counties have provided funding through the property tax, fees and other local funding sources authorized under the Waste Management Act.

Counties have also served in conjunction with regional planning agencies. In the Twin Cities area this is apparent through a number of programs. While Met Council has primary responsibility for planning the regional park system, it is counties that own and operate them. It was the counties that were finally able to plan and implement the 911 telephone system in the Twin Cities area. The county's regional authorities have played a primary role in the planning for Light Rail Transit. And as mentioned before the counties have been the primary planners, implementors and operators of the solid waste system.

It is evident from the preceding history and investment that any restructuring of metro governance must take into account the role of counties in policy formulation and service delivery. The counties' ability to respond to people's needs in an effective, cost efficient manner has been demonstrated. The loss or restriction of their resources would be a loss to the people of the state and an increased cost to the state of significant programming. It is with this background in mind that we offer the proposal for metro governance outlined in this paper.

## **Regional Planning and Coordination**

The need for regional coordination exists. Indeed, our need for cooperation among units of government has increased. A more sophisticated understanding of the interdependence of the Twin Cities region points directly toward the need for an organization of informed oversight.

A Regional organization is necessary for three reasons:

1. To produce a more manageable substate planning and coordination process. Individual jurisdictions often are unable to assume regional responsibilities. A regional perspective is necessary to diminish fragmentation and improve the quality of services.
2. To achieve greater efficiencies through elimination of the duplication of services and utilization of economies of scale. Services which benefit from specialization and the employment of new technologies, or have high capital costs are likely to produce economies of scale if provided on a regional basis.
3. To provide a forum in which interlocal interests may be represented to higher levels of government, without loss of accountability.

Because the various regional systems operate with different boundaries and include

different constituencies which may or may not overlap with other systems, a flexible system of functional assignment becomes necessary.

These plans and alternatives would be reviewed and approved by a governing body made up of members of that community and implemented by appropriate entities according to directives from a legislative commission. This would provide a state identified regional planning and coordination prospective while allowing for a variety of local implementation techniques.

## **The Decline in Significance of the Metropolitan Council**

During the past few years, the Metropolitan Council has declined in importance in the metropolitan decision-making process. This is primarily due to the council losing its focus.

There are a number of reasons that this has happened. One is the changing priorities of the legislature to what has been going on in regional governance. The absence of standing committees in either body and the lack of specific interest has contributed to this problem.

There has been insufficient input from local officials, whose organizations must work within council parameters and policies. This lack of ownership creates hostility and frustration without providing much accountability.

Over the last 10 years, the executive branch has interpreted the role of the council differently. This has lead to a lack of consistent direction and left the council to it's own devices.

Because of these reasons, the council has fallen into a pattern of being out of focus and unable to create its own destiny. Therefore, it has spent a good amount of its time micro-managing comprehensive plan amendments and has ignored or passed on issues which were truly of metropolitan significance.

## FUNCTIONAL ASSIGNMENT

The Counties approached the issue of metropolitan governance by looking at what level of government should be assigned to provide a particular function. The basic principles which underlie this approach include flexibility, accountability, efficiency and equity.

The following criteria are based on these principles and are applied to local government functions for analyzing the appropriate unit for providing a function.

### *RESPONSIVENESS/ ACCOUNTABILITY*

Functions should be assigned to jurisdictions:

that are controllable by, accessible to and accountable to their residents in the performance of their public service responsibilities (access and control); and

that maximize the conditions and opportunities for active and productive citizen participation in the performance of a function (citizen participation).

### *EFFICIENCY*

Functions should be assigned to jurisdictions:

that are large enough to realize economies of scale and small enough not to incur diseconomies of scale. Services should be provided at the level where average cost of producing a unit of service, both direct and indirect, is minimized (technical efficiency); and

which maximize individual preferences (economic efficiency). A single regional provider cannot meet all the various needs of different citizens. A variety of jurisdictions offering different levels or types of services is needed.

### *ADMINISTRATIVE CAPABILITY*

Functions should be assigned to jurisdictions:

that are responsible for a wide variety of functions and that can balance competing functional interests (general-purpose government); and

that are not too large to effectively deliver desired outcomes (effectiveness); and

that are not too large so as to inhibit innovation (innovation); and

that have adequate fiscal capacity to finance their services (tax base adequacy); and

that have, or can be granted, the requisite legal authority to perform assigned responsibilities (legal adequacy); and

### *EQUITY*

Functions should be assigned to jurisdictions

which can provide and finance services equitably (equity). An individual should be able to purchase a level of a public service at a price that is not more burdensome than the price paid by other individuals; and

which contain the costs and beneficiaries of the function so that service is consumed primarily within that jurisdiction; authority must be congruent with the physical area of responsibility (externalities).

### *POLITICAL FEASIBILITY*

Criteria should take into account the political realities of reassigning functional responsibilities. The state historically has controlled local government and political tradition is not easy to change. Issues like local control make changes extremely difficult, as evidenced by the failure of most consolidation proposals in the last 30 years.

## PROPOSAL: METROPOLITAN COORDINATING COUNCIL

The counties propose the creation of a new structure, the Metropolitan Coordinating Council. This council would fill the need for a regional planning organization to minimize duplication and ensure service coordination. It would :

- ✦ Be created through statute.
- ✦ Be based on District representation, with the one person-one vote principal,
- ✦ Have members selected by a caucus of local elected officials or local officials and the legislature, using a weighted voting plan (for options, see Appendix A) Current elected officials could serve without sacrificing their elected positions.

