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APPENDIX A MINUTES

LEGISLATIVE STUDY COMMISSION ON METROPOLITAN TRANSIT
TUESDAY, SEPTEMBER 13, 1983
9:00 a.m., Room 15 - State Capitol

The following members were present:

Rep. Pauly
Rep. Dimler
Rep. Rodriguez
Rep. Vellenga
Sen. Novak
Sen. Pogemiller
Sen. Lantry
Sen. Petty

Representative Long and Senator McQuaid were excused from this meeting.

The commission began by electing co-chairs: Rep. Vellenga was elected chair for the House side -- Sen. Novak was elected chair for the Senate side. Rep. Vellenga chaired this meeting.

B-1
B-2
B-3
Mr. Schenkelberg, MN/DOT, was the first speaker. He talked about significant events in transit program history, organizational structure, transit program activities, MTC and budget activity.

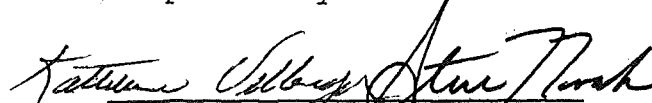
Mr. Larry Dallam, MET Council, was the second speaker. He questioned the role of transit and its purpose in the urban area. He stated that less than 20% of the total jobs are in the two downtown areas yet 90% of the bus routes go downtown. One trip in ten is to the downtown area. 90% of all households own one car. Considers the original goal of providing everyone transit an unrealistic one. In the 7 county metro area there are 6½ million trips per day--3.4% on public transit.

Mr. Kolderie, Humphrey Institute, was the final speaker. Stated that the ultimate form of transit must be a rail system. Questioned whether the object of transit is to be very like the automobile or very different. His conclusions: family vehicles to be used with transfers to different vehicles; long distance commuters who do not go downtown will have to be handled privately--car pools, commuter vans. Suggested MN/DOT use purchase/service system--look at school bus fleets.

The next meeting scheduled for Wednesday, September 14 at 9:00 a.m.

The meeting was taped.

Respectfully submitted


Rep. Vellenga/Sen. Novak
Co-Chairs

LEGISLATIVE STUDY COMMISSION ON METROPOLITAN TRANSIT
WEDNESDAY, SEPTEMBER 14, 1983
9:00 a.m., Room 15 - State Capitol

A-2
9-14-83

The following members were present:

Rep. Pauly
Rep. Dee Long
Rep. Rodriguez
Rep. Vellenga
Sen. Novak
Sen. Pogemiller
Sen. Lantry
Sen. Petty

Representative Dimler and Senator McQuaid were excused from this meeting.

B-4
Peter Stumpf, MTC, was the first speaker. He stated that at one time there were 12 different transit providers. MTC operates Metro Mobility in the metro area. The handicapped community has been made a more integral part of the benefits of our community. A subregional study-Region 3, Edina- showed that riders were frustrated when they were unable to ride a bus that went into the downtown areas. A survey of 40,000 passengers showed that between 1969 and today the number of choice riders has doubled--from 26% to 51%. 74% of these are commuters, 75% of these stated that they were happy with the cost, courtesy of drivers and time schedule kept by the bus. 50% of the work trips are handled by the bus system. Future direction of MTC: appropriate agency which should provide all transportation services in the metro area.

Dave Supornick, MTC, spoke briefly regarding van pools, park and ride sites and buses into loops.

Peter Stumpf mentioned that there are currently 29 different fares at MTC and they are working to change this to 9 different fares.

Jim Johnson, Medicine Lake Lines, was the third speaker. He was also speaking on behalf of Jim Lorenz, North Suburban Lines. Medicine Lake serves the suburbs of Plymouth, New Hope, Crystal, Golden Valley, Maple Grove, Wayzata and Minnetonka, as well as having recently obtained a charter contract for the University of Minnesota. They survived where other private operators did not because: 1) they had the support of their passengers; 2) they had visibility--their buses were traveling bill boards (charter buses); 3) other operators were 100% transit--Medicine Lake Lines is 30% transit; 50% school bus service and 20% charter tours. When they bid for the University charter they were 30-60% under MTC's bid if "full range cost" is considered. They cut costs by cross-utilizing, providing three separate services. They have just begun the Plymouth Metro Link, working with the City of Plymouth to provide express transit service to downtown Minneapolis.

Mark Fuhrmann, Director of Transit Planning, Medicine Lake, was the next speaker. The private transit system uses part-time drivers which keeps the cost down. An average driver works 30 hours and this is the only source of income for most--salary is \$5-\$8 per hour.

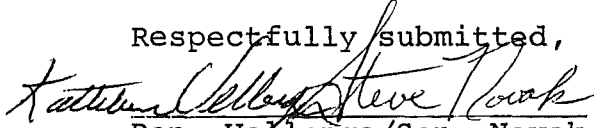
-more-

F-1 Frank Boyles, Assistant City Manager of Plymouth, spoke last regarding the Plymouth Metro Link project and showed a slide presentation of the proposal which goes into effect in October under an eighteen month lease with Medicine Lake Lines. The cost of the project is \$175,000 with 30 percent of that being for capitol (equipment).

The next meeting is scheduled for Tuesday, September 27 at 8:30 a.m.

The meeting was taped.

Respectfully submitted,


Rep. Veilenga/Sen. Novak
Co-Chairs

LEGISLATIVE STUDY COMMISSION ON METROPOLITAN TRANSIT
TUESDAY, SEPTEMBER 27, 1983
9:30 a.m., Room 15 - State Capitol

A-3
9-27-83

The following members were present:

- Rep. Pauly
- Rep. Rodriguez
- Rep. Vellenga
- Sen. Novak
- Sen. Lantry
- Sen. McQuaid

Senators Pogemiller and Petty and Representatives Dimler and Long were excused from this meeting.

Rep. Vellenga chaired this meeting.

B-1

Mr. Schenkelberg, MN/DOT, was the first speaker. Referred to his handout from the September 13 meeting. \$120 million dollars is the total cost for transit. 37% is brought in by the fare box for MTC; 35% is the highest amount brought in by the fare box for private bus lines. \$200,000 goes into county operations.

B-5

David Naiditch, Metro Mobility Control Center, was the second speaker. A copy of Mr. Naiditch's presentation is attached.

B-6
F-2
F-3

Judith McCourt, Paratransit Planner, MTC, was the third speaker. A copy of Ms. McCourt's presentation is attached.

B-7

The last speaker was Michael Munson, Director of Research, MET Council. He brought charts regarding income levels.

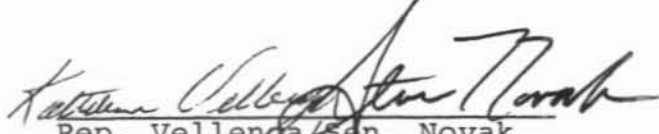
Mr. Dick Graham was asked to step up to the podium and describe Darts, Dakota County Services eligibility. The service is for Dakota County residents 60 years and older--the fare box "donation" is 50¢/15 miles.

The minutes from the meetings of September 13 and September 14 were approved.

The next meeting was scheduled for Wednesday, October 12.

The meeting was taped.

Respectfully submitted,


Rep. Vellenga/Sen. Novak
Co-Chairs

LEGISLATIVE STUDY COMMISSION ON METROPOLITAN TRANSIT
WEDNESDAY, October 12, 1983
9:00 a.m., Room 15 - State Capitol

C-1
10-12-83

The following members were present: Rep. Pauly, Rep. Long
Rep. Rodriguez, Rep. Vellenga,
Sen. Novak, Sen. Pogemiller,
Sen. Lantry, Sen. Petty
and Sen. McQuaid.

Representative Dimler was excused from this meeting.

Sen. Novak chaired the meeting.

Larry Cummins, Medicine Lake Lines, was the first speaker. He said that federal money is an obstacle to efficient operation. He also said that since 1975 Medicine Lake Lines has roughly tripled in size.

Richard Zierdt, North Suburban Bus Company was the second speaker. Their drivers make between \$5 and \$6.50 per hour plus benefits. Their company has no school bus operations but has charters in Lexington, Circle Pines, Lino Lakes, Roseville, Shoreview and No. St. Paul.

C-1
Mike Qualy, MTC driver for ten years, was the next speaker. There are 1291 MTC drivers, 691 of which do not have Saturdays and Sundays off, including him. This time off is earned by seniority. He would agree to hiring part-time drivers at MTC if they were only used on the weekends. He stated that there is no avenue for input to management from employees unless a grievance is filed, and that this generally affects only the grievant. He said that there are "bulletins" from MTC for regulations which are not negotiable in their contracts, such as time off for funerals. The full time MTC driver with two years of experience earns \$12.23 plus benefits. He believes that Peter Stumpf will affect changes which will be good for the public. Mr. Qualy also stated that MTC should be an advisory group and provide guidance for ATE, not run the system. He feels that professionals should run the system.

Delores Lennon-Paterson, MTC driver for six years, was the next speaker. She stated that street supervisors do not give drivers support, but are a stress factor. Also stated that her experience with the silent bus alarm was that the time she needed it it took half an hour before help arrived. She also stated that there is a problem with the lack of rest-room facilities for the drivers. She feels that in time the part-time drivers will unionize.

Arnie Entzel, President of Local 1005 stated that the private drivers went out-of-business because their service was poor and that stockholders did not get the service they wanted. He said that transit is a service which should be provided to the public like police and fire protection. In regards to the mention of no input by employees to the management, Mr. Entzel said that a Quality Circle Group has been started in the mechanical and office clerical areas, but has not yet begun for drivers. He also said that you have to improve the quality of maintenance of buses to improve safety and that it can't be done with part-time labor and cheap materials.

-more-

Mr. Entzel feels that one company will do a better job of service than 5 or 6 private operators looking out for their individual interests. He stated that the varied fare service throughout the day is a problem for passengers.

Bob Rossman, North Side Garage, was the next speaker. He spoke of the driver recognition program in which 400 drivers won (20%). He suggested that the buses stop at every other block instead of every block to cut costs. (MTC)

Pat Cullen spoke next. He stated that the fare structure has created a loss of riders. He also said that transfers can be used to beat the system. He also mentioned that the student fare policy is abused. (MTC)

Carl Olding, MTC mechanic. He said that in 1973-1976 mechanics did well. Then American Motors buses were purchased which require constant repair. The constant repair leaves no time for the mechanics to perform preventative maintenance. He stated that they have applied for a grant to rehabilitate the buses.

Ray Wells, MTC, was the next speaker. He stated that ATE management is the biggest problem. Also, that drivers are not allowed any discretion, everything is by the book. He said that the double buses are prone to accidents because the back swings out during turns and they are difficult to handle in the snow. He too felt that there are no avenues of communication to management.

Robert Parker, rider, spoke briefly and was asked to come to the next meeting for riders as this was a time for the drivers to speak.

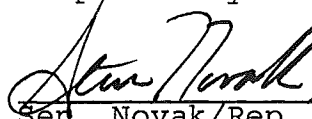
Ray Wells spoke again and discussed the surveys done by MTC where they plant someone on a bus. He said that they will send someone at rush hour to try to cheat the driver on fares and that it is difficult to catch. If they do not catch it they are "called in."

Mr. Rossman spoke again regarding keeping schedules. He stated that he often has to run red lights to keep the bus on schedule and that the schedule should be loosened. He stated that between 9 a.m. and 9:30 a.m. the senior citizens use extra time because it is difficult for some to get on and off the bus. He also mentioned the problem of non-existent restroom facilities.

The next meeting was scheduled for Wednesday, October 19.

The meeting was taped.

Respectfully submitted,


Sen. Novak/Rep. Vellenga
Co-Chairs

JOINT LEGISLATIVE STUDY COMMISSION ON METROPOLITAN TRANSIT

A-5
10-19-83

A meeting of the Joint Legislative Study Commission on Metropolitan Transit was brought to order at 9:15 A.M., Wednesday, October 19, 1983 in Room 15 of the State Capitol by Chairman Vellenga.

The following members were present:

- Rep. Vellenga, Chair
- Rep. Dimler
- Sen. Lantry
- Rep. Long
- Sen. McQuaid
- Sen. Novak
- Rep. Pauly
- Sen. Petty
- Sen. Pogemiller
- Rep. Rodriguez

A Quorum was present.

The following persons offered testimony on behalf of the transit users:

C-2

Mae Dale - Metropolitan Sr. Federation

William Lewis Parsons - Member of executive board representing
Nursing Home Residents Advisory Council

Bob Parker - VISTA Volunteer

Dorothy Peters - Courage Center

Dick Houck - Roseville citizen

Corbin Kidder - citizen
(Advisory Committee on Transit)

Ray Wormen - Handicapped Federation

Darlene Morse - handicapped rider

Also speaking from the floor:

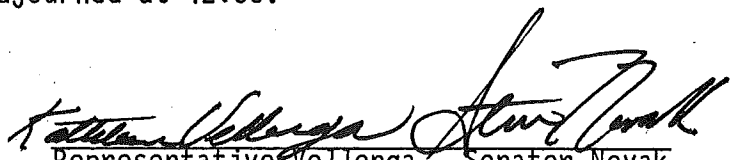
Ron Maddox - MTC Commissioner

James Johnson, Vice President - Medicine Lake Lines

Arnie Entzel - President, MTC Workers Union

The next meeting will be held November 9, 1983.

The meeting was taped. The meeting adjourned at 12:00.


Representative Vellenga Senator Novak
Co-Chairs


Beverly Zaine, Clerk

LEGISLATIVE STUDY COMMISSION ON METROPOLITAN TRANSIT
WEDNESDAY, November 9, 1983
9:00 a.m., Room 15 - State Capitol

A-6
11-9-83

The following members were present:

Sen. McQuaid
Sen. Lantry
Sen. Pogemiller
Sen. Novak, Chair
Rep. Vellenga
Rep. Rodriguez
Rep. Dimler
Rep. Pauly

Senator Petty was excused from this meeting.

C-3 MTC Commissioner Bruce G. Nawrocki was the first speaker. A complete copy of his testimony was distributed to each commission member.

MTC Commissioner Frank Snowden was the second speaker. He stated that we have the second largest all bus system with the largest service area in the country. He stated that the commissioners should be chosen in the same manner as they currently are; and that the MTC should be a policy maker as well as a provider, like in private business. He said that systems which have high involvement of policy makers make the best system.

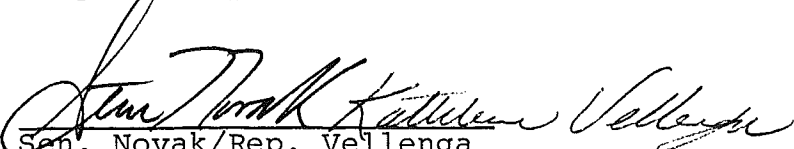
MTC Commissioner Ron Maddox was the next speaker. He felt that there should be a liaison between MET Council and the Legislature, and that both staffs talk to each other. He said that the Legislature needs to change its attitudes regarding transit, that it is not a luxury but rather a need.

MTC Commissioner Alison Fuhr was the next speaker. She stated that the MTC is well organized internally. She would like to discourage parking lots in central regions to encourage transit use.

The next meeting was scheduled for Wednesday, November 23. The Legislative Commission will hear from Mr. Lou Olsen at that time as we ran out of time on this date.

The meeting was taped.

Respectfully submitted,


Sen. Novak/Rep. Vellenga
Co-Chairs

LEGISLATIVE STUDY COMMISSION ON METROPOLITAN TRANSIT
Wednesday, November 23, 1983
9:25 a.m., Room 15 State Capitol

A-7
11-23-83

The following members were present:

Representative Vellenga, Chair
Representative Dimler
Representative Long
Representative Pauly
Representative Rodriguez

Senator Lantry
Senator McQuaid
Senator Novak
Senator Petty
Senator Pogemiller

A Quorum was present.

Mr. Louis Olsen, General Manager of the Metropolitan Transit Commission, was called on for his presentation. Mr. Olson's presentation (copy attached) covered three specific areas:

B-8

Description of the ATE Organization
Description of the ATE Management agreement with the MTC,
since its inception
Description of the history of MTC's organizational structure, as
well as its current organization.

Mr. Olson then answered questions.

Representative Long moved adoption of the minutes of the November 9, 1983 meeting. MOTION CARRIED.

Chairman Vellenga announced that future meetings will be held -
December 7 - Tom Todd
December 14 - Metropolitan Council Members
December 21 - Neil Hamilton

The meeting adjourned at 11:55 A.M.

The meeting was taped.



Rep. Vellenga/Senator Novak
CoChairs


Beverly Zaine, Clerk

A-8
12-7-83

LEGISLATIVE STUDY COMMISSION ON METROPOLITAN TRANSIT

Wednesday, December 7, 1983

10:00 a.m., Room 112 - State Capitol

The following members were present:

Senator Novak, Chair
Senator Pogemiller
Senator Lantry
Senator Petty
Senator McQuaid

Representative Vellenga
Representative Rodriguez
Representative Dimler
Representative Long

D-1 John Williams, Kathleen Pontius and Tom Todd, Senate and House staff, gave
D-2 presentations on state and regional agencies dealing with transit. Copies
D-3 of their testimony are attached.

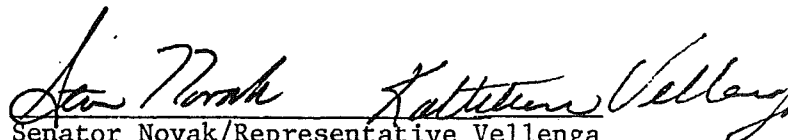
Following the staff presentation there was a panel available to answer questions regarding their individual agencies: Larry Dallam, Metropolitan Council; Bob Works, Minnesota Department of Transportation; and Bob Lashomb, Metropolitan Transit Commission.

Minutes of the November 23, 1983 meeting were approved.

The next meeting was scheduled for Wednesday, December 14.

The meeting was taped.

Respectfully submitted,


Senator Novak/Representative Vellenga
Co-Chairs

LEGISLATIVE STUDY COMMISSION ON METROPOLITAN TRANSIT

Wednesday, December 14, 1983

9:00 a.m., Room 112 - State Capitol

A-9
12-14-83

The following members were present:

Senator Novak
Senator Pogemiller
Senator Lantry
Senator Petty
Senator McQuaid

Representative Vellenga, Chair
Representative Rodriguez
Representative Dimler

Representatives Long and Rodriguez were excused from the meeting.

The minutes were approved from the December 7, 1983 meeting - moved by Senator Lantry.

Marsha Bennet - informed the Commission on Metropolitan Transit that the presentation by Larry Dallam was a staff report which the Metropolitan Council had not approved yet.

B-9
Larry Dallam - Their are 4 professionals, 11 support persons and 15 staff members on the Metropolitan Council. There are specialists in the areas of highways, airports and transit. The transit specialist is Natalio Diaz. There are two focuses of transit; local and subregional (not between regions, such as Southdale and Ridgedale. Satisfying subregional service is a goal the Met Council wants to achieve. There are 11 subregions; Nos. 5, 3, 7 and 8 are the most developed. They believe MTC should develop a subregional plan for every region.

Bus rehabilitation is considered a capitol cost. There has been a dramatic increase in fuel cost, exceeding inflation. The driver wage costs have slightly increased over inflation. Peak service used to subsidize off-peak service, now it is a money loser; even though there are more passengers per bus an extra bus and driver have been put out just for that service--if it was a regularly scheduled bus it would not be more expensive.

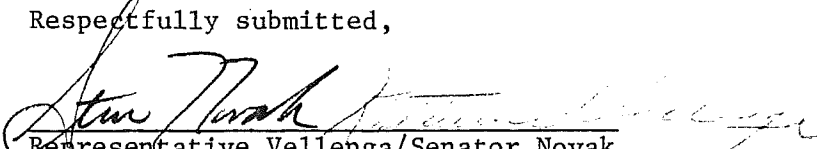
He thinks MTC has a conflict of interest - the major deficiency being short range service/operations plans, resulting in insufficient service.

John Williams - clarified the court ruling re MTC (discussed at the last meeting) by Hennepin District Court which ruled on the conflict of interest for MTC becoming a broker. The Minnesota State Supreme Court declined to comment on the ruling by the Hennepin District Court which has become state policy.

D-4
D-5
Tom Todd - addressed the commission regarding the preliminary staff attempt to get direction from the testimony given.

The meeting was taped. The next meeting scheduled for Wednesday, December 21 at 9:00 a.m..

Respectfully submitted,


Representative Vellenga/Senator Novak
Co-Chairs

A-10
12-21-83

The following members were present:

Senator Novak, Chair	Representative Vellenga
Senator Pogemiller	Representative Rodriguez
Senator Lantry	Representative Dimler
	Representative Long
	Representative Pauly

Senators McQuaid and Petty were excused from the meeting.

Mr. Neil Hamilton, Law Professor at the William Mitchell College of Law was the scheduled speaker. He was ill and unable to attend.

D-5

Mick Finn, a staff member of the Commission on Metropolitan Transit distributed a paper entitled Toward a Definition of "The Problem"

Natalio Diaz, transit specialist for the Metropolitan Council felt that item 1(a) was MTC's greatest strength. He also stated that 2(a)(b) were difficult markets to serve.

Arnie Entzel, President of the Transit Union asked to address the commission after he had more time to study the handout.

Peter Stumpf, Chairman, MTC, stated that it is hard to separate policy making from operations. When too operationally driven the larger good is put aside as has happened in the past. When asked if there should be criteria for appointment as a MTC Commissioner he said no, that citizen bodies make intelligent decisions - transit expertise is not needed.

Rep. Vellenga asked if a small percentage of the commissioners should be experienced to ensure that all commissioners would not be "freshmen" at the same time. Chairman Stumpf responded, "There is something to be said for experience."

Senator Pogemiller asked Chairman Stumpf to review the memo prepared by Bob LaShomb with N. Diaz, L. Dallam and the transit Chair then give the commission a reaction.

Al Schenkelberg, MN/DOT, said there are roles and responsibilities in the statutes which have been untested.

