



Minnesota Regional Transit
Board: Records.

Copyright Notice:

This material may be protected by copyright law (U.S. Code, Title 17). Researchers are liable for any infringement. For more information, visit www.mnhs.org/copyright.



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
June 6, 1994
4:00 p.m.

AGENDA

- 1. CALL TO ORDER AND ROLL CALL**
- 2. APPROVAL OF THE AGENDA**
- 3. APPROVAL OF MINUTES**
 - A. Administration and Finance Committee Meeting, May 9, 1994
 - B. Regional Transit Board Meeting, May 16, 1994
- 4. CHAIR'S REPORT**
 - A. Metro Mobility
- 5. MEMBERS' REPORTS**
- 6. EXECUTIVE DIRECTOR'S REPORT**
- 7. REPORT OF THE COMMITTEE OF THE WHOLE
(Ruth Franklin, Chair)**
 - A. Transition Agreement with ATE Management and Service Company, Inc.
 - B. Approval of Metro Mobility Transition Consultant Contract
 - C. Extension of Mediation Center Ombudsman Contract
- 8. OTHER BUSINESS**
 - A. Approval of 1994 RTB Messenger Contract
 - B. RTB Priorities
- 9. PUBLIC COMMENT**

Sally Evert
Chair

REGIONAL TRANSIT BOARD

ROLL CALL AND ATTENDANCE SHEET

DATE: June 6, 1994

Member Name Present Vote Vote Vote Vote Vote Vote Vote

ISSUE

Michael Beard - A

✓

Sharon Feess - A

✓

Ruth Franklin, Chair - A

✓

Morgan Grant - P

✓

Val M. Higgins, Chair - P

James Hovland - P

Gary Humphrey - P

✓

Ruby Hunt - P

Harry Mares A

✓

District D - A

Sally Evert

✓

Visitors

Staff

<u>Sasha</u>	<u>Joyce Dreyfus</u>	<u>Fitz</u>	<u>C.S.</u>
<u>Entzel</u>	<u>Pres. Harbin</u>	<u>Junk</u>	
<u>K Lyons</u>	<u>Wolfson</u>	<u>mj</u>	
<u>E. Newcome</u>		<u>jh</u>	
<u>D. Ahra</u>			
<u>mff Muldoon</u>			
<u>D. Hibbert</u>			
<u>Malach</u>			
<u>Judy Hohman</u>			
<u>Diane Harbison</u>			



Draft

**Minutes of the
REGIONAL TRANSIT BOARD
May 16, 1994**

MEMBERS PRESENT: Sally Evert, Chair; Michael Beard; Sharon Feess; Ruth Franklin; Morgan Grant; Val Higgins; James Hovland; Ruby Hunt; Harry Mares

MEMBERS EXCUSED: Gary Humphrey

OTHERS PRESENT: DeDe Wolfson, Metropolitan Council Member; Karen Lyons, Metropolitan Council; Arnie Entzel, Amalgamated Transit Union, Local 1005; Eddie Maddox; Gregory L. Andrews, Judy Hollander, Dale Ulrich, Assata Brown, Randy Rosvold, Barb Quade, Mark Fuhrmann, Dave Jacobson, Mary Fitzgerald, RTB staff

CALL TO ORDER

The chair called the board meeting to order at 4:00 p.m. in Chambers at the above address. Roll was taken.

APPROVAL OF THE AGENDA

The chair noted that a new item should be added under Agenda Item 4.A., Metro Mobility. The board will be asked to consider amending the Mayflower Letter Agreement for expenditure of start-up funds for Metro Mobility. Andrews said the ATE Transition Agreement should be deleted from the agenda. A new item, White Bear Area Transit Contract Amendment and Marketing Plan, should be included for action under the Executive Director's Report. With those amendments, Hovland moved and Grant seconded approval of the agenda. The motion was unanimously approved.

APPROVAL OF MINUTES

Hovland moved and Hunt seconded:

That the Regional Transit Board approve the following minutes:

Policy Committee Meeting, April 25, 1994
Regional Transit Board Meeting, May 2, 1994

The motion was unanimously approved.

CHAIR'S REPORT

The chair reported there will be a meeting with Rep. McCollum and Metro Council members on May 17 to discuss Metro Mobility transition issues. A letter from a Metro Mobility rider had been distributed. In it, the rider talks about the courtesy of her drivers. In one instance, too many vans arrived so the drivers sorted it out on the spot so the riders were routed in the most efficient manner. The board members received a copy of Metropolitan Council Chair Dottie Rietow's letter regarding the new committees and the appointment of DeDe Wolfson to the new Transportation Committee, which met for the first time today. Ms. Wolfson has been the council's liaison to the board and can contribute a great deal to the committee. The committee will meet on the second and fourth Wednesdays of each month. The chair asked for members' suggestions on what she should be relaying at those meetings and on how to work together and think about how to define the role. She and Andrews have begun to discuss the transmission of information to the Metropolitan Council to ensure that everyone is fully informed. Because of the many administrative tasks that must be accomplished, we must be careful not to lose track of the policy issues.

Grant said since only \$2.5 million in additional funding was allocated to Metro Mobility, there will be real problems next winter if the program runs out of money. The board must help the council understand the problem. Evert said the council has been told that we need to make the system work under the present funding before considering a legislative request for additional dollars. Rietow is starting to work on the legislative strategy, which will be coordinated with the other agencies.

The new accessible, regular route buses will be arriving about the time the board is abolished. Grant said he is very concerned about the deployment of those vehicles and would like the board to give the council a clear vision of what kind of routes should be served.

Hunt asked whether the Legislature or the council have looked at the issue of whether or not an organization such as the Metropolitan Transit Commission (MTC) can regulate its contractors. This pertains to the stricture that the MTC could not regulate the opt-outs because they would be in the position of regulating their competitors. There are some legal questions on how much oversight they can have over a competitor. Evert said that question was raised as a conflict of interest issue. Some of those functions must be kept at the Council.

Higgins said the opt-out communities are concerned about the issue of capital funding, which bears on the policy of competitive bidding and the Five-Year Plan.

Evert asked members to develop a list of concerns so that nothing is overlooked during the transition.

Amendment to Mayflower Letter Agreement for Expenditure of Start-up Funds for Metro Mobility

Fuhrmann reviewed the May 16 staff report and updated the board on the past week's activities of transition issues. Responding to members' questions, he said the telephone consulting work contracted by Mayflower is meant to assist with the handling of inter-zonal trips. The consultant has experience with this kind of phone center. Mayflower is our largest provider and carries the responsibility for inter-zonal trips. They pursued the contract at RTB's urging and arranged for the consultant to meet with Handicabs and Metro Ride. Their total contingency was initially \$10,000 so this will bring it up to 35 percent, slightly more than the five percent, which is a reasonable budget contingency.

The equipment and furniture allocations have been completed and a summary of the inventory and claims is being prepared. RTB controls the outlay of contingency funds. The letter agreements were structured so that providers pay up front and are reimbursed by RTB. Staff believes these expenses are reasonable. The effect on the total budget is enormous; these are unbudgeted, unanticipated expenses. The key question is when the level of service will be affected. His personal reaction, not discussed by senior staff, is that RTB could draw down against the RTB fund balance and seek additional appropriations through the council to make it whole again during the 1995 legislative session. On the operating side the shortfall is projected to be \$2 million and unanticipated expenditures are another \$1 million.

Hollander said staff intends to develop a revised budget as soon as the service coordinator is in place, in less than two weeks. Within the law, service could be reduced. Grant said he would not want the board to take any action that would cut back the service since the riders have recently suffered fare increases. Paring back service would involve stranding even more riders in the outer suburbs. This is not the intent of the Americans with Disabilities Act (ADA). Using ADA as a way of restricting service to the bare minimum would be a mistake. The board should first request additional funds. Evert said that has to be one of the options that policymakers know is out there.

Beard pointed out that the sales tax paid to the state on computer equipment purchases could equal approximately 500 rides. He asked any members who in the future may find themselves in a position to correct this situation to do so. Franklin moved and Hovland seconded:

That the Regional Transit Board authorize the executive director to negotiate and execute an amendment to the Mayflower Letter Agreement authorizing expenditure of the remaining \$337,012 in the transition budget and authorize expenditure of an additional amount not to exceed \$72,635, resulting in a Mayflower amended transition budget not to exceed \$659,647.

The motion was unanimously approved.

Responding to members' questions, Fuhrmann said ridership has been stable at 4,000 riders per weekday since March. Of those, about 2,000 to 2,100 are demand and standing order trips. On-time performance continues to improve. The agencies have not been sending in complaints about standing orders. By comparison, before October 2, 1993 there were 100,000 monthly trips. Evert said riders say some riders have given up on Metro Mobility. The numbers of trip denials would be contested because of different reporting methods. Grant said riders are complaining about problems encountered when the drivers change shifts at noon.

EXECUTIVE DIRECTOR'S REPORT

Metro Governance

Andrews reported on the staff implications of the transition. He has been meeting with his counterparts at MTC and Metropolitan Waste Control Commission. They have been talking about major issues with the executive director of the council. The focus has been on the two operating agencies because they will fold into the council in July. It might be appropriate to schedule a joint meeting of the board and the Transportation Committee. On a staff level, Dottie Rietow and Richard Johnson spoke to the full staff last week and answered questions. There is a steering committee, which meets every Friday, chaired by Council Member Barbara Butts Williams, that will guide the decisions during the interim period. The initial focus will be on Communication. Each agency has its own function. The Finance and Legal areas are a great concern. There is a potential for conflict of interest in the legal firms that represent the agencies.

Regarding the legislative update, Beard asked staff to furnish a list of what was requested, what they got and was not requested. Wolfson said the legislative position at the council is vacant. It may be that the positions will be folded into one position.

Hunt said she received a note from one of the Ramsey County people who said that Bob LaShomb was very easy to work with and did a good job. Evert agreed that he came with an excellent background and did exactly what the board asked for.

White Bear Area Transit (WBAT) Contract Amendment/Marketing Plan

This issue had been delayed from an earlier agenda. The White Bear people asked that the matter come before the board. Fuhrmann and Brown distributed a staff report dated May 16, 1994. Beard asked if there is a provision to divide revenues when there are transfer situations. Fuhrmann said there is a performance assessment of the service and fare revenue assumptions are applied to those trips. If a trip is made, RTB applies the subsidy on a per passenger basis. In this instance it would \$3.85 per passenger. The sharing of

revenue from convenience fares such as those funded by MTC may be utilized in the WBAT system. The crediting of regional programs is not consistent at this time and staff is reviewing the system. Franklin said she received a call last week before the committee from someone from WBAT expressing concern about this item which was on that day's agenda. The board has never seen the original memo and she asked if this report responds to all the concerns of the people from White Bear. Hollander said she has spoken with them and they are comfortable with this recommendation.

Feess asked how this mistake in farebox revenue projection could occur. Andrews said WBAT operated in three communities. Last year RTB cut off some high-subsidy routes. They did not understand they would get the one-way fare. Feess said staff should have sent up a red flag immediately. Hovland asked for information on the interim subsidy per passenger data for WBAT, whether they get a credit for the service they provide if MTC collects the revenue, and why staff recommended full reimbursement? Hollander said the shuttle service is funded at 100 percent because it is regular route service so the additional deficit is funded at 100 percent. It is not a cost-sharing service. Mares said staff contacted the WBAT board members who agreed this is fair and equitable. He moved and Franklin seconded:

That the Regional Transit Board authorize the executive director to amend White Bear Area Transit Contract No. 93/16/08-14 by an amount not to exceed \$14,750, of which \$11,150 is for the purchase of service and \$3,600 is for the marketing plan, for a total contract subsidy not to exceed \$286,494.

The motion was unanimously approved.

REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE

Franklin reported on the May 9, 1994 committee meeting.

Financial Statements - March 1994

Franklin moved and Feess seconded:

That the Regional Transit Board receive the March 1994 unaudited financial statements and direct that they be placed on file.

The motion was unanimously approved.

1993 Audited Financial Statements

Franklin moved and Hovland seconded:

Annual Financial Report for the year ended December 31, 1993; and the management letter, dated April 8, 1994, prepared by Deloitte & Touche.

The motion was unanimously approved.

Northtown Transit Hub

Franklin moved and Grant seconded:

That the Regional Transit Board authorize the executive director to execute a funding agreement with the Anoka County Regional Railroad Authority to construct a Northtown transit hub. The RTB's share of project costs shall not exceed \$2,021,000.

The motion was unanimously approved.

Metropolitan Transit Education Plan Implementation

Hunt asked if this expenditure is appropriate without taking into account the restructuring of metropolitan governance. Franklin said that matter was discussed at the committee meeting. This is a joint project and members of the council staff and of the Minnesota Department of Transportation sit on the committee. Hanson said RTB has a contract to finish this work. More of which will be done before October. Mares said each of these contracts presents this dilemma. These exhibits will be used long after the board is gone. (Grant was excused.)

Maddox said he spoke with Hanson regarding the light rail information included in the media package. The purpose of this plan is to promote transit in general, not one mode. The University of Minnesota is not a member of this committee and it would to be everyone's benefit to work with them to promote transit. Maddox had been handing out booklets and was asked for copies for high school students. Hanson said Mike Mohr has not contacted her. Hunt said this effort was developed after adoption of public policies made by a number of groups and this program is appropriate. Franklin moved and Hunt seconded:

That the Regional Transit Board authorize the executive director to expend \$26,500 for the production of a series of traveling displays promoting transit, and the design, production and printing of transit brochures.

The motion was unanimously approved.

APPROVAL OF 1994 MESSENGER CONTRACT

Franklin moved and Beard seconded:

That the Regional Transit Board authorize the executive director to enter into a contract with Morgan Williams and Associates in an amount not to exceed \$28,364 for the design, layout, production and printing of no more than four 8-page newsletters.

Hovland said he is uncomfortable with this contract in view of the fact that the board will only be responsible until October. Metro Mobility is short of money and perhaps the Metropolitan Council will let people know about these transition items. The chair said RTB has used the Messenger to communicate on Metro Mobility issues and she would be reluctant to do nothing until October and abdicate this responsibility. Mares said he the contractor would only be paid for the quarterly issues that are actually printed and the full \$28,364 would not necessary be spent. Hunt said if she were a legislator receiving an eight-page newsletter, she would raise questions about whether it is appropriate. The perception of the receivers should be taken into account. Until RTB is dissolved, Feess said it is the prime advocate for transit and it is important to keep transit before the public. Evert said the eight pages is also an issue. Hanson said in the past the issues alternated between four and eight pages. Higgins said if we avoid public relations and focus on Metro Mobility he will support the contract. Hovland asked if the Metro Mobility newsletter covers the same issues. Hanson said the Messenger deals with policy issues and goes to government and business people. Riders receive the monthly or twice-monthly mailings. Hovland said he would favor one publication on the transition. Beard and Franklin spoke in support. The board is responsible for promoting transit until the council takes over. It might be months before they publish a newsletter.

