



Minnesota Regional Transit
Board: Records.

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

Special Meeting of the
REGIONAL TRANSIT BOARD
Mears Park Centre Chambers
June 27, 1994
4:00 p.m.

AGENDA

1. CALL TO ORDER AND ROLL CALL
2. APPROVAL OF THE AGENDA
3. GENERAL BUSINESS
 - A. Financial Overview of Metro Mobility Program*
 1. Provider Contract Amendments
 2. 1994 Regional Transit Board Budget Amendment
4. OTHER BUSINESS
5. PUBLIC COMMENT

Sally Evert
Chair

* Material will be mailed separately.

mff
6/21/94

REGIONAL TRANSIT BOARD
ROLL CALL AND ATTENDANCE SHEET

DATE: June 20, 1994

Member Name Present Vote Vote Vote Vote Vote Vote Vote Vote

ISSUE

Michael Beard - A gone

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

Dede Walfer

GLA, MF, JT

Ben Miller

C.S.

G. Korstal

HB, DJ, M

a. Eitzel

T. Sather

mff

Tom Yantor

Mary Hill Smith @ Patrick Leung

Jane Herbert

Karen Lyons + Nacho

Georg Best

Mark Howard DARTS.



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

DATE: June 23, 1994
TO: Chair and Members of the Regional Transit Board
FROM: Gregory L. Andrews, Executive Director
SUBJECT: Legal Opinion: Metro Mobility Funding

Attached is an opinion from Greg Korstad, our legal counsel, which addresses the concerns raised by the board at its meeting on June 20.

GLA/mff
Att.

LARKIN, HOFFMAN, DALY & LINDGREN, LTD.
ATTORNEYS AT LAW

1500 NORWEST FINANCIAL CENTER
7900 XERXES AVENUE SOUTH
BLOOMINGTON, MINNESOTA 55431-1184
TELEPHONE (612) 835-3800
FAX (612) 896-3333

JAMES P. LARKIN
ROBERT L. HOFFMAN
JACK P. DALY
D. KENNETH LINDGREN
GERALD H. FRIEDEL
ALLAN E. MULLIGAN
JAMES C. ERICKSON
EDWARD J. DRIBCOLL
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GERALD L. BECK
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DAYLE NOLAN*
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KATHLEEN M. NEWMAN
MICHAEL S. LESARON
GREGORY E. KORSTAD
GARY A. VAN CLEVE*

DANIEL L. BOWLER
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STEPHEN J. ZAMANSKI

OF COUNSEL
WENDELL R. ANDERSON
JOSEPH GITHS
MARK A. RUKIC

*ALSO ADMITTED IN WISCONSIN

June 24, 1994

Gregory Andrews
Executive Director
Regional Transit Board
Mears Park Centre Building
230 East Fifth Street
St. Paul, Minnesota 55101

Re: Metro Mobility Funding

Dear Greg:

At the June 13, 1994 meeting the Regional Transit Board (RTB) confronted the conflict between current RTB budget projections under proposed Metro Mobility contracts and the legislative expenditure limit contained in the 1993 appropriation for the Metro Mobility programs. Laws 1993 Ch. 266, sec 3, sub 3. More specifically, it is apparently expected that if Metro Mobility services continue to be provided at the current costs and the volume of use does not change, the spending maximum set by the Legislature would be depleted before the end of the biennium (fiscal year ending June 30, 1995).

This dilemma raises two issues:

1. May the RTB deficit spend expected appropriations for the next biennium in order to complete provision of the current service during the current biennium?
2. Does the RTB even have authority to enter into contracts knowing legislative expenditure maximums are projected to be exceeded in completing the work identified in the contract?

Deficit Spending

Minnesota law is clear. A political subdivision of the state does not have authority to borrow other than as expressly granted by statute. Deficit spending is merely an euphemism for borrowing. Under Minn

LARKIN, HOFFMAN, DALY & LINDGREN, LTD.

Gregory Andrews
June 24, 1994
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Stat 473.39 the RTB has been granted the authority to borrow only indirectly via bonds issued by the Metropolitan Council of the Twin Cities. This is the exclusive statutory authority for borrowing. Thus the RTB may not borrow funds for Metro Mobility operating expenses by incurring obligations it does not have current funds available to pay. The RTB may not commit future appropriations to pay current expenses. To do so would also be considered borrowing.

Authority to Contract

The RTB's authority to enter into any contract is uniquely based upon the specific terms of the particular contract. A contract obligating the RTB to pay a fixed sum of money in excess of its available funds would not be valid. Thus were the RTB to attempt to enter into a contract unconditionally obligating it to purchase Metro Mobility related services in excess of the legislated maximum, it would be clearly exceeding its authority. To do so would directly contravene the 1993 appropriation legislation which expressly prohibits the RTB from spending more than its appropriation for Metro Mobility.

Advice

There is, however, a mechanism for assuring that the contracts do not exceed the statutory maximums. The contracts for Metro Mobility may contain a provision that RTB's expenditures for the Metro Mobility program will not exceed the legislated maximum funds available. The proposed language in the current draft provider contracts addresses non-appropriation by giving the RTB the right of "termination for convenience" upon 90 days notice. Thus, if it is projected that the legislated maximum expenditure could be exceeded, the RTB has the ability to terminate the contract without overspending. Because of this provision, the contract is not an unconditional commitment to spend in excess of the amount authorized, notwithstanding that the budget projection would indicate there is a possibility that demand may exceed available resources.

Therefore we advise that the RTB has the authority to enter into Metro Mobility contracts only if RTB retains the ability to terminate contract expenditures before it exceeds the statutory maximum funding amount.

Very truly yours,


Gregory E. Korstad, for
LARKIN, HOFFMAN, DALY & LINDGREN, LTD.

GEK:MI08

messenger 6/24

REGIONAL TRANSIT BOARD

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

DATE: June 24, 1994
TO: Chair and Members of the Regional Transit Board
FROM: Judith G. Hollander *JGH*
Director of Planning and Programs
SUBJECT: Metro Mobility Budget Projections: 1994-1995

Summary

This memorandum outlines the budget projections for the Metro Mobility program in 1994 and the first half of 1995. Projections are based on information included in memoranda presented to the board on June 20, 1994, related to provider contract amendments and the Metro Mobility service coordination budget.

Discussion

The cost of providing Metro Mobility service is currently higher than the budget available in 1994 and the first half of 1995. The reasons for this shortfall are several:

- Productivity goals were not achieved between October, 1993 and present.
- Additional start-up expenses are necessary in order to transition to the semi-centralized system
- Negotiations with providers to assume the functions of reservations, scheduling and dispatching have resulted in higher than projected costs largely because of additional staffing. High staffing levels have been employed in an effort to ensure a smooth transition.
- The RTB has assumed the functions of the Metro Mobility service coordination; this has resulted in higher salaries than those paid by ATE and staffing levels that would ensure high quality service provision.

A couple of weeks ago, a budget projection was developed. It was estimated that the Metro Mobility budget shortfall at the end of 1994 would be \$3.5 million and by the end of 1995 would be \$4.0 million. Once the capital equipment costs were spread across the term of the contract rather than attributed to only the first year, this shortfall was estimated to be \$2.2 million for 1994 and \$3.0 million by the end of 1995

Since those earlier budget projections were developed, more precise financial information has become available. It is now estimated that by the end of 1994 the shortfall for the Metro Mobility program will be \$ 2.32 million and that by the end of the 1995 this number will increase to a total of \$4.18 million.

Metro Mobility Budget Projections
June 24, 1994
Page 2

It should be noted that the Metro Mobility program has been operating at a deficit for some time. However, based on the most current estimates, the total program cost would outspend its biennial appropriation, for the period ending June 30, 1995, by late April, 1995.