C-4
Jim Johnson, Medicine Lake Lines described recommendations which he said he would give a copy of to the commission - includes Met Council--regional goals, priorities, develop forecasts, projections, metro system plan, identify service corridors; Metro Mobility Commission (MMC) market surveys and needs analysis of regions, set fares, cost guidelines, metro capitol improvement, program from subregions, aggregate metro operating budget, collect grants and subsidies, body for information-dissemination, public information, citizen input committees; Operators, taxis, rideshare, elderly, handicapped, MTC--some zones could be exclusive MTC, other zones mixed. MTC would be an operator only.

Met Council
↓
Metro Mobility Commission
↓
Operators

continued . . .

LEGISLATIVE STUDY COMMISSION ON METROPOLITAN TRANSIT
Wednesday, Dec. 21, 1983 -- Continued

C-5 Paul Gilji, Citizen League, arrived at recommendations by following existing reports. Met Council should be the planner with municipalities as subregional contractors.

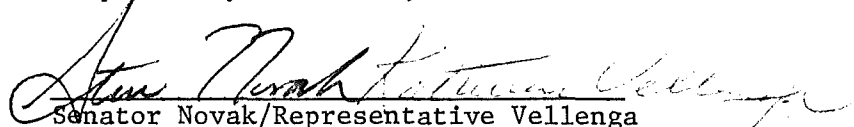
Paul Hurley, citizen, addressed the commission with a proposal for an annual bus card for senior citizens, \$150 annually for unlimited rides.

Bernard Skribas, Metropolitan Senior Federation. Stated that a large majority of senior citizens are poor, many living on less than \$300 per month. He was opposed to Mr. Hurley's idea of annual bus cards. Regarding the 10¢ bus fare, he stated that seniors would be willing to pay 25¢ if that could be used at peak hours also, discussed the lg. number of seniors who do volunteer work and use the bus during peak hours. Addressed the problem of shoveling at bus stops.

The next meeting scheduled for Wednesday, December 28 at 9:00 a.m.

The meeting was taped.

Respectfully submitted,


Senator Novak/Representative Vellenga
Co-Chairs

A-11
12-28-83

LEGISLATIVE STUDY COMMISSION ON METROPOLITAN TRANSIT
Wednesday, December 28, 1983
9:00 a.m., Room 15 - State Capitol

The following members were present:

Senator Novak, Chair	Representative Vellenga
Senator Lantry	Representative Dimler
Senator McQuaid	Representative Pauly

Senators Petty and Pogemiller together with Representatives Rodriguez and Long were excused from this meeting.

F-4
D-6
D-7
Mr. Neil Hamilton, Law Professor, William Mitchell College of Law, spoke regarding: the public governance of transit. He stated that there are two principle questions regarding government enterprise: 1) The structure (which will have a significant impact on operation); 2) When should you replace private ownership with government governance? a. When you can show it will be superior.

Without careful definition and objectives the private firms will basically be unchecked - you must assure accountability to limit ability of private industry to abuse. Would there be enough private producers? How would you regulate rates, like a Public Utilities Commission?

In 20-25 years we have gone from private to public ownership. There is no uniformity in this country for transit. There is not enough common knowledge.

Senator Novak asked if policy should be clearly separated from operations and Mr. Hamilton answered in the affirmative, stating that otherwise there is a "passing of the buck" - a lack of accountability. A separate board should define policy, objectives and criteria.

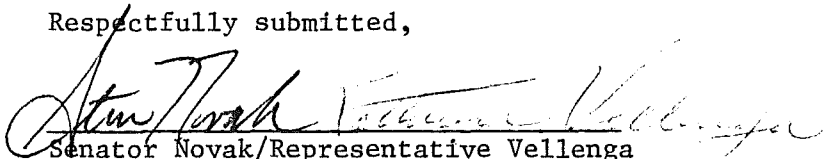
Mr. Hamilton stated that MTC has no clear objective. A more informed board is needed for public operation than private. 1-3 persons needed with a background in business who can question management. A transit training program is necessary. Need to simulate competitive pressures; bid by contract management, commit to objectives. There is a lack of ability to plan because of the uncertainty of funding.

The ideal for Met Council would be to have regional plans of development of which transit is a part; policies directing community overall plans.

The next meeting scheduled for Wednesday, January 4 at 9:00 a.m.

The meeting was taped.

Respectfully submitted,


Senator Novak/Representative Vellenga
Co-Chairs

A-12
1-4-84

LEGISLATIVE STUDY COMMISSION ON METROPOLITAN TRANSIT
Wednesday, January 4, 1984
9:00 A.M., Room 15 State Capitol

The following members were present:

Representative Vellenga, Chair	Senator Lantry
Representative Dimler	Senator McQuaid
Representative Pauly	Senator Novak
	Senator Petty
	Senator Pogemiller

Representatives Long and Rodriquez were excused. A quorum was present.

Chairman Vellenga called the meeting to order at 9:05 A.M.
The following persons offered testimony:

C-6 Mayor Tracy Swanson of Chaska gave a report (attachment A). Bonnie Carlson, Finance Director and Councilman Bob Lyndahl were available to answer questions. Senator Lantry asked the MTC for a response to these questions. Representative Vellenga asked the MTC to submit a written response.

C-7 John Anderson gave a report for the City of Shakopee (attachment B). Mr. Anderson introduced Bill Anderson, Jean Andrea, Judy Simac. Representative asked the MTC to submit a written response. Sen. Novak asked Mr. Anderson if he would prefer significant property tax structure or opt out structure. He said that would be difficult but maybe he would prefer opt out. Rep. Dimler said transit services are not responsible to the needs of a community. If we had such a property tax that would determine what services are provided should the city plan this or should MTC meet the needs of the local area. Mr. Anderson said there should be flexibility that would meet all the needs. Each city should be able to make their own decisions using state funds.

Bill Anderson said they should retain the opt out law to give the outlying cities the chance to do what is best for their area.

B-10 Allan Schenkelberg was then called on to give the MN Department of Transportation report and overview of historical and current financing sources for transit in the Metropolitan Area (attachment C). Sen. Novak requested a report regarding volunteer drivers, how many riders, etc. Chairman Vellenga asked the definition of small urban transit system. Mr. Schenkelberg explained in areas below 50,000 population the purpose was to test different service areas. Sen. Novak questioned about Columbia Heights. This is a taxi operation coordinated with runs from the MTC. Sen Novak asked why Hastings receives Federal SEction 18 money. It is an area below 50,000 and they fit into the guidelines (anything below 50,000 population). Rep. Dimler asked how they measure the service on the street. Mr. Schenkelberg said they used to inspect but now monitor through auditing procedures only. Chairman VELLenga asked what would discourage a large deficit. Mr. Schenkelberg said if they do not provide service, they would not be used.

15

Chairman Vellenga announced that today's agenda will be carried over to the January 11 meeting.

Al Vogel was called on to report on sources of funding for Minnesota Department of Transportation. Mr. Schenkelberg then discussed Transit Funding Issues. Minnesota has the most small urban systems in the country. Funding is not the issue. Chairman Vellenga asked Mr. Schenkelberg to define base minimum. He said half to 1% of the national level. Mr. Schenkelberg stated that the MTC could give some of the funds back to the private operators if they chose to do so. Rep. Dimler asked if \$1.1 billion is available. \$11 million is half percent with 1 cent in Minnesota would raise \$20 million a year. This is dedicated to transit. These are solely replacement dollars.

Representative Dimler moved the minutes of the December 14, 21, and 28, 1983 meetings. THE MOTION CARRIED.

B-11
Larry Dallam was called on to give a report from the Metropolitan Council on Metropolitan Transit Fares and Financing (Attachment D). Sen. Novak stated that he did not share the Met. Council opinion as a local resident nor as a state legislator that 40% should come from property tax. Senator McQuaid agreed with Senator Novak and said the situation is compounded. The average tax payer does not understand why their taxes are going up. Rep. Pauly questioned the sales tax. It is a regional sales tax for the seven county area. Half cent would result in \$50 million and one cent - \$100 million and would exclude food and clothing. Chairman Vellenga asked if we would still need replacement to the property tax. If the auto excise is transferred from general fund to transit and truck highway fund. She also asked Mr. Dallam if he considered the excise tax money as a replacement or additional transit money. Mr. Dallam replied that excise tax money could do the same as a regional sales tax could do.

The MTC pledged their support to the extent they can to use all these funds. Chairman Vellenga stated that when it was devised, one of the goals of opt out was increased transit services. A community should pay according to the services they receive.

Mr. Dallam said the Metropolitan Council will be acting on this report January 12th. Senator Pogemiller asked if the Metropolitan Council has been in contact with the MTC Commissioners. Marsha Bennet said yes, they will be meeting with them this afternoon. Senator Pogemiller suggested they try to work through this as best possible to come up to common policies before they come before the Legislature.

16

LEG. STUDY COMMISSION ON METROPOLITAN TRANSIT
January 4, 1984 - Page 3

Frank Boyles from the City of Plymouth gave his report (attachment E). They would favor a brokerage type system. The MTC could compete. The Metropolitan Council should act as the primary planner. The Metropolitan Transit statutes be retained. Chairman Vellenga asked if a sub regional system could be worked in lines of the cable, would there still be the need for opt out? Mr. Boyles said no.

Chairman Vellenga announced a Transit Workshop will be held on Friday January 13 at the Earl Brown Institute. Members will be receiving additional information.

The meeting adjourned at 11:45 A.M. The meeting was taped.

Rep. Vellenga

Sen. Novak

Co-Chairs

Beverly A. Zaine

Beverly Zaine, Clerk

A-13
1-11-84

LEGISLATIVE STUDY COMMISSION ON METROPOLITAN TRANSIT
Wednesday, January 11, 1984
9:00 a.m., Room 15 - State Capitol

The following members were present:

Senator Novak, Chair	Representative Vellenga
Senator Pogemiller	Representative Rodriguez
Senator Lantry	Representative Dimler
Senator Petty	Representative Pauly
Senator McQuaid	Representative Long

This was a continuation of the meeting held on January 4, 1984.

B-12
Peter Stumpf, Chairman, MTC, was the first speaker. He stated that a fare box recovery of 50% is too high and that would create a loss of passengers. He said that the more varied sources of funding for a transit system the better. The projected income from the transit share of the motor vehicle excise tax should be \$95 million in 1993. If these monies come in as projected, he would like to see a true feathering of the property tax. He also said that the ridership slump is improving for the first time in 29 months. Mr. Stumpf was asked to provide the commission with a list of fares in other transit systems, including social fares and handicapped fares. Mr. Stumpf said that by taking the number of passengers who ride MTC during the year and dividing with the total cost to run the transit system he arrived at the following per ride costs:

\$4.34 outstate, \$3.63 urban, \$2.15 private, and \$1.22 MTC.

Jim Johnson, Vice President, Medicine Lake Lines. He stated that the private operator recovers 37% from the fare box. Although MTC recovers 40% from the fare box, capital costs are not included in MTC. Therefore, if you took the capital out of the private costs you would have a fare box recovery of 50%. He pointed out three needs of the private operator:

1. correcting appropriation process
2. buses purchased from MTC are almost 20 years old and need major repairs (capital)
3. incentive - if private operator finishes the year under budget, let them keep the excess, currently they must return it to the state; but deficits are "out-of-pocket" costs.

One million dollars are needed to refurbish the buses.

Senator ^{NOVAK} asked what the state should contribute to Medicine Lake Lines and Jim Johnson said they asked for 65 to 75% last year.

Commissioner Bruce Nawrocki, speaking as an individual. He said the rationale for property tax supporting transit is that without it there would be no practical way to handle the numbers of riders who come into the downtowns. He stated that the businesses pay a higher share of taxes and that they benefit from the transit system. Mr. Nawrocki told the commission that the tax credit allowed by the state is an off-set to the amount of property tax which is paid. He also questioned the future for private operators.

Legislative Study Commission on Metropolitan
Wednesday, January 11, 1984 -- continued

B-13
D-8
Dwight Peterson, Minnesota Department of Transportation gave an explanation on the projections of the Motor Vehicle Excise Tax revenues. A copy is attached. Senator Pogemiller asked him to check on the projections which had been made four years ago and see how close those were to the actual figures of this year. Senator Novak asked him to provide a chart for the '84 figures. Senator Lantry asked him to check on whether these projections were made from high/middle/low road.

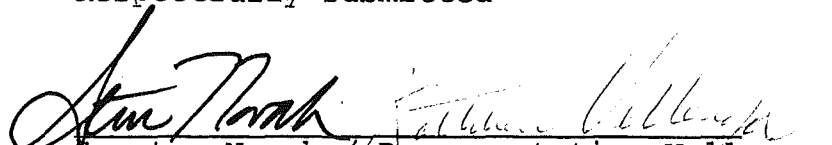
Tom Todd made a presentation of structural issues and models which had been prepared after staff consultations with the commission members. A copy of that presentation is attached.

Rep.
Senator Pauly moved approval of the minutes from the meeting of January 4, 1984. The motion carried.

The next meeting was scheduled for Wednesday, January 18 at 9:00 a.m.

The meeting was taped.

Respectfully submitted


Senator Novak / Representative Vellenga
Co-Chairs

A-14
1-18-84

LEGISLATIVE STUDY COMMISSION ON METROPOLITAN TRANSIT
Wednesday, January 18, 1984
9:00 a.m., Room 15 - State Capitol

The following members were present:

Senator Novak
Senator Pogemiller
Senator Lantry
Senator McQuaid

Representative Vellenga, Chair
Representative Rodriguez
Representative Dimler
Representative Pauly
Representative Long

Senator Petty was excused. A quorum was present.

Chairman Vellenga called the meeting to order at 9:15 a.m. She said testimony will be heard regarding the structures. Members were asked to keep in mind that the final choice might be a combination of more than one model. Financing is not included in the models and this will also be considered. Property tax is a sore point, especially where they do not receive services. The following persons gave testimony on the Transit Structures: (written testimony attached)

C-8 Bonnie Carlson, City of Chaska
Judi Simac, City of Shakopee
C 9 Jim Johnson, Medicine Lake Lines
C-10 James Willis, City of Plymouth
C-11 Mertyce Mayne, League of Women Voters
— Mae Dale, Metro Senior Federation
Al Schenkelberg, Minnesota Department of Transportation
C 12 Ted Kolderie, Humphrey Institute
Peter Stumpf, Metropolitan Transit Commission

Representative Rodriguez requested a report from the Minnesota Department of Transportation that would show where they are similar and where they are different.

Senator Novak asked Mr. Kolderie if he thought this Commission was doing a thorough job in bringing in the appropriate parties. Mr. Kolderie said three hours a morning and once a week was more intensive than anything he has seen before. He said the staff work has been outstanding. "These things take time and you do not have much time until March 6. You may get pressure not to do anything. It is a challenge to get something like this started, but the Legislature will have to make the decision sometime and it would be wasted effort not to do anything now."

Senator McQuaid said, "we have not heard enough from the consumers. When it is all finished it won't matter if we cannot get people to use the transit system. We must offer them something better."

Chairman Vellenga said the consumer organizations tend to represent only certain groups. Whoever is doing the structure should do a thorough consumer survey. She also charged the Commission members who have not done so to take a ride on the bus.

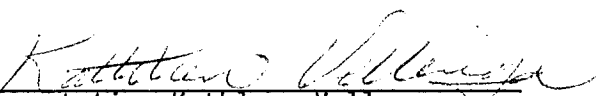
Peter Stumpf commended the staff on a fantastic job in preparing the models. Representative Pogemiller asked if Northeast Minneapolis decided to take their property revenue, could they opt out. Mr. Stumpf said no, the statutes would have to be changed. Representative Rodriguez said there is a great potential through opt-in for communities that are not receiving service at the present time. They would be able to receive service with an increase in their taxes.

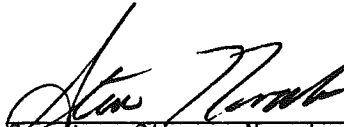
LEGISLATIVE STUDY COMMISSION ON METROPOLITAN TRANSIT
Page Two

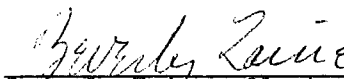
D-9 Richard Pfutzenrueter, Legislative Administrator, was called on at this time. He gave a staff report on the definition of the problem of transit financing.

Chairman Vellenga announced the Commission would wrap up public testimony next week. The meeting adjourned at 12:15 p.m.

CO-CHAIRS:


Representative Kathleen Vellenga


Senator Steven Novak


Beverly Zaine, Clerk

LEGISLATIVE STUDY COMMISSION ON METROPOLITAN TRANSIT

Wednesday, January 25, 1984

9:00 a.m., Room 15 - State Capitol

The following members were present:

Senator Novak, Chair
Senator Pogemiller
Senator Lantry
Senator Petty
Senator McQuaid

Representative Vellenga
Representative Rodriguez
Representative Dimler
Representative Pauly

Representative Long was excused.

B-14 Marsha Bennet, Metropolitan Council, reviewed the attached Regional Service and Finance Study on Transit report (Attachment A) with the commission.

C-13 Judy Simac, City of Shakopee, see attached comments addressing the transit finance problem statements (Attachment B).

Matthew Peterson, Projections on funding needs and the motor vehicle excise tax (Attachment C); and issues for consideration by the commission (Attachment D).

Peter Stumpf, Metropolitan Transit Commission. In Basic agreement with the Metropolitan Council's report. Agrees with them on the funding shares. Said that the current fare policy of 45% is too high. He stated that communication has improved between the MTC and Met Council during the past three years, and has become even better during the past 1½ months.

Jim Johnson, Medicine Lake Lines. Mr. Johnson said he likes the Met Council report and agrees with the funding mix. He would like to see more local control.

Al Schenkelberg, Minnesota Department of Transportation. Supports the escalation of the motor vehicle excise tax. Anticipates motor vehicle excise tax dollars to be used for light rail transit, and some of that on capitol.

The meeting was taped.

Respectfully submitted,

Senator Novak / Representative Vellenga
Co-Chairs

APPENDIX B AGENCY HANDOUTS

FLIP CHARTS
FOR
PRESENTATION BEFORE

METROPOLITAN TRANSIT STUDY COMMISSION

MINNESOTA DEPARTMENT OF TRANSPORTATION

OFFICE OF TRANSIT

SIGNIFICANT EVENTS IN METRO AREA TRANSIT PROGRAM HISTORY

- 1974: . MTC petroleum emergency program created.
- 1975: . Additional funding for the MTC.
- 1976: . Mn/DOT created; transit responsibilities transferred.
- 1977: . MTC performance funding and social fare reimbursement programs initiated.
 . MTC paratransit and handicapped transportation created.
 . Metro area non-MTC paratransit program initiated.
 . Regular route transit demonstration program begins.
 . First state appropriations to metro area private operators.
- 1978: . Legislature appropriated \$1.3 million to MTC and non-MTC metro area paratransit programs.
- 1979: . Continued funding for MTC.
 . Up to 100% funding for MTC Project Mobility and other paratransit programs.
 . Metro and non-metro paratransit programs combined; funding limited to 90%.
 . Regular route demonstration program created for MTC.
 . Metro area private operators funding increased.
- 1980: . Supplemental appropriations for MTC and metro area private operators.
- 1981: . Legislative action:
 - Performance funding abolished; MTC has operating contract with Mn/DOT.
 - Social fares funding continues.
 - Funding separated for Project Mobility, Metro Mobility, and the Metro Mobility Control Center.
 - Metro area private operators funding continued.
- December, 1981: . Third Special Legislative Session actions:
 - MTC operating and social fare subsidies reduced.
 - Metro private operators subsidies reduced.
 - MTC allowed to charge 15% surcharge on peak fares.
 - Metro area property tax levy for transit raised to 2 mills.
- December, 1982: . funding amounts reduced for MTC operating funds and social fares.
- 1983: . Following legislative provisions enacted:
 - Funding continued for all metro area budget activities.
 - MTC allowed to retain existing 15% surcharge on fares.
 - MTC base fare not to be raised past level on 6/30/83.
 - MTC youth and senior fares up to 25% in off-peak.
 - MTC may borrow money to cover operating expenses.
 - Legislative Study Commission on Metropolitan Transit created.

September 2, 1983

TRANSIT PROGRAM PURPOSES

(Minn. Stat. 174.21)

1. To provide transit to those who have no alternative available.
2. To increase efficiency and productivity of public transit systems.
3. To alleviate auto congestion, energy consumption, and promote desirable land use.
4. To maintain a state commitment to public transit.
5. To meet the needs of individual transit systems (as relates to objectives 1-4).

TRANSIT PROGRAM ACTIVITIES

1. Development of transit program strategy.
 - policy development
 - federal, state & local policy and funding coordination
2. Administrative rules
3. Management plan.
 - system objectives
 - operational plan
4. Team Reviews.
 - monitoring and evaluation of system costs and performance
 - technical assistance
5. Contract Negotiation.
 - examination and approval of applications
 - approving and initiating contract payments
6. Program Evaluation.

