

MINNESOTA VALLEY TRANSIT AUTHORITY
Regular Board Meeting
April 18, 2007 – 4:30 p.m.
Eagan Bus Garage

Board Members Present:

Meg Tilley, Eagan
William Droste, Rosemount
Ruth Grendahl, Apple Valley
Margaret Schreiner, At Large
Jane Victorey, Savage
Jon Ulrich, Scott County

Others Present:

Beverley Miller, Executive Director
Lois Spear, Finance Officer
Barb Ross, Best & Flanagan
Tom Knier, Laidlaw Transit
Robin Selvig, Customer Relations Manager
Wally Lyslo, At Large Alternate
Brian McDaniel, Metropolitan Council
Arlene McCarthy, Metropolitan Council
Sandy Hewitt, City of Plymouth
Tom Bright, Facilities Manager
Samantha Porter, Operations Manager
Connie Massengale, Schmitt & Sons
Glenn Boden, Fleet Maint. Manager
Tom Pepper, Eagan TWG
Andy Sandstrom, Schmitt & Sons
Jay Young, Schmitt & Sons
Cedric McCampbel, Laidlaw Transit
Bruce Morros, Laidlaw Transit
James Clark, Messerli & Kramer

I. Call to Order

The meeting was called to order by Chair Jon Ulrich.

II. Public Comments

There were no comments from the public.

III. Approval of Agenda

Motion by Meg Tilley and seconded by Margaret Schreiner` to approve the agenda.
Motion carried.

IV. Consent Agenda

Motion by Margaret Schreiner and seconded by Meg Tilley to approve the Consent Agenda. Motion carried. Resolutions adopted as part of the Consent Agenda are attached to these minutes.

V. New Business

A. Discussion with Met Council Representatives

The focus of the meeting was to discuss issues and concerns of the MVTA with our Met Council representatives. Brian McDaniel was in attendance, but Dan Wolter was not able to attend due to an emergency at the University of Minnesota, where he is employed. The MVTA was also advised that Jules Smith was not going to re-apply for his position on the Council.

MVTA Planner Michael Abegg started the presentation with some background about the involvement of the Suburban Transit Providers, and the role they have provided in their local communities as well as in the region. He touched on several specific issues of concern to the MVTA, where we have looked to the Metro Council for leadership and have found it lacking: An accessibility policy, the fare collection system and fleet procurement.

The presentation continued with MVTA Finance Officer Lois Spear speaking about financial issues and providing some background as well as a snapshot on the MVTA's financial situation. Even with the passage of the MVST amendment, the MVTA will be in a significant deficit position unless we receive new or additional monies by 2008 and 2009. This is based on the Governor's recommendation that 2007 deficits due to the MVST forecast shortfalls be filled with MVST revenues from leased vehicles. Concern was expressed, however, about the fact that for the first time, MVST funds would be used to supplement Metro Mobility and the Hiawatha Light Rail line.

James Clark of Messerli & Kramer, representing the Suburban Transit Association (STA), provided an overview of the transportation bills in both the House and Senate. A variety of tax and fee increases are proposed to pump new funding into the transit and transportation system. However, both bills, as they are currently written, are subject to veto by the Governor, so there is little information about what will eventually come out of the session.

There were several exchanges between Ms. McCarthy and MVTA Finance Officer Lois Spear. The first was in regard to the Long-Range Plan for Metropolitan Transit Share of Additional Motor Vehicle Sales Tax (MVST) Revenue being updated after the November 2006 MVST forecast was announced (it wasn't, according to Ms. McCarthy, because the leased-vehicle revenue was to fill the gap). A subsequent question was asked about how the \$2.3 million shortfall for the opt-outs was arrived at, given that the MVTA supplied estimated budgets for 2008 and 2009, at the Met Council request, in the amounts of \$5.7 and \$10 million respectively. Ms. McCarthy noted she did not recall the specifics, but she invited Ms. Spear to the Council for a meeting to review the calculations.

Brian McDaniel and Met Council Director of Transportation Services Arlene McCarthy joined the discussion, expressing appreciation at being invited to this meeting. Ms. McCarthy repeated that the number one priority of the Council with regard to transit is to maintain the present system. She did admit that due to funding shortfalls, they have added Metro Mobility and the Hiawatha line as recipients of the MVST leased-vehicle funding, but that is not taking away anything from the existing system. She indicated that an inflationary factor of 1.6 percent was applied across the board to local routes and 2 percent was applied to all express routes.

There was then another exchange between Ms. Spear and Ms. McCarthy regarding the calculations associated with the bus operations shortfall of \$13.5 million. MVTA was under the impression that the shortfall was the difference between the Feb. 2006 MVST forecast and the Nov. 2006 forecast or \$23.5 million. With the numbers provided by Ms. McCarthy, the MVTA believes that there is still a bus operations shortfall of \$10.1 million. Clarification of these calculations was requested by the MVTA.