The attached table shows that budget projections for the different elements of the Metro Mobility budget in six month segments to allow for comparison to state fiscal year.

REGIONAL TRANSIT BOARD
METRO MOBILITY BIENNIAL COST PROJECTIONS
1994-1995 BIENNium

	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	BIENNIAL TOTAL	RTB CALENDAR YEAR TOTALS	
	1993 Actual	1994 Estimated	1994 Estimated	1995 Estimated		Jan-Dec 1994 Estimated	Jan-Dec 1995 Estimated
REVENUE-							
State Appropriations	\$6,900,000	\$6,900,000	\$7,737,000	\$7,737,000	\$29,274,000	\$14,637,000	\$15,474,000
DAC Revenue/OP Shop	\$184,953	\$0	\$378,000	\$378,000	\$940,953	\$378,000	\$756,000
Fuel Tax Refund/Misc	\$0	\$0	\$100,000	\$70,000	\$170,000	\$100,000	\$140,000
Total	\$7,084,953	\$6,900,000	\$8,215,000	\$8,185,000	\$30,384,953	\$15,115,000	\$16,370,000
EXPENDITURES-							
MMSC	\$814,645	\$895,167	\$478,837	\$478,837	\$2,667,486	\$1,374,004	\$957,674
Service	\$4,842,016	\$5,916,466	\$6,294,466	\$6,294,466	\$23,347,414	\$12,210,932	\$12,588,932
Vehicle	\$517,938	\$1,036,022	\$1,015,800	\$1,015,800	\$3,585,560	\$2,051,822	\$2,031,600
Reservation & Dispatch	\$0	\$0	\$1,749,019	\$1,189,974	\$2,938,993	\$1,749,019	\$2,379,948
Asset Depreciation	\$37,885	\$75,770	\$135,570	\$135,570	\$384,795	\$211,340	\$271,140
Total	\$6,212,484	\$7,923,425	\$9,673,692	\$9,114,647	\$32,924,248	\$17,597,117	\$18,229,294
Excess/(Deficiency)							
Revenue Over Expenditure	\$872,469	(\$1,023,425)	(\$1,458,692)	(\$929,647)	(\$2,539,295)	(\$2,482,117)	(\$1,859,294)
Beginning Fund Balance	(\$712,128)	\$160,341	(\$863,084)	(\$2,321,776)	(\$712,128)	\$160,341	(\$2,321,776)
Ending Fund Balance	\$160,341	(\$863,084)	(\$2,321,776)	(\$3,251,423)	(\$3,251,423)	(\$2,321,776)	(\$4,181,070)

Note: 1994 expenditures include \$538,000 of one-time transition costs not subject to depreciation.
State appropriation for second half of calendar year 1995 assumes same level of funding as fiscal year '95.
Fixed assets acquired in 1994 depreciated over five year, straight line life.

Handout 6/27

REGIONAL TRANSIT BOARD

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

DATE: June 27, 1994

TO: Chair and Members of the Regional Transit Board

FROM: Mark Fuhrmann, Manager of Programs, Acting Metro Mobility Manager
Judith G. Hollander, Director of Planning and Programs

SUBJECT: Metro Mobility Budget Options--Analysis of Impacts and Potential Savings

Summary

The purpose of this memorandum is to outline the budget options currently being analyzed for the Metro Mobility program. The financial and program impacts of pursuing these options is also presented.

Discussion

There is currently a shortfall in the Metro Mobility budget. This is a dilemma, not simply because it is difficult to obtain additional funding, but because there are legislative limits to Metro Mobility spending at the same time that there are federal mandates regarding the provision of paratransit service to persons with disabilities. It is important to note that the Metro Mobility program has run at a deficit for the last few years and the RTB, historically, has taken a variety of steps to overcome this problem.

This memorandum outlines the range of options that may be available to the Regional Transit Board, and ultimately the Metropolitan Council, in dealing with this shortfall. A wide range of options has been listed; not all would be desirable changes, but have been included here to give a sense of the program and financial impacts of selecting various strategies.

These options have been categorized in five areas:

- Revenue Generation
- Cost-Effectiveness
- Promotion of Other Services
- Service Changes
- Additional Funding

A. REVENUE GENERATION

Other than obtaining additional funding, there are a couple of ways in which additional revenue might be generated for the Metro Mobility program.

1. Fare Increase

Currently, Metro Mobility fares are \$1.70 for a non-peak trip and \$2.20 for a peak hour trip. Federal law allows paratransit fares for disabled persons to be no more than twice that of the regular route transit fare. Currently regular route fares are:

	Peak	Non-Peak
Local service	\$1.25	\$1.00
Express service	\$1.75	\$1.50

Metro Mobility fares were not increased the last time that regular route fares were, in December, 1993, largely because the quality of the service was poor at that time. Furthermore, RTB research indicates that Metro Mobility users, as a group, earn low-income, in 1990 a survey indicated that a majority of users earned less than \$10,000 per year.

Metro Mobility fares were last increased in July, 1991. At that time, ridership decreased by 18% . Much of this decrease was attributed to reduced "agency " trips.

If fares were increased to twice that of regular route transit, fares would be \$2.00 in the non-peak hours and \$2.50 during the peak. Another fare increase would result in ridership decreases, thus allowing service hours to be reduced.

Potential Impacts/Savings:

If fares were increased to twice that of regular route transit service, it is estimated that off-peak passenger trips would decrease by about 7% and peak hour passengers would decrease by about 5%. This would result in additional farebox revenue of \$92,700 in the off-peak hours and \$102,300 in the peak hours, totaling \$195,000 additional revenue. It is estimated that there would be 64,000 fewer passenger trips with a savings in the number of service hours of 47,400 equal to a cost savings of approximately \$649,700. These estimates are based on a variety of assumptions, including an annual ridership of 1.066 million, an equal distribution of peak and non-peak trips, an average fare of \$2.00 and resistance factors of 0.04 in the off-peak and 0.03 during the peak hours.

2. Agency Reimbursement

A number of agencies serving persons with disabilities use Metro Mobility service. Some agencies have arrangements whereby they use vehicles outside of the 150 bus fleet. Others regularly schedule trips for their clients on the Metro Mobility fleet.

State law allows full cost reimbursement to the Metro Mobility program for agencies' use of the service. Currently, reimbursement is being captured only by Opportunity Workshop in Minnetonka. Others have arrangements and their rates have been negotiated to reflect this reimbursement.

A review of current agency usage is underway. Whether or not there is the opportunity for capturing additional revenue is unclear at this point, but information will be available within the next couple of weeks.

B. COST-EFFECTIVENESS

1. Improve Productivity

Currently, the average number of passengers carried per hour on Metro Mobility is about 1.35 on the 150 bus fleet and 1.8 overall, including the agency trips. This compares to the RTB's original goal of 2.5 passengers per hour within six months. It is increasingly clear that the original productivity goal may not be obtainable at this time. However, it is our goal to increase productivity within six months of July 4, 1994. This would result in a reduction of service hours with an associated savings.

Potential Impacts/Savings

If a 10% increase in productivity over the next six months (to 1.485 passengers per vehicle service hour), a corresponding number of 45,000 service hours could be expected to be cut. This would result in an estimated annual savings of \$616,800.

C. PROMOTION OF OTHER SERVICES

1. Explore the use of taxis and/or other sedan vehicles to provide supplemental service

When the attempt to centralize the Metro Mobility system was made and a new fleet of vehicles was purchased in October, 1993, it was determined that taxi vehicles would not be utilized. Largely, this was done in an effort to maximize the productivity of the 150-bus fleet.