September 2, 1983

METRO AREA TRANSIT PROJECTS (23)

Small Urban (5)

Columbia Heights
Hastings
Hopkins
St. Louis Park (STEP)
White Bear Lake

Private Operators - Regular Route (2)

Medicine Lake Lines
North Suburban Lines

Rural (5)

Anoka County
Carver County
Dakota County
Scott County
Washington County

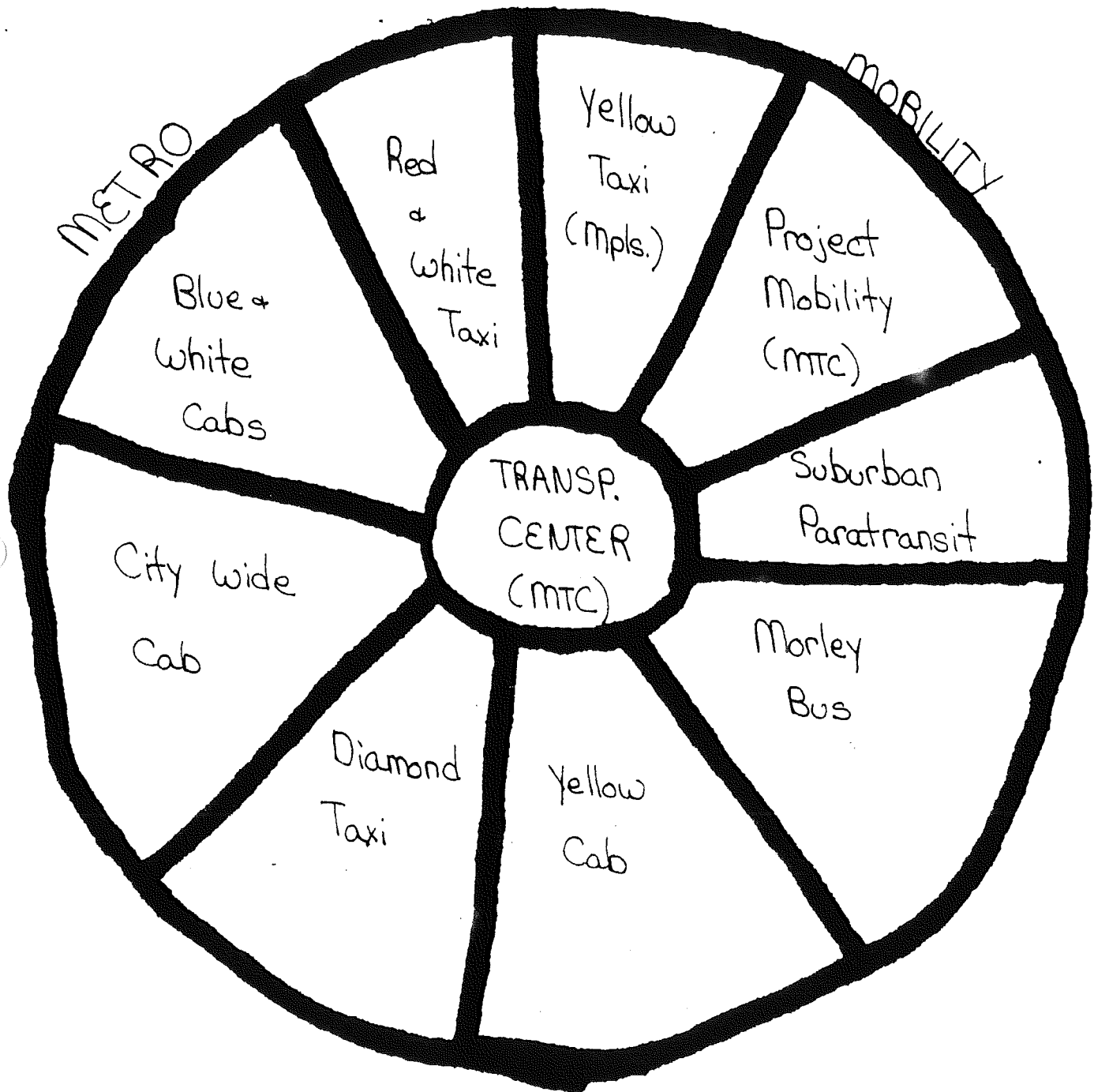
Metro Mobility (10)

Blue and White Cab
City Wide Cab
Diamond Cab
Metro Mobility Center
Morley Bus Company
Project Mobility
Red and White Cab
Suburban Paratransit
Yellow Taxi - St. Paul
Yellow Cab - Minneapolis

Metropolitan Transit Commission

Regular Route Services
Social Fare Contract

September 2, 1983



September 2, 1983

1983 Legislative Appropriations

	<u>1984</u> (Millions)	<u>1985</u> (Millions)
MTC	\$11.55	\$10.65
Private Operators	.96	.96
Metro Mobility	5.00	5.00
Subtotal	<u>\$17.51</u>	<u>\$16.61</u>
Non-MTC*	5.43	5.43
Grand Total	<u>\$22.94</u>	<u>\$22.04</u>

*Non-MTC budget activity includes the following metro area projects:

Anoka County
Carver County
Columbia Heights
Dakota County
Hastings

Hopkins
St. Louis Park - STEP
Scott County
Washington County
White Bear Lake

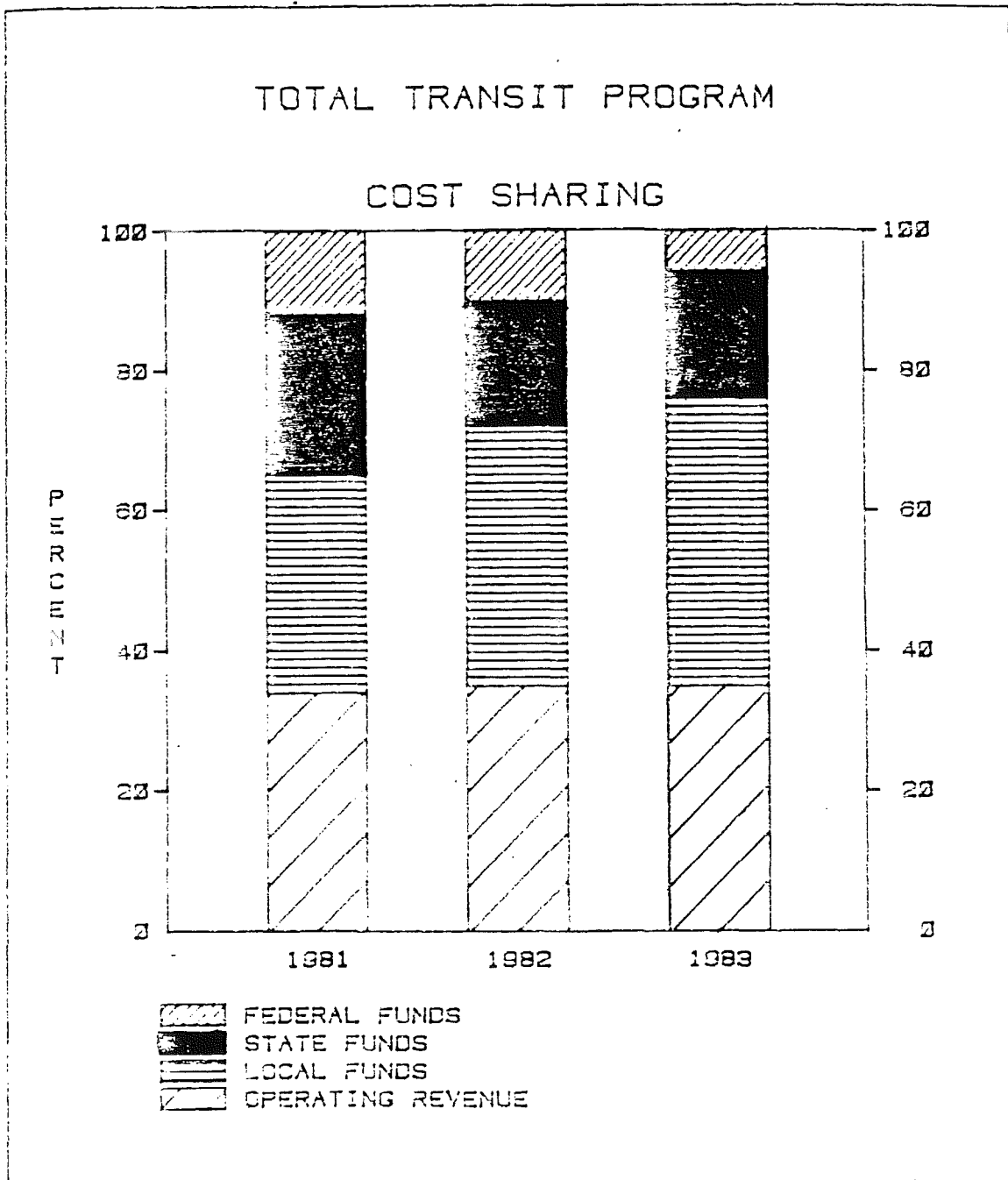
1983 total estimated Mn/DOT costs for these projects is \$.61 million.

September 2, 1983

METRO AREA PROJECTS - COST BREAKDOWN

C.Y. 1983 estimate (millions)

	<u>State Funds</u>	<u>Total Operating Costs</u>
Two Private regular route operators	\$ 1.1	\$ 1.7
Metro Mobility (10 contracts)	5.0	5.4
MTC (regular route and social fares)	11.3	97.5
Other non-MTC projects (10)	<u>.6</u>	<u>1.2</u>
TOTAL	\$18.0	\$105.8



COST SHARING PERCENTAGES - CALENDAR YEAR 1983

<u>Budget Activity</u>	<u>Total Cost</u>	<u>Operating Revenue</u>	<u>Mn/DOT Share</u>	<u>Federal Share</u>	<u>Local Share</u>
M.T.C.	97.5 million	38%	12%	5%	45%
Private Operators	1.7 million	38%	62%	0%	0%
Non-M.T.C. (Statewide)	16 million	32%	33%	18%	17%
Metro Mobility	5.4 million	6%	94%	0%	0%

Short Term Concerns - Metro Area*

Opt Out Program

- Planning assistance paid out of program funds?
- Program funds to pay 100% of deficit?
- Replacement service definition O.K.?

Alternative Service Delivery and Funding Options.

- Examine cost sharing and revenue sources?
- Greater use of private operators, competitive bidding and private sector financing?
- Restore planning and demonstration funds?

Capital Assistance

- Private operators not able to receive state or federal capital funds.
- Legislative assistance to communities receiving privately owned services?

Taxi Regulation

- Metro wide licensing system?
- Administration of new system?
- Allocation of registration costs and revenues?

* from Mn/DOT Office of Transit 1983 annual report.

September 2, 1983

Long Term Issues - Metro Area*

Mn/DOT Role

- Contract administration?
- MTC operating budget review?

Metropolitan Council Role

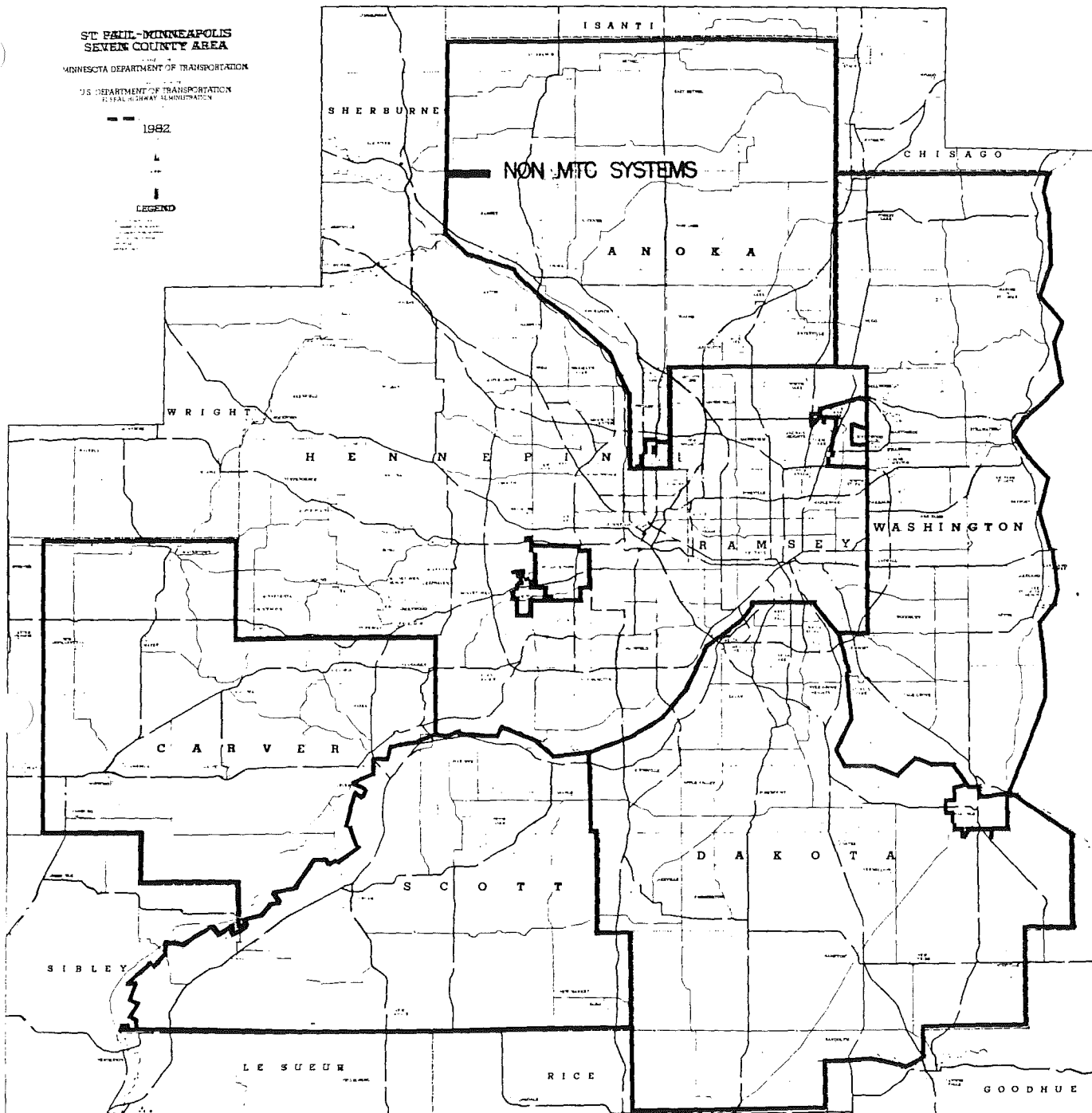
- Recipient and dispenser of funds as a broker?
- Operating budget approval authority over all metro transit projects?

MTC Role

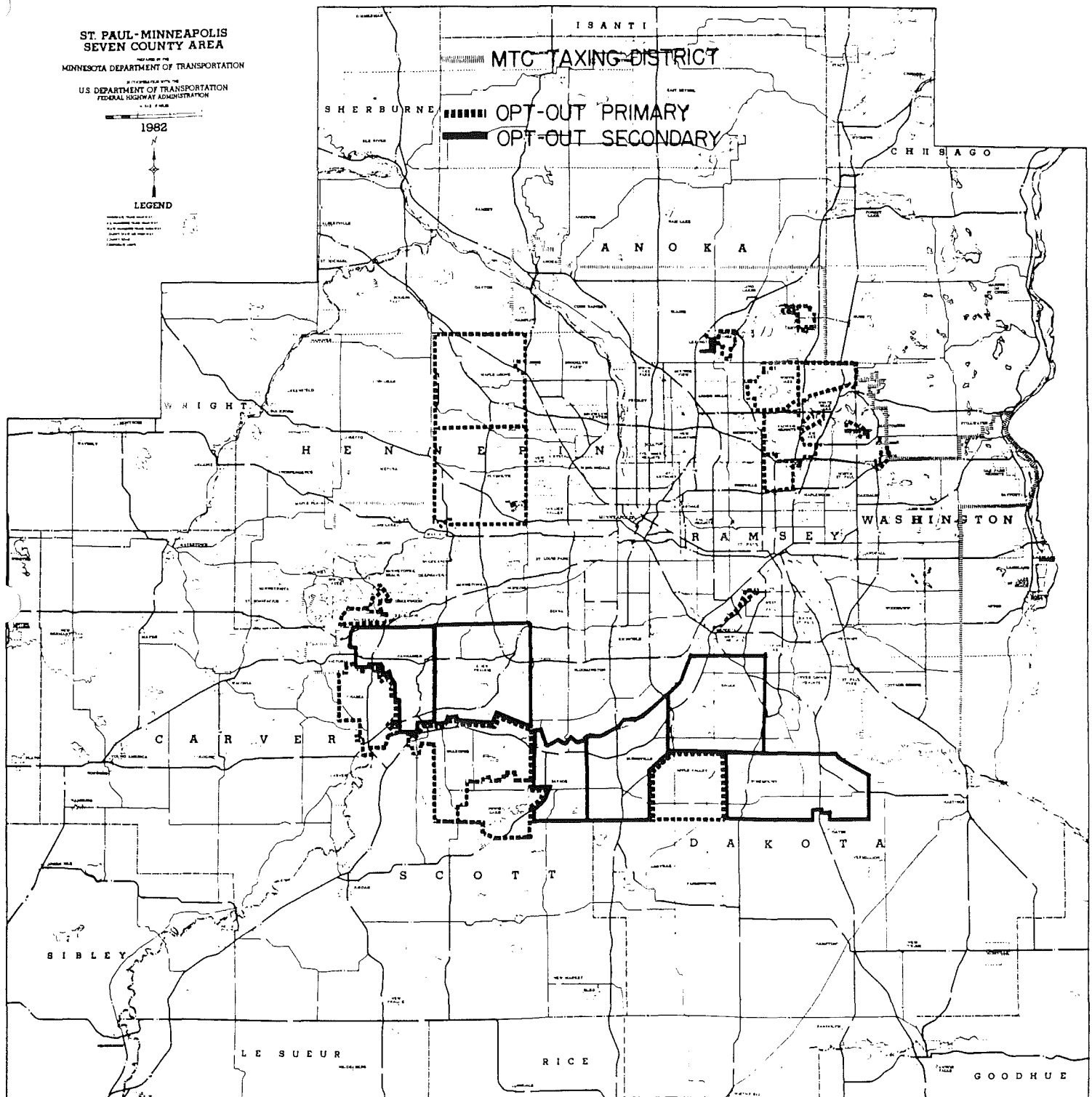
- Role change from service provider to service broker?
- Service vs. tax revenue disparity resolution?
- Increase in local official involvement in service planning?

* From Mn/DOT Office of Transit 1983 annual report.

September 2, 1983



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SIGNIFICANT EVENTS IN TRANSIT PROGRAM HISTORY

1974 : Legislature appropriated \$6 million to State Planning Agency:

- . MTC petroleum emergency program
- . supplemental public transit aid program created; contract not to exceed 2/3 of deficit
- . public transit demonstration program created; grants can cover up to 75% of the cost of the project.

1975 : Legislature appropriated \$28 million to State Planning Agency:

- . Twin Cities MTC
- . supplemental public transit aid program
- . public transit demonstration program.

1976 : Mn/DOT created; transit responsibilities transferred

1977 : Legislature appropriated \$38.15 million to Mn/DOT:

- . MTC performance funding and social fare reimbursement programs initiated
- . program created for MTC paratransit and handicapped transportation
- . funding for supplemental transit aid program and demonstration program increased.
- . Metro area paratransit program initiated (non-MTC)
- . regular route transit demonstration program begins
- . first state appropriations to metro area private operators
- . authority to fund project up to 100% granted.

1978 : Legislature appropriated \$1.3 million to MTC and non-MTC metro area paratransit programs.

1979 : Legislature appropriated \$42.3 million to Mn/DOT:

- . MTC
- . MTC Project Mobility and other paratransit programs (funding up to 100%)
- . funding for outstate transit program maintained
- . funding for paratransit program increased; metro and non-metro area programs combined (funding limited to 90%)
- . regular route transit improvement program created (funding not to exceed one year)
- . regular route demonstration program created for MTC
- . metro area private operators funding increased
- . capital grant program established.

1980 : Supplemental appropriations of \$17 million:

- . MTC
- . outstate transit aid
- . metro area private operators

1981 : Legislature appropriated \$50.5 million to Mn/DOT:

- . Performance funding abolished; MTC now has an operating contract with Mn/DOT
- . Social fares funding continues
- . Separate funding for Project Mobility, Metro Mobility projects and the Metro Mobility Control Center
- . Funding category set up for non-MTC operating assistance statewide
- . Metro area private operators and capital grant program funding continued
- . demonstration programs no longer funded
- . Joint House - Senate Transit Study Committee formed.

December, 1981: Third Special Legislative Session provisions affecting transit:

- . MTC operating and social fare subsidies reduced
- . Metro private operators subsidies reduced
- . Outstate Transit Assistance subsidies reduced
- . Capital grant appropriations reduced
- . Allowed MTC to charge a 15¢ surcharge on peak fares until June 30, 1983
- . Raised the metro area property tax levy for transit to 2 mills.

Winter-Spring 1981-1982: Joint House-Senate Transit Study Committee meets; recommends new objectives for transit program, plus a new transit program funding mechanism.

1982: Legislature enacts a bill into law that has the following impacts on the transit program:

- . redefines transit program purpose
- . implements a fixed local share funding procedure which mandates local financial participation based on a certain percentage of a project's total operating cost, rather than an operating deficit.
- . defines local participation amounts by population category
- . mandates the Commissioner of Transportation to define "total operating cost" by rule.

December, 1982: Special session of the Legislature reduced funding amounts for the following activities:

- . non-MTC projects
- . capital improvement program
- . MTC operating contract and social fares.

1983 : Legislature appropriated \$45 million to Mn/DOT:

- . Metro Mobility - \$10 million for the biennium
- . Private Operators - \$2 million for the biennium
- . Non-MTC - \$11 million for the biennium
- . MTC - \$22 million for the biennium
- . Allows the MTC to continue the existing 15¢ surcharge on fares during the peak periods until the end of the biennium
- . MTC base fare shall not be raised beyond the level existing on June 30, 1983
- . MTC fares may be raised to 25¢ in off-peak hours for youths and seniors
- . MTC may borrow money to cover operating expenses
- . The fixed share funding procedure, which allocates state transit subsidy to grant recipients based on the total operating cost and according to size and type of service operated, has been amended to address areas of undue hardship. Transit systems that will have extreme difficulty in paying their prescribed share may seek relief from Mn/DOT for up to two years.
- . A Legislative Study Commission on Metropolitan Transit was created. They will study the activities of the MTC and all other metro area transit operators and try to determine the appropriate roles of all concerned agencies and the effectiveness of operations and financing strategies.
- . The sunset language for the rideshare program was removed, clearing the way for continued operations.



July, 1983

WHAT ARE THE LEGISLATIVELY MANDATED PURPOSES
OF THE STATE TRANSIT PROGRAM?