Bill Droste asked about funding gaps, that we keep encountering, and expressed concern about MVST dollars being used for capital projects. Margaret Schreiner asked if the Council planned to bond the full amount that gets approved by the Legislation. Brian McDaniel

indicated that he understands the unpopularity of when the Council did not bond up to its full authorization, but he would certainly support bonding at the full level.

There was some discussion about the legislation to expand the transit taxing district to the full seven-county Metro area. Mr. Clark indicated that Sen. Doll introduced the bill because of the inequity in the current system. MVTA Chair Jon Ulrich indicated that the expansion should be tied more to a vision for the region than an equality issue, although that is a factor.

Bus rider Nancy Rowland then addressed the Board, expressing her frustration with the inconvenience of her bus service and the fact that all she is hearing at this meeting is bickering between groups about who gets what funding. Chair Ulrich thanked her for her comments.

MVTA Executive Director Beverley Miller indicated that she wanted Board members to be aware of the MVTA's snapshot at this point in time – that was what the financials were about – and that even with the passage of the MVST amendment, the MVTA will need additional funding to maintain our current service levels, let alone consider any expansion.

Brian McDaniel thanked the Board again for the opportunity to participate, and indicated he would be happy to attend future meetings. He also indicated his availability to speak with Board members at any time, and that he is good about returning calls.

VI. Old Business

A. Apple Valley Transit Station

Barb Ross then spoke about the MVTA's recommendation to the Cedar Group, based on the study conducted by TKDA, to acquire the Watson's property as a means to expand the Apple Valley Transit Station. Dan Krom noted that contact has been made with the owner of Watson's, who has agreed to come to this area to conduct discussions. The resolution drafted by Barb Ross noted that the process would be followed as prescribed by the county in the event that a satisfactory purchase agreement could not be negotiated and the property would be taken using eminent domain. Chair Ulrich asked about the timing of the approval of the resolution, given that neither the Cedar Group, the City of Apple Valley or the Dakota County Regional Rail Authority (funding organization) have approved this recommendation. Motion by Meg Tilley and seconded by Margaret Schreiner to adopt the resolution subject to the City of Apple Valley reaching the same recommendation. Motion carried.

B. Transit Provider South of the River

Given that the Board, at its strategic planning sessions, has identified that it would like to be the transit provider south of the river, Beverley Miller asked Barb Ross to review what that would mean to the MVTA. She indicated that the MVTA could not spend its funds providing service outside the transit taxing district, unless it were funded by another entity (such as a city requesting transit and agreeing to pay for it). This material was for information purposes only, as the Board continues its strategic planning efforts.

VII. Committee Reports

A. Personnel

Lori Peterson presented the Board with items that have come out of several meetings of the Personnel Committee. The first involves hiring a consultant to review all job classifications at the MVTA. Hay had previously been used for this purpose, but they no longer have a presence in Minnesota, and are cost prohibitive. Ms. Peterson's recommendation, and echoed by the personnel committee, was to hire Riley Dettmann and Kelsey, at a rate of \$120

per job description. Bill Droste noted that funds were budgeted for this expense. Motion by Bill Droste and seconded by Meg Tilley to approve the job classification review. Motion carried.

Ms. Peterson continued with the presentation of a Leave of Absence policy, which is not currently included in the MVTA's policies and procedures. The policy takes into consideration state and federal regulations, but as the MVTA is not large enough to be covered by the Family Medical Leave Act (FMLA), there are limitations on the time that can be incurred in an "extended leave" situation – six weeks, rather than the 12 weeks allowed by FMLA. Board members had questions about the policy and its implementation, but chose to adopt the policy and review it in greater detail along side with other MVTA personnel policies slated to be reviewed by the Personnel Committee. Motion by Meg Tilley and seconded by Bill Droste to approve the policy. Motion carried.

B Strategic Planning Committee

The next Strategic Planning meeting will be Wednesday, April 25 from 1:30-4:30 p.m. at the Eagan Bus Garage. Beverley Miller also noted that a Development Committee meeting is needed because BTS Developer Tom Baker would like to assign his interest to another developer. That meeting will take place in mid-May.

VIII. Staff Reports / Update

Nothing to report.

IX. Adjournment

Motion by Meg Tilley and seconded by Bill Droste to adjourn the meeting at 6:38 p.m. Motion carried.

Minutes Prepared By:

Robin L. Selvig

Next Regular Meeting Scheduled: May 23, 2007, 4:30 p.m. Eagan Bus Garage.

All regularly Scheduled Board Meetings will be held on the **FOURTH** Wednesday of the month at the posted time and location unless otherwise notified.

Approved by: _____

Date: _____