Now, however, that three separate service areas have been developed and some users have expressed a desire for sedans. It may be possible to use sedan vehicles at a lower rate of reimbursement because of the lower capital cost of the vehicles. In addition to eliminating the potential of replacing the entire fleet of 150 vehicles in four years, the introduction of sedan vehicles into the provider bus fleet would extend the service life of the 150-vehicle fleet. This option is currently being explored.

Potential Impacts/Savings

In 1993, the RTB held short-term contracts with several taxi companies to provide supplemental Metro Mobility service. In order to make it financially worthwhile for taxi operators to participate, the RTB, in its contracts, guaranteed 8 hour blocks of service at a price of \$20.50 per hour. At this price, the cost of contracting with taxis, at least on the short-term, is greater than that currently paid to the three primary providers. It is not expected that the fixed-cost portion of the rates of these three providers could be reduced at this time. Furthermore, there has been an effort to cap supplemental service in order to ensure productivity.

Over the longer term, there appears to be the potential for employing taxis and/or some other type of sedan service. However, this option would be viable immediately only as an emergency effort.

2. Promote the use of other accessible services

Currently, 130 accessible buses are being used in MTC regular route service over 21 routes. Promotion of this service has not really taken place since 1991. The fare for using this service is 25 cents. Development of a marketing campaign is being considered that will inform riders about these accessible routes and encourage them to use them either as an alternative to Metro Mobility or to use Metro Mobility only as a means to access one of these routes. Discussion is underway as to whether or not free fares and/or free transfers would be desirable. Daily ridership, using the lifts, on these buses average 75-100 rides. While a promotion may not result in large increases or shifts from Metro Mobility, the subsidy of carrying a passenger on accessible regular route transit service is \$2.60 subsidy per passenger compared to about a \$12 subsidy per passenger on Metro Mobility.

Additionally, there are 65 other accessible buses operated on 8 transit programs in the region in the form of community and county-based services. An inventory of these services is currently being conducted. A promotion of these services, as long as they have additional capacity, is also being considered.

Potential Impacts/Savings

Assuming a very ambitious goal of doubling accessible ridership on regular route service, it is estimated that about \$250,000 could be saved. This also assumes that these trips would have otherwise been taken on Metro Mobility. An extensive promotion would have to be implemented which would reduce this savings somewhat.

3. Explore other accessible bus options

In other metropolitan areas, some innovative accessible bus options are being demonstrated including "call-a-bus". These programs allow disabled people to call the bus company to let them know when/where they will need an accessible bus on the regular route system. Locally, there has also been some suggestions made regarding circulator services in certain areas, too, that would be intended to replace Metro Mobility service.

Staff is currently investigating how these services are being provided and at what cost to determine if there might be the possibility of deploying similar service in the Twin Cities as an option to Metro Mobility.

Potential Impacts/Savings

If alternative services could result in fewer rides taken on Metro Mobility, vehicle service hours could be reduced, resulting in cost savings. At this point, it is impossible to estimate the cost of these alternative services until further research is done.

D. SERVICE CHANGES

1. Reduce the 5-minute wait time when picking up passengers

Existing policy requires each driver to wait up to five minutes for passengers to appear after arriving at a pick-up location. If this wait time was cut in half, savings would result because service hours could be reduced.

Potential Impacts/Savings

Assuming that passenger pick-up time is halved to 2.5 minutes, a reduction in 84 vehicle service hours per weekday or 21,168 vehicle service hours could be reduced on an annual basis, resulting in an annual cost savings of \$290,200.

2. Extend 90-minute ride time to 120 minutes

Existing policy limits the permitted passenger ride time to no more than 90 minutes. Increasing the ride time could result in a savings because productivity could be increased, thus resulting in fewer service hours. This would not likely be an acceptable solution for riders, especially those for whom long riding times are extremely difficult.

Potential Impacts/Savings

Even if ride time was extended by 30 minute to 120 minutes for a single one-way passenger trip, the savings would be minimal. Currently, only a few passenger trips actually exceed 90 minutes. In fact, about 75-80% of all passenger trips do not exceed 45 minutes ride time. Therefore, the adjustment would result in minimal productivity gains and minimal cost savings. Furthermore, extending the maximum ride time could be a health issue for some passengers to be on board for up to two hours.

3. Decrease service hours to 8:00 p.m. or 10:00 p.m.

Currently, Metro Mobility pick-ups are available between 5 a.m. and 12:30 a.m., 365 days a year. A reduction in the number of service hours would result in cost savings.

Potential Impacts/Savings

Eliminating every route after either 8:00 or 10:00 p.m. would save 1.5 hours per route for a total decrease in vehicle service hours of 10,600 after 10:00 p.m. and 25,700 after 8:00 p.m. This would result in annual cost savings of \$143,100 for service cut after 10:00 p.m. and \$348,500 after 8:00 p.m.

In order to comply with the Americans with Disabilities Act, it may not be possible to cut service hours overall. Instead, it may only be able to be done in those communities where there is no regular route transit service after those hours. Accordingly the savings would be substantially less.

4. Decrease the size of the service area

The Metro Mobility service area exceeds that required by ADA, largely because there are not paratransit services available in several communities. Decreasing the service area would result in cost savings. On a typical weekday, there are 165 passenger trips taken to and from the non-ADA mandated areas.

Potential Impacts/Savings

The implementation of a service area reduction, such as that described above, would eliminate approximately 41,600 annual passenger trips and decrease the annual subsidy by \$503,000.

5. Automatically cancel holiday standing orders

Existing operating practice has been to operate all standing orders for the day of the week a holiday falls, with the customer being responsible to call to cancel his/her standing order. A new operating practice would require the customer to reinstate their standing orders on eight major holidays, rather than assume that the standing order is scheduled. Experience indicates that far fewer standing orders are taken on holidays.

Potential Impacts/Savings

The implementation of this new operating practice would save approximately 100 vehicle service hours per holiday. The holidays include New Years Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Friday after Thanksgiving and Christmas Day. This results in an annual savings of \$9,500.

E. ADDITIONAL FUNDING/USE OF FUND BALANCE

1. Seek additional funding from the legislature

The Metropolitan Council could request an additional appropriation for Metro Mobility service when the legislature convenes in January. This may be difficult. Legislators are concerned about Metro Mobility service already and may question the desirability of providing additional funds. Furthermore, it may not be until May, 1995, that the Metropolitan Council would know if the funding request was granted. By this time, deficits would have mounted and service cuts, if necessary to make, would be more severe.

On the other hand, if service is running relatively smoothly and the need can be documented, legislators may be willing to provide additional funding, particularly once they understand the implications for service changes.

2. Rely Upon RTB/Metropolitan Council Fund Balance

Currently, state law, as part of a rider to the 1993 state appropriation for Metro Mobility, limits spending on the program to the legislative appropriation. This limitation expires with the end of the biennium on June 30, 1995. This restriction was also applied in the previous biennium, after the RTB allocated, in its 1991 budget, a portion of the transit district operations property tax to fill a shortfall in the Metro Mobility program. The restriction was established at the request of the MTC, which saw the use of the district operating levy for purposes other than regular route as contrary to its interest.

Metro Mobility Budget Options

June 27, 1994

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If this restriction were removed (or not renewed after its expiration), other funds could be used to reduce the Metro Mobility shortfall, including general fund, regular route, opt-out and rural/small urban. It has been suggested that the metro consolidation might make feasible the maintenance of a smaller overall fund balance for transit than the independent RTB considered prudent. However, the shift of any resources to Metro Mobility would have to identify the source fund, each of which has its own advocates.