Hunt said some of these communications could be done with an in-house newsletter. There is a negative reaction to this very professional looking newsletter. The information policymakers need could be conveyed in two or three pages. She move to lay the matter over and direct staff to bring in alternatives at the next meeting. Mares seconded the motion. The motion was unanimously approved.

CAPITAL FUNDING REQUEST FROM HUMAN SERVICES, INC.

Franklin moved and Hovland seconded:

That the Regional Transit Board approve capital funding for Human Services, Inc. in an amount not to exceed \$101,200 for the purchase of three small buses and the overhaul of an existing bus.

The motion was unanimously approved.

PUBLIC COMMENT

Maddox gave the board information on investment criteria on federal funding for transportation-related projects.

There being no other business, Hovland moved and Beard seconded that the meeting be adjourned. The motion was unanimously approved and the meeting was adjourned at 5:50 p.m.

I hereby certify that the foregoing constitutes a true and accurate record of the Regional Transit Board's meeting of May 16, 1994.

Respectfully submitted,

Mary Fitzgerald
Secretary of the Board

Approved by the Regional Transit Board on this 6th day of June 1994.



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

**Minutes of the
ADMINISTRATION AND FINANCE COMMITTEE
May 9, 1994**

MEMBERS PRESENT: Ruth Franklin, Chair; Michael Beard; Sharon Feess; Harry Mares; Sally Evert

OTHERS PRESENT: Stephanie Eiler and Arijis Pakalns, BRW, Inc., Nacho Diaz and Karen Lyons, Metropolitan Council; Mary Richardson; Tim Yantos, Michele Switzer and Jeffrey Gendreau, Deloitte & Touche; Arnie Entzel, Amalgamated Transit Union, Local 1005; Gregory L. Andrews, Judy Hollander, Mark Fuhrmann, Suzanne Hanson, Dale Ulrich, Jan Rosenthal, Dave Schleicher, Dave Jacobson, Mary Fitzgerald, RTB staff

CALL TO ORDER

The chair called the board meeting to order at 4:00 p.m. in Chambers at the above address. Roll was taken.

APPROVAL OF THE AGENDA

Feess moved and Evert seconded approval of the agenda; the motion was unanimously approved.

FINANCIAL STATEMENTS - MARCH 1994

Schleicher presented the March unaudited financial statements. There continues to be a significant unfavorable fund balance under Metro Mobility. Page 3 indicates an unfavorable variance of \$127,699 under "ATE MMSC" and an unfavorable variance of \$363,575 under "Metro Mobility Providers." This is an \$80,000 increase over last month. Franklin said the \$363,575 negative figure is the result of extra payments to providers. Andrews said the main overage is because we had to call upon taxicab companies and other providers to cover overflow trips. Additional legal fees and consulting contracts were incurred because of Metro Mobility. Mares moved and Beard seconded:

That the Regional Transit Board receive the March 1994 unaudited financial statements and direct that they be placed on file.

The motion was unanimously approved.

1993 AUDITED FINANCIAL STATEMENTS

Switzer reviewed the draft report and management letter. Mares moved and Feess seconded:

That the Regional Transit Board accept the 1993 Comprehensive Annual Financial Report for the year ended December 31, 1993; and the management letter, dated April 8, 1994, prepared by Deloitte & Touche.

The motion was unanimously approved.

NORTHTOWN TRANSIT HUB

Blin reviewed the May 6 staff report. Stephanie Eiler and Arijis Pakalns used maps to describe the project. Eiler reviewed the issues and concerns of the interested entities. Blin said staff will negotiate with Northtown to share costs of upgrading the parking facility and the maintenance costs.

Responding to Beard's question, Blin said the program is in the 1995 Vision and the funding is available in bond authorizations. The bond sale would be done before the end of the year. Evert moved and Beard seconded:

That the Regional Transit Board authorize the executive director to execute a funding agreement with the Anoka County Regional Railroad Authority to construct a Northtown transit hub. The RTB's share of project costs shall not exceed \$2,021,000.

The motion was unanimously approved.

WHITE BEAR LAKE AREA TRANSIT CONTRACT AMENDMENT AND MARKETING PLAN

Franklin said the members did not receive any material on this item. Mares moved and Feess seconded:

That the Regional Transit Board continue consideration of the White Bear Lake Area Transit Contract Amendment and Marketing Plan to an upcoming meeting.

The motion was unanimously approved.

METROPOLITAN TRANSIT EDUCATION PLAN IMPLEMENTATION

Rosenthal reviewed the April 29 staff report. Feess moved and Mares seconded:

That the Regional Transit Board authorize the executive director to expend \$26,500 for the production of a series of traveling displays

promoting transit, and the design, production and printing of transit brochures.

Mares asked what will happen to this program after October 1. Hanson said the work will continue. RTB has a contract for it and it will be folded into the council's work plan. Council staff has participated in it from the beginning. Mares said he is concerned about spending this amount of money when the effort could be shelved. The motion was unanimously approved.

APPROVAL OF 1994 MESSENGER CONTRACT

Fitz reviewed the May 2 staff report. Feess suggested that staff publish two quarterly issues be published and then turn over the responsibility to the council. Fitz said the plan calls for a publication in June, September, the end of 1994 and another in early 1995. Evert said this question is continually raised. She asked staff to develop priorities for the board's consideration and then refer them to the council. Since the Legislature decided to continue the board until October, RTB will continue to speak strongly to its message and see that it is carried forward. Feess said the motion should be clear that all four issues may not be printed. Beard moved and Feess seconded:

That the Regional Transit Board authorize the executive director to enter into a contract with Morgan Williams and Associates in an amount not to exceed \$28,364 for the design, layout, production and printing of no more than four 8-page newsletters.

The motion was unanimously approved. Mares said the Messenger contains a great deal of useful information and he commended Jane Fitz, who does the writing.

CAPITAL FUNDING REQUEST FROM HUMAN SERVICES, INC.

Blin reviewed the May 2 staff report. Beard moved and Feess seconded:

That the Regional Transit Board approve capital funding for Human Services, Inc. in an amount not to exceed \$101,200 for the purchase of three small buses and the overhaul of an existing bus.

The motion was unanimously approved.

1995 BUDGET ASSUMPTIONS

Members discussed the revised staff report dated May 9, 1994. No action was taken.

OTHER BUSINESS

Franklin noted that the meeting on Friday, May 13, had been canceled. There was no public comment. There being no other business, Grant moved and Hunt seconded that the meeting be adjourned. The motion was unanimously approved and the meeting adjourned at 5:15 p.m.

I hereby certify that the foregoing constitutes a true and accurate record of the Regional Transit Board's Administration and Finance Committee May 9, 1994 meeting

Respectfully submitted,

Mary Fitzgerald
Secretary of the Board

Approved by the Regional Transit Board on this 6th day of June 1994.

METRO MOBILITY UPDATE 6.6.94

- METRO RIDE BEGAN SERVICE TODAY
 - 1070 rides scheduled initially
 - 923 rides remained scheduled as of this morning
 - Many rides still being cancelled this morning
 - Some standing order trips that ~~had~~ could not be confirmed did have out-of-date pick-up times or locations
 - West Metro fog slowed traffic resulting in a number of late trips
 - Phones for reservations, cancelling rides or checking rides were extremely busy where some customers only received a busy signal.
Corrective action took place 1:00 pm today.

df



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

DATE: June 3, 1994
TO: Chair and Members of the Regional Transit Board
FROM: Gregory L. Andrews, Executive Director
SUBJECT: Additional Information Regarding ATE Management and Service Company, Inc. Transition Agreement

At the Committee of the Whole meeting on May 31, 1994, board members requested additional information regarding the negotiated contract amendment with ATE Management and Service Company, Inc.

Please find attached Exhibit B and Tables 2 and 3 which will become part of the final transition agreement. The attachments detail the reimbursable cost through July 4, 1994 compared to budget as well as the unreimbursed costs. I have also attached a schedule of the preliminary fixed asset distribution between the service center and the providers. The transition agreement provides that all rights, title and interests in the assets be transferred to the RTB.

Greg Korstad, RTB legal counsel, will be at the June 6 board meeting to address legal questions relating to this matter.

GLA/mf
Att.

Exhibit B

REVISED METRO MOBILITY BUDGET THROUGH JULY 4, 1994

Account Descriptions	EXPENSES TO DATE	APRIL	MAY	JUNE	JULY	BUDGET TOTAL	ASSUMPTIONS
TOTAL EXPENSES	1,127,368	222,575	145,982	111,202	13,471	1,620,688	
		Note A					Assumes all Operations personnel are transitioned June 30
OPERATIONS							
SUPERVISORS/DISPATCHERS		18,382	11,479	7,154	0		
SUPERVISORS/DISPATCHERS-OT		7,128	4,990	2,495	0		-1 Dispatcher May, -4 Dispatchers Ju
CALLTAKERS		48,360	32,240	16,120	0		
CALLTAKER OVERTIME		2,418	2,418	1,209	0		-10 Calltakers June
HEALTH & WELFARE		9,661	9,661	6,376	0		
F.I.C.A.		5,913	3,911	2,064	0		
UNEMPLOYMENT INSURANCE		1,082	716	378	0		
WORKERS' COMPENSATION		420	282	154	1		
PHYSICAL EXAMINATION FEES		206	206	0	0		
FUEL & LUBRICANTS		489	489	489	63		
PREMIUMS-PUBLIC LIAB INSUR		815	815	815	815		
INTEREST EXPENSE		4,762	4,675	4,588	0		
RADIOS		2,640	2,640	2,040	341		
DEPRECIATION-OTHER EQUIP.		12,614	12,614	12,614	0		Depreciation transferred June 30
TOTAL OPERATIONS EXPENSE		115,890	87,138	67,095	1,220		
SAFETY & TRAINING							
OTHER SAFETY & TRAINING WAGES		1,473	1,473	1,473	0		
OTHER SAFETY & TRAINING OT		111	111	111	0		
HEALTH & WELFARE		364	364	364	0		
F.I.C.A.		121	121	121	0		
UNEMPLOYMENT INSURANCE		22	22	22	0		
WORKERS' COMPENSATION		8	8	8	0		
OTHER SERVICES		2,200	2,200	0	26		No outside training in June
OTHER M&S		100	100	100	13		
TOTAL SAFETY & TRAINING		4,400	4,400	2,200	39		
VEHICLE MAINTENANCE							
OTHER SALARIES & WAGES		1,907	1,907	1,907	246		
MAINTENANCE OVERTIME		143	143	143	18		
HEALTH & WELFARE		273	273	273	36		
F.I.C.A.		157	157	157	20		
UNEMPLOYMENT INSURANCE		29	29	29	4		
WORKERS' COMPENSATION		11	11	11	1		
OTHER MAT. & SUP.		200	200	200	26		
PREMIUMS PHYS DAMAGE INSUR.		213	213	213	27		
TOTAL MAINTENANCE EXPENSE		2,932	2,932	2,932	378		
GENERAL & ADMINISTRATIVE							
OTHER SALARIES		12,417	12,417	12,417	1,602		-1 AGM Ops in May
OTHER WAGES (HOURLY)		8,493	8,793	8,793	1,264		
HEALTH & WELFARE		3,897	3,897	3,897	503		
F.I.C.A.		1,600	1,699	1,699	28		
UNEMPLOYMENT INSURANCE		293	311	311	6		
WORKERS' COMPENSATION		111	118	118	2		
MIS CHARGES		6,120	2,040	2,040	0		
OTHER SERVICES		40,120	170	170	22		
TELEPHONE EXPENSES		4,200	4,200	4,200	542		
TRAVEL & MEETINGS		450	0	0	0		
OFFICE SUPPLIES		1,875	1,250	625	323		
POSTAGE EXPENSE		2,960	2,213	1,475	381		
PRINTING & GRAPHICS		2,494	1,663	1,663	429		
EMPLOYEE WELFARE		283	283	283	37		
LEASES & RENTALS		6,200	0,200	6,200	6,200		
COPIER EXPENSES		325	325	325	42		
TOTAL G & A EXPENSES		91,828	46,578	45,218	11,379		
OVERHEAD (3.5%)		7,527	4,937	3,760	456		
PROFIT (10.0%)		0	0	0	0		
TOTAL EXPENSES		222,575	145,982	111,202	13,471		

Note A: April is a three pay period month

Table 2

MMSC TARGET BUDGET TO ACTUAL
Comparison of expenses and revenues to target budget

	Budget	Actual	Difference
October	187,591	152,073	(35,518)
November	180,088	244,493	64,405
December	178,337	223,856	45,519
January	162,829	211,883	49,054
February	147,072	220,316	73,244
March	147,322	156,692	9,370
Subtotal	1,003,239	1,209,313	206,074

Costs and Revenues
 Adjustments to Actual

Contractor Training Revenue		(81,955)	
-----------------------------	--	----------	--

Adjusted MMSC Expenditures Against Budget: Oct. - March	1,003,239	1,127,358	124,119
---	-----------	-----------	---------

	Planned	Projected	Difference
April	147,569	222,575	75,006
May	147,322	145,982	(1,340)
June	135,066	111,202	(23,864)
July (4th)	17,008	13,471	(3,537)

Year One Total	1,450,204	1,620,588	170,384
-----------------------	------------------	------------------	----------------

Requested Budget Adjustment

Table 3

SUMMARY OF METRO MOBILITY SERVICE CENTER EXPENTITURES Actual Compared to Reimbursed

	Start Up	Oct - March	Total
Total MMSC Costs Incurred (Does not include litigation, public relations, National Guard, settlement expenses)	370,182	1,407,873	1,778,055
MMSC Services Invoiced			
Reimbursables	303,911	1,104,051	1,407,962
Management Fee	30,749	105,282 *	136,011
TOTAL INVOICED	334,660	1,209,313	1,543,973
TOTAL ATE UNREIMBURSED COSTS	(35,522)	(198,560)	(234,082)

* No Management Fee charged in March

PRELIMINARY FIXED ASSET DISTRIBUTION

	6/3/94 Book Value	Assets Assigned to Providers	Assets at Service Center
Computer Equipment	\$104,686.34*		\$104,686.34
Radios	133,896.63	\$133,896.63	
Mobile Data Terminals	184,859.19	184,859.19	
Phone Equipment	75,270.45*		75,270.45
Leasehold Improvements	55,552.70**	37,035.00	18,517.70
Office Furniture & Equipment	<u>37,696.05*</u>	_____	<u>37,696.05</u>
	\$591,961.36	\$355,790.82	\$236,170.54

- Allocation of assets between providers and service center is currently under analysis by RTB finance staff.
- ** Allocation based upon space to be assigned at the Service Center.