The 1982 Minnesota Legislature, acting upon the recommendation of the Joint House - Senate Transit Study Committee, reviewed and redefined the purposes of the state transit program (Minnesota Statutes 174.21):

1. To provide access to transit for persons who have no alternative mode of transit available.
2. To increase the efficiency and productivity of public transit systems.
3. Where such activities are cost effective, to alleviate problems of automobile congestion and energy consumption and to promote desirable land use.
4. To maintain a state commitment to public transportation.
5. Consistent with the above objectives, to meet the needs of individual transit systems.

The transit program is comprised of four major budget activities, which are described below:

Metro Mobility - The Metro Mobility activity exists to provide a coordinated special transportation service for disabled persons in the metropolitan area. Demand responsive, door-through-door service is provided within Minneapolis, St. Paul and most first ring suburbs. The Metro Mobility Transportation Center acts as the primary coordinator element certifying eligible individuals, taking requests for service, arranging tours, and dispatching vehicles. The participating providers include the MTC, six taxi companies, and two private providers of wheelchair accessible transportation.

Private Operators - The private operators include Medicine Lake Lines and North Suburban Lines. Both provide regular route public transit within the Metropolitan Transit Taxing District (Twin Cities area). The financial assistance is intended to pay 100% of the operating deficit to supplement operating revenues and ensure continued viability of the private operators.

Non-MTC - The non-MTC activity provides funding to fifty-one projects throughout the greater Minnesota area. The services funded include home to work, elderly and handicapped transportation, or general purpose travel as authorized by Minnesota Statutes 171.21-171.24.

Metropolitan Transit Commission (MTC) - The MTC exists to provide safe and efficient transportation services for the movement of people by bus, van and automobile throughout the seven county metropolitan region. On the regular route bus system, the MTC serves approximately 82 million passengers over 29 million service miles using a fleet of over 1,000 vehicles. An additional 3,000 metropolitan area residents are organized in vanpools and carpools for commuting purposes.

(Over)



July, 1983

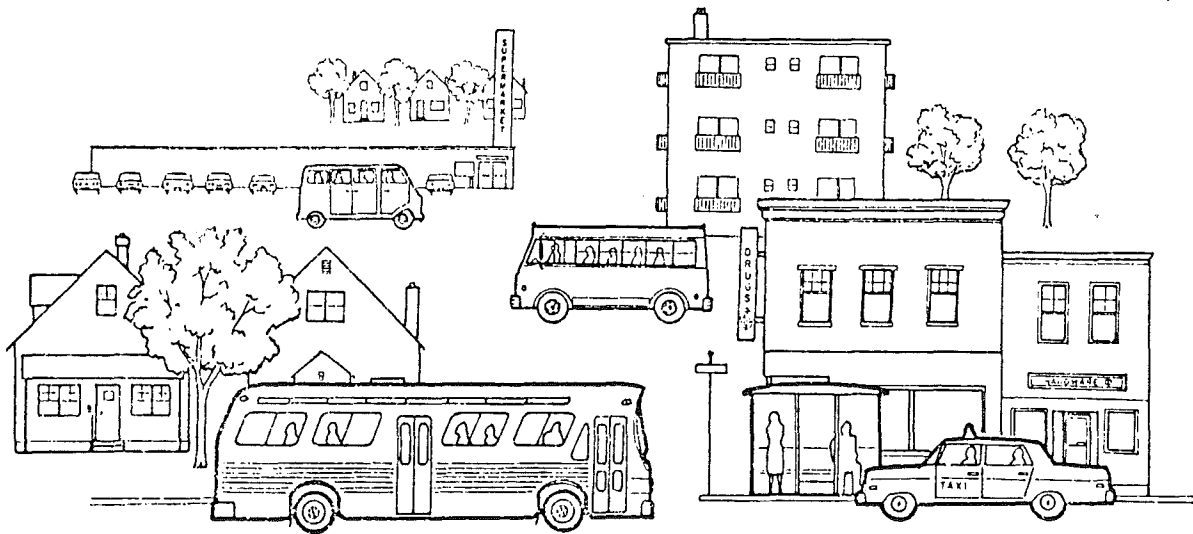
HOW DOES MN/DOT MANAGE
STATE FUNDED TRANSIT CONTRACTS?

During Calendar Year 1983, Mn/DOT's Office of Transit is administering sixty-five contracts for state funded transit projects. The development and execution of these contracts follows a specific process, which is discussed below:

1. Administrative Rules - The transit participation program is guided by a set of administrative rules, the development of which is mandated by the state legislature. These rules are developed by Office of Transit staff, in cooperation with funded transit providers and other interested parties. The current transit program rules are now in the process of being revised, with the public hearing most likely in September. The new rules will probably be adopted in early 1984.
2. Management Plan - The management plan is a description of all elements which affect the transit system's operation during the contract period. The essential purposes of a management plan are: to insure the maintenance or improvement of transit services; to identify and implement various policies and practices to increase the efficiency of transit operations; and to insure that financial assistance will be spent wisely. The Office of Transit uses the management plan as a basis for monitoring and evaluating the performance of the participating transit system during the contract period.
3. System Objectives - These local system objectives for the transit system are described in each project's management plan. The individual system objectives should ideally be tied to meeting the individual community's transit needs. It is important that ongoing objective attainment success actually demonstrate the system's progress toward meeting the overall goals established by the public transit agency.
4. Team Reviews - Team reviews have been conducted by Office of Transit staff of various transit systems. Basically, a comprehensive review of operations is conducted in order to identify major areas of cost savings as well as to point out realistic ways to increase system capacities. Any cost saving innovations, passenger service improvements, or increased revenue generating concepts are presented to individual system managers for local consideration and adoption. Many of the innovations and problem solving techniques that are generated in these team reviews are transferrable to other systems.
5. Contract Negotiation - All contracts are negotiated on an individual basis between Office of Transit staff and the local transit provider. This is accomplished so that final contract amounts may be within overall legislative appropriation levels.

(Over)

TRANSIT PROGRAM STATUS AND FUNDING ALTERNATIVES FOR MINNESOTA



Annual Report to the Legislature
Minnesota Department of Transportation
Office of Transit
December 1982

NOTE TO THE READER

This report is an annual document that is prepared, in accordance with Minnesota Statutes 174.23, subdivision 5, by the Office of Transit, Minnesota Department of Transportation, 820 Transportation Building, St. Paul, Minnesota 55155. Comments or questions on this report are welcome.

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EXECUTIVE SUMMARY

The annual transit report to the Legislature contains three basic topic areas: a status report on the ongoing activities of the Office of Transit and some observations regarding the history of the program since 1980; a review of a budget alternatives process that was undertaken during the past year in preparation for the 1984-85 biennium; and a perspective on future program direction.

The Program Status chapter describes the purpose and administrative activities of the Office of Transit, and describes the status of various programs and activities conducted by the Office. The review includes a look at the four primary budget activities in transit as well as a review of the rideshare program and a profile of program users.

Office of Transit staff currently administer the state's \$20+ million share of a \$120+ million annual transit program serving 442 communities and 3.1 million people. A total of 55 transit systems are funded by the state through 66 contracts. The state transit program includes four major budget activities:

- . private operators of regular route service within the Twin Cities metropolitan transit taxing district
- . Metro Mobility - a coordinated special transportation project for disabled persons in the Twin Cities metropolitan area
- . fifty-two transit systems throughout the State of Minnesota (later these systems are referred to as non-MTC systems)
- . Twin Cities MTC regular route bus service

The MINNESOTA RIDESHARE program was created in 1980 to encourage and facilitate increased carpool, vanpool and transit use throughout the state. Specific program objectives during fiscal year 1983 are to establish locally managed rideshare efforts to provide rideshare services and to serve as a standby that can react to a future fuel shortage.

During 1980 and 1981 twenty-four transit surveys were conducted by rural and small urban systems. Some results are the surveys show that:

- . 60% of rural passengers are 65 or older

The Program Cost Categories chapter provides an overview of how various cost components make up the operating cost of a transit system. Those costs are: labor, administrative costs, vehicle costs, other operations and insurance. The total transit program as well as individual budget activities are reviewed. Additionally, the differences in cost category expenditures are reviewed between urbanized, small urban and rural systems.

Labor is the largest cost component of running a transit system on a total program basis.

Small urban and urbanized systems tend to purchase the services of private operators, whereas rural services tend to run their own systems. This may be attributed to the fact that rural systems tend to be smaller in size and services provided may resemble a social service function.

The chapter documenting the 1984-85 Transit Budget Alternatives Process reviews the process implemented by Mn/DOT as part of the preparation of the biennial budget. The four alternatives evaluated were: limited growth, same service, same dollar and major reduction. The process included public input, identifying unmet need for transit in the state, and a survey completed by state funded transit operators that detailed the perceived impacts of the four budget alternatives on their transit system.

Office of Transit staff met with interested groups to discuss the budget process, their involvement and their reaction to the alternatives. Also, four public meetings were held throughout the state to gain public input into the process.

Throughout the budget alternatives process, staff has been gathering data on unmet needs identified by groups throughout the state. This process is part of Alternative 1 - the limited growth alternative, which seeks to identify new service that is perceived to be needed.

The discussion and review of unmet needs shows that new service or expansion of existing service should occur. The unmet needs identified through this process will be catalogued by Mn/DOT for use in planning future service.

In August, 1982 the Office of Transit mailed a transit budget alternatives questionnaire to all 55 of the transit systems participating in the state's subsidy program, in order to gather information to assist the

I. PROGRAM STATUS

The purpose of this chapter is to give the reader a basic overview of the components that make up the state transit program. This status report will review the activities administered by the Office of Transit; review recent legislative mandates relating to transit and Mn/DOT's fulfillment of those mandates; look at some basic characteristics of the transit program users; and review Office of Transit involvement in the area of ridesharing.

A. Transit Program Purpose and Administration

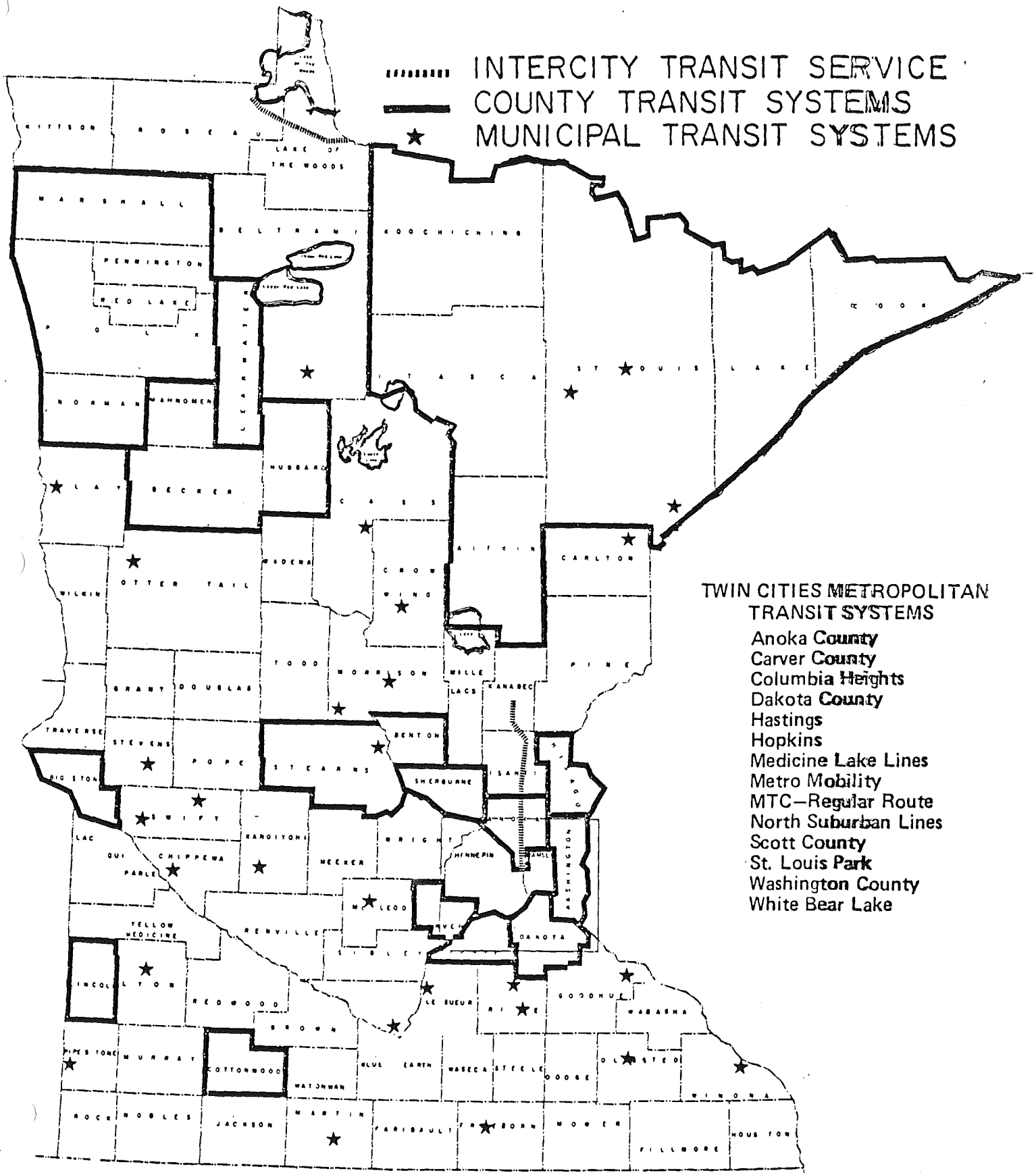
The 1982 Minnesota Legislature, acting upon the recommendation of the Joint House-Senate Transit Study Committee, reviewed and redefined the purposes of the State Transit Program (Minn. Stat. 174.21):

1. to provide access to transit for persons who have no alternative mode of transit available;
2. to increase the efficiency and productivity of public transit systems;
3. where such activities are cost effective, to alleviate problems of automobile congestion and energy consumption and to promote desirable land use;
4. to maintain a state commitment to public transportation; and
5. consistent with the above objectives, to meet the needs of individual transit systems.

The Office of Transit in the Minnesota Department of Transportation (Mn/DOT) is charged with transforming the transit program purposes into activities which includes planning, managing and evaluating the statewide public transit assistance program. The statewide transit program includes the following administrative activities:

1. examination and approval of applications for transit assistance funds
2. negotiation and execution of transit contracts
3. approving and initiating contract payments to transit operators

FIGURE 1
STATEWIDE PROJECT MAP



Lake Lines. The North Suburban Lines Company operates from Anoka and Northern Ramsey County and downtown St. Paul and back over three basic routes. The Medicine Lake Lines Company operates from New Hope, Crystal, Golden Valley and Medicine Lake to downtown Minneapolis and back over seven standard routes.

The funding of the private operators is intended to supplement operating revenues to ensure continued viability of the private companies as an alternative to the purchasing of their services by the MTC and expansion of MTC services into those two market areas. Funding is based on providing 100 percent of the private operators deficits up to a maximum of 65% of the total operating cost.

The Twin Cities private operators carried approximately 857,000 passengers over 894,000 miles in calendar year 1982.

2. Metro Mobility

The Metro Mobility program provides coordinated special transportation service for disabled persons in the Twin Cities metropolitan area. Demand responsive, door through door service is provided within Minneapolis, St. Paul and most of the first ring suburbs. The Metro Mobility Transportation Center (operated by the MTC under contract with Mn/DOT) is the primary coordinating element - certifying eligible individuals, taking requests for service, arranging tours, and dispatching vehicles. Providers in the Metro Mobility project include the MTC, which operates Project Mobility (a fleet of small lift - equipped vehicles), six taxi companies, and two private providers of wheelchair accessible transportation. Figure 2 shows the Metro Mobility service area.

The major objectives of the Metro Mobility project are:

- . to provide access to transit for persons who have no alternative public mode of transit available.
- . to increase efficiency and productivity by providing a coordinated accessible transportation system.

Metro Mobility began operating in early 1979. Since that time 1.3 million trips have been provided to handicapped individuals in the Twin Cities area. Currently, over 19,000 individuals are certified to use the system which provides over 30,000 trips per month. Those persons requiring accessible vehicles are more frequent users of the system.

The Metro Mobility program will carry approximately 371,000 passengers over 1.2 million vehicle miles in 1982.

a. Metro Mobility Eligibility Criteria

The 1981 Minnesota Legislature mandated that Mn/DOT "adopt rules ... establishing criteria to be used in determining individual eligibility for special transportation services". (Minn. Stat. 174.31, subd. 3). The rules will apply to the Metro Mobility project operating in the Twin Cities area. Office of Transit staff, working closely with the Metropolitan Transit Commission and groups that represent persons who could potentially be impacted by the rules, drafted rules in compliance with the administrative rulemaking process. The proposed rules would do the following:

- . establish eligibility criteria
- . provide for administrative procedures
- . require medical verification of disability
- . permit winter season and conditional certification
- . provide an appeals process.

A hearing on the proposed rules was held on September 21, 1982. The rules could go into effect as early as January, 1983.

3. Non-MTC Assistance

The non-MTC activity provides both capital and operating State and federal financial assistance to any legislatively established public transit commission or authority (except the MTC), any county or statutory or home rule charter city and any private operator of regular route transit (except private operators in the metro area) or any combination of the above when the local financial effort is inadequate to assure continuation of the

Total appropriations under the Section 18 program were:

Federal fiscal year 1979	\$1.6 Million
Federal fiscal year 1980	\$1.9 Million
Federal fiscal year 1981	\$1.6 Million
Federal Fiscal Year 1982	\$1.5 Million

c. Federal Section 16 (b)(2) Program

The Section 16(b)(2) program - Elderly and Handicapped Transportation Assistance - is a federal grant program authorized under the Urban Mass Transportation Act of 1964, as amended. It is funded through the Urban Mass Transportation Administration (UMTA) and provides monies for the purchase of vehicles to transport elderly and handicapped persons. The primary objective of the grant program is to meet the special needs of elderly and handicapped persons for whom existing mass transportation services are unavailable, insufficient, or inappropriate.

To be eligible for the program an applicant must be a private, non-profit organization. Funding is eighty percent (80%) federal monies, with the remaining twenty percent (20%) funded at the local level. The grant is restricted to capital purchases.

The 16(b)(2) program began in Minnesota in 1975. Since that time, seven grants have been approved by UMTA and work is now in process on an eighth grant. Following is a historical summary of the program, by grant, including total vehicle costs, number of vehicles provided, and the number of recipients.

<u>Grant Project No.</u>	<u>No. of Recipients</u>	<u>Vehicles</u>	<u>Total Costs</u>
MN-16-0001	21	31	\$ 468,664
MN-16-0002	2	2	27,476
MN-16-0003	15	24	445,062
MN-16-0004	16	18	410,555
MN-16-0005	17	17	391,524
MN-16-0006	15	16	360,579
MN-16-0007	18	19	Not yet bid.

It should be noted that not all the vehicles purchased under the first grant are still operating; due to age and deterioration, some of them have been sold. Also, it is to be noted that several of the recipients are recipients under more than one grant.

<u>Category</u>	<u>Definition</u>	<u>Local Responsibility for Total Operating Cost</u>
Large Urbanized	Duluth	55%
Urbanized	St. Cloud, Rochester, Moorhead	40%
Small Urban	Areas between 2,500 - 50,000 population (currently 26 contracts)	40%
Rural	Areas under 2,500 population (currently 22 contracts)	35%
Elderly & Handicapped	Specialized services provided by large urbanized & urbanized systems for elderly & handicapped persons (4 systems)	35%

The phase-in of the fixed local share procedure will be discussed in another chapter of this report.

e. Park/Ride Program

During the 1980 legislative session, the Minnesota Legislature appropriated funds to establish a statewide system of park/ride sites. By the end of that year, Mn/DOT had developed eighteen exclusive and three joint use park/ride sites. The lots operated at 38% capacity with an average of 270 of the 705 parking spaces used daily.

By 1982, the number of park/ride sites had grown to twenty-seven with a capacity of 997 vehicles. Usage also increased to approximately 447 vehicles daily, or forty-five percent of capacity.

Currently, there are no dedicated funds for park/ride site development. However, development of sites incorporated in other construction or maintenance projects is continuing on a limited basis.

f. Intercity Bus

There are thirteen intercity bus companies serving Minnesota as of December, 1982. In 1980, estimates show that 28.8 million passenger miles of service were provided. Areas served range from small villages to major metropolitan areas.

Eligibility criteria contained in the legislation speak to cities a) not served by the MTC, b) at the end of MTC routes and c) receiving fewer than four weekday runs between 9 a.m. and 3 p.m. The following cities were identified as eligible to apply for consideration:

Anoka Co.
Centerville
Circle Pines
Lino Lakes

Carver Co.
Chaska

Scott Co.
Prior Lake
Shakopee

Washington Co.
Birchwood
Pine Springs
Willernie

Hennepin Co.
Maple Grove
Medicine Lake
Plymouth
Shorewood
Tonka Bay

Dakota Co.
Lillydale
Apple Valley

Ramsey Co.
Little Canada
North Oaks
Vadnais Heights
White Bear Township

In addition to these 20 communities, the following "secondary opt out" communities would become eligible if one or more of the above "primary" cities elected to provide alternative service:

Lexington
Chanhassen
Eden Prairie
Savage

Eagan
Burnsville
Rosemount

Calculations based on 1982 property tax levies show that the maximum potential impact on MTC funding is \$5.3 million. However, it is not likely that many cities will in fact choose to provide alternative services. Discussions have been held with several of the eligible cities. Primary obstacles to opting out include:

- 1) The absence of local financial and staff resources needed to develop service need and projected cost information demonstrating that the service will meet the required service performance standards.
- 2) A reluctance to get into the transit service management activity when other services are being reduced due to local funding pressures.

management. The ultimate intent is to integrate the rideshare program function with the state transit assistance program activities.