Summary of Potential Financial, Program and Implementation Impacts of Metro Mobility Budget Options

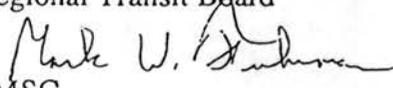
June 27, 1994

Measure	Financial Impact	Program/Implementation Impacts	Timetable
REVENUE GENERATION			
Fare Increase to \$2.00/\$2.50	Additional revenue of \$195,000; service hour reduction of 47,400 equal to \$649,700 annual cost savings	Decrease of 64,000 annual passengers--38,400 in off-peak and 25,600 in peak (7% and 5% decreases); Ridership is generally low-income; fare increase may be difficult for many. May be difficult to sell fare increase until quality of service is stabilized	6-12 months
Agency Reimbursement	To yet be determined	To yet be determined	
COST-EFFECTIVENESS			
Improve Productivity by 10%	\$616,800 annual savings	More rides per hour	6 + months
PROMOTION OF OTHER SERVICES			
Use Taxis/Sedan Service	In short-term, there appear to be no savings because of high short-term rates and need to increase productivity	Users often prefer to sedans when they are able; there may be long-term potential	12+ months
Use of Other Accessible Services	\$252,000 annual savings assuming doubling of accessible regular route and subsequent decline in Metro Mobility use	Ambitious goal; would require extensive promotion	12 months

Measure	Financial Impact	Program/Implementation Impacts	Timeframe
SERVICE CHANGES			
Reduce Passenger Wait Time	\$290,200 annual savings	Doesn't provide passenger with much flexibility; could possibly result in more no-shows	3 months
Increase Ride Time to 120 Minutes	Minimal annual savings	Minimal productivity gains; Potential health issues for some passengers	3 months
Decrease Service Hours to 10:00 p.m./8:00 p.m.	\$143,100 annual savings (10:00 p.m.); \$348,500 annual savings (8:00 p.m.) or less (depending on communities affected)	It may not be possible to reduce service hours in all communities in order to maintain consistency with ADA.	3 months
Decrease Service Area	\$503,000 annual cost savings	Service area could be reduced only in accordance with ADA: this would still mean that several metro communities would not have accessible paratransit service available. Non-ADA service area reduction would result in a decrease of 41,600 annual passenger trips.	3 months
Automatically Cancel Holiday Standing Orders	\$9,500 annual savings	May result in initial confusion	3 months
ADDITIONAL FUNDING			
Request Additional Funding from Legislature	Amount to be requested would have to be determined	Service quality and levels would be maintained	May 1993 unless emergency appropriation
Fund Balance	Amount to be used would have to be determined.	Service quality and levels would be maintained	As soon as spending cap is lifted.

REGIONAL TRANSIT BOARD

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

DATE: June 17, 1994
TO: Chair and Members of the Regional Transit Board
FROM: Mark W. Fuhrmann 
Acting General Manager, MMSC
SUBJECT: Metro Mobility Provider Contract Amendments

SUMMARY

This memorandum recommends approval of Metro Mobility provider contract amendments with Mayflower Contract Services, Inc., Metro Ride, Inc., and Handicabs, Inc. to include new responsibilities of reservation taking, scheduling and dispatching for Metro Mobility.

BACKGROUND

ATE Management and Services Company, Inc., in its role as Metro Mobility System Coordinator, issued a Request for Proposals for provision of Metro Mobility service on May 28, 1993. Proposals were received July 14, 1993. Mayflower Contract Services, Inc. provider contract was executed with ATE and RTB September 2, 1993. After a bid protest, a contract was executed with Metro Ride, Inc., ATE and RTB on January 1, 1994 and executed with Handicabs, Inc., ATE and RTB also on January 1, 1994. Effective July 4, 1994, ATE will no longer be a party to the provider contracts as its services under contract to RTB will be terminated.

The Regional Transit Board approved the service concept for improving Metro Mobility service on March 28, 1994 by assigning a specific geographic service area and reservation, scheduling and dispatching functions directly to each of the three providers. During April and early May, the Regional Transit Board approved letter agreements with each provider to fund their start-up activities to prepare for their new responsibilities.

RTB staff has been renegotiating each provider contract to reflect their new responsibilities and associated costs.

The incremental cost increase for each provider is shown below.

<u>Provider</u>	<u>Remainder of:</u>			
	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>
Mayflower	\$390,214	\$1,455,257	\$1,503,304	\$1,553,049
Metro Ride	321,385	795,204	843,330	503,951
Handicabs	59,762	113,367	114,552	67,548
Total	\$771,361	\$2,363,828	\$2,461,186	\$2,124,548

The majority of the additional costs are due to additional labor expenses for reservationists who will schedule passenger trips onto routes as they have the person on the phone, dispatchers and support staff. Additional operating expenses are primarily related to computer maintenance and support, telephone expenses and insurance.

The new contracts do set forth a number of performance goals for each provider. Each performance criteria will be measured for each provider each month for the next six months. Some goals may be adjusted based on actual results as each provider's service area will have its own operating characteristics. Performance bonuses and liquidated damages will be assessed against each performance goal effective January 1, 1995.

ALTERNATIVES

The primary alternatives to the semi-centralized Metro Mobility system are either fully centralized, as was attempted with ATE functioning as the system coordinator, or a fully decentralized system where each provider operates without accountability to the funding agency. Neither of these alternatives are feasible at this time.

RECOMMENDATION

That the Regional Transit Board approve:

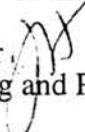
- A contract amendment with Mayflower Contract Services, Inc., in amounts not to exceed \$390,214 for the one-quarter year remaining in year one, \$1,455,257 for year two, \$1,503,304 for year three, and \$1,553,049 for year four ending September 30, 1997.
- A contract amendment with Metro Ride, Inc. in amounts not to exceed \$321,385 for the time remaining in year one, \$795,204 for year two, \$843,330 for year three, and \$503,951 for year four ending June 30, 1997.
- A contract amendment with Handicabs, Inc. in amounts not to exceed \$59,762 for the time remaining in year one, \$113,367 for year two, \$114,552 for year three, and \$67,548 for year four ending June 30, 1997.

REGIONAL TRANSIT BOARD

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

DATE: June 24, 1994

TO: Chair and Members of the Regional Transit Board

FROM: Judith G. Hollander, 
Director of Planning and Programs

SUBJECT: Metro Mobility Contingency Plan for Dealing with Service Interruptions

Attached is a draft copy of the Metro Mobility Contingency Plan for Dealing with Service Interruptions. Based on comments from the board/Council, and primary stakeholders, we will finalize this document early next week in order to be ready for the July 4 restructuring.

DRAFT
6/24/94

Contingency Plan
for dealing with
Metro Mobility Service Interruptions

PURPOSE OF PLAN

Providing continuous, reliable Metro Mobility service is a key objective of the Regional Transit Board. This is critical--not only during times of transition such as the restructuring that will take place on July 4, 1994--but on an ongoing basis. The purpose of this plan is to outline actions that could be taken that may minimize service disruption and/or provide alternatives for those who rely on Metro Mobility service for their transportation.

APPROACH/PHILOSOPHY

In the event of major service interruption, the Regional Transit Board/Metropolitan Council will take a number of steps to respond to the situation. In doing so, actions will be taken consistent with these two key guiding principles:

- Safety of Metro Mobility passengers and personnel is a critical consideration.
- All efforts will be made to maximize the number of trips that can be provided within whatever constraints exist; however, it is recognized that under severe circumstances, it may not be possible to provide all trips requested.

RTB/Metropolitan Council will also make efforts to ensure that if service is limited, those with life-threatening needs receive service, and that actions taken are consistent with the Americans with Disabilities Act. The cost of alternative measures also needs to be considered, particularly depending upon the nature and potential duration of the emergency.

WHEN IS THE CONTINGENCY PLAN IMPLEMENTED?