GLA
6/3/94



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

DATE: May 24, 1994
TO: Chair and Members of the Committee of the Whole
FROM: Gregory L. Andrews, Executive Director
SUBJECT: Transition Agreement with ATE Management and Service Company, Inc.

SUMMARY

This memorandum requests that the board authorize the executive director to execute a transition agreement with ATE Management and Service Company, Inc. in an amount not to exceed \$1,620,588.00 for Metro Mobility service coordination services through July 4, 1994 and \$591,961.36 for the undepreciated capital asset value of service center equipment.

BACKGROUND

The Regional Transit Board, on May 17, 1993, authorized the executive director to execute a contract with ATE for service coordination services. The contract provided for start-up expenses of \$334,660.00 for the period May 18, 1993 to October 1, 1993. The initial term of the contract was for three years with an option for two additional years at RTB's option. The contract provides for reimbursement of all reasonable and necessary costs and expenses incurred plus a management fee of 10 percent and corporate overhead of 3.5 percent, all of which was not to exceed \$1,825,889.00 for the first year of the agreement. As a result of the class action settlement agreement, it is necessary to negotiate an amendment to terminate the existing agreement between ATE and the RTB pursuant to Article XV of the agreement. Article XV states in part that "RTB shall pay ATE's reasonable and allowable costs, including the unamortized portion of all depreciable ATE-owned equipment (excluding revenue vehicles), through the effective date of termination and those reasonably necessary costs incurred by ATE to terminate its activities under the agreement." It has, therefore, been the intent during negotiations with ATE that the transition agreement would incorporate all financial obligations for first year operating costs through July 4, 1994 and capital asset obligations to be transferred to the RTB. During the past month the board has authorized letter agreements with Mayflower, Metro Ride and Handicabs to allow those providers to incur expenses associated with the transition of reservations, scheduling and dispatch responsibilities in accordance with the semi-centralized system. Staff has incorporated the transition schedule leading to the July 4 termination date in the negotiation of eligible reasonable costs to be reimbursed to ATE.

DISCUSSION

Because the agreement is a cost-plus-fixed-fee contract, our discussions focused on what are "reasonable costs" that were incurred or estimated to be incurred by ATE during the period October 2, 1993 through July 4, 1994. RTB financial and programs staff have

reviewed the monthly invoices with supporting documentation to ensure that all costs have been properly incurred under the terms of the contract. It has been necessary to differentiate those costs that were anticipated to be incurred and therefore included in the \$1,825,889.00 first year budget from costs that should be the responsibility of ATE as a result of the "unsatisfactory startup." Examples of the latter costs include travel and labor costs of ATE national consultants brought in during the crisis last fall, legal defense costs associated with the class action suit, and National Guard expenses. ATE has not invoiced the RTB and does not intend to invoice for the above-mentioned expenses. ATE has requested reimbursement for additional staff of Reservations, Customer Service and Dispatching during the first months of operation, as well as legal costs associated with administrative process necessary to resolve the Metro Ride protest. They have agreed to forego the software licensing fee and 10-percent management fee for the period March 1, 1994 through July 4, 1994. The proposed budget for the period October 2, 1993 through July 4, 1994 is \$1,620,588.00. In addition, the undepreciated value of the service center equipment (excluding revenue vehicles) to be reimbursed to ATE is \$591,961.36.

In a separate memorandum on the May 31, 1994 Committee of the Whole agenda, staff will present a financial projection of the Metro Mobility program through December 31, 1995, which will incorporate previously approved provider amendments, costs of county programs, ATE transition agreement, and the projected shortfall in funding.

RECOMMENDATION

That the Regional Transit Board authorize the executive director to execute a transition agreement with ATE Management and Service Company, Inc. in an amount not to exceed \$1,620,588 for operating expenses for the period October 2, 1993 through July 4, 1994 and \$591,961.36 for capital assets, excluding revenue vehicles. The source of funding is the Metro Mobility fund.

GLA/mf

**REPORT OF THE TRANSPORTATION ACCESSIBILITY
ADVISORY COMMITTEE
Wednesday, June 1, 1994**

Members Present: Dianna Krogstad, (Chair); Roger Blohm; Bill Blom; Claudia Carlisle; David Bruflodt; Chuck Dustrud; Margo LaBau; Patricia Svendsen; Rozanne Severance

Members Not Present: Kurt Strom*; Sharon Behrens*; Roosevelt Perkins
*Excused absence.

Other Meeting Participants: Jenelle Soderquest and John Schatzlein, Mediation Center; Val Higgins, RTB Liaison; Deb Nelles; Sally Evert; Mark Fuhrmann, RTB Staff; Linda Hennesey and Karen Lyons, Metropolitan Council.

At the June 1, 1994 Transportation Accessibility Advisory Committee meeting, agenda topics and related discussion/activities were as follows:

Members' Comments:

Committee members discussed the following concerns about Metro Mobility:

- status of the Appeals Committee - Legal counsel reviewed the Appeals Committee's legal authority to reverse decisions on eligibility and determined legal authority exists if the committee is a subcommittee of the Regional Transit Board and not a subcommittee of TAAC. TAAC made the following motion:

Recommend to the Board that staff restructure the Appeals Committee as a subcommittee of the Regional Transit Board.

- reverse the sequence of subcommittees of which a motion was approved to:

Recommend that the Regular Route Accessible Subcommittee commence at 10:30 a.m. and the Metro Mobility Subcommittee commence at 11:30 a.m.

TAAC Subcommittee Reports

Metro Mobility Subcommittee

Recommendations were made on the issue of driver training:

That information be given from the reservationists to the schedulers which includes whether or not the customers' point of origination and destination has steps and if so, the number of steps, and a total weight range of the customer and wheelchair.

That drivers should be able to have the discretion to deny taking a customer up or down steps based on a safety concern for that particular customer, driver, or situation.

That Metro Mobility providers instruct and implement forward-facing assistance to customers who need to ascend or descend multiple steps.

The recommendations were accepted.

Regular Route Accessible Subcommittee

The Regular Route Accessible Subcommittee was not held this month. The Metro Mobility Subcommittee was extended for an additional hour replacing the Regular Route Accessible Subcommittee.

Metro Mobility Start-up Status

Mark Fuhrmann reported on the new staffing at the Metro Mobility Service Center. The General Manager will be Mark Fuhrmann and the Assistant General Manager will be Dave Jacobson. A motion was made by R. Severance and seconded by Pat Svendsen to give them their vote of confidence and wished them good luck. The motion passed unanimously.

Fuhrmann also reported that the Committee of the Whole approved an extension of the contract with Mediation Center for a six month period for an amount of \$39,801.

Metro Mobility Transition Update

Fuhrmann gave an update on the Metro Mobility transition of reservation and scheduling activities to the three service providers.

Fuhrmann reported that the Metro Mobility program is presently \$3.1 million in arrears and is projected to have a total deficit of \$4.2 million by the end of this biennium.

Warranty Work Update

Nelles reported that the gull wing door struts and air conditioning of all the Metro Mobility vehicles would be replaced by June 15, 1994.

Ombudsman Update

Soderquist and Schatzlein, Mediation Center, gave an update on the number and types of complaints received at the Mediation Center on Metro Mobility service.

Other Business

Nelles reported that legal counsel does not suggest the RTB provide Metro Mobility service outside the service area of regular route.

Adjourn

The meeting of the Transportation Accessibility Advisory Committee adjourned at 2:45 p.m.



REGIONAL TRANSIT BOARD

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

REPORT OF THE TRANSPORTATION ACCESSIBILITY ADVISORY COMMITTEE

At its meeting of June 1, 1994, the Transportation Accessibility Advisory Committee (TAAC) approved the following recommendation:

Metro Mobility Subcommittee

That TAAC accept the recommendations of the Metro Mobility Subcommittee and pass the recommendations onto the Regional Transit Board. Staff supports the following recommendations. The recommendations are:

That information be given from the reservationists to the schedulers which includes whether or not the customers' point of origination and destination has steps and if so, the number of steps, and a total weight range of the customer and wheelchair.

That drivers should be able to have the discretion to deny taking a customer up or down steps based on a safety concern for that particular customer, driver, or situation.

That Metro Mobility providers instruct and implement forward-facing assistance to customers who need to ascend or descend multiple steps.

Dianna Krogstad, Chair



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

REPORT OF THE COMMITTEE OF THE WHOLE

At its meeting of May 31, 1994, the Committee of the Whole recommended to the board and to the Metropolitan Council the following:

APPROVAL OF METRO MOBILITY TRANSITION CONSULTANT

That the Regional Transit Board authorize the executive director to enter into a contract with Ecosometrics, Inc. for an amount not to exceed \$41,211 for the purpose of providing consulting services during the implementation of the restructuring of the Metro Mobility program.

EXTENSION OF MEDIATION CENTER OMBUDSMAN CONTRACT

That the Regional Transit Board authorize the executive director to extend the contract with the Mediation Center to provide ombudsman services for the Metro Mobility program in an amended amount not to exceed \$59,704 through December 31, 1994.

OTHER BUSINESS

Transition Agreement with ATE Management and Service Company, Inc.

The committee discussed the agreement and approved a motion to forward the issue to the full board without a recommendation. Staff was directed to have legal counsel attend that board meeting and to provide additional information on the purchase of the mobile data terminals.

Metro Mobility Financial Projection

The attached memorandum was discussed by the Committee of the Whole. No action was taken.

**Ruth Franklin
Chair**

REGIONAL TRANSIT BOARD

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

DATE: June 6, 1994
TO: Members of the Regional Transit Board
FROM: Regional Transit Board Staff
SUBJECT: RTB Priorities, Activities and Issues

Currently, RTB staff and board members are involved in a number of activities and working toward the resolution of a variety of issues. In order to ensure a smooth transition to its new governing body, existing activities and priorities are being presented to inform the Metropolitan Council.

In a staff brainstorming session on May 19, 1994, an effort was made to identify :

- (1) High priority activities and issues;
- (2) Issues requiring discussion and action during the next 12 months;
- (3) Issues related to relationships and organization that need to be addressed as the transition moves forward; and
- (4) Concerns of RTB staff as it relates to the transition.

The results of this brainstorming session have been summarized into the attached draft document for the board's review. It is suggested that once board members review, comment and add to this document, that it be presented to the Metropolitan Council staff and board.

These issues and activities are quite specific, as are other administrative matters such as merging the agencies' MIS, payroll, benefits, human resources, etc. Additionally, the board may want to discuss and actively pursue discussions with the Metro Council about key principles and policies that will be used to design the new organization.

REGIONAL TRANSIT BOARD
Summary of Agency Priorities, Activities and Issues

June 6, 1994



I. High Priority Activities and Issues

There are a number of activities in progress and issues needing immediate resolution that will require RTB attention now and until September 30. In order to ensure a smooth transition, the Metro Council Transportation Committee may want to be briefed on the status and direction of these items.

- **Metro Mobility**

The implementation of the restructured Metro Mobility program is the number one priority. Regular updates will be provided to the Metro Council's Transportation Committee.

Although the primary focus of work on Metro Mobility right now is the transition to take place on July 4, there are also a number of other items, including

- Installation of Metro Mobility heaters
- Review of financial options and program impacts to resolve Metro Mobility budget shortfall

- **Five-Year Transit Plan**

The RTB is going ahead with plans to complete its five-year transit plan by the end of August. This document will then be submitted to the Metro Council for approval, as it would have been even without the change in governance responsibilities. A number of key issues, programming decisions and policy directions are being included in this plan. The RTB Policy Committee will deal with specific chapters of the plan each month.

- **Provider Contracts**

The RTB holds contracts with over 30 transit providers. Management plan proposals from these providers are due to the RTB on July 15 for contracts to be in place on January 1, 1995. Review of these proposals and negotiation of management plans/contracts will take place over the summer with hopes of having the RTB approve the contracts in September. Because funding is tight this year, it is expected that negotiations will be challenging. It may be necessary to extend the date for approval for some of these contracts to October or November. The Metro Council may want to discuss whether or not it wants to approve each contract and/or direct staff to negotiate according to some general parameters.

RTB Priorities, Activities and Issues

Page 2

- **Regional Fleet**

The RTB's Provider Advisory Committee is currently examining issues surrounding the creation of a regional fleet of buses. This fleet, which would include existing MTC buses, would be allocated among all providers.

- **High-Subsidy Routes**

Board action will be necessary on a number of routes which are not meeting performance standards for regular route service. Public hearings will be held to solicit feedback to include in the board's decision-making.

- **1995 Regional Transit Board Budget (including MTC budget)**

RTB has begun to prepare its 1995 budget. General direction to providers is generally that funding is tight and that only same level service will be funded. Public hearing must be held by August 15 and the budget must be approved by December 15.

MTC is expected to submit its budget to the RTB in late summer. RTB staff will evaluate the budget in terms of its consistency with the Five-Year Transit Plan and available funding. Approval of the MTC budget is scheduled for September.

- **Signage**

The RTB has directed the use of the international bus symbol to be used on all metropolitan area bus stop signage. The board should approve the final design.

- **Advisory Committees**

Currently the RTB has three active advisory committees:

- Transportation Accessibility Advisory Committee (TAAC)
- Rideshare Advisory Committee (RAC)
- Providers' Advisory Committee (PAC)

Members have been appointed by RTB members and are anxious to know if they will continue in these positions. Both TAAC and RAC are legislatively mandated activities; the PAC was established in response to federal guidelines several years ago that are no longer in place.

- **School Education**

In December, 1992, the RTB and nine other transit-related organizations (including the Metropolitan Council) combined to create the Metropolitan Transit Education Committee. A strategic communications and education plan was developed. The group's goals are to increase understanding of the need for transit improvements and to generate support for those improvements among transit users and non-transit users.

One tactic planned to accomplish these goals is the development of transit curricula for the schools. Thomas Learning Consultants was hired this past March to create a plan for developing school education. The plan will be completed June 15, 1994. This plan will outline how the Committee should proceed with the development of school curricula. The Committee applied for ISTEA funding to support this project. The results of the ISTEA selection process will be available on June 15 as well. So far, the committee is optimistic about receiving funding for the project.

If full funding is available, the Committee would like to release an RFP this summer, get a school curricula developer to prepare curricula this fall, field test the curricula in the spring and have a completed curricula available for a summer workshop sponsored by Hamline University as well as the 1994-1995 school year.