D. Program User Summary

During 1980 and 1981 twenty-four transit surveys were conducted by rural and small urban systems. Of these surveys, 337 were by rural riders while 1,180 were completed by riders in small urban systems. Separating the base data into rural and small urban components shows that:

1. Sixty percent of rural system passengers are 65 years of age or older compared to 27 percent in small urban systems.
2. Forty-five percent of rural passengers use transit to attend nutrition programs and social/recreational activities compared to 9 percent in small urban systems.
3. Forty-four percent of trips made on small urban systems are work related compared to 12 percent in rural systems.
4. Riders in both systems are predominantly female (79 percent in small urban systems and 66 percent in rural systems).
5. Rural system passengers report that 58 percent do not own a motor vehicle while 38 percent of small urban system passengers report that no vehicles are owned by their households.
6. Sixty-seven percent of rural users report incomes under \$5,000 annually, while 30 percent of small urban system users have incomes below \$5,000.
7. Forty-four percent of users in small urban systems use transit five days a week compared to only 28 percent of users in rural systems.

In general, rural transit systems provide health related services to retired individuals on an irregular basis, and significantly, the majority of riders do not have access to a motor vehicle. The typical rider in a small urban system uses the service for work or shopping (44% - 20%) and needs the service on a fairly regular basis.

II. TRANSIT PROGRAM TRENDS

This chapter will provide an overall picture of the total transit program from 1980-1983. The program will be divided into the four major budget activities previously described.

Each figure that will be presented shows some trends for the overall transit program, and for the individual budget activities. The major observations about the trends will be shown. It must be noted at the outset that while most of the trends in Figures 3, 4 and 5 hold true for both the MTC system as well as the non-MTC systems, the figures for the MTC system are so large that they heavily influence the total transit program figures. Likewise, large systems (like Duluth) heavily influence non-MTC system figures.

Figure 3 shows costs and revenues for the four major transit activities for calendar years 1980-1983. The main observation that can be made by reviewing Figure 3 is that costs have risen during the three year period, and revenues are increasing as well. Costs have risen because many of the costs of running a transit system are very much influenced by inflation, such as labor and fuel. However, growth in costs seems to be leveling off - for example there is only a 5% growth in cost estimated for the overall transit program between 1982 and 1983. This stabilization can be attributed to a slowdown in the rate of inflation as well as a conscious decision by local transit projects and encouragement from Mn/DOT to keep growth in cost to a bare minimum. This in fact has meant a trimming of services for some systems.

The fact that revenues will also increase generally throughout the total transit program between 1982 and 1983 (\$1.1 million) is again a decision by the local managers and Mn/DOT. Many fare increases have been instituted throughout the state in an attempt to keep service at existing levels. This is especially true for the non-MTC systems, which predict a 17% increase in revenues collected in 1983 over 1982.

Figure 4 shows passengers carried and miles driven by the total transit system and for the four major activity levels for calendar years 1980-1983. The number of passengers carried is decreasing and the number of miles driven is being decreased also.

FIGURE 4
PASSENGERS AND MILES FOR CALENDAR YEARS 1980-1983

	<u>PASSENGERS</u> (in millions)			
	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>
Total Transit Program	105.1	101.8	102.3	94.3
MTC	92.4	90.6	90.0	81.8
Private Operators	0.9	0.8	0.9	0.9
Non-MTC	11.4	10.0	11.0	11.2
Metro Mobility	0.4	0.4	0.4	0.4

	<u>MILES</u> (in millions)			
	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>
Total Transit Program	40.8	41.3	39.8	38.4
MTC	30.3	31.2	29.9	28.6
Private Operators	0.9	0.9	0.9	0.9
Non-MTC	8.3	7.9	7.9	7.5
Metro Mobility*	1.3	1.3	1.3	1.4

*Does not include taxi service miles

FIGURE 5
COST PER PASSENGER & COST PER MILE FOR CALENDAR YEARS 1980-1983

	<u>COST PER PASSENGER</u>			
	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>
Total Transit Program	\$.86	\$ 1.04	\$ 1.14	\$ 1.29
MTC	.79	.96	1.06	1.21
Private Operators	1.56	1.66	1.75	1.94
Non-MTC	1.09	1.34	1.39	1.40
Metro Mobility	9.53	10.18	12.00	12.31

	<u>COST PER MILE</u>			
	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>
Total Transit Program	\$ 2.22	\$ 2.56	\$ 2.94	\$ 3.17
MTC	2.40	2.78	3.11	3.46
Private Operators	1.59	1.51	1.67	1.87
Non-MTC	1.51	1.68	1.95	2.09
Metro Mobility*	2.00	2.23	2.69	2.80

* Does not include taxi service miles.

Costs represented by year in which they are shown.

FIGURE 6

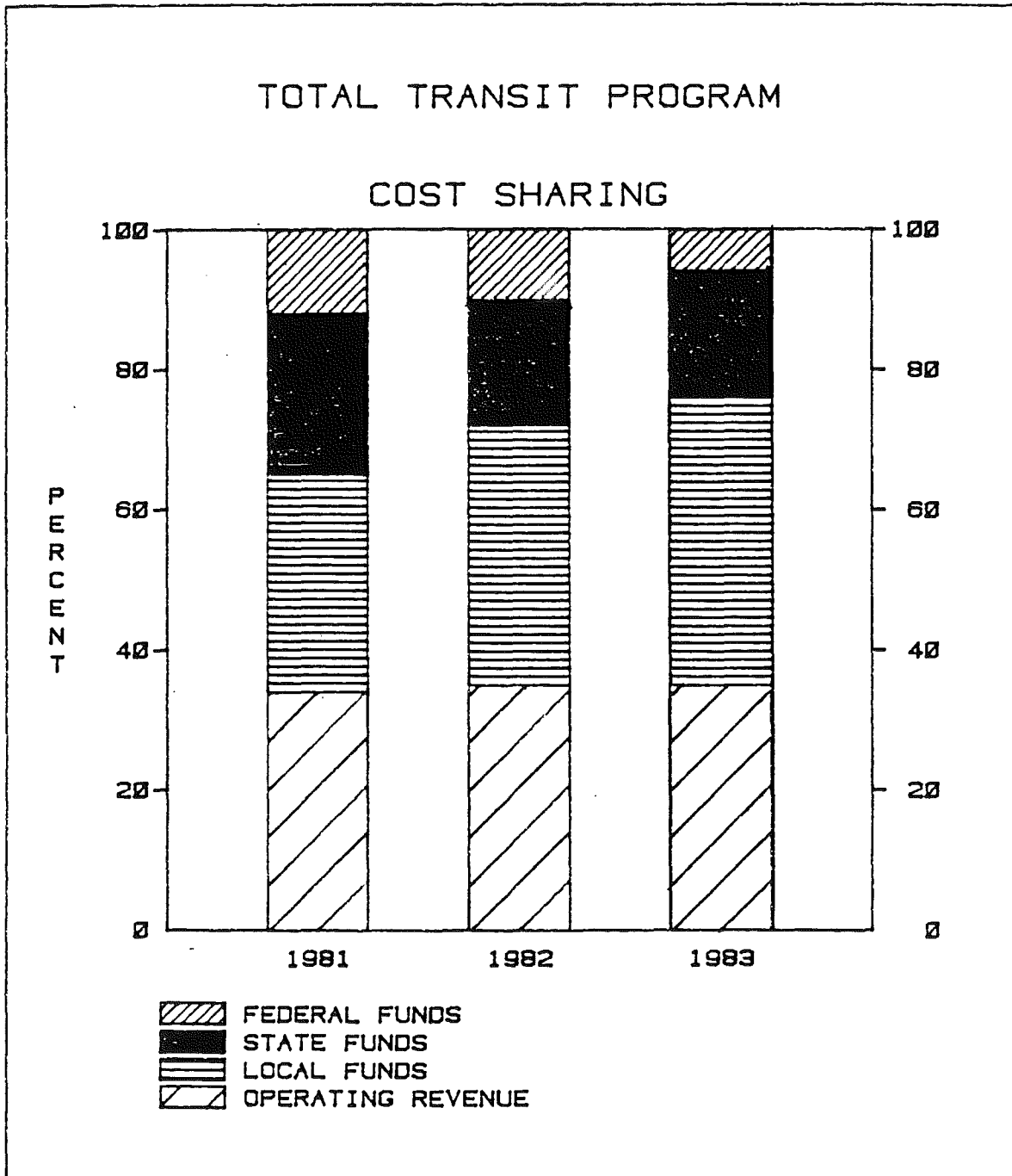


FIGURE 8

FEDERAL SHARES OF TOTAL COST

CALENDAR YEAR 1981

	<u>1981</u>	<u>1982</u>	<u>1983</u>
MTC	12%	9%	7%
Large Urbanized	10	9	7
Urbanized	30	29	26
Small Urban	23	27	26
Rural	23	28	27

FIGURE 9

ITEMS INCLUDED IN COST COMPONENT CATEGORIES

LABOR

- . Administrative, management, supervisory and clerical wages
- . Operators wages
- . Labor relating to maintenance and repairs
- . Other wages
- . Fringe benefits
- . Social Security

ADMINISTRATIVE COSTS

- . Management fees
- . Tariffs & traffic expenses
- . Advertising, marketing & promotion
- . Legal & auditing
- . Security
- . Phone & Office supplies
- . Leases & rentals
- . Utilities
- . Other costs

INSURANCE PREMIUMS

- . Public liability & property damage
- . Workers compensation
- . Other Insurance

VEHICLE OPERATING COST

- . Fuel
- . Parts for maintenance and repair
- . Tires
- . Other vehicle charges

OTHER OPERATIONS

- . Purchase of service
- . Depreciation
- . Mileage reimbursement
- . Property repair
- . Vehicle and garage rents
- . Vehicle registration & licensing
- . Federal gas tax
- . State gas tax
- . Other Charges

FIGURE 11

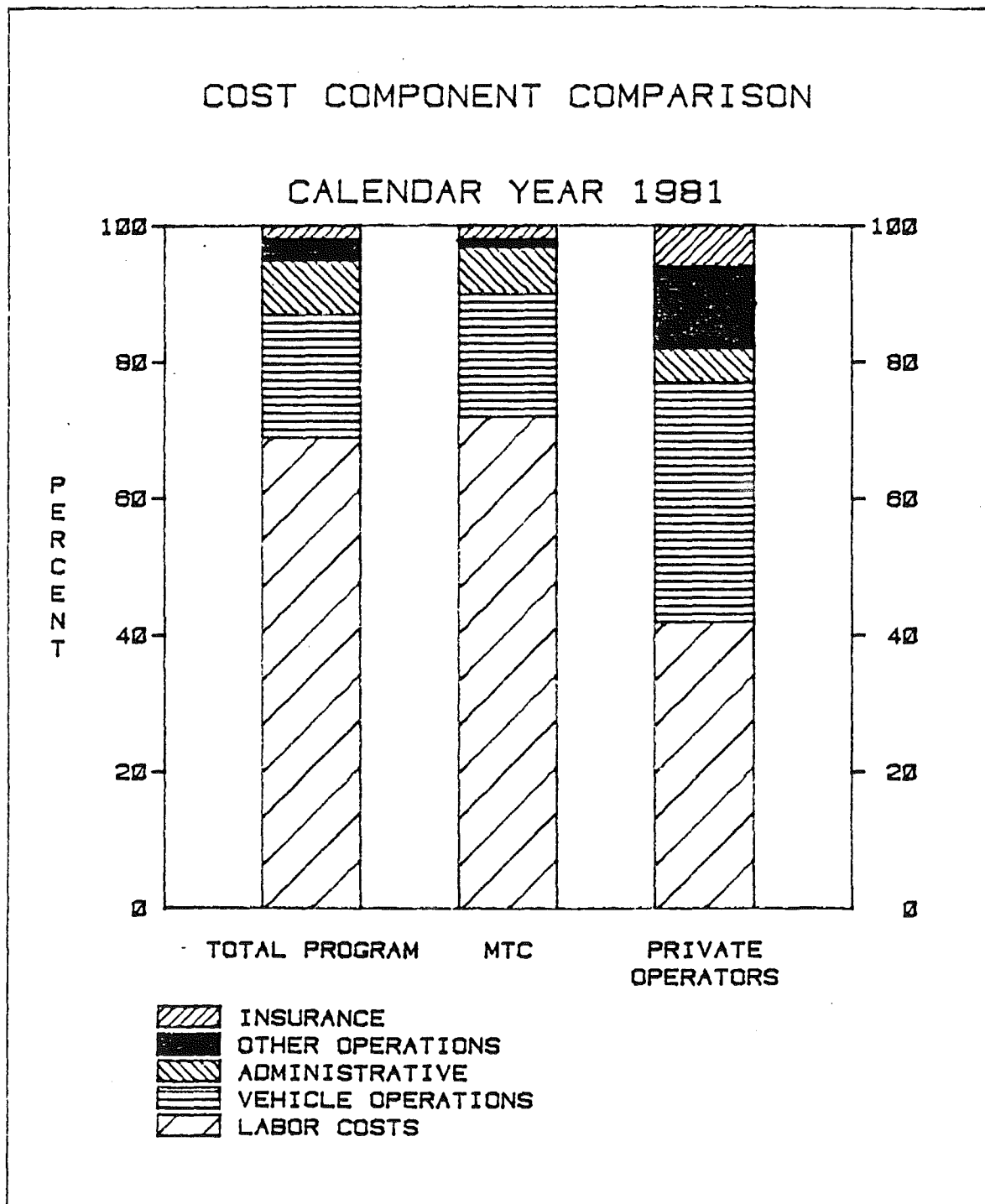
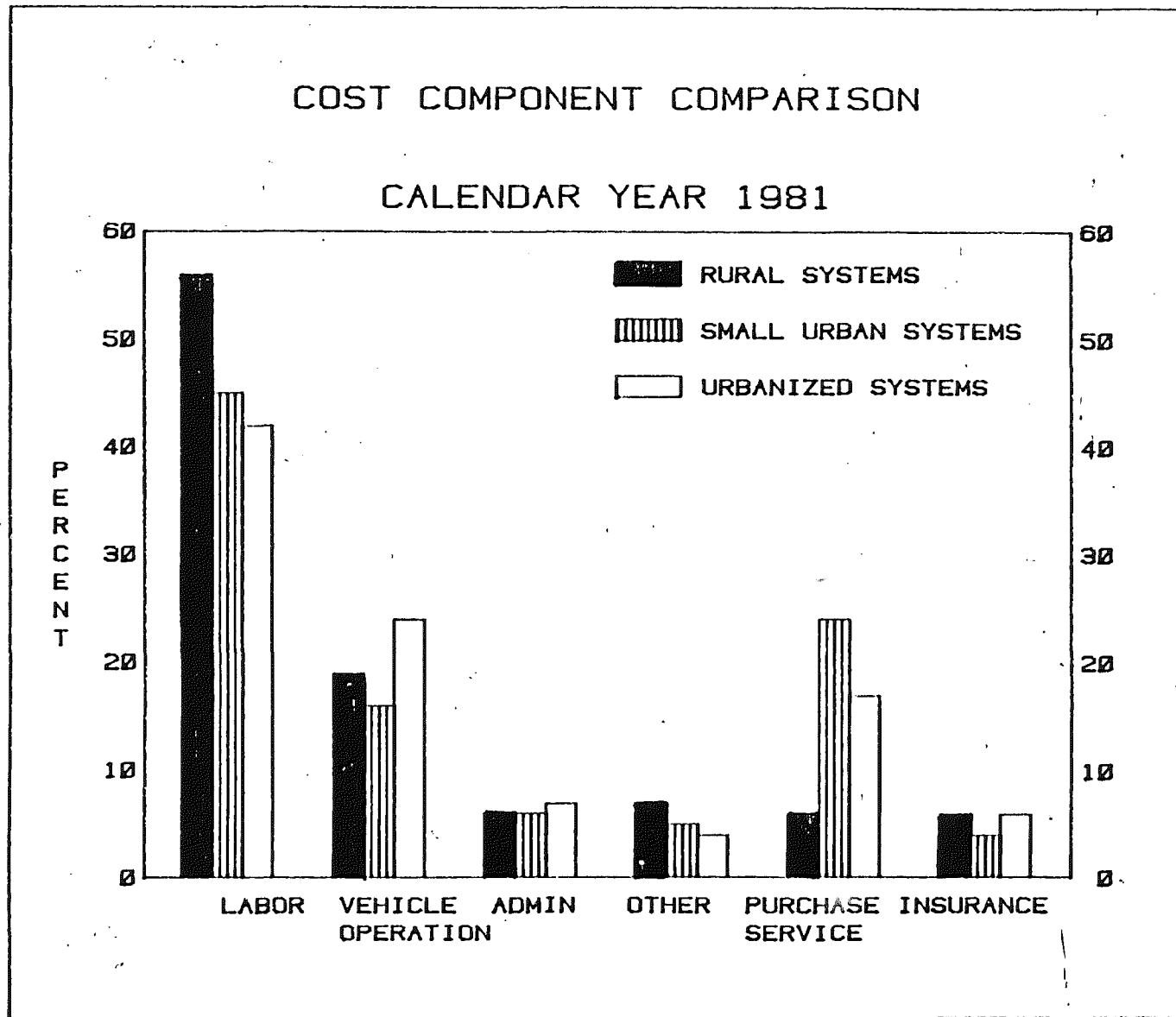


FIGURE 12



2. Same Service - this alternative is the service level to be provided by the operators in calendar year 1983. Providers may make internal changes in the way they provide service.
3. Same Dollar - this alternative would mean that all providers would receive the same amount of non-local funds (federal and/or state) that they anticipate receiving in calendar year 1983. The implementation of this alternative would in effect mean that a service reduction may be necessary because there could be no increase in operating costs. (In calculating this alternative, a 7% reduction allowing for inflation was used). Some systems may be able to reduce costs in other ways so that a service cut would not be necessary, but that would be unlikely because most systems have been trimming services already, especially due to the 12% cut in general fund programs last winter.
4. Major Reduction - this alternative depicts the impacts of a twenty percent cut in the non-local share (federal and/or state funds) of what that share was anticipated to be in calendar year 1983. This alternative may have a dramatic impact on many of the transit systems and could likely force some systems to choose whether or not to continue operating, based on local support.

C. Public Input into Alternative Budgets Process

Prior to initiating the development of the transit budget alternatives, Office of Transit staff agreed that it was extremely important to keep key groups of transit clientele informed as to what procedure was to be taken. Initially, Office of Transit staff met with interested groups to discuss the budget process involved, how they may be affected and what their participation in the process might include. Once this was accomplished, Office of Transit staff again met with groups to determine their reaction to the alternatives. Additionally, the Office of Transit held four public meetings throughout the state to gain public input to the process. The Office of Transit met with the following groups:

- . Transit grant recipients
- . League of Minnesota Cities
- . Minnesota Association of Regional Commissions Executive Board
- . Regional Transportation Advisory Committees (9 existing)
- . Minnesota Public Transit Association (MPTA)

In order to transmit the opinions of a representation of those people who attended the public meetings on the budget alternatives, a sampling of comments made at the public meetings regarding transit are printed here.

"In terms of dollar costs the bus service is far less expensive than placing people in long term care facilities. In terms of quality of life, the cost is incalculable"

"Good transportation is essential for the vitality of the downtown and growth of the city"

"I think it is essential that the city, state and federal governments realize that we have an investment already in the system (and) to maintain a commitment to a system"

"...transportation has become a fundamental and important ingredient in our ability to compete in the marketplace"

(Transportation) "also allows (elderly) access to services which keeps them in their homes rather than forcing them into more costs for living situations"

This section of the report has discussed an outreach effort by the Office of Transit to keep interested and involved persons, agencies and program users aware of the continuing process and results of the alternative budget review. Office of Transit staff will continue holding discussions with these groups throughout the legislative session as a budget bill is developed.

D. Identification of Unmet Needs

Throughout the budget alternatives process, staff has been gathering data on unmet transit needs identified by groups throughout the state. This process is actually part of Alternative 1 - the limited growth alternative, which seeks to identify new service that is perceived to be needed. Many unmet needs were identified.

The regional development commissions in Minnesota have studied transit needs in their areas. Most of them have prepared regional transportation plans to address those needs. A review of the regional transportation plans has shown that many of the identified needs throughout the state are the same across regional boundaries.

Alternative 3 - Major Reduction. The fourth alternative, the same service level, is the current Mn/DOT policy of no service expansion with cost adjustment for inflation only. Calendar Year 1983 budget figures were used for this alternative, and were also used as base data for projecting impacts under the other alternatives.

An overall summary of the budget alternatives survey is found in Figure 13. It presents an absolute grand total for various service elements. Figure 14 shows a sub-total for non-MTC systems only. Complete totals for all questions asked in the survey can be found in the Appendix.

1. MTC vs. Non-MTC Survey Results

Breaking down the base data into a non-MTC total that can be compared against the absolute total which includes the MTC, provides basic evidence of what is already known about the characteristics of predominantly rural systems vs. large urban systems such as the Twin Cities MTC. The numbers reveal that:

- (1) Non-MTC systems represent 22% of total miles but only 13% of total trips. This is due to the expected lower productivity of rural miles traveled versus urban miles traveled.
- (2) Non-MTC systems represent only 14.5% of full-time employees but a full 70% of part-time employees.

The small urban and rural systems are more inclined to use part-time workers rather than full-time employees because of the smaller scale of their operations.

Under the major reduction alternative, 39% of the total cuts in revenue miles would occur in non-MTC systems, as would 21% of the total cuts in passenger trips. In addition, 27.5% of the total cuts in full-time transit employees and 46% of the total cuts in part-time transit employees would occur in the non-MTC systems.

When the MTC and the non-MTC group are each compared against their own Calendar Year 1983 base data, the data shows that there is a special vulnerability on the part of non-MTC systems. As shown in Figure 15, cuts for the non-MTC group (measured against CY 1983 base data) would be 25% for miles 20% for passenger trips, with 18% and 37% cuts, respectively, for

FIGURE 14

Final Results of Survey - Non-MTC only

<u>Survey Question</u>	<u>CY 1983¹ Base Data</u>	<u>Alt. 1 Limited Growth</u>	<u>Alt. 2 Same \$</u>	<u>Alt. 3 Major Reduction</u>
# of counties served	37	37	37	2
# of communities served	352	354	333	2 1
Vehicles in regular service	306 ²	327 ³	284	2 3 ⁴
Seating positions for regular service	9,514	10,501	8,867	7,4 7
Back-up vehicles used	105	107	87	0
# of full-time employees	360	379	347	2 5
# of part-time employees	305	319	263	1 3
Revenue miles of service	8.24 M	8.85 M	7.67 M	6.1 M
# of one-way passenger trips	12.19 M	13.16 M	11.55 M	9.8 M
# not wishing to expand	---	37	---	- -
# wishing to expand	---	17	---	- -
# of predicted closedowns	---	---	---	1

¹ figures for C.Y. 1983 may not match budget figures earlier in this report due to late revisions in contract numbers.