Each day, in paratransit operations, a number of service issues can occur--a high number of vehicles are malfunctioning, a major snowstorm interferes with the ability to provide service, etc. Typically, the Manager of the Metro Mobility Service Center would be expected to deal with these daily emergencies in conjunction with the three providers. A contingency plan, involving senior level managers and policymakers, and setting into motion more significant measures, would be implemented only in more severe circumstances. In attempting to define when

contingency plan measures would be implemented, these general categories have been developed:

- Level 1 Emergency:** A level 1 emergency would be called when at least 10% of the service is affected. This could mean, for example, that at least 10% of the rides being provided are late (outside of the window), ride times are over 90 minutes or that the trips are not being provided. When a level 1 emergency occurs, it would be expected that the Metro Mobility Service Center Manager would make efforts to resolve the situation, but would alert RTB senior managers of the situation.
- Level 2 Emergency** A level 2 emergency would be called when 15-20% of the service is affected. At this stage, the manager would call the emergency management team together and some alternative measures would be initiated.
- Level 3 Emergency** A level 3 emergency would be called when greater than 20% of the service is affected. The emergency management team would meet immediately; all possible alternative measures would be implemented.

POSSIBLE CIRCUMSTANCES

There are a variety of circumstances that could occur that may affect service. General categories are described below:

- **Shortage of Driver Labor**

A shortage of driver labor can result in an extremely challenging situation, not unlike what occurred in October, 1993. This is a very vulnerable area in paratransit operations because the turnover of drivers is extremely high, particularly during certain times of the year, i.e., fall. A shortage of driver labor if labor force planning is inadequate, if turnover is suddenly very high and or if there is a work stoppage or slowdown.

Drivers must be certified according to the Special Transportation Service (STS) rules and must receive some training before they are allowed to drive.

- **Shortage of Vehicles**

A shortage of vehicles might occur if there are multiple maintenance problems or, in an extreme situation, if vehicles are destroyed in some manner (fire, etc.) The vehicles dedicated to Metro Mobility service are specially equipped with wheelchair lifts and tie-downs.

- **Computer Difficulties**

A multitude of issues could possibly occur related to the computer system. These issues range from software difficulties to inoperable hardware.

- **Telephone Difficulties**

Phones can be overloaded with calls, circuitry can be overloaded or natural disasters can affect the operability of the phone system (e.g. lightning)

- **Fuel Crisis**
- **Weather Emergency**

Weather can impair the ability to provide service, particularly during the winter months.

Alternative Measures

- **Shifting Vehicles Among Providers**

Depending upon demand and availability of vehicles, vehicles and drivers can be shifted among providers. This has already been done during the start-up period this past summer. The effectiveness of doing this will really depend upon the nature of the emergency. For example, Mayflower provides 50% of the service, Metro Ride 33% and Handicabs 16 %. It would be expected that only about ___% of the service could be replaced by one of the other existing providers (add specifics)

- **Leasing Vehicles**

Leasing vehicles may be possible; however in the Summer of 1993, this proved to be an extraordinarily difficult task. There simply weren't an adequate number of excess lift-equipped vehicles available, even if the drivers had been available. (need inventory)

- **Leasing Drivers**

Metro Mobility drivers must be STS certified. It might be possible to send out an alert throughout the State of Minnesota for drivers who are STS certified. The listing of drivers and organizations would be available from the Minnesota Department of Transportation. It is not clear that this effort would yield many drivers, especially those familiar with Metro Mobility service.

- **Supplemental Providers**

In both the summer and fall of 1993, the RTB contracted with supplemental providers to operate Metro Mobility service. Taxicab companies were utilized as were small providers who operated lift-equipped service. This may be possible again. These providers have been contacted to determine if they may be able to provide supplemental service in the event of an emergency: It is estimated that approximately ___rides could be provided by these ___providers in an emergency situation.

- **Trip Prioritization**

In the event that some Metro Mobility service is able to operate in an emergency situation, the RTB/Metro Council may want to consider prioritizing trips. This could be done by trip purpose, geographic location and/or by hours.

Although prioritizing trips by purpose may not be consistent with the intent of federal or state law, the policy bodies may determine this is necessary in an emergency. For example, in October 1993, medical trips were considered first priority during the first couple of days of service; standing order trips were then provided during the second week and all trip requests were granted during the third week. This measure would be very controversial.

Alternatively, although not affecting nearly as many trips, trips could be prioritized according to ADA parameters, i.e., not providing trips in the non-ADA core areas, hours, etc.

DECISION-MAKING PROCESS

1. Assess situation (Jacobson, Fuhrmann, Hollander, Andrews, Evert)
2. Call together crisis management team within 24 hours (Jacobson, Fuhrmann, Hollander, Andrews, Evert, Hanson, Blin, Ulrich, LaShomb, Metro Council representatives)
3. Inform policymakers and key stakeholders within 48 hours including Krogstad, Walsh, Strom.
3. Develop and implement appropriate course of action within 48 hours.
4. Develop messages and implement communications plan within 48 hours.
5. Appoint spokesperson within 24 hours.

In the event of an emergency, members of the Regional Transit Board/Metro Council would be contacted by their respective executive directors. A special meeting may need to be called. In the event of a proposed provider settlement regarding a labor dispute or any other action that would ultimately impact the contract arrangements between the RTB and the providers, the policy boards would be involved in approvals.

The Manager of the Metro Mobility Service Center has the discretion to take emergency actions within the policy parameters established by the board.

COMMUNICATIONS

In the event of an emergency, an all-out effort would be made to contact Metro Mobility customers and agencies whose clients use Metro Mobility.

Other key individuals and organizations to be contacted include:

- Law enforcement agencies
- Legislators
- Local elected officials
- Employees
- Media
- Providers

Communication steps:

1. Determine messages by audience
2. Determine appropriate channels of communication for each audience.
 - a. press releases
 - b. letters--mailed/faxed
 - c. personal visits
 - d. telephone calls
 - e. general meetings
 - f. advertising
 - g. inter-office memos
 - h. news conferences
3. Determine who is responsible for each audience and through what means.
4. Prioritize communications
5. Ensure two-way communication (make sure that audiences have a way to communicate back to RTB/Metropolitan Council)
6. Establish a mechanism to collect information from audiences

Media Policy

The RTB is open, honest and proactive with the media in crisis situations. The media is an effective tool that can be used to quickly communicate to a broad audience.

The primary spokesperson will be determined by the nature and extent of the crisis as well as their expertise in certain areas. A number of RTB staff have participated in an intense media training program and are skilled in working with the media.

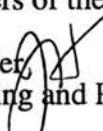
The RTB's Public Information Office (Suzanne Hanson--lead) will act as the agency gatekeeper and will be the main source between the media and the spokesperson(s). The gatekeeper will manage the information flow and ensure the right information reaches the appropriate target in a timely manner. The gatekeeper will also monitor the flow of internal and external communication to ensure a consistent message with one voice.

REGIONAL TRANSIT BOARD

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

DATE: June 24, 1994

TO: Chair and Members of the Regional Transit Board

FROM: Judith G. Hollander, 
Director of Planning and Programs

SUBJECT: Attached Memorandum Regarding Metro Mobility Budget Options

Attached is a copy of a memorandum outlining the budget options currently being analyzed for the Metro Mobility program. This memorandum was distributed at the Metro Council's Transportation Committee last Wednesday. A more detailed memorandum, including estimated cost savings and program impacts, is being prepared over the weekend and will be available Monday.

If you have any questions regarding this material, please feel free to call me.

REGIONAL TRANSIT BOARD

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

DATE: June 22, 1994
TO: Members of the Metropolitan Council Transportation Committee
FROM: Judith G. Hollander, Director of Planning and Programs
SUBJECT: Metro Mobility Budget Options

Summary

The purpose of this memorandum is to outline the budget options currently being analyzed for the Metro Mobility program.