II. Twelve-Month Priorities

- **Accessibility Issues**

Efforts in this region toward making transit services accessible to persons with disabilities have focused primarily on Metro Mobility and accessible regular route transit service, as required by the Americans with Disabilities Act (ADA). The RTB staff is currently taking an inventory all of the other providers, under contract, to determine how accessible those services are. With that information and additional information regarding ADA requirements, RTB staff is planning to develop a regional transit accessibility plan which will outline policies and funding needs for making the transit system accessible. Furthermore, the MTC, in conjunction with the RTB, is revising its accessible regular route transit plan which addresses where and how accessible buses should be deployed as they are purchased.

There has been considerable discussion about the financial impacts of ADA and how the region will comply with ADA mandates to provide both accessible regular route transit service and complementary paratransit service. Council members may wish to have a briefing and extended discussion on this topic.

- **Service Contracting**

Two significant services are due to be re-bid within the next year--University of Minnesota Route 52 and the Roseville Area Circulator. As indicated below, the Route 52 service, in particular, raises some wide-reaching policy issues and there may be an effort to simply extend the existing contract at this time. The RFP for the Roseville Circulator, on the other hand, needs to be released in July 1994. Some opt-out contracts are also scheduled to be bid out in 1995.

Currently, the RTB is revising its competitive transit guidelines which sets forth the specific requirements for competitively contracting service. In progress, as well, is some preliminary work on a more general contracting policy that would address the circumstances under which it makes the most sense to contract or sub-contract service. A background paper on this topic is being prepared and should be ready for review mid-summer.

- **Travel Demand Management**

The RTB staff has identified the need to develop a new regional strategy for ridesharing, particularly given that the rate of carpooling and vanpooling in the region has declined in recent years. Currently, Minnesota Rideshare services are provided by the MTC under contract to the RTB. There is a need to establish regional TDM goals and then determine how to best structure and organize TDM services. This is particularly important given Downtown Minneapolis TMO, 35W and 494 efforts.

- **Funding Existing Services**

RTB did not receive all of the funding it requested from the legislature for transit services. The impact of this shortfall can be specifically identified once the providers submit their management plan proposals. A decision will then need to be made whether or not to request additional funding for existing transit services.

Additionally, given changes in the transit system over the past several years, RTB staff has identified the need for a revision in the transit funding formulas now established in state law. A background paper with options is currently being prepared on this topic and should be ready by late summer for incorporation into the legislative program discussion.

- **Funding Vision for Transit**

There exists strong support and endorsement of the RTB's Vision for Transit. This scheme for designing transit services has been adopted by the Metropolitan Council as part of its Transit Facilities Plan. Although some efforts have been made to implement certain components of this plan, additional funding is needed in order to significantly carry out the plan and program. Legislative support has been strong for the concept, but, to date, no funding has been provided.

- **Marketing**

- Identity

- There are a variety of issues related to establishing a regional identity for transit services versus retaining individual service identities. How will the Metro Council be identified with services?

- Marketing All Transit Services

- Transit marketing has occurred on a number of levels in the region for the various transit services. The new merger creates the opportunity to look at marketing transit as a regional service making better use of resources, and communicating more clearly to the public.

- **Route 52**

- The University of Minnesota has completed a transportation study which recommends that Route 52--the commuter bus network serving the university--be merged into the regional regular route system. Doing so has financial implications for the RTB since currently the cost of providing this service is shared between the University and the RTB.

- **Administration**

- The RTB needs to close out provider audits, negotiate contracts and conduct other administrative functions.

- **Legislative Program**

- A unified, single legislative program is desirable. A variety of legislative remedies may be pursued included:

- additional funding for existing services, including Metro Mobility shortfall
 - additional funding for Vision for Transit
 - change in funding formulas

- **Metro Mobility**

- The Metro Council has determined that it will conduct an evaluation of the Metro Mobility program in July, 1995.

III. Relationship/Organization Issues

Additionally, there are a variety of relationship and organizational issues that need to be addressed as the Metropolitan Transit Commission, the Regional Transit Board and the Metropolitan Council are merged.

It is generally the view of RTB staff and board members that there are some key organizational elements that have been developed over the past decade that should be preserved as part of the general approach and organizational structure related to public transit services. These elements include:

- The region needs to continue to support a "family of transit services" approach--i.e., a variety of transit services and transit providers should be offered in an effort to match the diverse needs of the community. Needs and expenditures also need to be established from a regional point of view to ensure that services are well matched to needs and available resources.
- Services should be provided in a cost-effective manner.
- There are many advantages to maintaining some separation of policy development and planning from operations yet closely linking them in the collection and sharing of information. Operations can tend to dominate agendas and interests.
- There are also advantages to maintaining organizational separation between the actual provision of service from contracting and regulating services. There is an inherent conflict of interest in being able to provide the service and to regulate others who provide this service. This was substantiated by the courts in 197_ when it was concluded that...
- A commitment to innovation and service demonstration should be continued in an effort to continually seek new and better ways to provide service and to more effectively reach and serve potential transit markets. Also, a culture that encourages and facilitates alternative policy options is very desirable.
- The RTB has an excellent staff with a great deal of expertise in transit. This expertise should be maintained not only in planning and programs, but also in public information.
- Transit advocacy is important. Not only should the Metropolitan Council strongly advocate for public transit interests but also work toward cultivating transit constituencies.
- Distinctions between various transit planning functions needs to be acknowledged and organizationally addressed. Different levels exist including service planning for MTC services, service planning for non-MTC services, development of community plans, overall regional planning, etc.

RTB Priorities, Activities and Issues

Page 7

- Recognizing the close relationship of transit and land use is important and deserving of ongoing and increased attention.
- The use and development of measures of performance for transit services is important, especially when developing policies to direct and assess the activities of transit management.
- Maintaining a choice of providers creates a healthy, competitive environment.

IV. RTB Personnel Issues

Finally, there are a number of issues related to RTB personnel which deserve attention during next few months. These include:

- RTB staff is committed toward making the consolidation smooth and productive. They are anxious to share their ideas, participate on committee, provide feedback, etc. in order to optimize the new organization's success.
- RTB staff would like to see committees established that deal with transportation/transit issues and how organizational structure can ensure that these issues are dealt with most effectively.
- RTB staff members are concerned about their job security, but would request if staffing cuts/changes need to be made that they are treated humanely and offered outplacement services, severance pay and benefits, etc. Particular, since RTB staff members don't join the new organization until October, there is some concern that our interests and positions will be considered the lowest priority.
- RTB staff members encourage the transition to be considered a merger, not an absorption whereby RTB employees have the opportunity to be considered for key positions within the new organization.
- RTB staff members would like to communicated with on a regular basis about transition issues.

SCHEDULE FOR IMMEDIATE ACTIVITIES/ACTIONS

June 1 --September 30, 1994

June

- FYTP

July

- FYTP
- Initial presentation of high subsidy routes

August

- FYTP
- High subsidy route hearings
- School education

September

- Action on high subsidy route hearings
- 1995 Contracts
- MTC Budget Approval
- RTB Budget Approval

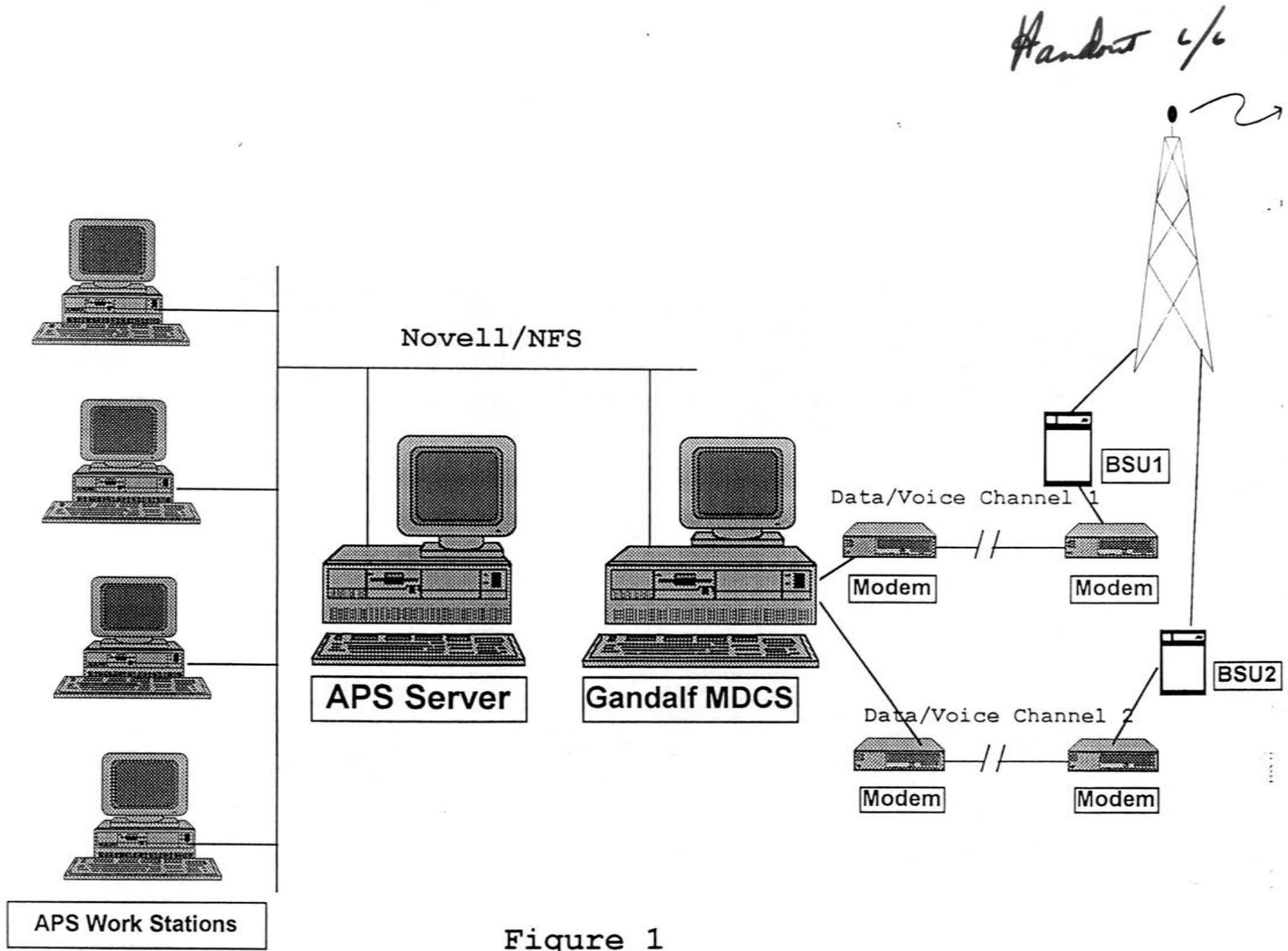


Figure 1
Current Configuration

REGIONAL TRANSIT BOARD

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

DATE: May 31, 1994
TO: Members of the Administration and Finance Committee
FROM: Judith G. Hollander
Director of Planning and Programs
SUBJECT: Approval of Metro Mobility Transition Consultant

SUMMARY

The purpose of this memorandum is to request approval to contract for consulting assistance with Ecosometrics, Incorporated for the purposes of assisting with the implementation of restructured Metro Mobility service.

DISCUSSION

In an effort to ensure that there are adequate resources and appropriate expertise necessary for a smooth implementation of the restructured Metro Mobility program on July 4, 1994, staff is recommending that the RTB contract for paratransit operations consulting assistance. Ecosometrics, Incorporated, upon RTB staff request, has submitted a proposal to provide such services during June and July.

The consulting team proposed by Ecosometrics would be headed up by Ken Hosen, who has provided paratransit operations consulting assistance to the RTB in the past. He would be assisted by four other individuals, all with extensive backgrounds in paratransit, but each with a special area of expertise. These individuals are:

Ken Hosen --has been involved in over ten transitions for a variety of transit services. He has worked extensively with some of the largest paratransit systems in the nation. He will function as the project manager, team leader and will monitor operations, training, reservations, scheduling, dispatch and oversee the consulting team's planning functions.

Randy Issacs --Now a consultant, Mr. Isaacs has had over 15 years experience in paratransit. He formerly managed DART, Dallas's paratransit program and a large rural system in Tennessee. His responsibilities will include monitoring, planning, management and personnel.

David Marsh --has over 20 years experience in paratransit particularly in operations and maintenance. He is currently the Executive Director of a 75-van suburban/rural paratransit system in Austin, Texas. Mr. Marsh will monitor operations and also concentrate on vehicle maintenance issues.

Richard Reynolds, a former scheduling chief for Capital Metro's paratransit program, is an expert on scheduling methodology and technique. He is currently studying for his graduate degree in Geographic Information Systems (GIS). He will focus on scheduling issues.

Margi Ness, a consultant, was formerly the Executive Director of Special Transit in Boulder, Colorado. Her areas of expertise include operations, administration, management and organizational issues. She will provide back-up support for the project and will be available if additional staff are needed.

This team of consultants would be on-site during selected times in June and July to assist with the transition. They would advise staff on developing transition plans, and be present to monitor operations. While the team would be located at the service center and at the operators' facilities, each member will be linked by mobile communications devices, as will RTB staff, to ensure rapid communication.

Ecosometrics submitted three possible plans and budgets for consideration by the RTB staff. We are recommending the lower level of involvement for a total cost not to exceed \$41,211. A copy of the draft scope of work, budget and schedule is attached.

ALTERNATIVES

The transition to the Metro Mobility restructuring could likely be handled without additional resources; however, demands would be even greater on RTB staff members and no back-up resources and expertise would be available. The chances of quickly responding to and resolving problems would not be as high.

Likewise, it would be possible to invest even more dollars into the consulting contract to buy even greater insurance of a smooth transition. Based on progress to date, however, staff feels comfortable that the level of support recommended in this memorandum will be adequate. Should that assessment change, however, staff will advise the board.

ACTION REQUESTED

That the Regional Transit Board authorize the Executive Director to enter into a contract with Ecosometrics, Inc. for an amount not to exceed \$41,211 for the purpose of providing consulting services during the implementation of the restructuring of the Metro Mobility program.