² plus 256 volunteer drivers

³ plus 25 volunteer drivers

⁴ minus 6 volunteer drivers

full-time employees and part-time employees. The MTC, on the other hand, would expect rather moderate percentage cuts under the major reduction alternative. With the exception of part-time employees (which the MTC projects would be totally eliminated), most system characteristics would suffer only 8-11% cuts.

There are two essential explanations for the observations that have been made in comparing the MTC with the non-MTC systems. One important reason that the non-local funding cuts appear more devastating for the non-MTC systems than for the MTC is that non-MTC systems rely much more heavily on state and federal financing than does the MTC, as noted in Chapter III. Other Office of Transit data show that in 1983 non-MTC systems will depend on state and federal funding to cover 50% of their costs, while the MTC in 1983 will expect only 15% of its costs to be covered by these sources. Consequently, if state and federal funds were to be cut 20% for all systems, the effect would be greatest on the systems most dependent upon these funding sources, i.e., the non-MTC systems. A second important reason for the apparent disparity in the effects of deep funding cuts is the size of operations. The MTC, as a large system, has much more flexibility in making cuts than does a smaller operation. For example, many small systems have only one route, no Saturday service, or no evening service.

2. Effect of Service Cuts

Thus far the focus has been upon quantity impacts, always an important indicator. However, the impact of deep cuts is not fully revealed until the effect on quality of service also is considered. It is in the area of service quality that the similarities between cuts for the MTC and the non-MTC are most visible. Comments made by the MTC on their survey form indicate significant impacts on service quality. For example, under Alternative 2, it was projected that a same dollar level of funding would necessitate reduced service levels for all communities, particularly in weekend and evening service, but also in a thinning out of weekday and off-peak service. For Alternative 3, it was stated that a reduction of this magnitude could very well mean closing down one of the MTC's five major operating facilities. The required service cuts would virtually eliminate evening and weekend service with corresponding cuts in weekday off-peak schedules. In addition, some routes would be cut

For systems in the small urban category, typical comments under Alternative 2 included several proposals for increasing transit fares and/or reducing hours of service. However, it was felt that doing these things would result in longer waits for service and possibly fewer people riding. Some said they might be able to raise additional money locally to make up for the unadjusted inflation costs. Comments under Alternative 3 were similar for these systems but the action and impact were more drastic. If fares were raised to offset the reduction, they would have to be raised considerably, decreasing the number of people riding. Service cuts would be quite drastic in many cases, such as reducing service by a day per week, reducing service hours and communities served, and by cutting down to only one bus.

Rural systems also predict service cuts under Alternative 2 and 3, with drastic changes necessitated by a major reduction of 20 percent. Five predict a closedown of service under the latter alternative, with 48 fewer communities served. Comments regarding impacts included plans to provide bi-weekly service instead of weekly service to many rural communities and eliminating service to some, prioritizing service such as for medical trips, and cutting service hours greatly. A couple of respondents stressed the serious negative impact on users since many of their riders are reliant on the service for basic life support needs and do not have other means of transportation.

Turning to Alternative 1, the limited growth option, the majority of systems do not want to expand. Looking at the categories it is clear that desire for expansion is greatest in the large urban systems. Comments on Alternative 1 from those small urban and rural systems not wanting to expand indicated two basic reasons for this outlook. Either it was felt that the system at present was meeting the basic needs of the community and was adequate, or it was stated that local dollars simply would not be available to participate in the costs of expansion.

4. Metro Mobility Survey Results

The budget alternatives survey was also completed by Mn/DOT and MTC staff members administering the Metro Mobility project, the coordination project in the Twin Cities metropolitan area. As described in Chapter I, Metro Mobility provides demand responsive, door through door service, which is

Under Alternative 1, the limited growth option, desire to expand was indicated. It was considered desirable to expand regular service by 6 vehicles and add 1 backup. There would be 190,000 miles of service added, providing an additional 27,150 passenger trips. Such an expansion would allow Metro Mobility to serve 14 additional communities in the Metro Mobility secondary service area.

Under Alternative 2, same dollar level with no inflation adjustment, reductions would be necessary. It is estimated that 7 vehicles would be cut from regular service and 4 backup vehicles would no longer be needed. Service miles would be reduced by 306,127 (a 14% cut) and 52,175 fewer passenger trips would be provided (a 11.5% cut). The same number of communities would continue to receive service but it is expected that the frequency or availability of service would be decreased.

Alternative 3, the major reduction alternative, would naturally result in deeper cuts than those expected under Alternative 2. Here 15 vehicles would probably be cut from regular service, along with 7 backup vehicles. Service miles would be cut by 626,572 miles or 29% (based on CY 1983 figures) and 120,212 fewer passenger trips would be provided, a reduction of 27%. As with Alternative 2, it is expected that all current communities and counties would continue to be served. However, under this option holiday and weekend service would have to be eliminated and weekday service would be dramatically reduced.

F. General Conclusions

The transit budget alternatives process has yielded valuable information to date and more is anticipated to come. It has shown that while 76% of the population of the state lives in an area that is served by some type of state funded transit service, that there is an indication of unmet need, especially in the rural and remote areas of the state, where transit service may be the only form of transportation available to many residents.

The budget alternatives process has shown that many persons are deeply committed to the provision of transit. The transit that does exist has been documented to be a valuable service to those who have it in fact it is a lifeline to essential goods and services to many. The survey and public meetings have shown that many are continuing to plan for and provide transit. It is critical to many, in both rural and urban areas.

VI. FUTURE DIRECTIONS

Long Term Issues

The transit program in Minnesota has completed a growth and demonstration phase where many different service plans were tested and matured. Some projects have been terminated. The rest have evolved to better serve local needs. Project managers are now concentrating efforts on fine tuning operations and managing growing funding problems. Cost containment and ridership growth will be major objectives for the next several years.

Recognizing the time was right to reassess program direction the Joint House-Senate Transit Study Committee reviewed the statewide program in 1981. Changes in funding policies were adopted by the 1982 Legislature so that future emphasis will be on total cost sharing rather than funding of deficits. These changes, effective January 1, 1984, will provide long range stability and enable local officials to concentrate efforts on improving service efficiency. With this change, the outstate program seems to have its future direction, at least from a policy perspective.

Completion of the outstate program review and the availability of several years of program data has enabled Mn/DOT to begin assessing the transit program experience in the seven county Twin Cities Metropolitan Area. Results of this assessment suggest that the time has come now for a major review of program organization, service delivery and service funding arrangements. This conclusion is based on several considerations, including:

1. A growing concern about service received vs. tax revenue paid disparities in the face of local government unit funding problems.
2. The increasing emphasis on greater private sector service delivery roles with less reliance on public ownership and sole source options.
3. A decreasing federal role in funding and controlling of transit services with increased local responsibility for continued compliance with social objectives.
4. The ongoing discussions of regional governance and the review of appropriate division of responsibilities between state, regional and local units of government.

Columbia Heights) be the responsibility instead of the Metro Council? the MTC?

- b) What role does/should the Legislature expect of Mn/DOT relative to MTC operating budgets?

2. Metro Council Role: The Council is clearly responsible for developing regional policies and plans to guide transit service projects initiated by other agencies. But once the project is initiated the Council cannot significantly impact subsequent resource allocations. Further, the Council does not have the resources or the authority to initiate projects needed to implement policies that have been adopted.

- a) Should the Council be the recipient and dispenser of state, federal and regional funds invested in transit as a broker but not provider of service?
- b) Should the Council have operating budget approval authority over all publicly funded transit providers in the metro area, including the MTC?

3. MTC's Role: There have been major but piecemeal changes in metropolitan area transit programs since the Commission was created and it purchased the Twin Cities Lines bus company. Today the MTC is the major but only one of many service providers. It holds exclusive taxing authority but is subject to fare policy direction from the Legislature. [As funding becomes more and more difficult, the original mission as outlined in state statutes becomes less and less attainable.]

- a) Should the Commissions' role change from that of service provider to service broker?
- b) How should service versus tax revenue disparities be resolved?
- c) How can local officials be involved to a greater extent in service planning to ensure local support and development of subregional systems envisioned in the Councils' policy guide?

Short Term Concerns

In addition to the metro area perspective noted above, there are problems that need to be addressed by the 1983 Legislature. These include the following:

management. Some view this program as detrimental to the region's "community of communities" perspective. Others view the provision as a means to address disparities between tax revenue that is generated for transit services versus transit services actually received. The purpose of the program as stated in legislation is to provide an opportunity to test alternatives to existing service, however, legislative language requires significant liberties with interpretation to accomplish that purpose.

- a. The program language should be revised to better define the eligibility criteria, the program objectives and criteria to be used by the Commissioner in evaluating applications.
- b. Should eligible recipients be permitted to pay for planning assistance out of program funds?
- c. Did the legislature intend that program funds be available to pay 100% of operating deficits for alternative services?
- d. MMDOT has assumed a broad definition of the term "replacement service." Is this acceptable and consistent with legislative intent?

5. Alternative Service Delivery and Funding Options:

The current funding situation requires that new transit service delivery options be considered. The current transit cost sharing situation and potential revenue sources should also be studied. Other examples of areas to be examined include greater use of private operators, competitive bidding and the possibility of private sector financing. However, legislation authorizing the Commissioner to fund demonstrations of innovative alternatives was eliminated along with discretionary funds. Restoration of planning and demonstration funds would facilitate needed improvements.

Potential Problems

In addition to the above items, there are other program situations that should be monitored by the Legislature. Outside considerations such as adverse action by the Congress or continued general fund deficits could result in these items being raised to a more immediate concern:

APPENDIX

Minnesota Statutes Reference to Transit Programs

<u>Section of Statute</u>	<u>Program</u>
174.21	Public Transit Assistance & Transportation Management; Purpose
174.22	Definitions
174.23	General Powers & Duties of Commissioner
174.24	Public Transit Participation Program
174.245	Public Transit Capital Grant Assistance Program
174.255	Paratransit Programs; Accessibility; Insurance
174.256	Park and Ride Program
174.257	Ride Sharing Program
174.265	Metropolitan Transit Service Demonstration Program
174.27	Public Employer Commuter Van Programs
174.29	Coordination of Special Transportation Service
174.30	Operating Standards for Special Transportation Service
174.31	Coordination of Special Transportation Service in the Metropolitan Area

FINAL RESULTS OF SURVEY - OVERALL SUMMARY

TOTALS. - <u>Base Data</u> - CY 1983 *	<u>ABSOLUTE TOTAL</u>	<u>NON-MTC TOTAL</u>
Vehicles in regular service	1,126	306
	+ 256 vol. drivers	+ 256 vol. drivers
Seating positions for reg. service	50,514	9,514
Back-up vehicles used	253	105
Seating positions for back-ups	10,531	3,131
No. of full-time employees	2,481	360
No. of part-time employees	434	305
No. of full-time equivalents	2,687.5	489.5
Revenue miles of service	36,842,352	8,242,352
No. of one-way passenger trips	94,090,555	12,190,555
No. of communities served	446+	352+
No. of counties served	44	37
TOTALS - <u>ALTERNATIVE 1</u> - Limited Growth		
Number not wishing to expand	38	37
Number wishing to expand	17	17
Expansion statistics as follows:		
Vehicles to be added to regular service	21	21
	+ 25 vol. drivers	+ 25 vol. drivers
Seating positions for regular service	987	987
Back-up vehicles to be added	2	2
Seating positions for back-ups	96	96
No. of FT employees to be added	19	19
No. of PT employees to be added	14	14
No. of FTE's to be added	25.5	25.5
Revenue miles to be added	607,025	607,025
One-way passenger trips added	969,720	969,720
Additional communities served	2	2
TOTALS - <u>ALTERNATIVE 2</u> - Same Dollar Level		
Vehicles to be cut from regular service	95	22
Seating positions cut from regular service	4,297	647
Back-up vehicles cut	31	18
Seating positions for back-ups	1,089	439
No. of FT employees to be cut	129.3	13.3
No. of PT employees to be cut	171	42
No. of FTE's to be cut	227.4	34.4
Revenue miles to be cut	3,087,139	571,139
One-way passenger trips cut	7,848,272	643,472
Fewer communities served	19	19
TOTALS - <u>ALTERNATIVE 3</u> - Major Reduction	<u>ABSOLUTE TOTAL</u>	<u>NON-MTC TOTAL</u>
Vehicles to be cut from regular service	169	77
	- 6 vol. drivers	- 6 vol. drivers
Seating positions cut from regular service	6,657	2,057
Back-up vehicles cut	52	35
Seating positions for back-ups	1,638	788
No. of FT employees to be cut	234.5	64.5
No. of PT employees to be cut	241	112
No. of FTE's to be cut	360.8	113.8
Revenue miles to be cut	5,301,601	2,081,601
One-way passenger trips cut	11,613,416	2,392,616
Fewer communities served	71	71
Fewer counties served	11	11
No. of predicted closings	10	10

FINAL RESULTS OF SURVEY

ALTERNATIVE BUDGET IMPACTS - LARGE URBAN

<u>SERVICE ELEMENT</u>	<u>GROWTH</u>	<u>OPTION</u> <u>SAME \$</u>	<u>MAJOR CUT</u>
# OF REGULAR VEHICLES	+ 11%	- 5%	- 17%
# OF FT EMPLOYEES	+ 7%	- 2%	- 11%
# OF PT EMPLOYEES	+ 9%	- 3%	- 46%
# OF REVENUE MILES	+ 11%	- 6%	- 19%
# OF PASSENGER TRIPS	+ 9%	- 5%	- 17%

ALTERNATIVE BUDGET IMPACTS - SMALL URBAN

<u>SERVICE ELEMENT</u>	<u>GROWTH</u>	<u>OPTION</u> <u>SAME \$</u>	<u>MAJOR CUT</u>
# OF REGULAR VEHICLES	+ 1%	- 9%	- 33%
# OF FT EMPLOYEES	--	- 9%	- 39%
# OF PT EMPLOYEES	+ 5%	- 16%	- 33%
# OF REVENUE MILES	+ 3%	- 5%	- 33%
# OF PASSENGER TRIPS	+ 3%	- 7%	- 25%

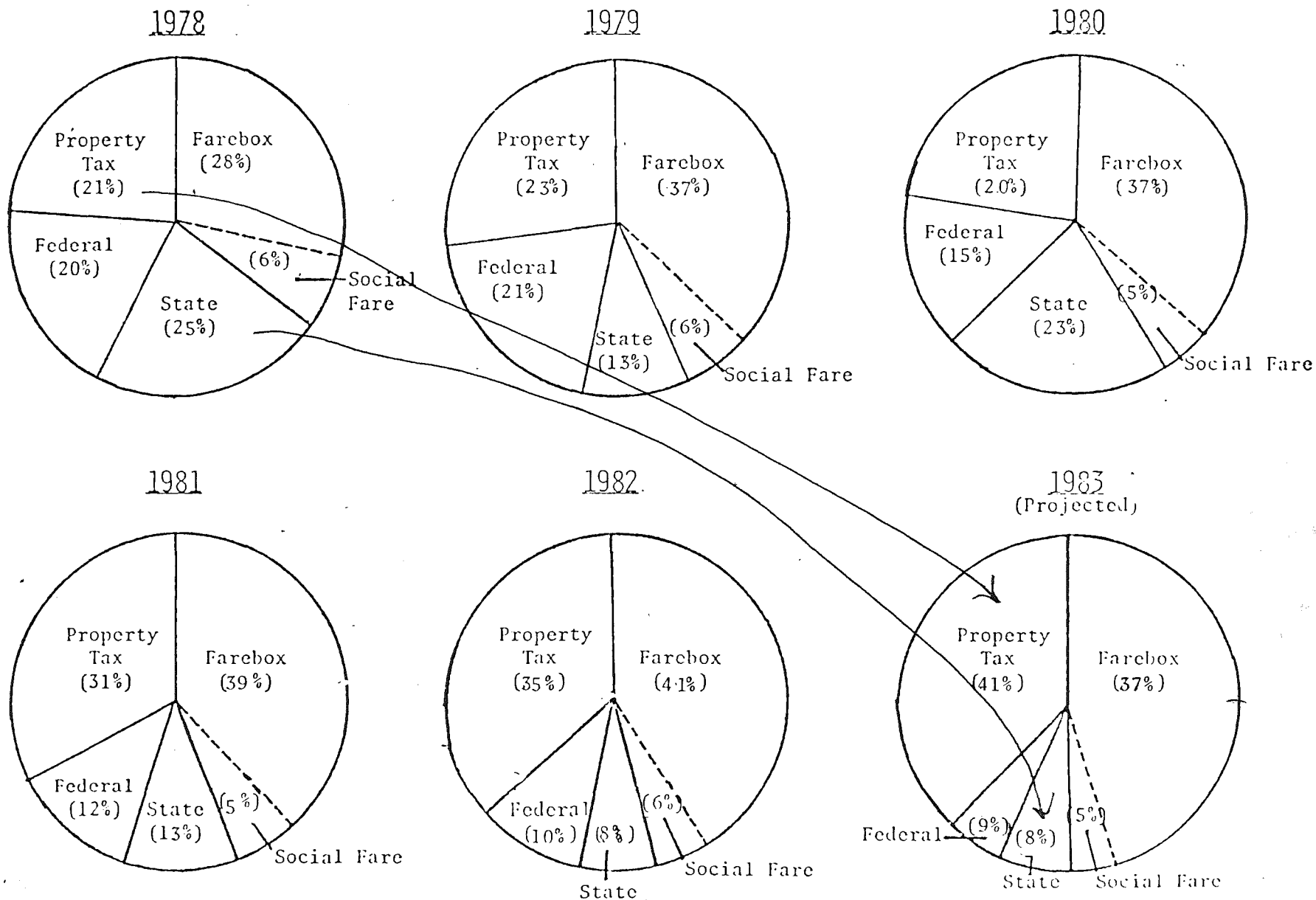
ALTERNATIVE BUDGET IMPACTS - RURAL

<u>SERVICE ELEMENT</u>	<u>GROWTH</u>	<u>OPTION</u> <u>SAME \$</u>	<u>MAJOR CUT</u>
# OF REGULAR VEHICLES	+ 3%	- 9%	- 34%
# OF FT EMPLOYEES	+ 4%	- 6%	- 25%
# OF PT EMPLOYEES	--	- 20%	- 46%
# OF REVENUE MILES	+ 4%	- 10%	- 30%
# OF PASSENGER TRIPS	+ 3%	- 7%	- 49%

B-4
9-14-83

SOURCES OF MTC OPERATING REVENUES *

(TOTAL MTC OPERATIONS)



Rev. 9/13/83

*Revenues will not necessarily equal expenses for individual years. Differences will be reflected in fund balance increase or decrease over the period shown.

MTC STATE APPROPRIATIONS
(In Millions)

	<u>Actual 1979-'81</u>	<u>Original 1981-'83</u>	<u>Reduced 1981-'83</u>	<u>Original 1983-'85</u>	<u>Actual 1983-'85</u>
Operating Assistance	\$27.7	\$14.7	\$ 8.3	\$10.9	\$12.0**
Social Fare	\$ 8.0	\$12.0	\$ 9.9	\$11.3	\$ 9.9
Total	\$35.7	\$26.7	\$18.2*	\$22.2	\$21.9

* Represents 31.5% giveback to state general fund.