Discussion

There is currently a shortfall in the Metro Mobility budget. This is a dilemma, not simply because it is difficult to obtain additional funding, but because there are legislative limits to Metro Mobility spending at the same time that there are federal mandates regarding the provision of paratransit service to persons with disabilities. It is important to note that the Metro Mobility program has run at a deficit for the last few years and the RTB, historically, has taken a variety of steps to overcome this problem.

This memorandum outlines the range of options that may be available to the Regional Transit Board, and ultimately the Metropolitan Council, in dealing with this shortfall. A wide range of options has been listed; not all would be desirable changes, but have been included here to give a sense of the program and financial impacts of selecting various strategies.

These options have been categorized in five areas:

- Revenue Generation
- Cost-Effectiveness
- Promotion of Other Services
- Service Changes
- Additional Funding

A. REVENUE GENERATION

Other than obtaining additional funding, there are a couple of ways in which additional revenue might be generated for the Metro Mobility program.

1. Fare Increase

Currently, Metro Mobility fares are \$1.75 for a non-peak trip and \$2.20 for a peak hour trip. Federal law allows paratransit fares for disabled persons to be no more than twice that of the regular route transit fare. Currently regular route fares are:

	Peak	Non-Peak
Local service	\$1.25	\$1.00
Express service	\$1.75	\$1.50

Metro Mobility fares were not increased the last time that regular route fares were, in December, 1993, largely because the quality of the service was poor at that time. Furthermore, RTB research indicates that Metro Mobility users, as a group, earn low-income, in 1990 a survey indicated that a majority of users earned less than \$10,000 per year.

Metro Mobility fares were last increased in July, 1991. At that time, ridership decreased by 18% decrease.

If fares were increased to twice that of regular route transit, fares would be \$2.50 in the peak hours and \$2.00 during non-peak. Another fare increase would result in ridership decreases, thus allowing service hours to be reduced.

2. Agency Reimbursement

A number of agencies serving persons with disabilities use Metro Mobility service. Some agencies have arrangements whereby they use vehicles outside of the 150 bus fleet. Others regularly schedule trips for their clients on the Metro Mobility fleet.

State law allows full cost reimbursement to the Metro Mobility program for agencies' use of the service. Currently, reimbursement is being captured only by Opportunity Workshop in Minnetonka. Others have arrangements and their rates have been negotiated to reflect this reimbursement.

A review of current agency usage is underway. Whether or not there is the opportunity for capturing additional revenue is unclear at this point, but information will be available within the next couple of weeks.

B. COST-EFFECTIVENESS

1. Improve Productivity

Currently, the average number of passengers carried per hour on Metro Mobility is about 1.3-1.5 on the 150 bus fleet and 1.8 overall, including the agency trips. This compares to the RTB's original goal of 2.5 passengers per hour within six months. It is increasingly clear that the original productivity goal may not be obtainable at this time. However, it is our goal to increase productivity within six months of July 4, 1994. This would result in a reduction of service hours with an associated savings.

C. PROMOTION OF OTHER SERVICES

1. Explore the use of taxis and/or other sedan vehicles to provide supplemental service

When the attempt to centralize the Metro Mobility system was made and a new fleet of vehicles was purchased in October, 1993, it was determined that taxi vehicles would not be utilized. Largely, this was done in an effort to maximize the productivity of the 150-bus fleet.

Now, however, that three separate service areas have been developed and some users have expressed a desire for sedans. It may be possible to use sedan vehicles at a lower rate of reimbursement because of the lower capital cost of the vehicles. In addition to eliminating the potential of replacing the entire fleet of 150 vehicles in four years, the introduction of sedan vehicles into the provider bus fleet would extend the service life of the 150-vehicle fleet. This option is currently being explored.

2. Promote the use of other accessible services

Currently, 130 accessible buses are being used in MTC regular route service over 21 routes. Promotion of this service has not really taken place since 1991. The fare for using this service is 25 cents. Development of a marketing campaign is being considered that will inform riders about these accessible routes and encourage them to use them either as an alternative to Metro Mobility or to use Metro Mobility only as a means to access one of these routes. Daily ridership, using the lifts, on these buses average 75-100 rides. While a promotion may not result in large increases or shifts from Metro Mobility, the subsidy of carrying a passenger on accessible regular route transit service is \$2.60 subsidy per passenger compared to about a \$11.50 subsidy per passenger on Metro Mobility.

Additionally, there are 65 other accessible buses operated on 8 transit programs in the region in the form of community and county-based services. An inventory of these services is currently being conducted. A promotion of these services, as long as they have additional capacity, is also being considered.

3. Explore other accessible bus options

In other metropolitan areas, some innovative accessible bus options are being demonstrated including "call-a-bus". These programs allow disabled people to call the bus company to let them know when/where they will need an accessible bus on the regular route system.

Staff is currently investigating how these services are being provided and at what cost to determine if there might be the possibility of deploying similar service in the Twin Cities as an option to Metro Mobility.

D. SERVICE CHANGES

1. Eliminate 5-minute wait time when picking up passengers

This would result in a savings of 166 hours/weekday

2. Extend 90-minute ride time to 110-120 minutes

This would result in a savings because productivity could be increased, thus resulting in fewer service hours. This would not likely be an acceptable solution for riders, especially those for whom long riding times are extremely difficult.

3. Decrease service hours to 8:00 p.m. or 10:00 p.m.

Currently, Metro Mobility service is available throughout its service area between 6 a.m. and 1:00 a.m. A reduction in the number of service hours would result in cost savings.

4. Decrease the size of the service area

The Metro Mobility service area exceeds that required by ADA, largely because there are not paratransit services available in several communities. Contracting the service area would result in cost savings.

5. Automatically cancel holiday standing orders

Users will now be required to reinstate standing orders on eight major holidays, rather than assume that the standing order is scheduled. Experience indicates that far fewer standing orders are taken on holidays.

E. ADDITIONAL FUNDING/USE OF FUND BALANCE

1. Seek additional funding from the legislature

The Metropolitan Council could request an additional appropriation for Metro Mobility service when the legislature convenes in January. This may be difficult. Legislators are concerned about Metro Mobility service already and may question the desirability of providing additional funds. Furthermore, it may not be until May, 1995, that the Metropolitan Council would know if the funding request was granted. By this time, deficits would have mounted and service cuts, if necessary to make, would be more severe.

On the other hand, if service is running relatively smoothly and the need can be documented, legislators may be willing to provide additional funding, particularly once they understand the implications for service changes.

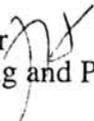
2. Rely RTB/Metropolitan Council Fund Balance

Currently, state law sets forth a funding cap on the Metro Mobility program. This was done when the RTB used some of its fund balance to make up a shortfall at that time. One option would be for the Metropolitan Council to request the legislature to remove this cap and allow the agency to use its fund balance to make up the shortfall. This would be possible largely because of the agency consolidation underway since RTB would not need to maintain its separate, existing fund balance.

A more complete memorandum detailing these ideas will be presented to the Regional Transit Board on June 27, 1994.

REGIONAL TRANSIT BOARD

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

DATE: June 24, 1994
TO: Chair and Members of the Regional Transit Board
FROM: Judith G. Hollander 
Director of Planning and Programs
SUBJECT: Metro Mobility Budget Projections: 1994-1995

Summary

This memorandum outlines the budget projections for the Metro Mobility program in 1994 and the first half of 1995. Projections are based on information included in memoranda presented to the board on June 20, 1994, related to provider contract amendments and the Metro Mobility service coordination budget.