CONTRACTOR'S WORK PLAN

SCOPE OF WORK

Task 1: Advise on Development of Implementation Plan

The Transition Consulting Team (TCT) will advise RTB staff on the development of a full, detailed transition/implementation plan. This plan will cover all tasks associated with the start-up and on-going management of the service for operators, system manager, RTB and the Transition Consulting Team. This includes but is not limited to:

- All areas of operations
- Reservations, scheduling and dispatch
- Capital equipment inventory and allocation
- Planning for public meetings, and
- Allocation of staff and consultant resources

Task 2: Provide On-Site Assistance

The Transition Consulting Team will provide ongoing monitoring activities on behalf of the RTB, using a number of team members with a variety of expertise to spend time with each operator. During the critical phase of the transition, consultant team members will be linked by mobile communications devices to ensure rapid communication. Approach will be flexible and not tied into a rigid schedule. Not all team members will be assigned to each trip. Assignment will depend on the area of expertise needed at a given time. The schedule and assignment of tasks will be agreed upon by TCT and RTB staff. Tentative schedule is as follows:

- | | |
|------------|--|
| Early June | Initial on-site visit to agree on project milestones, areas of emphasis and overall plan of action. During the first field trip, the Contractor will ensure that operators and RTB are performing their jobs as required. The focus of this trip will be the reservations, scheduling and dispatch areas, as well as personnel recruitment. A key issue will be how to keep the current ATE employees on the job until their responsibilities end. |
| Mid-June | Significant on-site assistance will be required in June. Most of the consulting resources will be on-site to determine the progress of the operators (especially scheduling standing order trips) and the system coordinator. Potential problems will be documented and work will be done with the RTB and the operators to resolve these problems. |

Two weeks prior to implementation, team members will be on-site most of the time to monitor activities to ensure that service will be meet standards.

One week prior to implementation, most of the resources will be on-site to monitor and be available to assist the RTB or the operators in any way necessary to ensure an orderly implementation.

July

During the first week, through the critical phase of the implementation, consultant team members will be on-site extensively. The number and expertise of the staff will depend on the need, which can be decided by RTB and the TCT prior to these dates.

Progress reports will be developed at least weekly, and if required, daily. The TCT staff will fully document all aspects of their efforts.

STAFFING AND MANAGEMENT

The consulting team will be led by Mr. Ken Hosen, as project manager. He will manage the project, direct team members, monitor operations, training, reservations, scheduling and dispatch as well as oversee TCT planning functions. Other team members and their roles include:

Isaacs and Associates--Randy Isaacs, principal of the firm, will be the Assistant Team Leader. He will manage consulting staff in the absence of Mr. Hosen. He will be involved in monitoring, planning, management and personnel areas. David Marsh will subcontract with Isaacs and Associates. He will monitor operations and concentrate on vehicle maintenance issues.

Richard Reynolds--Richard Reynolds, an expert on scheduling methodology and technique, will be assigned to scheduling.

Margi Ness--will provide back-up support for the project and be available if additional staff is needed.

BUDGET

Staff

<u>Staff</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Cost</u>
Ken Hosen	120	\$39.65	\$4578
Clerical	10	\$20.00	\$ 200

\$4,958

Overhead

135%

\$6,693

Travel

Airfare	10 trips @ \$750/trip	\$7500
Per Diem	37 days @ \$110/day	\$4070
Rental Car	22 days @ \$ 40/day	\$ 880

12,450

Other Expenses

Telephone, delivery, photocopying, mobile communications

\$ 600

Subtotal

\$24,701

Fixed Fee

10%

\$ 2,470

Subcontract Labor

<u>Staff</u>	<u>Hours</u>	<u>Rate</u>	<u>Cost</u>
Randy Isaacs	100	\$85	\$8500
David Marsh	64	\$35	\$2240
Richard Reynolds/M. Ness	110	\$30	\$3300

\$14,040

TOTAL COST PLUS FEE

\$41,211

SCHEDULE

<u>Dates</u>	<u>Staff</u>	<u>Time</u>	<u>Purpose</u>
June 8-10	Hosen, Reynolds	3 days	Assess transition in general and PASS implementation, specifically.
June 27--July 8	Hosen, Marsh, Reynolds		Full on-site monitoring @ each site

REGIONAL TRANSIT BOARD

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

DATE: May 26, 1994

TO: Chair and Members of the Regional Transit Board

FROM: Jane Fitz, writer/editor *JF*
Suzanne Hanson, public information manager *SH*

SUBJECT: Request Approval of 1994 RTB Messenger Contract

SUMMARY

The Regional Transit Board has been producing the Messenger Newsletter since September 1989. This publication has helped communicate our messages to a variety of audiences. Even though this board will no longer exist after October 1994, the programs and policies it has established will continue under the Metropolitan Council. These policies and programs will need to be communicated under the new corporate structure. Each year, the RTB has entered into a contract for design, production and printing of the newsletter. Action is requested to authorize the executive director to enter into a contract with Morgan Williams and Associates not to exceed \$28,364 for the design, layout, production and printing of four 8-page newsletters.

BACKGROUND

The RTB Messenger is one of the primary vehicles for disseminating information on the RTB's policies and programs. The Messenger is sent to a variety of key audiences, including legislators, local officials, transit service providers, business organizations community and disability advocacy groups and the media. The Messenger is produced quarterly, to keep these audiences up-to-date on various programs in a cost effective manner.

The newsletter will strive to meet the following objectives:

- educate the community about transit planning and policy
- show that transit services are an integral part of our community and quality of life
- educate various audiences about the transition between the RTB and the Metropolitan Council
- develop and maintain a visually attractive newsletter to ensure readership

During this time of transition, the Messenger will still need to be produced to keep readers informed of the many changes taking place. Once the new corporate structure is in place, this publication will continue to be needed to keep its audiences informed on metropolitan transit issues. The Communications Transition Team, composed of the

communications managers from the Metropolitan Council, the Regional Transit Board, the Metropolitan Transit Commission and the Metropolitan Waste Control Commission, has met to begin discussing how best to communicate both during the transition and once the merger is complete. The Communications Team agrees that one publication alone cannot possibly meet the communications needs for the new agency, since it will have responsibility for a much broader range of issues. The Communications Team has decided that a publication devoted to metropolitan area transit issues is definitely needed. The Messenger will serve as this publication, most likely with a slight design change to designate it as a member of the Metropolitan Council's family of publications.

Approving a contract does not commit the agency to producing these newsletters. It simply assures that funds would be available for producing an agency transit newsletter. We would only pay for costs that are incurred. The staff members responsible for producing the Messenger will be working closely with the Communications Transition Team to ensure that we are consistent with the overall strategies and goals of the Metropolitan Council.

ALTERNATIVE

In response to the board's concerns about the cost of producing an 8-page newsletter, we asked Morgan Williams and Associates, the design firm that came out as the top choice in the initial selection process, to develop an estimate for producing a 4-page newsletter instead. They have provided us with an estimate of \$3975.00 per 4-page issue, at a total cost not to exceed \$15,900 for four 4-page newsletters.

RECOMMENDATION

That the Regional Transit Board authorize the executive director to enter into a contract with Morgan Williams and Associates not to exceed \$28,364 for the design, layout, production, and printing of four 8-page newsletters. The agency would not be committed to producing four newsletters and would only pay for the costs of newsletters produced.

packet

REGIONAL TRANSIT BOARD

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

DATE: May 31, 1994
TO: Members of the Regional Transit Board
FROM: Judith G. Hollander *JGH*
Director of Planning and Programs
SUBJECT: Extension of Contract with Mediation Center for Ombudsman Services

SUMMARY

The purpose of this memorandum is to recommend that the Regional Transit Board extend its contract with the Mediation Center to provide Ombudsman services for the Metro Mobility program through December 31, 1994.

DISCUSSION

As part of the settlement of the Metro Mobility class action lawsuit, the RTB entered into a contract with the Mediation Center to provide ombudsman services for the Metro Mobility riders. The purpose of this service was to provide Metro Mobility riders the opportunity to involve a neutral party in the resolution of Metro Mobility service concerns.

The RTB contracted with the Mediation Center, a non-profit organization, established, in 1982 by the Hennepin County Bar Association, to promote, facilitate and train in the use of mediation to resolve disputes. They were selected to provide the ombudsman services because of their expertise in the area of dispute resolution and because they were able to staff up quickly to provide these services. Our experience with the Mediation Center has been extremely positive. To date, they have responded to many Metro Mobility riders who felt that their service concerns were not adequately dealt with by the Metro Mobility Service Center. They have, furthermore, been very helpful to the RTB staff in making recommendations regarding customer service procedure changes and have indicated an interest in helping to train new staff and set up new customer service processes. Rider response, too, has been positive to the Mediation Center services.

The existing contract is in the amount of \$19,903. The proposed contract amendment is to add \$39,801 for a total contract amount of \$59,704.

ALTERNATIVES

After July 4, 1994, the Regional Transit Board is not obligated to continue to provide ombudsman services. Therefore, an extension to the contract with the Mediation Center is not legally necessary. The extension is being recommended because of positive response from the community and a desire to provide a neutral forum to resolve issues during the transition period.

Contract Extension with Mediation Center
May 31, 1994
Page 2

ACTION REQUESTED

That the Regional Transit Board authorize the Executive Director to extend the contract with the Mediation Center to provide ombudsman services for the Metro Mobility program in an amended amount not to exceed \$59,704



MEDIATION CENTER

210 Spruce Tree Centre
1600 University Avenue
St. Paul, MN 55104-3825

(612) 644-1453
FAX (612) 649-3158

31 May 1994

Mr. Bob Dietrick
Regional Transit Board
Via FAX 229--2739

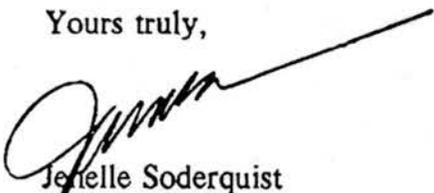
Dear Bob,

Further to our conversation this afternoon I am sending an estimated budget for continuing the Ombudsperson Project through January 1, 1995. The following figures are extrapolated from our previous budget which covered a 14-week period. The new contract would cover a 30-week period -- roughly twice the original budget, less the cost of the computer, software and consultant:

Personnel and benefits	\$28,308
Equipment and services	2,973
Supplies, space, phone, etc.	<u>8,520</u>
	\$39,801

The personnel and benefits items includes a 6% cost of living increase and benefits for the Ombudsperson which we had not included in the 14-week contract. Let me know if I can answer any question.

Yours truly,



Jenelle Soderquist
Assistant Director

**REPORT OF THE TRANSPORTATION ACCESSIBILITY ADVISORY
COMMITTEE**

Wednesday, May 11, 1994

Members Present: Dianna Krogstad (Chair); Roger Blohm; Bill Blom; Claudia Carlisle; Kurt Strom; David Brufloft; Chuck Dustrud; Margo LaBau; Roosevelt Perkins and Sharon Behrens.

Members Not Present: Patricia Svendsen*, Rozanne Severance*

*Excused absence.

Other Meeting Participants: Tom Shaw; Jenelle Soderquist; Finn Hanson; Doris Conway; John Schatzlein; Sarah Lenz; Dan Hibbert, MMSC Agency Liaison; Morgan Grant and Val Higgins, RTB Liaisons; Elaine Bauer, Deb Nelles, Sally Evert, Bob LaShomb and Dave Jacobson, RTB Staff.

At the May 11, 1994 Transportation Accessibility Advisory Committee meeting, agenda topics and related discussion/actions were as follows:

Members' Comments

Committee members discussed the following concerns about the Metro Mobility and county programs:

- location and selection of transfer points.
- lack of vehicle to vehicle transfers between Metro Mobility and county programs.
- one of the Metro Mobility Service Center customer service people was not providing proper information.
- recurring problems of poor scheduling, routing and long rides.
- driver behavior towards passengers is unacceptable.

TAAC Subcommittee Reports

•Metro Mobility Subcommittee

The subcommittee had questions about the strut arm shock for the gull wing door of the 150 "demand" vehicles of the Metro Mobility program. TAAC requested a timeline for installation for replacement shocks be developed.

The subcommittee made the following motions:

Strom moved and Blohm seconded:

That the providers be contacted and require them to replace the gull wing door shocks for the fleet by no later than July 1, 1994. Motion passed unanimously.

Blohm moved and Strom seconded:

That the TAAC subcommittee meet in the morning and the full TAAC meeting the afternoon.

Friendly amendment:

That the TAAC would try this for three months beginning with the June 1994 meeting. One opposed, motion carried.

•Regular Route Subcommittee

Blohm updated TAAC on the progress that was made on the Regular Route Accessibility customer criteria.

Department of Administration (DOA) Reports

Conway distributed and discussed DOA's two reports on Metro Mobility customer focus groups and research on what other paratransit perceptions are doing nationally.

Legislative Update

LaShomb presented the final results of the 1994 legislative session as they related to the RTB and transit in general.

MMSC Proposal Update

Fuhrmann reported that there were no responsive proposers to continue the work of the MMSC. He went to the board Monday, May 9, 1994 with three options. The board approved the option the RTB to taking over the MMSC functions. The Metropolitan Council at its May 12, 1994 meeting needs to ratify the board action for the RTB to become the service center.

Re-Evaluate Free Rides for Late Pick-Up and Over 90 Minute Rides

Fuhrmann wanted to get a sense of how TAAC felt about free rides for late pick-ups and over 90 minute rides. The committee felt that the free bus rides should continue and that the providers should be penalized through the contract for non-responsive service.

Ombudsman Update

Soderquist presented a brief update on the progress of the ombudsman project.

Metro Mobility Status

Hibbert presented operational statistics for the Metro Mobility program.

Discussion of Service Outside the Metro Mobility Service Area

Referred to the Metro Mobility subcommittee.

Develop Metro Mobility Group Trip Policy

Referred to the Metro Mobility subcommittee.

Metro Mobility Step Liability Opinion

Jacobson reviewed the RTB' attorneys opinions on step liability. If an incident occurs, it depends on the situation for who is liable and that would determined by a jury trial.

Computer Inputs for Metro Mobility Client Files

Referred to the Metro Mobility subcommittee.

Revisit Vehicle Tie-Down Options

Referred to the Metro Mobility subcommittee.

Five-Year Transit Plan Chapter Three

Bauer presented a draft of Chapter Three of the Five-Year Transit Plan.

Other Business

There was no other business.

Adjourn

The meeting of the Transportation Accessibility Advisory Committee adjourned at 12:45 p.m.

REGIONAL TRANSIT BOARD

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

DATE: May 31, 1994

TO: Members of the Regional Transit Board

FROM: Mark Furhmann, Manager of Programs
Judith Hollander, Director of Planning and Programs
Dale Ulrich, Comptroller

SUBJECT: Metro Mobility Financial Projection

SUMMARY

The purpose of this memorandum is to present financial information regarding the Metro Mobility program.

DISCUSSION

The Metro Mobility program is expensive to operate and providing adequate funding to meet program needs has always been challenging. Given the difficult Metro Mobility program start-up, existing productivity and the obligations of the lawsuit settlement agreement, keeping the program within budget will be particularly difficult.