The Metropolitan Coordinating Council (MCC) would have planning and coordinating responsibility, compliance review and reporting responsibility to the State Legislature. It would assign functions to the appropriate level of government. Unlike an elected regional government, the MCC would not require a large unresponsive bureaucracy

**The purpose is to create a regional structure to provide a forum for discussion of regional issues, development and articulation of a regional vision and creation of plans to address problems which transcend local jurisdictional boundaries.**

MCC would consider planning and coordination in any area of local government whose impact extends beyond local jurisdictions to parts of the region or the region as a whole. Any additional responsibilities would require Legislative approval and the presumption that it requires planning by the MCC rather than a joint powers board or local entities. Examples might include jails, human services and public health.

### MCC Regional Planning Functions:

- 800 Mhz
- Land Use
- Economic Development
- Housing
- Transportation
- Surface water and ground water (elimination of water management and watershed organizations)
- Educational Facilities
- Regional Sewers
  - collection
  - treatment
  - capacity

However, because this reorganization and reappropriation of functions would take many years, priority should be given to those services which are deficient. Services which

are working well would be approached last.

## Regional Operations

Once the planning has been accomplished for a given service such as transit, the MCC would decide how regional operations would be delivered. There is no single cookie-cutter approach that is appropriate for each service; different functions are provided appropriately at different levels of population size, area, and density. Instead, roadway planning might best include 11 counties; a different function might include less than seven counties. How a region is defined becomes dependent not upon arbitrary political boundaries, but the optimal delivery of a given service.

MCC operations options:

Localized Units  
Joint Powers  
Public Utility

1. *Localized Units.* MCC could determine that a function be given to local jurisdictions, the level closest to the people and where accountability is greatest.
2. *Joint Powers.* A joint powers board could be established to coordinate functions that need regional coordination. The Solid Waste Management Coordinating Board is an example of regional coordination based on joint powers. This type of structure allows economies of scale to be realized, diminishes fragmentation through improved coordination, yet allows decision making at the local level. Examples of current joint powers which likely would continue as such are 911, Mosquito Control, and Solid Waste.
3. *Public Utility.* The MCC could recommend some functions be delivered through a public utility. The planning would be accomplished through MCC with involvement of stakeholders. The actual operation could be turned over to a quasi-public operating structure or contracted out to a private sector organization. These utilities would require oversight.

The MCC would be a statutory creation but ensure that local governments would have direct interest and control. The provision for joint powers authority would maximize flexibility so that part of a service could remain at the municipal level with only regional aspects under the control of MCC.

## APPENDIX B

Approved by Anoka County Board of Commissioners:	December 14,1993
Approved by Carver County Board of Commissioners:	December 21,1993
Approved by Dakota County Board of Commissioners:	December 14,1993
Approved by Hennepin County Board of Commissioners:	December 14,1993
Approved by Ramsey County Board of Commissioners:	December 14,1993
Approved by Scott County Board of Commissioners:	December 14,1993
Approved by Washington County Board of Commissioners:	December 21,1993

## APPENDIX A

There are numerous possible methods for appointing members to the MCC and selecting a chair. We recommend the selection of the bulk of the members by groups of local elected officials from the region. The balance could be selected by the legislature using the model employed for selection of University of Minnesota Regents.

Among the other key issues that must be resolved in developing the structure are optimal size of the council and the role of elected officials. We believe that the current size is appropriate, although there is no particular magic in any specific number. We recommend that local elected officials be permitted to serve on the MCC. Consideration should also be given to requiring that all MCC members selected by local officials be elected officials.

Listed below are several options for membership that should be considered.

### Option One

- ⊛ 16 member council;
- ⊛ Proportional representation by district with each council member chosen using a weighted voting system based on jurisdictional population to weigh the votes of county board members, mayors, and township board chairs;
- ⊛ Chair selected by Governor.

### Option Two

- ⊛ 16 member council;
- ⊛ 12 members selected from districts using the method outlined in Option One;
- ⊛ 4 selected by the legislature from districts of equal population;
- ⊛ Chair selected by membership or Governor.

### Option Three

- ⊛ 17 member council;
- ⊛ Proportional representation by district with each council member chosen using a weighted voting system based on jurisdictional population to weigh the votes of county board members, mayors, and township board chairs;
- ⊛ Chair selected by members from council.

Metro Governance Work Group

Patrice Bataglia, Dakota County  
Earl Gnan, Carver County  
Ruby Hunt, Ramsey County  
Paul McCarron, Anoka County  
Peter McLaughlin, Hennepin County  
Myra Peterson, Washington County  
Tracy Swanson, Carver County  
Dick Underferth, Scott County

## Legislative Commission on Metropolitan Affairs

The State would become responsible for additional state-wide functions. The State Legislature would create a Legislative Commission on Metropolitan Affairs (LCMA) appointed jointly from the Senate and House. This commission would receive reports and recommendations from, and assign responsibility to the MCC. The State would take full responsibility for those functions which have an overriding public interest, that should not be controlled locally, or should not be paid for through the property tax system. These services could include:

**Judicial Services**  
**Courts**  
**Prosecution**  
**Public Defense**

The state would fully assume responsibility for all judicial services.

**All Airports**

Should be under control of a state agency for purposes of planning. Operations would be conducted under local partnerships. Revenues generated at MAC would be required to be used to meet the goals and mission of MAC.

**Sports Facilities**

All public sports facilities of regional significance (Met Center, Metrodome) should be run by a state commission and all funding and bonding should become a state responsibility and/or partnership with an individual city.

**Income maintenance**

The state must fully assume and finalize the income maintenance transfer

**Categorical aids**

The state should provide funding of those services that are of state significance but administered locally.