Discussion

The cost of providing Metro Mobility service is currently higher than the budget available in 1994 and the first half of 1995. The reasons for this shortfall are several:

- Productivity goals were not achieved between October, 1993 and present.
- Additional start-up expenses are necessary in order to transition to the semi-centralized system
- Negotiations with providers to assume the functions of reservations, scheduling and dispatching have resulted in higher than projected costs largely because of additional staffing. High staffing levels have been employed in an effort to ensure a smooth transition.
- The RTB has assumed the functions of the Metro Mobility service coordination; this has resulted in higher salaries than those paid by ATE and staffing levels that would ensure high quality service provision.

A couple of weeks ago, a budget projection was developed. It was estimated that the Metro Mobility budget shortfall at the end of 1994 would be \$3.5 million and by the end of 1995 would be \$4.0 million. Once the capital equipment costs were spread across the term of the contract rather than attributed to only the first year, this shortfall was estimated to be \$2.2 million for 1994 and \$3.0 million by the end of 1995

Since those earlier budget projections were developed, more precise financial information has become available. It is now estimated that by the end of 1994 the shortfall for the Metro Mobility program will be \$ 2.32 million and that by the end of the 1995 this number will increase to a total of \$4.18 million.

Metro Mobility Budget Projections
June 24, 1994
Page 2

It should be noted that the Metro Mobility program has been operating at a deficit for some time. However, based on the most current estimates, the total program cost would outspend its biennial appropriation, for the period ending June 30, 1995, by late April, 1995.

The attached table shows that budget projections for the different elements of the Metro Mobility budget in six month segments to allow for comparison to state fiscal year.

REGIONAL TRANSIT BOARD
METRO MOBILITY BIENNIAL COST PROJECTIONS
1994-1995 BIENNIUM

	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	BIENNIAL TOTAL	RTB CALENDAR YEAR TOTALS	
	1993 Actual	1994 Estimated	1994 Estimated	1995 Estimated		Jan-Dec 1994 Estimated	Jan-Dec 1995 Estimated
REVENUE-							
State Appropriations	\$6,900,000	\$6,900,000	\$7,737,000	\$7,737,000	\$29,274,000	\$14,637,000	\$15,474,000
DAC Revenue/OP Shop	\$184,953	\$0	\$378,000	\$378,000	\$940,953	\$378,000	\$756,000
Fuel Tax Refund/Misc	\$0	\$0	\$100,000	\$70,000	\$170,000	\$100,000	\$140,000
Total	\$7,084,953	\$6,900,000	\$8,215,000	\$8,185,000	\$30,384,953	\$15,115,000	\$16,370,000
EXPENDITURES-							
MMSC	\$814,645	\$895,167	\$478,837	\$478,837	\$2,667,486	\$1,374,004	\$957,674
Service	\$4,842,016	\$5,916,466	\$6,294,466	\$6,294,466	\$23,347,414	\$12,210,932	\$12,588,932
Vehicle	\$517,938	\$1,036,022	\$1,015,800	\$1,015,800	\$3,585,560	\$2,051,822	\$2,031,600
Reservation & Dispatch	\$0	\$0	\$1,749,019	\$1,189,974	\$2,938,993	\$1,749,019	\$2,379,948
Asset Depreciation	\$37,885	\$75,770	\$135,570	\$135,570	\$384,795	\$211,340	\$271,140
Total	\$6,212,484	\$7,923,425	\$9,673,692	\$9,114,647	\$32,924,248	\$17,597,117	\$18,229,294
Excess/(Deficiency)							
Revenue Over Expenditure	\$872,469	(\$1,023,425)	(\$1,458,692)	(\$929,647)	(\$2,539,295)	(\$2,482,117)	(\$1,859,294)
Beginning Fund Balance	(\$712,128)	\$160,341	(\$863,084)	(\$2,321,776)	(\$712,128)	\$160,341	(\$2,321,776)
Ending Fund Balance	\$160,341	(\$863,084)	(\$2,321,776)	(\$3,251,423)	(\$3,251,423)	(\$2,321,776)	(\$4,181,070)

Note: 1994 expenditures include \$538,000 of one-time transition costs not subject to depreciation.
State appropriation for second half of calendar year 1995 assumes same level of funding as fiscal year '95.
Fixed assets acquired in 1994 depreciated over five year, straight line life.



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

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 Fifth Street, St. Paul, Minnesota 55101
292-8789

OK'd

DATE: June 15, 1994
TO: Chair and Members of the Regional Transit Board
FROM: Mark Fuhrmann, Manager of Programs
Judith Hollander, Director of Planning and Programs
SUBJECT: Amendment to 1994 Regional Transit Board Budget--Inclusion of
Metro Mobility Service Center Functions

Summary

The purpose of this memorandum is to present a project budget and description for the Metro Mobility Service Center functions that will be conducted by the RTB. Board approval to amend the 1994 RTB budget is requested.

Discussion

In the board approved 1994 RTB budget, it was anticipated that the functions of the Metro Mobility Service Center would be contracted out to ATE, and, thus, the costs of conducting these functions appeared as a single budget line item. Now that the RTB has agreed to perform these functions, a budget amendment is necessary to recognize personnel and authorized expenditures.

Attached is a work program budget to be included in the 1994 amended RTB budget .

Alternatives

There are no viable alternatives at this time given ATE's scheduled departure on July 4, 1994. Efforts have been made to minimize costs and yet ensure adequate resources to coordinate service effectively.

Action Requested

That the Regional Transit Board amend its 1994 budget to include the Metro Mobility Service Center as a work program.

Metro Mobility Service Coordination
 Work Program Budget

Staff Complement	Number	1994 Budget (July-December)
General Manager	1	1040
Assistant General Manager	1	1040
Administrative Assistant/Office Manager	1	1040
Administrative Assistant/Bookkeeper	1	1040
Provider Coordinator Manager	1	1040
Provider Liaisons	3	3120
Maintenance Officer	1	1040
MIS Manager	1	1040
Customer Service Coordinator	1	1040
Customer Service Representatives	3	3120
Customer Svc. Rep./Receptionist	1	1040
TOTAL	15	15600

Assumptions: July-December employment; doesn't recognize June hours; based on 2080 annual hours; doesn't recognize that Fuhrmann and Jacobson hours won't be charged to project.

Expenditures

Salaries & Benefits	\$274,729	
Consulting	1,500	\1
Professional Services	51,500	\2
Travel--Local	19,000	\3
Materials & Supplies	125,000	\4
Occupancy/Telephone	55,000	\5
Equipment Rental/Maintenance	40,000	\6
Total	\$566,729	

Expenditure Detail

\1 Consulting

- Mediation Center--customer service training

\2 Professional Services

- Driver training (\$12,500)
- Mediation Center--ombudsman services (\$39,000)

\3 Travel--Local

- Mileage and Parking

\4 Materials & Supplies

- Office Supplies
- On-Line Data
- Office Furniture

\5 Occupancy & Telephone

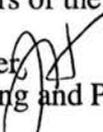
- Lease
- Telephone

REGIONAL TRANSIT BOARD

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

DATE: June 24, 1994

TO: Chair and Members of the Regional Transit Board

FROM: Judith G. Hollander, 
Director of Planning and Programs

SUBJECT: Attached Memorandum Regarding Metro Mobility Budget Options

Attached is a copy of a memorandum outlining the budget options currently being analyzed for the Metro Mobility program. This memorandum was distributed at the Metro Council's Transportation Committee last Wednesday. A more detailed memorandum, including estimated cost savings and program impacts, is being prepared over the weekend and will be available Monday.

If you have any questions regarding this material, please feel free to call me.

REGIONAL TRANSIT BOARD

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

DATE: June 22, 1994
TO: Members of the Metropolitan Council Transportation Committee
FROM: Judith G. Hollander, Director of Planning and Programs
SUBJECT: Metro Mobility Budget Options

Summary

The purpose of this memorandum is to outline the budget options currently being analyzed for the Metro Mobility program.