** Additional \$.2 available upon fare decrease.

dh/616

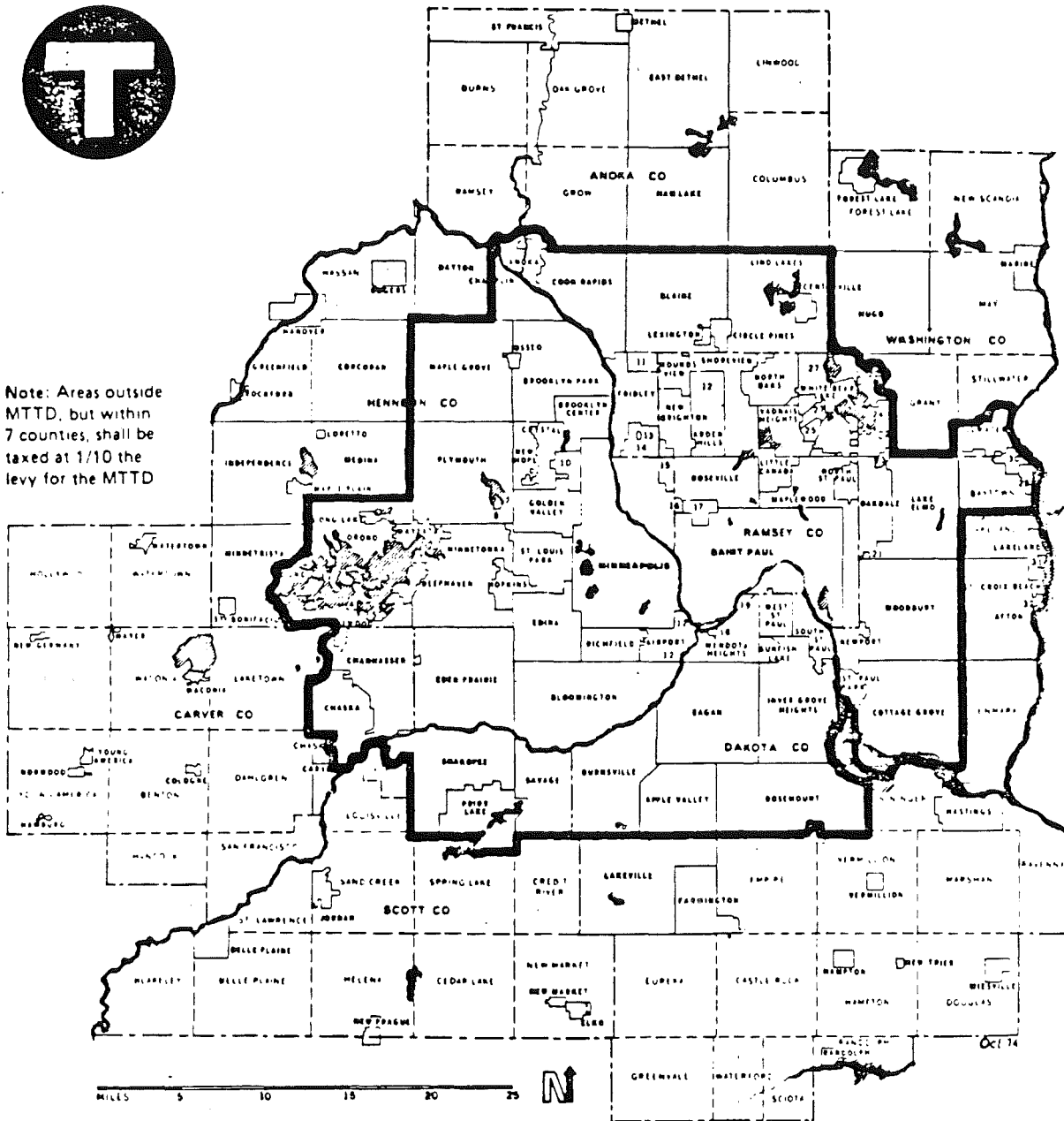
MTC RIDERSHIP CHANGES - %
Comparable Days 1979 - 1983

	1979	1980	1981	1982	1983
January	4.08	1.85	(2.08)	(3.91)	(10.05)
February	3.66	1.18	(1.34)	-0-	(14.39)
March	6.32	(.88)	.62	(4.39)	(13.59)
April	5.54	-(2.28)-	2.12	(8.38)	(10.02)
May	6.91	(3.71)	2.17	(7.21)	(10.35)
June	12.73	(7.99)	2.70	-(15.85)-	(4.84)
July	-8.11-	(2.95)	-2.74-	(14.08)	(1.75)
August	3.94	(.04)	(4.34)	(12.20)	(1.27)
September	4.35	(3.51)	(1.12)	(12.91)	
October	2.48	1.64	(5.71)	(14.91)	
November	5.15	(2.08)	(4.60)	(12.43)	
December	4.02	.19	(3.78)	(10.53)	
Year to Date Change	5.52	(1.49)	(1.52)	(9.63)	

- - Fare Increases



Note: Areas outside MTTD, but within 7 counties, shall be taxed at 1/10 the levy for the MTTD



TWIN CITIES METROPOLITAN AREA Metropolitan Transit Taxing District

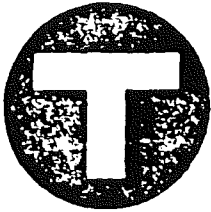
1 SPRING PARK
2 ORONO
3 MINNETONKA BEACH
4 TONKA BAY
5 EXCELSIOR
6 GREENWOOD
7 WOODLAND
8 MEDICINE LAKE

9 VICTORIA
10 ROBBINSDALE
11 SPRING LAKE PARK
12 U. S. GOVT
13 HILLTOP
14 COLUMBIA HEIGHTS
15 ST. ANTHONY
16 LAUDERDALE

17 FALCON HEIGHTS
18 MENDOTA
19 LILYDALE
20 GREY CLOUD
21 LANDFALL
22 DELLWOOD
23 PINE SPRINGS
24 MANTOMEDI

25 GEM LAKE
26 BIRCHWOOD
27 WHITE BEAR
28 BAYPORT
29 WILLERNIE
30 OAK PARK HEIGHTS
31 LAKELAND SHORES
32 ST. MARY'S POINT

ANOKA — County
TOWNSHIP — Township
MUNICIPALITY — Municipality



M T C F A C T S H E E T

A. BUS FLEET - 1,126 operating vehicles which include:

- 1,004 Standard (40') transit buses in operation
- 20 Articulated (60') transit buses in operation
- 29 Project Mobility (wheelchair lift-equipped) buses
- 2 Shuttle vans

- 47 Standard buses in storage
- 15 Q.T. minibuses in storage

- 1 Standard bus leased
- 8 Shuttle vans leased

- 18 Replacement Project Mobility buses to be delivered in 1983-1984
- 62 New Articulated buses to be delivered in 1983
- 175 Standard buses to be rehabilitated during 1983-1984

B. BUS SERVICE - 123 total routes which include:

- 57 Local bus routes
- 49 Express bus routes
- 17 Special routes (e.g., U of M intercampus route, Zoo Bus, subscription service, etc.)
- 1,300 miles of extensive MTC routes
- 100,000 schedules bus miles traveled on service routes per day
- 28,600,000 total annual bus miles in 1983

C. RIDERSHIP

- 6.9 million riders per month
- 2.8 passengers per mile

D. FACILITIES

- American Center Building (downtown St. Paul) - General administrative offices, including Commission staff and operating management; leased office space.
- Northside Garage (north Minneapolis) - Bus operations and servicing; constructed pre-World War I.
- Nicollet Garage (south Minneapolis) - Bus operations and servicing; transit operations management, radio control center, Telephone Information Center; constructed pre-World War I.
- Shingle Creek Garage (Brooklyn Center) - Bus operations and servicing; renovated 1982.

Sports Buses - direct service to professional hockey games at Met Sports Center from Minneapolis.

Charters - custom bus service for individual groups.

Gray Line Tours - seasonal tours of both cities in four different formats.

Minnesota Rideshare - a coordinated service involving employers in organizing employee carpools and vanpools in the eastern half of the Twin Cities.

Subscription - routes designed to serve employees of any company located in a non-route area.

Dime Zone - downtown area of St. Paul and Minneapolis where riding is 10¢.

Convenience Items:

Monthly All You Can Ride Cards - prepaid fare card based on cost of 40 rides per month, sold at over 100 public sales outlets.

Commuter Tickets - 10-ride punch card ticket.

Tokens - worth one base fare ride.

Payroll Deduction - employer program encouraging employees to ride the bus to work by offering a discount on the monthly pass card.

MTC Consumer Information Aids:

Transit Information Center - personalized trip planning assistance. Transit information is also available for speech and hearing impaired people via teletypewriter.

Customer Service - customer line for comments, suggestions and complaints.

Information Outlets - over 250 businesses, public agencies, libraries, etc., offer MTC pocket schedules to the general public.

Information and Sales Booths - located in IDS Crystal Court, Minneapolis, and Town Square in St. Paul.

Traveling Information Booth - educational display exhibiting the system map and other transit information.

Pocket Schedules - exact routes and time schedules for individual routes and general information about the entire system.

System Map - indicates all MTC routes by color code and highlights areas of high service level such as downtown, U of M, shopping centers.

T MTC FARES EFFECTIVE JUNE 1, 1982

MTC CASH FARES

ONE-WAY RIDE:	ADULT* RIDERS	YOUTH* RIDERS	SENIOR CITIZEN** RIDERS	HANDI- CAPPED** RIDERS
WITHIN ZONE 1				
Peak Hours	\$.75	\$.75	\$.75	\$.75
Off-Peak Hours	\$.60	\$.20	\$.10	\$.30
FROM ZONE 1 TO ZONE 2				
Peak Hours	\$.90	\$.90	\$.90	\$.90
Off-Peak Hours	\$.75	\$.35	\$.10	\$.30
FROM ZONE 1 TO ZONE 3				
Peak Hours	\$1.05	\$1.05	\$1.05	\$1.05
Off-Peak Hours	\$.90	\$.50	\$.10	\$.30
FROM ZONE 1 TO ZONE 4				
Peak Hours	\$1.15	\$1.15	\$1.15	\$1.15
Off-Peak Hours	\$1.00	\$.60	\$.10	\$.30
OUTSIDE CITY LIMITS				
Peak Hours	\$.75	\$.75	\$.75	\$.75
Off-Peak Hours	\$.60	\$.20	\$.10	\$.30

ONE-WAY RIDE:	ADULT* RIDERS	YOUTH* RIDERS	SENIOR CITIZEN** RIDERS	HANDI- CAPPED** RIDERS
MPLS./ST. PAUL DIME ZONES				
All Hours	\$.10	\$.10	\$.10	\$.10
METRO MOBILITY				
Peak	***\$.75	***\$.75	***\$.75	***\$.75
Off-Peak	***\$.60	***\$.60	***\$.60	***\$.60
ROUTE 42 SPORTS BUS				
All Hours	\$1.00	\$1.00	\$1.00	\$1.00

NOTE: Children five years and younger ride free at all times (limit of three children accompanied by fare-paying adult).

- * Add 10c for EXPRESS service when applicable during peak and off-peak hours.
- ** Add 10c for EXPRESS service when applicable during peak hours only.
- *** Must be certified or accompany a handicapped rider.

TRANSIT INFORMATION CENTER - 827-7733

PEAK HOURS: Weekdays 6 AM-9 AM and 3:30 PM-6:30 PM.

OFF PEAK HOURS: Weekdays - first bus to 6 AM; 9 AM-3:30 PM and 6:30 PM to the last bus, plus all day Saturday, Sunday and holidays.

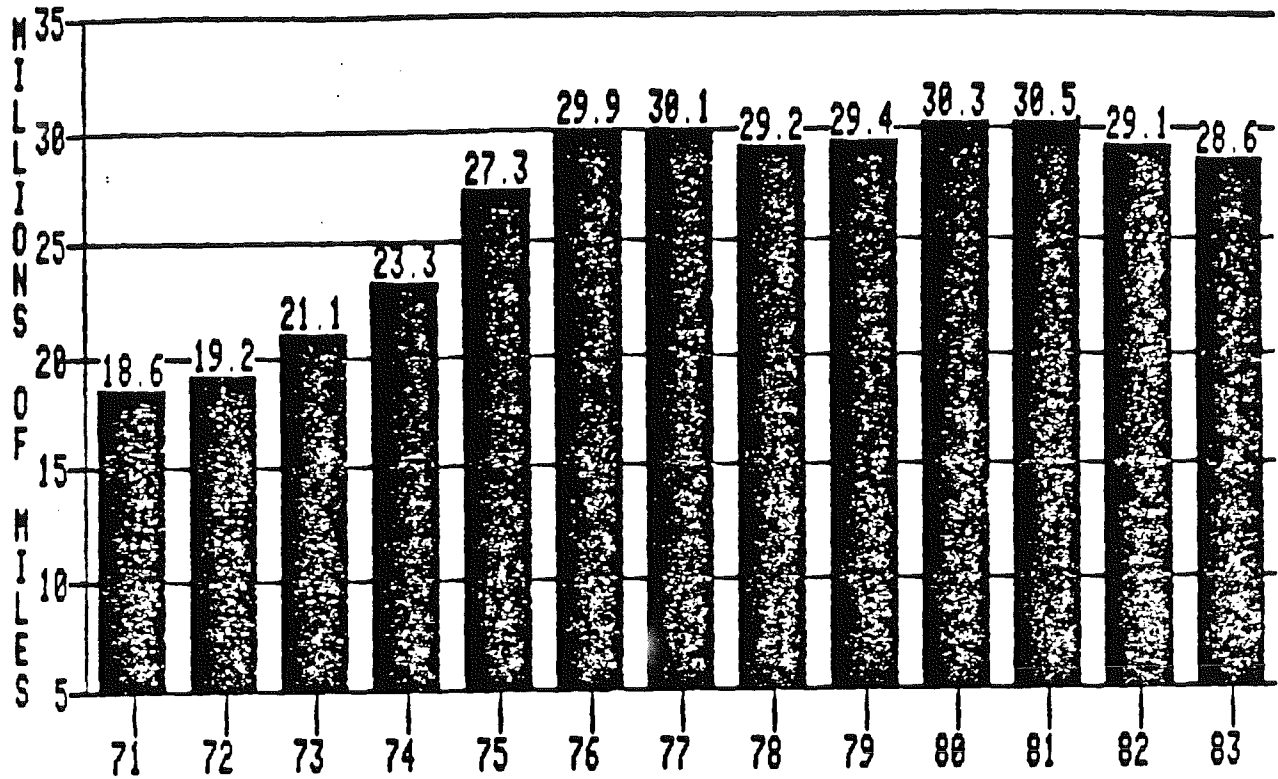
Youth, senior and handicapped reduced fares effective ONLY 9 AM-3:30 PM and 6:30 PM to last bus, plus all day Saturday, Sunday and holidays.

REDUCED FARE RIDERS PAY FULL ADULT OFF-PEAK FARE FROM THE FIRST BUS TO 6 AM WEEKDAYS.

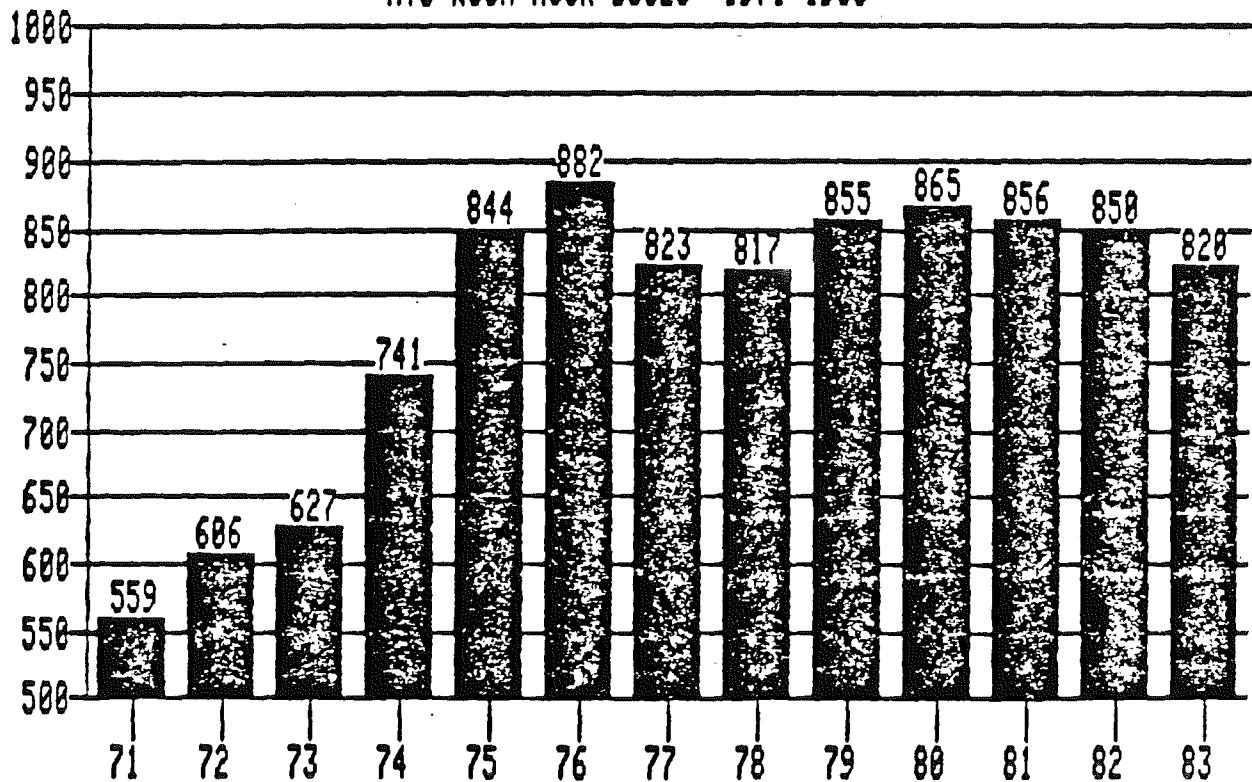
MTC CONVENIENCE FARES

ONE-WAY FARE	CONVENIENCE FARE ITEM	PRICE
\$.10	Dime Ride Ticket	\$ 1.00
\$.60	Token	\$.60
\$.60	All You Can Ride Card	\$24.00
\$.70	Commuter Ticket	\$ 7.00
	All You Can Ride Card	\$28.00
\$.75	Commuter Ticket	\$ 7.50
	All You Can Ride Card	\$30.00
\$.85	Commuter Ticket	\$ 8.50
	All You Can Ride Card	\$34.00
\$.90	Commuter Ticket	\$ 9.00
	All You Can Ride Card	\$36.00
\$1.00	Commuter Ticket	\$10.00
	All You Can Ride Card	\$40.00
\$1.05	Commuter Ticket	\$10.50
	All You Can Ride Card	\$42.00
\$1.10	Commuter Ticket	\$11.00
	All You Can Ride Card	\$44.00
\$1.15	Commuter Ticket	\$11.50
	All You Can Ride Card	\$46.00
\$1.25	Commuter Ticket	\$12.50
	All You Can Ride Card	\$50.00

MTC BUS SERVICE MILES: 1971-1983

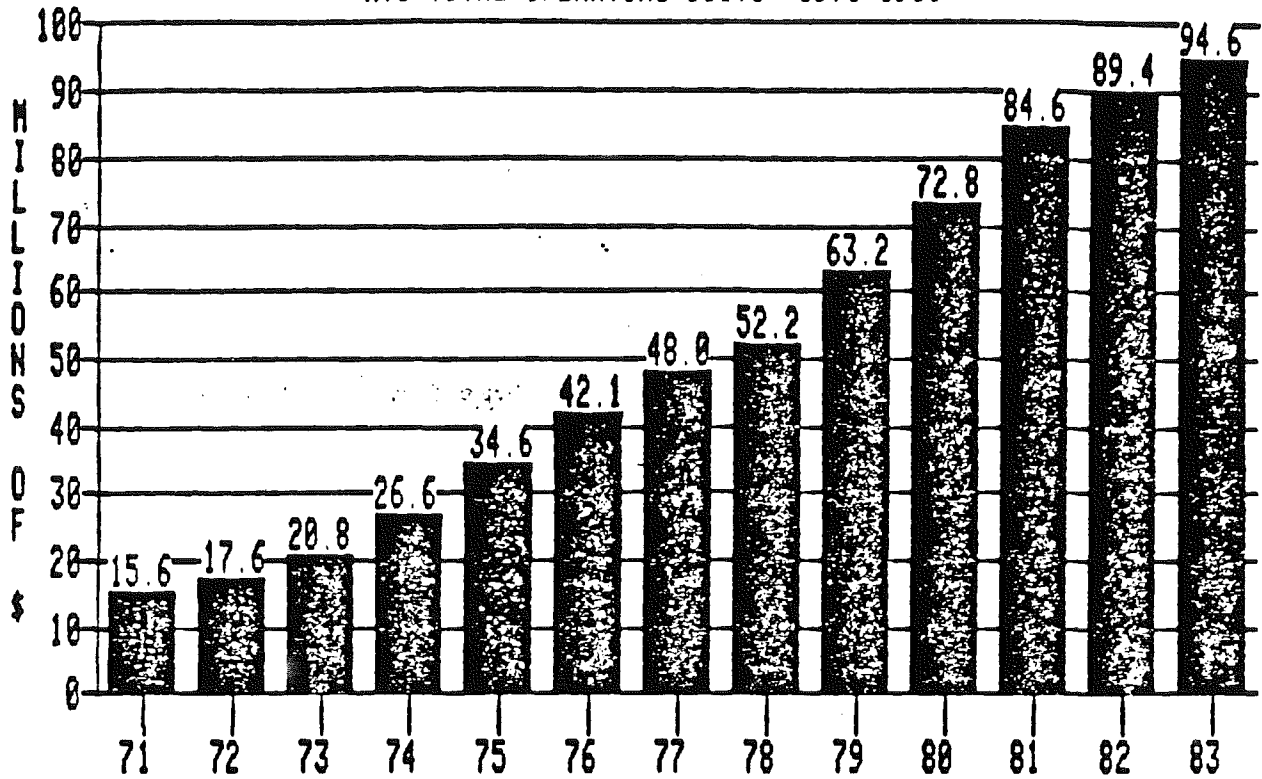


MTC RUSH HOUR BUSES: 1971-1983

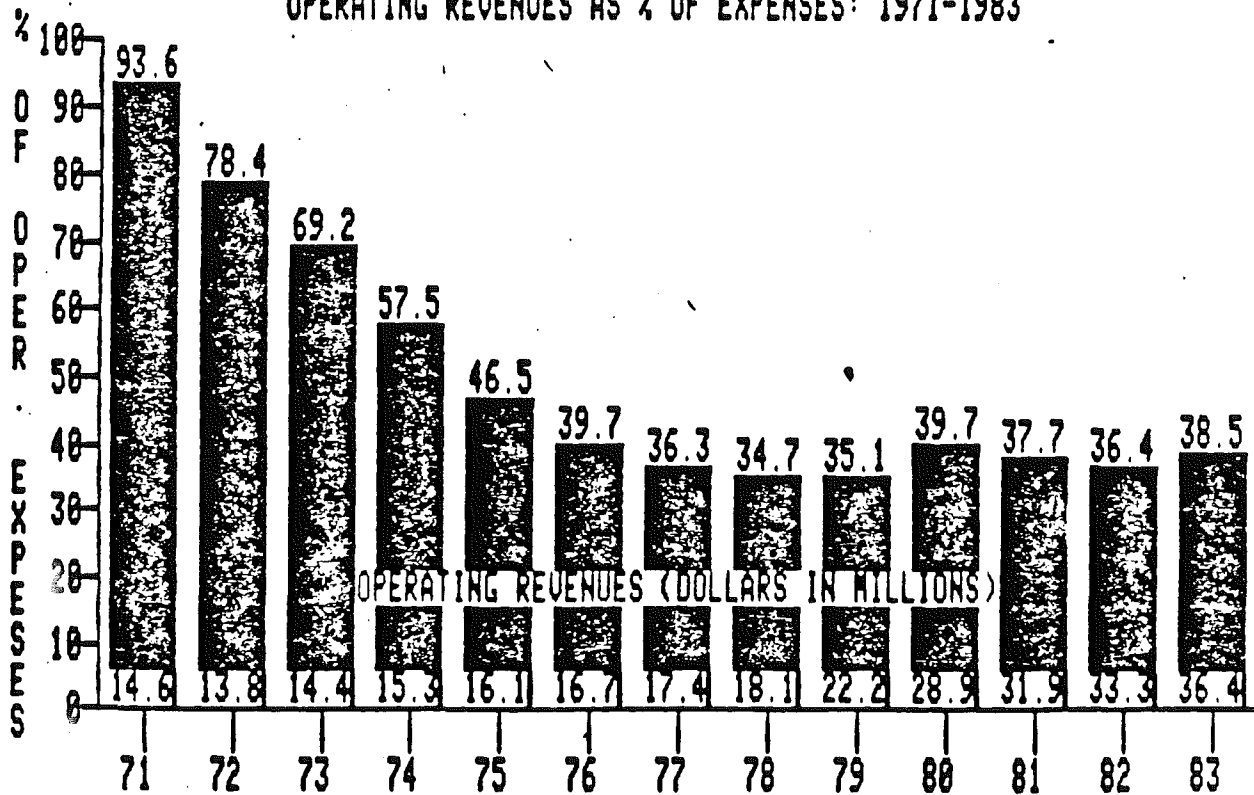


NOTE: 1982 figures are unaudited.
1983 figures reflect current adopted budget.