RTB staff has developed a financial projection for the Metro Mobility, taking into account a number of factors, including:

- Since October, 1993, the Metro Mobility program has not met projected productivity expectations, thus resulting in more expensive costs per trip. As a result, the Metro Mobility program is projected to be overbudget for 1994 by approximately \$3.166 million.
- As a result of the settlement agreement, the existing contractor--ATE--completes its relationship with the RTB on July 4, 1994. RTB staff has negotiated a termination agreement with ATE which exceeds previous budget projections by approximately \$170,000. This is largely a result of additional staffing requirements.
- As a result of restructuring the program and substituting for ATE for the service center functions, there are additional start-up costs of approximately \$1,035,000.

Metro Mobility Financial Projection
May 31, 1994
Page 2

This results in an estimated Metro Mobility budget shortfall of \$3,166,812 in 1994. This shortfall increases to \$4,216,988 through 1995. To close this shortfall, the Regional Transit Board needs to determine a course of action. Options include the following:

- Request additional funding from the legislature in the amount of \$3.1 million.
- Reduce the level of service. This could be done in a number of ways, including reducing service availability or service hours in non-ADA areas.
- Improve service productivity. An effort is being made to do this with the introduction of separate service areas for each of the three operators.
- Use capital bonds to fund the vehicle expenses associated with the Metro Mobility program. This would result in an operating subsidy reduction although it would mean a substantial change in policy direction.

At this time, staff has not yet had the opportunity to examine these options in detail in terms of cost savings and program impacts. However, plans to conduct that analysis are in place.

ACTION REQUESTED

No action is requested at this time. Staff will prepare additional information regarding the options identified above in terms of cost savings and impacts for the Metro Mobility program.



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

*Halvick
4/4*

DATE: May 31, 1994 (REV. 6/1/94)
TO: Members of the Regional Transit Board
FROM: Sally Evert, Chair
SUBJECT: Responses on Transition Priorities

In my letter of May 20, I asked your help in focusing our thoughts on transition issues. Shown below is a compilation of the responses received so far.

1. Before October 1, what responsibilities can be shared with the council to involve them and make the transition smooth?
 - Negotiations/Joint Message with Opt-Outs
 - Budget Review

 - Budget

 - Budget Review
 - Educate them on all the systems: county programs, opt-out, etc.

 - 1. Mission Statement
 - Goals/Objectives
 - 2. Special Events rules

 - Council members and Transportation Committee should attend Providers and Transportation Accessibility Advisory Committees' meetings to find out what is going on.--VH
2. After October 1, what transit priorities must be preserved?
 - Regular Bus and Metro Mobility for Transit Dependents

 - Competition between MTC and private providers
 - Preserve "regional" concept
 - Equal opportunities/access for Opt-Out communities
 - Vision for transit

Members of the Regional Transit Board

May 31, 1994

Page Two

- That this is a regional system. The opt-outs and the rest of the outer suburban area can't be forgotten. Contracting out service needs to be considered; better method of transit funding found.
 - Uniformity of fares without being hide-bound. Maybe "uniformity" is the wrong word. Maybe "equity between fares" is a better term.--VH
3. What are your issues and concerns with the new governance structure?
- Customers must feel they have a voice in Metro Council
 - Accountability to local governments
 - MTC will become the transit authority and leave the Opt-Outs, Route 55, etc., without the ability to be viable.
 - Metro Mo running smoothly.
 - Efficiency and accountability
 - The opt-outs and providers in general no longer have a "go between." Numerous ones have expressed to me that their only direct contact will be the staff. They are unhappy with senior staff on many concerns!--VH
4. What personal "loose ends" would you like to see completed by October 1?
- Metro Mobility
 - Initiation of plans for circulator service in Northwest Corridor.
 - Competitive transit guidelines must be clarified. Present guidelines are long on "policy," but lack implementation. See Bev Miller's letter of April 7. The letter is directed to Phase 3 of the Five-Year Plan, but addresses this same issue!--VH

Please let me know as soon as possible what you would like to add to this list as a starting point to our discussions with the Metropolitan Council.

SE/mff



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

DATE: May 24, 1994
TO: Chair and Members of the Committee of the Whole
FROM: Gregory L. Andrews, Executive Director
SUBJECT: Transition Agreement with ATE Management and Service Company, Inc.

SUMMARY

This memorandum requests that the board authorize the executive director to execute a transition agreement with ATE Management and Service Company, Inc. in an amount not to exceed \$1,620,588.00 for Metro Mobility service coordination services through July 4, 1994 and \$591,961.36 for the undepreciated capital asset value of service center equipment.

BACKGROUND

The Regional Transit Board, on May 17, 1993, authorized the executive director to execute a contract with ATE for service coordination services. The contract provided for start-up expenses of \$334,660.00 for the period May 18, 1993 to October 1, 1993. The initial term of the contract was for three years with an option for two additional years at RTB's option. The contract provides for reimbursement of all reasonable and necessary costs and expenses incurred plus a management fee of 10 percent and corporate overhead of 3.5 percent, all of which was not to exceed \$1,825,889.00 for the first year of the agreement. As a result of the class action settlement agreement, it is necessary to negotiate an amendment to terminate the existing agreement between ATE and the RTB pursuant to Article XV of the agreement. Article XV states in part that "RTB shall pay ATE's reasonable and allowable costs, including the unamortized portion of all depreciable ATE-owned equipment (excluding revenue vehicles), through the effective date of termination and those reasonably necessary costs incurred by ATE to terminate its activities under the agreement." It has, therefore, been the intent during negotiations with ATE that the transition agreement would incorporate all financial obligations for first year operating costs through July 4, 1994 and capital asset obligations to be transferred to the RTB. During the past month the board has authorized letter agreements with Mayflower, Metro Ride and Handicabs to allow those providers to incur expenses associated with the transition of reservations, scheduling and dispatch responsibilities in accordance with the semi-centralized system. Staff has incorporated the transition schedule leading to the July 4 termination date in the negotiation of eligible reasonable costs to be reimbursed to ATE.

DISCUSSION

Because the agreement is a cost-plus-fixed-fee contract, our discussions focused on what are "reasonable costs" that were incurred or estimated to be incurred by ATE during the period October 2, 1993 through July 4, 1994. RTB financial and programs staff have

Committee of the Whole

May 24, 1994

Page 2

reviewed the monthly invoices with supporting documentation to ensure that all costs have been properly incurred under the terms of the contract. It has been necessary to differentiate those costs that were anticipated to be incurred and therefore included in the \$1,825,889.00 first year budget from costs that should be the responsibility of ATE as a result of the "unsatisfactory startup." Examples of the latter costs include travel and labor costs of ATE national consultants brought in during the crisis last fall, legal defense costs associated with the class action suit, and National Guard expenses. ATE has not invoiced the RTB and does not intend to invoice for the above-mentioned expenses. ATE has requested reimbursement for additional staff of Reservations, Customer Service and Dispatching during the first months of operation, as well as legal costs associated with administrative process necessary to resolve the Metro Ride protest. They have agreed to forego the software licensing fee and 10-percent management fee for the period March 1, 1994 through July 4, 1994. The proposed budget for the period October 2, 1993 through July 4, 1994 is \$1,620,588.00. In addition, the undepreciated value of the service center equipment (excluding revenue vehicles) to be reimbursed to ATE is \$591,961.36.

In a separate memorandum on the May 31, 1994 Committee of the Whole agenda, staff will present a financial projection of the Metro Mobility program through December 31, 1995, which will incorporate previously approved provider amendments, costs of county programs, ATE transition agreement, and the projected shortfall in funding.

RECOMMENDATION

That the Regional Transit Board authorize the executive director to execute a transition agreement with ATE Management and Service Company, Inc. in an amount not to exceed \$1,620,588 for operating expenses for the period October 2, 1993 through July 4, 1994 and \$591,961.36 for capital assets, excluding revenue vehicles. The source of funding is the Metro Mobility fund.

GLA/mf

REGIONAL TRANSIT BOARD

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

DATE: May 26, 1994

TO: Chair and Members of the Regional Transit Board

FROM: Jane Fitz, writer/editor *JF*
Suzanne Hanson, public information manager *SH*

SUBJECT: Request Approval of 1994 RTB Messenger Contract

SUMMARY

The Regional Transit Board has been producing the Messenger Newsletter since September 1989. This publication has helped communicate our messages to a variety of audiences. Even though this board will no longer exist after October 1994, the programs and policies it has established will continue under the Metropolitan Council. These policies and programs will need to be communicated under the new corporate structure. Each year, the RTB has entered into a contract for design, production and printing of the newsletter. Action is requested to authorize the executive director to enter into a contract with Morgan Williams and Associates not to exceed \$28,364 for the design, layout, production and printing of four 8-page newsletters.

BACKGROUND

The RTB Messenger is one of the primary vehicles for disseminating information on the RTB's policies and programs. The Messenger is sent to a variety of key audiences, including legislators, local officials, transit service providers, business organizations community and disability advocacy groups and the media. The Messenger is produced quarterly, to keep these audiences up-to-date on various programs in a cost effective manner.

The newsletter will strive to meet the following objectives:

- educate the community about transit planning and policy
- show that transit services are an integral part of our community and quality of life
- educate various audiences about the transition between the RTB and the Metropolitan Council
- develop and maintain a visually attractive newsletter to ensure readership

During this time of transition, the Messenger will still need to be produced to keep readers informed of the many changes taking place. Once the new corporate structure is in place, this publication will continue to be needed to keep its audiences informed on metropolitan transit issues. The Communications Transition Team, composed of the

communications managers from the Metropolitan Council, the Regional Transit Board, the Metropolitan Transit Commission and the Metropolitan Waste Control Commission, has met to begin discussing how best to communicate both during the transition and once the merger is complete. The Communications Team agrees that one publication alone cannot possibly meet the communications needs for the new agency, since it will have responsibility for a much broader range of issues. The Communications Team has decided that a publication devoted to metropolitan area transit issues is definitely needed. The Messenger will serve as this publication, most likely with a slight design change to designate it as a member of the Metropolitan Council's family of publications.

Approving a contract does not commit the agency to producing these newsletters. It simply assures that funds would be available for producing an agency transit newsletter. We would only pay for costs that are incurred. The staff members responsible for producing the Messenger will be working closely with the Communications Transition Team to ensure that we are consistent with the overall strategies and goals of the Metropolitan Council.

ALTERNATIVE

In response to the board's concerns about the cost of producing an 8-page newsletter, we asked Morgan Williams and Associates, the design firm that came out as the top choice in the initial selection process, to develop an estimate for producing a 4-page newsletter instead. They have provided us with an estimate of \$3975.00 per 4-page issue, at a total cost not to exceed \$15,900 for four 4-page newsletters.

RECOMMENDATION

That the Regional Transit Board authorize the executive director to enter into a contract with Morgan Williams and Associates not to exceed \$28,364 for the design, layout, production, and printing of four 8-page newsletters. The agency would not be committed to producing four newsletters and would only pay for the costs of newsletters produced.

REGIONAL TRANSIT BOARD

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

DATE: June 2, 1994 (Revised)

TO: Members of the Regional Transit Board

FROM: Mark Fuhrmann, Manager of Programs
Judith Hollander, Director of Planning and Programs
Dale Ulrich, Comptroller

SUBJECT: Metro Mobility Financial Projection

SUMMARY

The purpose of this memorandum is to present financial information regarding the Metro Mobility program.

DISCUSSION

The Metro Mobility program is expensive to operate and providing adequate funding to meet program needs has always been challenging. Given the difficult Metro Mobility program start-up, existing productivity and the obligations of the lawsuit settlement agreement, keeping the program within budget will be particularly difficult.

RTB staff has developed a financial projection for the Metro Mobility, taking into account a number of factors, including:

- Since October, 1993, the Metro Mobility program has not met projected productivity expectations, thus resulting in more expensive costs per trip. As a result, the Metro Mobility program is projected to be overbudget for 1994 by approximately \$1.958 million.
- As a result of the settlement agreement, the existing contractor--ATE--completes its relationship with the RTB on July 4, 1994. RTB staff has negotiated a termination agreement with ATE which exceeds previous budget projections by approximately \$170,000. This is largely a result of additional staffing requirements.
- As a result of restructuring the program and substituting for ATE for the service center functions, there are additional start-up costs of approximately \$1,038,000.

Metro Mobility Financial Projection
June 2, 1994 (Revised)
Page 2

These three expenditures result in an estimated Metro Mobility budget shortfall of \$3,166,812 in 1994. This shortfall increases to \$4,216,988 through 1995. To close this shortfall, the Regional Transit Board needs to determine a course of action. Options include the following:

- Improve service productivity. An effort is being made to do this with the introduction of separate service areas for each of the three operators.
- Use capital bonds to fund the vehicle expenses associated with the Metro Mobility program. This would result in an operating subsidy reduction although it would mean a substantial change in policy direction.
- Reduce the level of service. This could be done in a number of ways, including reducing service availability or service hours in non-ADA areas.
- Request additional funding from the legislature in the amount of \$3.1 million.

At this time, staff has not yet had the opportunity to examine these options in detail in terms of cost savings and program impacts. However, plans to conduct that analysis are in place.

ACTION REQUESTED

No action is requested at this time. Staff will prepare additional information regarding the options identified above in terms of cost savings and impacts for the Metro Mobility program.

REGIONAL TRANSIT BOARD

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

DATE: June 2, 1994

TO: Members of the Regional Transit Board

FROM: Gregory L. Andrews
Executive Director 

SUBJECT: Copy of "Draft Analysis and Assessment of the Metro Mobility Service Implementation"

Attached for your review is a copy of the "Draft Analysis and Assessment of the Metro Mobility Service Implementation," prepared by Ken Hosen of Ecosometrics, Inc. in December, 1993. As you will recall, this report was never finalized or distributed because of the class action lawsuit.

Many of you have expressed an interest in seeing this report and thus I am sending it to you. We have not asked Mr. Hosen to finalize the report since it was used as a working document at the time and only has limited relevance at this point. I would caution you as you read the report to remember a couple of things: (1) The report is not particularly polished since it was only a draft--I've had concerns that some very serious issues were presented quite casually without factual documentation; and (2) at the time, ATE was not very willing and/or able to discuss their side of the story with Mr. Hosen because of the lawsuit. Therefore, the report may not be as balanced as it might otherwise be.

We are not planning a widespread distribution of this report. However, if someone requests a copy, we will make it available. Please let me know if you have any comments or questions.



December 10, 1993

Mr. Greg Andrews
Regional Transit Board
Mears Park Centre
230 E.5th Street
St. Paul, Minn. 55101

Dear Greg,

Enclosed are two copies of the Draft Analysis and Assessment of the Metro Mobility Service Implementation. This analysis and assessment is based on information received prior to and while I was on site reviewing the service.