Discussion

There is currently a shortfall in the Metro Mobility budget. This is a dilemma, not simply because it is difficult to obtain additional funding, but because there are legislative limits to Metro Mobility spending at the same time that there are federal mandates regarding the provision of paratransit service to persons with disabilities. It is important to note that the Metro Mobility program has run at a deficit for the last few years and the RTB, historically, has taken a variety of steps to overcome this problem.

This memorandum outlines the range of options that may be available to the Regional Transit Board, and ultimately the Metropolitan Council, in dealing with this shortfall. A wide range of options has been listed; not all would be desirable changes, but have been included here to give a sense of the program and financial impacts of selecting various strategies.

These options have been categorized in five areas:

- Revenue Generation
- Cost-Effectiveness
- Promotion of Other Services
- Service Changes
- Additional Funding

A. REVENUE GENERATION

Other than obtaining additional funding, there are a couple of ways in which additional revenue might be generated for the Metro Mobility program.

1. Fare Increase

Currently, Metro Mobility fares are \$1.75 for a non-peak trip and \$2.20 for a peak hour trip. Federal law allows paratransit fares for disabled persons to be no more than twice that of the regular route transit fare. Currently regular route fares are:

	Peak	Non-Peak
Local service	\$1.25	\$1.00
Express service	\$1.75	\$1.50

Metro Mobility fares were not increased the last time that regular route fares were, in December, 1993, largely because the quality of the service was poor at that time. Furthermore, RTB research indicates that Metro Mobility users, as a group, earn low-income, in 1990 a survey indicated that a majority of users earned less than \$10,000 per year.

Metro Mobility fares were last increased in July, 1991. At that time, ridership decreased by 18% decrease.

If fares were increased to twice that of regular route transit, fares would be \$2.50 in the peak hours and \$2.00 during non-peak. Another fare increase would result in ridership decreases, thus allowing service hours to be reduced.

2. Agency Reimbursement

A number of agencies serving persons with disabilities use Metro Mobility service. Some agencies have arrangements whereby they use vehicles outside of the 150 bus fleet. Others regularly schedule trips for their clients on the Metro Mobility fleet.

State law allows full cost reimbursement to the Metro Mobility program for agencies' use of the service. Currently, reimbursement is being captured only by Opportunity Workshop in Minnetonka. Others have arrangements and their rates have been negotiated to reflect this reimbursement.

A review of current agency usage is underway. Whether or not there is the opportunity for capturing additional revenue is unclear at this point, but information will be available within the next couple of weeks.

B. COST-EFFECTIVENESS

1. Improve Productivity

Currently, the average number of passengers carried per hour on Metro Mobility is about 1.3-1.5 on the 150 bus fleet and 1.8 overall, including the agency trips. This compares to the RTB's original goal of 2.5 passengers per hour within six months. It is increasingly clear that the original productivity goal may not be obtainable at this time. However, it is our goal to increase productivity within six months of July 4, 1994. This would result in a reduction of service hours with an associated savings.

C. PROMOTION OF OTHER SERVICES

1. Explore the use of taxis and/or other sedan vehicles to provide supplemental service

When the attempt to centralize the Metro Mobility system was made and a new fleet of vehicles was purchased in October, 1993, it was determined that taxi vehicles would not be utilized. Largely, this was done in an effort to maximize the productivity of the 150-bus fleet.

Now, however, that three separate service areas have been developed and some users have expressed a desire for sedans. It may be possible to use sedan vehicles at a lower rate of reimbursement because of the lower capital cost of the vehicles. In addition to eliminating the potential of replacing the entire fleet of 150 vehicles in four years, the introduction of sedan vehicles into the provider bus fleet would extend the service life of the 150-vehicle fleet. This option is currently being explored.

2. Promote the use of other accessible services

Currently, 130 accessible buses are being used in MTC regular route service over 21 routes. Promotion of this service has not really taken place since 1991. The fare for using this service is 25 cents. Development of a marketing campaign is being considered that will inform riders about these accessible routes and encourage them to use them either as an alternative to Metro Mobility or to use Metro Mobility only as a means to access one of these routes. Daily ridership, using the lifts, on these buses average 75-100 rides. While a promotion may not result in large increases or shifts from Metro Mobility, the subsidy of carrying a passenger on accessible regular route transit service is \$2.60 subsidy per passenger compared to about a \$11.50 subsidy per passenger on Metro Mobility.

Additionally, there are 65 other accessible buses operated on 8 transit programs in the region in the form of community and county-based services. An inventory of these services is currently being conducted. A promotion of these services, as long as they have additional capacity, is also being considered.

3. Explore other accessible bus options

In other metropolitan areas, some innovative accessible bus options are being demonstrated including "call-a-bus". These programs allow disabled people to call the bus company to let them know when/where they will need an accessible bus on the regular route system.

Staff is currently investigating how these services are being provided and at what cost to determine if there might be the possibility of deploying similar service in the Twin Cities as an option to Metro Mobility.

D. SERVICE CHANGES

1. Eliminate 5-minute wait time when picking up passengers

This would result in a savings of 166 hours/weekday

2. Extend 90-minute ride time to 110-120 minutes

This would result in a savings because productivity could be increased, thus resulting in fewer service hours. This would not likely be an acceptable solution for riders, especially those for whom long riding times are extremely difficult.

3. Decrease service hours to 8:00 p.m. or 10:00 p.m.

Currently, Metro Mobility service is available throughout its service area between 6 a.m. and 1:00 a.m. A reduction in the number of service hours would result in cost savings.

4. Decrease the size of the service area

The Metro Mobility service area exceeds that required by ADA, largely because there are not paratransit services available in several communities. Contracting the service area would result in cost savings.

5. Automatically cancel holiday standing orders

Users will now be required to reinstate standing orders on eight major holidays, rather than assume that the standing order is scheduled. Experience indicates that far fewer standing orders are taken on holidays.

E. ADDITIONAL FUNDING/USE OF FUND BALANCE

1. Seek additional funding from the legislature

The Metropolitan Council could request an additional appropriation for Metro Mobility service when the legislature convenes in January. This may be difficult. Legislators are concerned about Metro Mobility service already and may question the desirability of providing additional funds. Furthermore, it may not be until May, 1995, that the Metropolitan Council would know if the funding request was granted. By this time, deficits would have mounted and service cuts, if necessary to make, would be more severe.

On the other hand, if service is running relatively smoothly and the need can be documented, legislators may be willing to provide additional funding, particularly once they understand the implications for service changes.

2. Rely RTB/Metropolitan Council Fund Balance

Currently, state law sets forth a funding cap on the Metro Mobility program. This was done when the RTB used some of its fund balance to make up a shortfall at that time. One option would be for the Metropolitan Council to request the legislature to remove this cap and allow the agency to use its fund balance to make up the shortfall. This would be possible largely because of the agency consolidation underway since RTB would not need to maintain its separate, existing fund balance.

A more complete memorandum detailing these ideas will be presented to the Regional Transit Board on June 27, 1994.

Excerpt from Korstad's remarks at 6/27 board meeting

Korstad said there are a number of options in implementing ADA, but we must remember regulations allow communities to phase in compliance in accordance with a planning exercise. We cannot readily step backwards once service is at a particular performance level. There are state constraints as well. We must be careful not to discriminate. ^{in violation of the Human rights act} There is ~~a broader amount of~~ flexibility in recognizing Human Rights and ADA requirements to provide complementary service to MTC. It is not designed ^{to serve the medical assistance community as it currently exists.} ~~to serve the medical assistance community as it currently exists.~~

as a separate social service transportation program, but is a component of equal access to ~~regular existing~~ regular route transit. This service is required only for those who would be on the regular route bus, but for disability considerations.