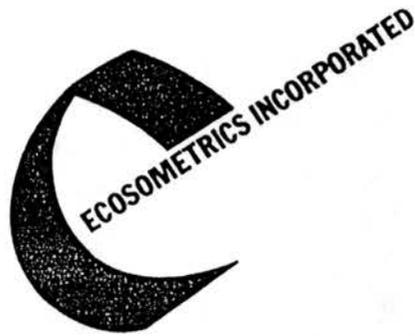
The analysis includes three sections. The first section reviewed the service implementation and the problems associated with it, the second part is a review of current operations and the third section includes the recommendations for immediate improvement in the service. As we had discussed, the first part of the study was hampered due to the impending legal action, in that ATE would not discuss the service implementation. This does not allow for ATE to dispute some of the findings.

I believe that the service has been improving significantly and feel that if the recommendations are adhered to, the system will be at an acceptable level of performance within six weeks.

Please call me Monday if you have any comments or issues that need to be discussed, prior to my issuing a final report and coming back out to St. Paul for the Board meeting. I look forward to hearing from you.

Best wishes,

Ken Hosen
Senior Associate



D R A F T

**ANALYSIS AND ASSESSMENT OF THE
METRO MOBILITY SERVICE IMPLEMENTATION
OCTOBER 2, 1993**

December 10, 1993

**Prepared for the
Regional Transit Board**

D R A F T

**ANALYSIS AND ASSESSMENT OF THE
METRO MOBILITY SERVICE IMPLEMENTATION
OCTOBER 2, 1993**

This analysis will review the problems associated with the initial Metro Mobility service implementation, and the state of current service as of December 1, 1993. Because of the need for rapid action, this report will focus on areas in need of immediate change in order to improve the service. The critical element of this analysis is a set of concise recommendations for improving service in the short term.

The consultant was in the RTB service area November 28-December 1. While on-site there were discussions with operator management staff, drivers and dispatchers, consumers, advisory committee members, two RTB board members, ATE management and all other office staff (however, ATE would not permit us to discuss the service implementation issues with their staff because of legal action being taken by a group of consumers), and RTB staff. We also reviewed ATE generated data, a wide variety of documentation regarding the service implementation and we conducted observations of drivers and staff throughout the visit.

First this report will review some of the problems associated with paratransit in general terms, followed by an assessment of the Metro Mobility service implementation, a review of current services and most important, the recommendations for service improvement.

THE PARATRANSIT ENVIRONMENT

There is nothing in transit that is harder to implement and operate than paratransit. The human aspects and the politics can at times be overwhelming. While it is small consolation to those persons affected by the problems associated with the start up, the list of cities that have had failures as bad as or worse than Metro Mobility is long and over the next few years will be even longer. Following are some examples:

- **Boston** -- The primary problem here was an organized boycott by experienced drivers. On day one the service was 50 percent short of drivers. Local politics was a major factor. By the way numerous dead people were listed as subscription trips.

- Dallas -- Similar job actions took place here. The system was in chaos for about a month. Over 100 drivers were indicted for fraud.
- Honolulu -- This was another meltdown that resulted directly from an organized driver boycott. It happened a second time one and one half years later.
- Philadelphia -- This was a result of poor planning. The system failed and providers dropped out.
- Miami and Orlando -- This was a result of a complete revision of schedules and poor scheduling as a result of the change.

To a degree, all of these were a result of arrogance on the part of the transit authority and/or the contractor. Short time frames for implementation also played a part. In almost every case lack of experienced drivers and poor schedules were the straw that broke the camels back. It appears that some of these sorts of problems occurred in Metro Mobility as well.

SERVICE IMPLEMENTATION

The key question in this section of the report is, What went wrong? Why did the implementation fail? Based on this consultants review, there were a number of key decisions that were made that had a direct impact on service delivery capabilities. Some of these decisions were cost based and some operational based. Following is a discussion of the key decisions, why they were made, and what in fact resulted from those decisions. It should be noted that because of pending legal action, the consultant was not always able to get an explanation from ATE for their actions.

The Metro Mobility Funding Cap and the Americans with Disabilities Act (ADA)

One of the primary considerations in changing the service, and in the negotiations for providers was driven by the need to keep costs down. RTB had a legislative mandate to keep costs below a specified level. Since the previous program was already operating at a higher cost than the legislative cap (and needed additional funds immediately), a new more cost effective approach to Metro Mobility service was required.

At the same time, the Federal ADA required that the RTB provide a high level of Metro Mobility service as well as maintaining a high quality of service. The legislative cap and the ADA regulations when combined together, mandated a new more cost effective form of Metro Mobility service.

In addition to the change required at the organizational level, many key decisions were made at the operational level based on the funding cap. Staff were faced with the need to reduce costs while maintaining or improving the system wide service quality.

An approach initially recommended by RTB staff called for the funding of the vehicles (capital) to come from bonds. It was proposed that RTB use bond funds to pay for the capital equipment (it should also be noted that there is little or no Federal funds available for Metro Mobility capital equipment, those funds are used to purchase fixed route vehicles). This would have permitted more funds to go to the actual operations, relieving some of the need to reduce costs in a program very sensitive to costs, as will be discussed in detail in a subsequent section. This approach was supported by the previous Board Chair, but subsequently rejected.

The Operator Requests for Proposals

The decisions made at this stage interfered with the project deadlines to the point that successful implementation became virtually impossible. The RFP process called for 3-4 operators in order to ensure competitiveness, afford local operators the opportunity to bid on the project, and to ensure that no single operator would be too large to properly manage their service. The RFP stated that 30 percent of the evaluation criteria were based on cost.

During the procurement process, it appears that ATE felt that administrative costs could be reduced by \$400,000 if the system used only two operators. RTB staff and the Board apparently approved this change, using the potential cost savings as the rationale. Unfortunately from a procurement standpoint, this decision was made after the proposals were submitted. The providers were asked to change their bids at the last second, and then a decision was made between Handicabs and Metro Ride that ultimately hinged on cost savings. This change in the process after the fact allowed the losing firm, Metro Ride, to seek and successfully receive an injunction to stop the procurement process.

Cost as a Primary Consideration

The fact that cost appeared to be the ultimate criteria for selection put ATE and RTB in the position of going with a low bid, without proper regard for service quality. This again is a result of the staff's desire to ensure that the service stays under the funding cap. In the paratransit business, using cost as the primary criteria for selection usually results in a loss of service quality. This is something that must be guarded against due to the service quality mandates of ADA. Paratransit is very sensitive to costs.

Allowing cost to guide most or all decisions will have a considerable impact on service. Cost played a negative role in the RFP process, hiring of staff and selection of operators.

The Effect of the Injunction

The length of time the injunction was in effect was critical in the system failure. In paratransit the most important factor linked to successful implementation is the ability of the operators and ATE to retain skilled driver and office staff. Mayflower first contacted the drivers in early August. Shortly after that time, the injunction stopped the hiring process. Mayflower was able to start hiring drivers on about September 9, 1993. Handicabs started even later than that. The operators could not possibly hire and train drivers in three weeks. In fact, there is considerable anecdotal evidence that drivers needing to make sure they had a job, sought employment elsewhere while the injunction was in effect.

The key question is, why did ATE take so long to settle the legal action, when it was holding up the entire effort (because of ATE's unwillingness to respond to these issues, the consultant could not get their explanation). They should have known that three weeks was not enough time to hire and train operators. Many of the existing operators were going out of business, or were shifting their resources and would not or could not extend their contracts. There was no turning back by this time. ATE should not have employed a tough negotiating stance because the time frames did not allow for this type of tactic.

Lack of Experienced Staff at the Start-Up

As stated above the ability to retain existing staff was critical to success. It is in the consultant's opinion, based on the available information, that neither ATE, Mayflower, or Handicabs placed enough emphasis on retaining experienced staff. ATE had a number of personnel that had not been involved in the previous Metro Mobility program (exact information was not available from ATE), Mayflower, according to their management offered to match existing driver wages, but not benefits, at first. Anecdotal evidence indicated that Handicabs placed their experienced drivers in their agency service, and placed their new drivers in the more demanding Metro Mobility service. Metro Ride did place their experienced drivers in Metro Mobility service and did not need the assistance of the National Guard.

It should again be pointed out however that by the time that ATE reached an agreement with Metro Ride and the injunction was lifted, it was already too late. No firm would have been able to hire and train drivers in three weeks. The only potential solution at this late date would have been to lure back existing drivers through monetary or other incentives.

There should have been more of an emphasis on hiring local experienced staff. Page A-17 of the contract stated "Emphasis should be placed on hiring persons with Metro Mobility experience..." It did not appear that this emphasis was evident with ATE; nor does it appear that ATE required this emphasis of the operators.

Not Enough Drivers at Implementation

This has to do with the actual number of qualified drivers available at the implementation. While there is disagreement regarding the number of drivers available at the start, it is evident that even if there were enough "warm bodies" on day one, the attrition rate was so high that by the second weekday of service there was clearly not enough drivers. There was also significant confusion regarding the actual driver shift requirements, which is indicative of scheduling problems and will be discussed in a subsequent section. However operators stated that they did not get their shift requirements until the start of service. It is impossible to hire drivers, and retain them if their schedule is not available. This undoubtedly added to the attrition rate when drivers found out their schedules. ATE would not discuss these issues, so it was impossible to get confirmation regarding these problems.

Even if there were enough drivers, the percentage of "rookie" drivers with little or no training would have been too high to effectively operate the service. Mayflower, the company that operates half of the service has about ten percent of its driver work force with previous Metro Mobility experience. Handicabs appeared to have had no more than 50 percent of their drivers with experience of the implementation.

Monitoring Oversight by The RTB

RTB as the entity responsible for the Metro Mobility program must provide significant oversight of the entire implementation process. (In order to monitor a transition properly, RTB would have needed 2-3 people full-time to be in the field monitoring contractor progress.) Unfortunately RTB was not staffed to fill that role. Based on discussions with RTB staff it appears that staff depended on ATE's expertise and relied on their advice and decisions. Had RTB adhered to a few principle guidelines such as retain existing drivers and not letting price guide the procurement, the injunction may never have been issued.

Vehicle Availability

According to the discussions with the operators they did not receive the vehicles for service until October 1, the day prior to implementation. This precluded a proper inspection by the entity required to maintain the equipment, and perhaps more important, did not allow for enough vehicles for driver training purposes.

Procuring 150 vehicles in 4-5 months is very difficult to do. The RFP for the system management allowed for the use of leased vehicles or vehicles supplied by the operators if all vehicles could not be procured by the start-up deadline. This consultant was surprised to hear that ATE was able to get 150 vehicles so quickly. However the fact that these vehicles barely made the service deadline, and that there may be numerous problems associated with the fact that these vehicles were built very quickly (by one vendor), may indicate that this approach was too ambitious.

Schedules and the Scheduling Process

There is no question that the schedules contributed heavily to the failed implementation. The problems were in a number of areas, as described below. The recommendations section will detail some of these problems and the potential range of solutions.

- City or town, not noted -- On the initial schedules there was no notation of the origin or destination town. There are numerous cities and towns with the same street names. This mistake caused significant confusion and can be pointed to as one of the major contributors to the failure.
- Poor scheduling and routing -- Many of the schedules were and continue to be poor. One problem noted is that the key ride time indicator is the 90 minutes on board time. There is anecdotal evidence that indicates that trips that should not be more than 30 or 45 minutes are running at 90 minutes. There is significant evidence of passengers being routed in a illogical manner. The computer or humans should key on an indicator such as twice the fixed route ride time, which would reduce these excessively long trips and be more compatible with complimentary ADA paratransit.
- Poor information regarding subscription trip -- Much of the information regarding subscription trips and ridership information was apparently faulty. There apparently were numerous subscription arrangements with operators that the Metro Mobility Administrative Center (MMAC) was not aware of. ATE was unaware that these arrangements had been made as well. This added to the service disruption.
- No subscription schedules -- Everybody benefits by having a subscription pick-up. Schedulers benefit by having less trips to schedule on a daily basis. Subscription schedules were not developed by ATE and instead were routed with the demand trips, which does not allow the

driver and passengers to develop the teamwork approach to paratransit, which is critical to success. This will be discussed in detail in subsequent sections.

- Limitations of the software -- The software has limitations that require human intervention. As in all software, the automated nature of the scheduling process is not as effective as if humans were involved in the scheduling. There are other limitations that will be discussed in the recommendation section. There is nothing wrong with the fact that there are limitations to the software, all software has limitations. What is important though is that the operator of the software recognize and compensate for those limitations.
- Last second nature of schedule development -- According to the operators, they did not get any sample schedules to critique or operate in simulation, accordingly there was no time for actual on-board driver training. Operators also claim that schedules were received at the last moment. It appears that not enough time or expertise was allocated to scheduling and routing, prior to start up. A critical failure was ATE's inability to tell the operators their shift requirements until the schedules arrived.

Other System Implementation Problems -- A Snowball Effect

As the implementation unfolded and service rapidly deteriorated, each trip generated three or more telephone calls to either complain, ask for ride time, and/or to cancel. The telephone which may have been adequate for a routine day, rapidly overloaded. This generated more complaints and immediately after the telephone failure, the customer service/complaint process (which was of an adequate size for a routine system) became overloaded and also failed.

In the vehicle operations, starting out with unskilled drivers, and adding impractical schedules, rapidly overloaded the radio system, which further slowed the system down. This inevitably resulted in a dramatic rise of complaints. The nature of the open speaker radio system used in this system allows all passengers to hear the system business being conducted over the radio. This in turn generates considerable amounts of rumor and at times false impressions, as well as some true impressions. Rumor runs rampant.

The last part of this snowball effect is attitude. There is significant anecdotal evidence that indicates the perception among both consumers and operators, that ATE staff have a problem relating to their own customers and business partners. Perhaps this was a result of the implementation difficulties, which would certainly test most persons abilities to maintain control of oneself.

ASSESSMENT OF THE CURRENT SERVICE

The service, as of December 1, has made significant gains in service quality and in boosting confidence in the system. It should be noted however that there is still a long way to go, requiring some

significant changes to the way ATE and the operators do business. While I did not get to discuss implementation issues with ATE, they did allow this consultant free and complete access to the current operation, allowing me to spend approximately six hours on site observing operations and interviewing staff. The system is probably a month and a half behind where it should be. That is, the operation as of December 1, two months into the system, is what should have been expected in mid October. This will be discussed in the following sections in detail.

It is this consultants opinion that ATE has made extra efforts to correct the system deficiencies and has placed considerable resources to bear on the problem. While not always evident to the consumer, steady improvements have been made. The ridership reports all show significant improvement in on time performance, and actual ridership. There is no question of that.

There are still however some chronic problems that must be overcome in the short term (6 weeks) and the longer term (8 weeks or more). This report will focus on the problems that must be solved immediately, with a discussion of the longer term issues.

Scheduling Problems

Many of the scheduling problems noted in the implementation section are still occurring. This inability to fix chronic problems is a major problem in its own right. These continual problems are detailed below:

- Poor scheduling and routing -- This has been a chronic problem that appears to be based on a number of key decisions. First ATE performs routing and scheduling in an automated manner. These automated schedules appear to be illogical and unproductive. The RFP and the contract with ATE both call for computer assisted scheduling, where the scheduler uses tools in the computer to schedule in a more productive manner. This is not occurring. In fact based on my discussions with the scheduling staff, there is little or no review of the schedules by a human prior to the schedules being transmitted to the operator. This is evident based on the many examples of illogical routing.
- No subscription schedules -- The inconsistency of the scheduling does not allow for continuity of the service. Passengers should have the same or a similar trip each weekday. While Monday through Friday may differ, each Monday should be about the same and each Tuesday, the same, etc. The same driver should also be scheduled. This serves two critical purposes. First, by placing these trips in their most logical sequence the productivity of this part of the service will improve. Since this is at least half of the Metro Mobility trips, overall productivity will go up. In many cases additional demand trips can be inserted into the schedule, which will serve to enhance the productivity even more. The second purpose for doing this is to develop a teamwork relationship between the driver and passengers. Teamwork is an essential component of any successful paratransit program. When teamwork is established, the system will operate much more effectively.

- Limitations of the software -- The software has limitations that require human intervention. The three primary limitations of the software that are not adjusted for are the automated scheduling, lack of human involvement, and the inflexibility of the time block matrix. The matrix limits the spaces available for rides, based on potential system capability. Reservationists cannot insert an additional trip without receiving prior authorization and having a supervisor adjust the matrix. There is no way to tell after the matrix is full, if another trip request is a duplicate of a trip previously accepted and could easily be inserted.
- Listening to Consumers and Operators -- There are numerous statements from operators and consumers that indicate ATE is not interested in hearing suggestions or after hearing the suggestions, fail to act on them. This inability to "fix" a scheduling problem after one or two days will destroy confidence in the system. This is part of the second key problem associated with the service that will be addressed in the next section. Offers for expert assistance from the operators should be graciously accepted by ATE.

Confidence and Customer Assistance

There is no question that the system suffered a major loss of confidence during the implementation. While ATE, the operators, and RTB have made significant progress in restoring confidence in the system, there is no doubt that there is still a lot of work in this area. The ridership statistics have improved, but passengers are not going to believe those numbers if their own experiences are to the contrary.

Passengers have lost confidence in Metro Mobility's ability to deliver the service in an effective manner. ATE and RTB must take immediate steps to restore that confidence or this problem will linger and never go away. The following customer assistance problem areas should be addressed immediately:

- Inability to fix a problem -- There continues to be the perception that problems linger and do not get solved. Discussions with passengers and operators indicated that reservation and scheduling problems and glitches do not get fixed. Another complaint heard frequently was that the computer was frequently providing ride times of up to and beyond 90 minutes even for short trips. This is unreasonable.
- Provide complete sensitivity training to all staff -- All staff should go through sensitivity training, including training with a panel discussion with a representative group of consumers.
- Complaint process -- Passengers were stating that they still were receiving form letters in response to complaints. While this was understandable in the initial start up, the service should be beyond that now.
- Consumer input -- The consumers that this consultant talked to indicated a lack of willingness (on the part of ATE) to talk and communicate. There was no extra emphasis to open the lines of communication. ATE does have a staff person devoted to fixing agency related problems. This effort is beginning to have some success, based on discussions with operators.

Vehicle Related Concerns

Based on my discussions with operator staff, there is evidence of vehicle deficiencies that may have a serious impact on the service if not acted on. Some of the problems told and shown to me included:

- Windshields appear to be cracking at a higher than normal rate. For example, Metro Ride reported that out of 50 vehicles three have had their windshield replaced and four more are cracked. I observed these vehicles with cracked windshields in the Mayflower garage.
- A number of passenger door windows have shattered.
- Operators cite recurrent transmission, and electrical problems.
- The lift doors must be monitored constantly. Maintenance staff are concerned that the lift door hydraulic arms or their mounts may fail, causing the door to come down on the lift.
- Staff cited other problems regarding the integrity of the body, including a separation of the fiberglass shell from the body over the windshield, and water leaks above the driver.
- Design problems include the high floor and four step entry. The specification by ATE of a raised floor is most confusing because the trends in the industry are to go to lower floors rather than higher ones. This makes it more difficult to enter the vehicle by the door and may require more people to want to stand on the lift. Another complaint is that because of the high floor, passengers cannot see where they are going when riding. A major safety concern that should be addressed immediately is the sharp edges on the steps. The consultant considers this to be dangerous, and apparently one individual has already fallen on the steps and received multiple stitches to close a wound.

The issue here is not short term because most of the problems are under warranty. Long term concerns should be addressed to ensure that these vehicles will last four to five years.

Safety and Training Issues

ATE and the operators need to continue to improve safety, training, and screening of driver candidates. It was determined that the approaches used by ATE and the operators are sound. Therefore we will not focus on this area in the analysis. There will be some recommendations, however.

In the cursory review, there are two passenger assistance procedures that are employed, that in the opinion of this consultant should be revised. Current policy regarding standees on the lift, requires the driver to be on the ground while the lift is in operation. While there are no standards for passenger assistance in the industry, generally accepted practice is for the passenger to ride up on the lift with the

passenger in order to be able to provide assistance to avoid a dangerous situation. The driver is clearly in a better position to assist when riding on the lift. It should also be pointed out that this was also standard practice in the Metro Mobility service area. This consultant believes that this system will have more standee requests than previously because of the extra (four) steps on the vehicles.

The second concern is the teaching of manual transfer techniques, which should not be employed by drivers anyway, due to the potential for injury and the potential for claims of sexual misconduct. Passengers that need to transfer should be able to do it themselves. If they cannot, they should have an attendant or simply not transfer. ATE may also want to look closely at their passenger assistance methods course, to ensure that it has been revised and updated, employing the latest acceptable techniques.

RECOMMENDATIONS

These recommendations will focus on critical areas of concern that need to be addressed and completed in the next 4-6 weeks. A brief discussion of other longer term recommendations will be included as well. The recommendations will focus on the scheduling aspects and the customer service/confidence building aspects of the service.

Recommendations to Improve the Scheduling Process

The following recommendations should be acted on immediately.

Schedule and Route Standing Order Trips

Probably the most important recommendation to improve system performance, and service quality and reduce complaints is to place all standing order/subscription trips on a regular consistent schedule. Fifty percent of the trips are subscription in nature, by building consistent driver runs, 50 percent of the service will already be scheduled as productively as possible. Demand trips can then be scheduled on the standing order runs when appropriate, or on dedicated demand vehicles. In addition by pre scheduling standing order trips, it reduces the daily scheduling load to approximately 1,000 trips, a much more manageable number.

The best argument for standing order schedules is the ability to develop a teamwork relationship between the driver, staff, and the passengers, who then work together to ensure that their run is as efficient and effective as possible. Teamwork is one of the key elements to a successful paratransit system. Teamwork thrives in a consistent environment.

This approach also can help reduce complaints, again through the teamwork process. This consultant's experience indicates that passengers are less likely to file a complaint on their regular driver, rather they will work it out amongst the team members.

Recommendation: Effective immediately ATE should place a major emphasis on building standing order runs for at least 50 percent of the service. If Metro Mobility is able to accommodate all demand requests, they should then expand the standing order percentage for that time period. ATE should use their best staff to accomplish this effort. ATE should also request that the operators assist in this effort, by sending their best dispatch/schedulers to assist.

Once this has been drafted, these schedules should be reviewed by drivers and operator staff for their comments. After the trips are finalized, passengers should be notified, prior to implementation.

ATE should also assign an individual to ensure that these standing order schedules are maintained for maximum efficiency and effectiveness on an ongoing basis.

Humanize Schedule Process

Currently the schedules are not reviewed prior to transmission to the operators. The contract calls for a computer assisted scheduling process, because automated software has not proven itself in actual operation. The APS software has not demonstrated that it can schedule efficiently and effectively. With the reduction in daily scheduling that will take place when the standing order trips are scheduled, this process becomes more manageable.

Recommendations: ATE should operate the software in computer assist mode, allowing the scheduling staff to review each run and make adjustments as necessary. At the very least, an experienced scheduler/dispatcher should review each schedule prior to it being sent to the operators. This person should make changes as necessary. It is essential that the scheduling process be humanized.

Reasonable Ride Time

Currently there appears to be many trips that take an excessive period of time.

Recommendations: The computer keys on the maximum ride time of 90 minutes. The computer should rather key on a reasonable ride time for the type of trip. This consultant recommends a ride time of no longer than twice the fixed route ride time, with a maximum of 90 minutes for the longest trips only.

Scheduling Flexibility

Currently the scheduling matrix precludes the scheduling of more trips than are allocated. However, there may be times when the trip can be performed, unfortunately the reservationist has no way of knowing if there is compatibility.

Recommendation: Prior to denying a trip, the reservationist or a supervisor should be able to see if the trip is compatible with others assigned to that time block. This process should be routine and should be able to be employed rapidly.

Productivity

The productivity for the system after six months should be about 2.5 passengers per hour. This productivity however was based on agency group trips (which are the most productive) and regular Metro Mobility trips. At the current time this 2.5 productivity is being compared to the current productivity of 1.2 passengers per hour for Metro Mobility service through ATE. This however is a comparison of apples to oranges. In order to compare the current service to the 2.5 productivity figure, one must include the agency trips contracted out separately. For example, assuming 1/2 of the trips are agency trips at a productivity of 3.2 passengers per hour, and the regular Metro Mobility trips are at 1.2 passengers per hour, the total productivity would be about 2.2 passengers per hour. This figure can then be compared to the 2.5 figure.

Recommendation: RTB should track both regular Metro Mobility trips and agency trips when making productivity comparisons with the contractual 2.5 figure.

Driver Meetings

One of the major disadvantages of having a separate brokerage is the isolation of the scheduling and dispatch staff. This problem must be corrected to allow office staff to gather input regarding the runs, and to have a greater understanding of the current conditions.

Recommendation: ATE dispatch and reservation staff should hold monthly meetings with drivers at each operator's site, to obtain input regarding schedules, and conditions. It is equally important that all reasonable requests and suggestions be reviewed and that drivers receive feedback from ATE staff.

Customer Service/Confidence Building

The objective here is not only to continually show improvement, but also to have the ability to fix problems on a timely basis and demonstrate that the service is improving. As stated earlier, passengers do not care about numbers demonstrating improvement, when their own ride continually has problems.

Lack of Trust in the Numbers

There appears to be a lack of confidence in the numbers. One area that is traditionally weak in the paratransit industry is the ability to track all of the late trips. There can be a tendency for the driver to record the wrong time, or not placing an emphasis on the timely entry of data. Therefore performance indicators such as late trips can be unreliable.

Recommendation: Tracking of late trips should be calculated for one-way trips, not driver runs, this will give a better indication of how many trips are late. ATE should work closely with passengers and agencies to determine on a sample survey basis the accuracy of the time recorded by the driver.

Inability to Fix Problems

This has been discussed in previous sections, but is critical to confidence building as well. If a problem does not get fixed rapidly, passengers lose confidence in the system's ability to provide a safe and comfortable trip. These problems can be associated with any aspect of the program, including but not limited to: rude reservationist, untrained drivers, poor schedules, dirty vehicles, and almost any other aspect of the system.

It is also very important that passengers receive timely and specific acknowledgement of their problem and what was done to correct the problem.

Recommendation: Concentrate major resources fixing problems and communicating results to the customer. This problem solver/ombudsman should be able to have the ability and authority to fix problems in any area of service. The

problem solver should also communicate directly to the complainant with specific results of the investigation.

Consumer Input

ATE, RTB, and the operators should go to great lengths to gather input from the community and the consumers on a regular formal and informal basis. Passengers must see ATE and RTB representatives in the field to know that they are listening. It is essential that ATE and RTB listen to their customers.

Recommendation: ATE and RTB officials should ride the vans at least once a week, and should discuss issues with drivers and customers. These runs should be both problem and routine runs and staff should also be available at major origins and destinations.

Staff should periodically visit with agency representatives and advocates to receive their input and address problems. Obviously as the system improves, meetings could be much less frequent, but should still be regular.

Sensitivity Training

A number of consumers and advocates felt that all staff (including drivers) should receive sensitivity training and training in the proper use of terminology. Sensitivity training should be required of all staff that have contact with the public including RTB staff.

Recommendation: Require all staff to take a uniform sensitivity training class, with consumers serving on a panel to discuss issues with the trainees. This class should be at least four hours in length. Refresher training in this area should also be required every two years. All future drivers should receive this training prior to operating a vehicle in regular revenue service.

Vehicle Issues

The available evidence indicates that the Metro Mobility vehicles are experiencing some problems that could have an impact on the ability to deliver service in one or two years, as these problems continue to arise. While most problems do not require an immediate fix, these specific problems will need to be addressed in the next three to six months to ensure that they do not get out of control. The effort to

control these problems must be coordinated through ATE. ATE must take a proactive approach to this problem.

Recommendation: An immediate need is to remove the sharp edges from the four vehicle steps. This is a hazard that if not addressed now will result in more injuries.

Safety and Training

There appears to be a need to strengthen the hiring, screening, and monitoring of driver performance. Accidents apparently were a major problem at start-up and should be closely monitored by ATE. Accident and disciplinary policies and procedures should be developed in writing, and all drivers should be trained in proper policy and procedure.

Recommendation: As stated in the previous section, drivers should be required to stand on the lift with passengers standing on the lift. This is a standard operating practice. In addition drivers should not be taught nor should they use manual transfer techniques, with the exception of emergency evacuation procedures. There should not be any other reason for the driver to assist transferring a passenger. This transfer technique is out of date and not generally used or practiced in the ADA paratransit industry.

SUMMARY

There is evidence that the Metro Mobility service is improving, thanks to the patience of the passengers, and the hard work of the operators, ATE, and RTB. At the same time there are still some chronic problems that need to be addressed. Fortunately the key problems can be corrected, without a major overhaul of the system, and they can be corrected in a relatively short period of time. The key problems are in the following areas:

- Scheduling,
- Customer Service/Confidence Building

These problems must be addressed and solved within the next four to six weeks, or the system may never gain back the confidence of the customers. This consultant feels that the current management

can resolve these problems, and turn the system into a high quality service that can meet the needs while keeping costs reasonable.

Once these problems are eliminated, ATE and the operators can focus on the daily routine problems that crop up in the best of systems. Remember, there will always be a low level of problems, that is part of the nature of paratransit.