MTC TOTAL OPERATING COSTS: 1971-1983

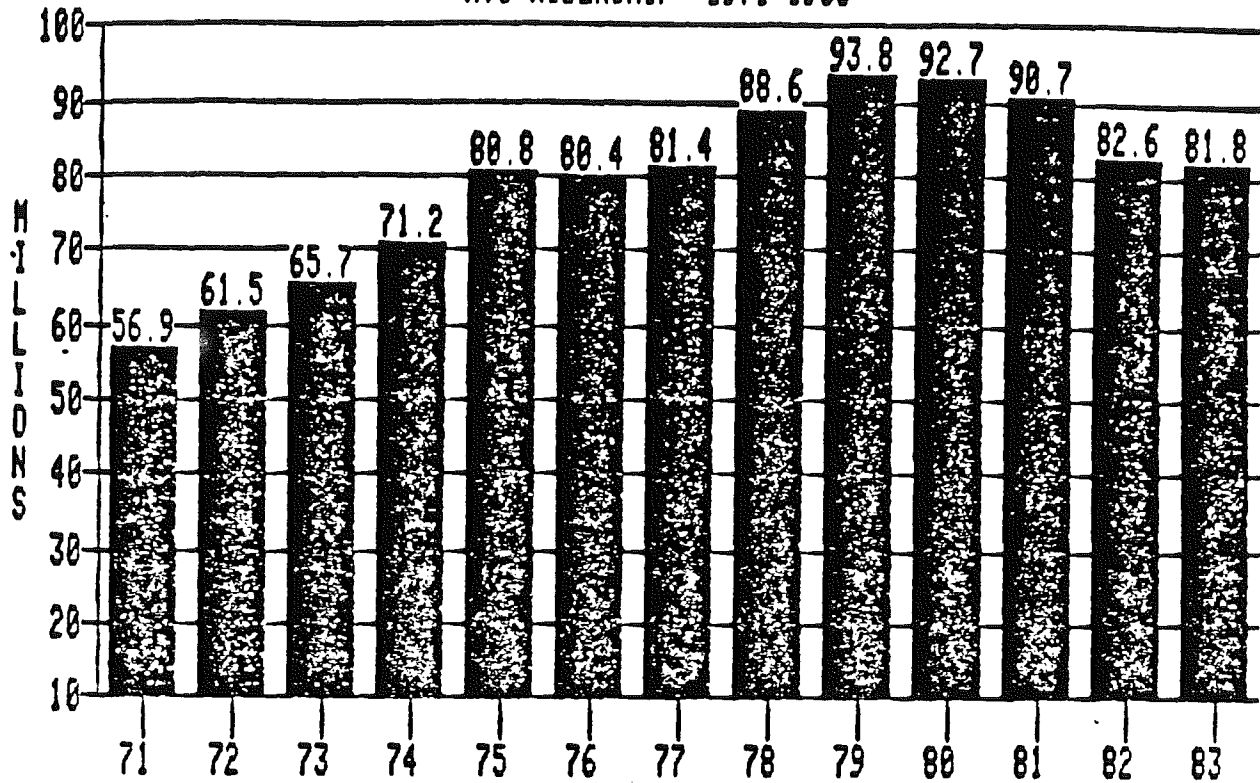


OPERATING REVENUES AS % OF EXPENSES: 1971-1983

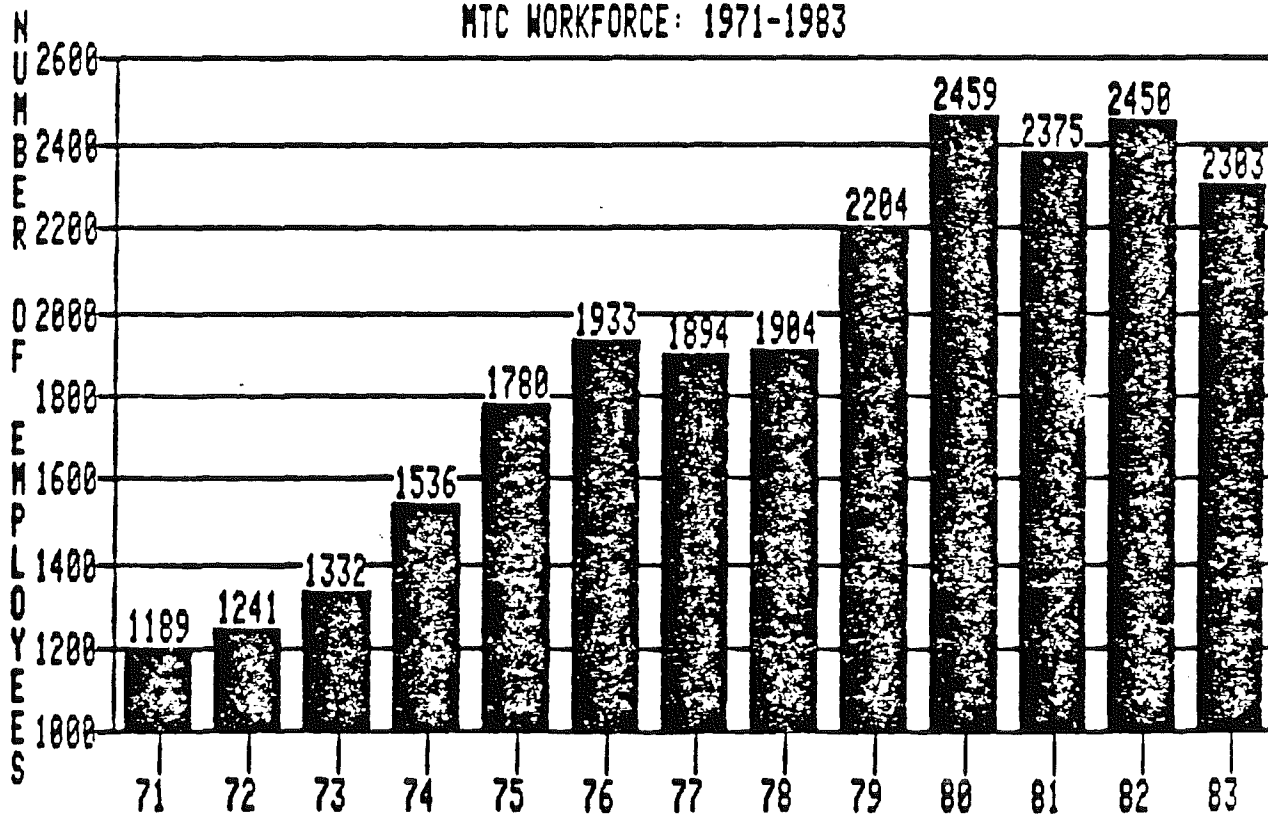


NOTE: 1982 figures are unaudited.
1983 figures reflect current adopted budget.

MTC RIDERSHIP: 1971-1983

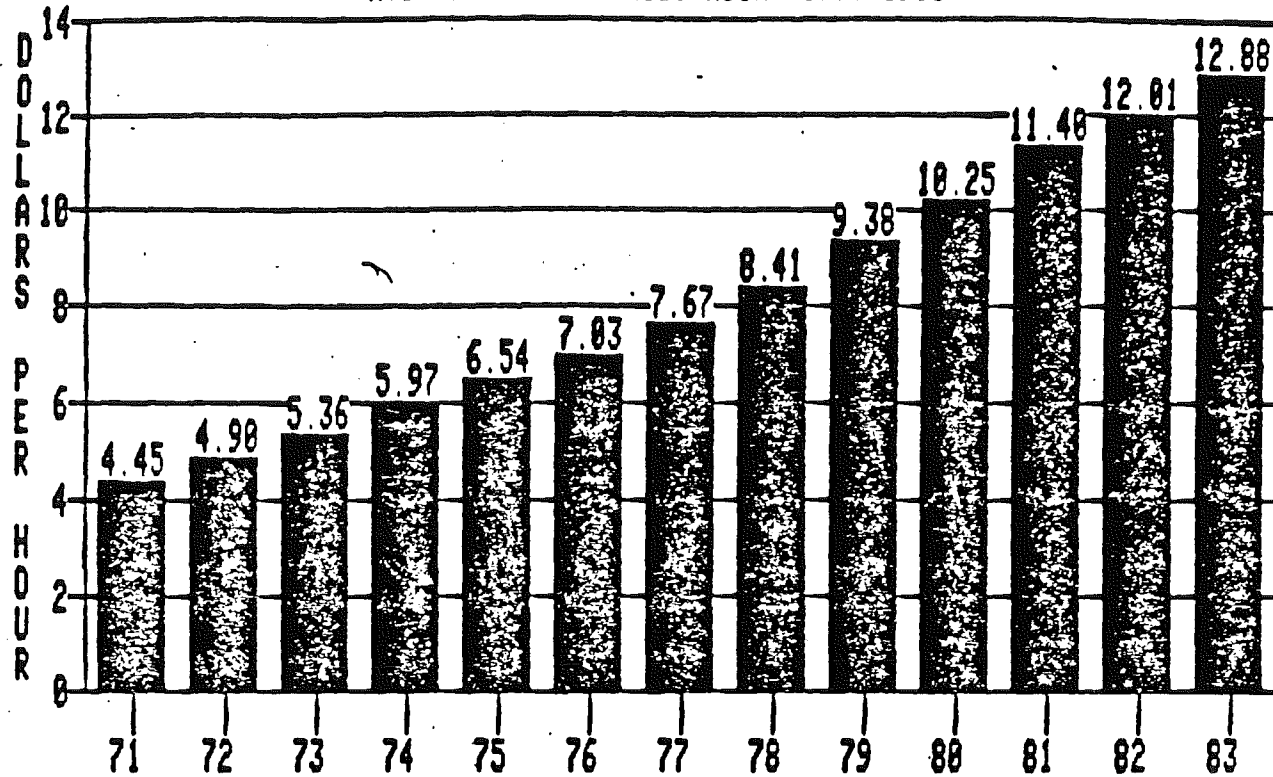


MTC WORKFORCE: 1971-1983

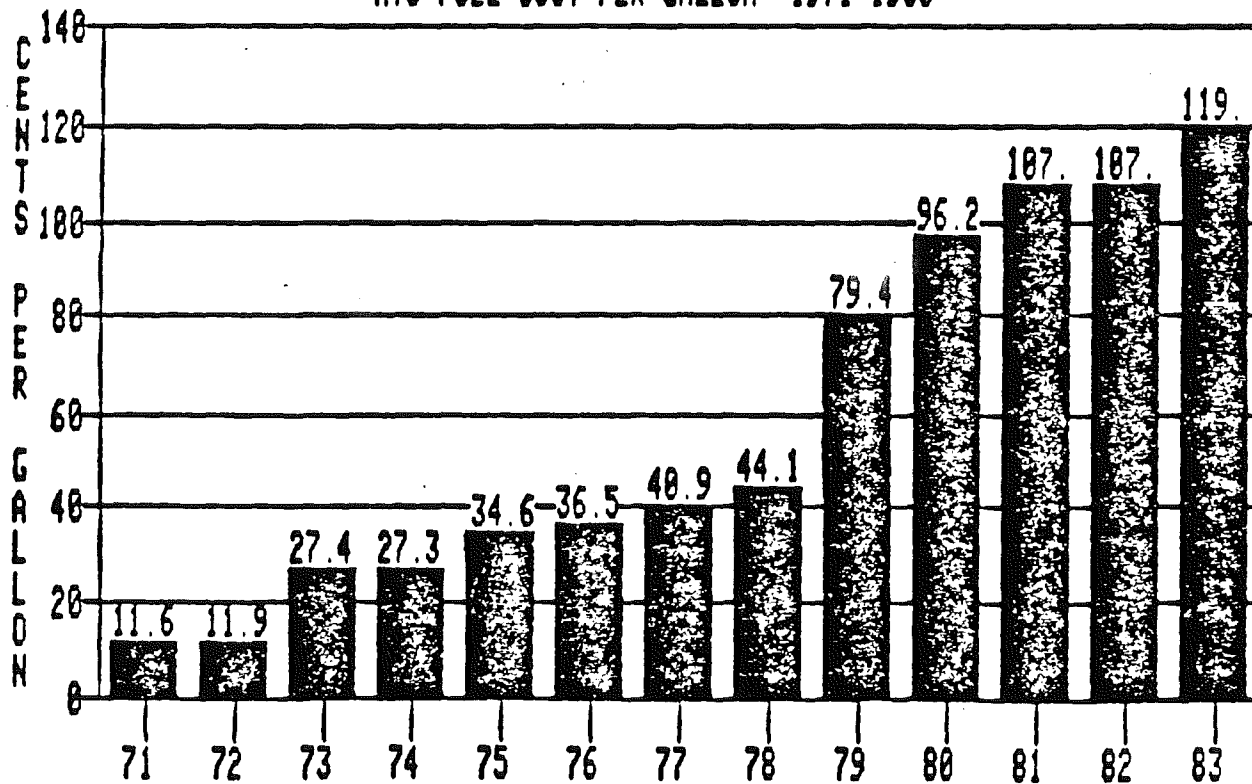


NOTE: 1982 figures are unaudited.
1983 figures reflect current adopted budget.

MTC TOP DRIVER WAGES/HOUR: 1971-1983



MTC FUEL COST PER GALLON: 1971-1983



NOTE: 1982 figures are unaudited.
1983 figures reflect current adopted budget.

PRESENTATION TO THE LEGISLATIVE
STUDY COMMISSION
9/27/83

METRO MOBILITY

HISTORY

In an attempt to serve the unmet transportation needs of handicapped persons, the MTC began to operate a demand responsive transportation service for handicapped persons in 1976. This service operated in a small target area of Minneapolis with lift equipped accessible buses and was known as Project Mobility. The need to expand Project Mobility services as well as the need to coordinate Project Mobility with other transportation services provided to handicapped persons led to the creation of Metro Mobility in April, 1979.

Through Metro Mobility, a range of transportation services are available to handicapped persons. Components of Metro Mobility include Project Mobility, Shared-Ride Taxis, a non-profit agency transportation provider and a private for profit transportation provider. All of these services are coordinated through the Metro Mobility Transportation Center, which is responsible for, but not limited to:

- o Certifying eligible handicapped persons;
- o Receiving trip requests, developing tours and forwarding requests to the appropriate service providers;
- o Maintaining records for reimbursement and evaluation;
- o Billings for medical trips eligible for DPW reimbursement; and
- o Handling inquiries associated with Metro Mobility Service.

Types of Metro Mobility service available include:

A. Project Mobility

Project Mobility is operated by the MTC with an accessible lift equipped bus fleet which was initiated by the MTC in November,

1976. Today, Project Mobility serves handicapped persons in the cities of Minneapolis and St. Paul, as well as some of the first ring suburbs. Project Mobility's current fleet consists of 25 small lift equipped buses with a capacity of 4 or 5 wheelchair placements and 4 to 6 seats per vehicle. Five 40' retrofitted mainline buses with a capacity of 10 wheelchair placements and up to a seating of 14.

Four 30' Carpenter buses recently were placed into service with up to seven wheelchair placements and as many as 13 seats.

Project Mobility expansion occurred on July 14, 1979, when Project Mobility service through Metro Mobility funding was expanded to serve the City of St. Paul and nearby suburbs. In August of 1979, service was further expanded to the remaining Minneapolis area to include the current Project Mobility service area.

Project Mobility staffing consists of an assistant division manager for Project Mobility, 37 full-time MTC drivers assigned to the project, along with 30 trained and project qualified drivers back up drivers.

All MTC drivers who work the project must go through 40 hours of training. Training includes:

- o Sensitivity
- o Safe handling of handicapped riders
- o 4 hours of basic first aid by MTC certified instructors
- o Individual field training

Upon completion of training, drivers are then qualified operators of Project Mobility.

Every 3 years, drivers must complete a refresher course of 4 hours in first aid and safety handling of passengers.

Project Mobility drivers are required to assist wheelchair bound

passengers over steps. The service is referred as a door-to-door type service.

Project Mobility provides about 42% of Metro Mobility's total ridership. It should be mentioned that there is no limitation on the distance of a trip request on Project Mobility. Trips for the project average about 7.5 miles per trip. This year Project Mobility mileage will exceed 1,000,000 miles.

Trip denials on Project Mobility for the last 12 months average 1.42% or 187 persons being denied service per month.

B. Shared-Ride Taxi Program

The second component of Metro Mobility service is the Shared-Ride Taxi Program. This component of the system is designed to serve handicapped persons who live in the cities of Minneapolis and St. Paul but do not require a lift equipped vehicle.

Eligible persons traveling within the city limits of Minneapolis or St. Paul, making a trip no longer than six miles may be placed on a shared ride taxi.

The Metro Mobility Transportation Center is responsible for handling trip requests and scheduling cabs for pick-ups and drop-offs. The Transportation Center attempts to group as many passengers with similar pick-up and destination points, and return times, together in a tour which is transmitted to the cab companies.

Six cab companies have contracts to provide service with Metro Mobility, three companies in Minneapolis, and three in the City of St. Paul. Shared-Ride taxi providers are reimbursed by a fare system whereby fares are predetermined by a zone system. Costs are calculated and checked by the Transportation Center.

Shared-Ride Taxi service ridership makes up about 45% of Metro Mobility total ridership.

C. Private, Non-Profit Provider

The third component of Metro Mobility service is the private non-profit provider of service in the cities of Bloomington, Richfield and north and western suburbs of Minneapolis. This transportation company is called Suburban Paratransit. Suburban Paratransit currently does their own order filling and accounts for approximately 8% of Metro Mobility ridership.

D. Private For Profit Provider

The fourth component of Metro Mobility service is the private for profit provider of service in the cities of South and West St. Paul, and northern 1st ring suburbs from Fridley to North St. Paul.

The company operating in this service area is called Morley Bus Company.

Eligible persons traveling within the service area of Morley Bus Company may be placed on a Morley Bus vehicle for a trip up to seven miles.

Metro Mobility Transportation Center is responsible for handling trip requests and scheduling vans for pick-ups and drop-offs. There again the Transportation Center attempts to group as many passengers with similar pick-ups and destination points, and return times together in a tour which is transmitted to Morley Bus Company.

Morley Bus Company reimbursement is calculated by hours of actual service predetermined by the Transportation Center. Service requests are then transmitted to Morley Bus Company. Ridership on

Morley Bus Company accounts for approximately 5% of Metro Mobility ridership.

E. How The System Operates

All of these services of Metro Mobility are coordinated through the Transportation Center which is operated by the MTC.

The staff at Metro Mobility consists of the following:

- o 13 Order Fillers
- o 6 Order Takers
- o 1 Certification Secretary
- o 1 Secretary
- o 4 Supervisors
- o 1 Managers

Requests for service must be made the day before the trip is required by 1:00 PM. Service is provided between 6:00 AM and 11:00 PM Monday through Friday and 8:00 AM and 11:00 PM weekends and holidays.

The Transportation Center is opened 6:00 AM - 11:45 PM or when the last bus pulls in whichever is later, 365 days per year.

Order Takers receive requests for service and then forward trip requests to order fillers who in turn place riders on the appropriate provider.

Passengers requiring lift equipped vehicles are placed on a lift equipped provider. The provider is selected by the point of origin or destination depending on which service area the service is needed.

Passengers not requiring lift equipped vehicles are placed on cabs if their trip does not exceed 6 miles and is in the cab service area.

A unique feature of the system is the availability of coordinated transfers between service areas and providers of service.

Metro Mobility service area covers 22 communities over an area of 294 square miles.

Fares for Metro Mobility are similar to regular route service. 60 cents base fare and 75 cent peak fare with a 15 cent transfer charge.

Metro Mobility ridership averages 33,000 rides per month.

The Transportation Center receives about 800 calls per day.

After 1:00 PM, requests for service are toured into completed work for next day service. If a time is changed out of the window (10 minutes before or 15 minutes after requested time) riders are placed on call back sheets. Calls are attempted to be completed by 10:30 PM. Callers are notified of the time changes.

F. Who Is Eligible To Use Metro Mobility?

In order to use Metro Mobility service an individual must be either:

- o Unable to walk 1/4 mile or more (two long blocks or four short blocks).
- o Unable to walk up and down in mainline bus steps.
- o Unable to wait outdoors for ten or more minutes; or
- o Unable to use or learn to use mainline bus service due to a mental impairment or learning disability.

These new rules for eligibility became effective in April of this year. Staff at Metro Mobility took on the task of recertifying 21,000 persons. To date, 6,842 persons have been recertified based on the new eligibility criteria.

FUNDING

Metro Mobility is funded through the transit funding package. Mn/DOT subcontracts with the MTC to operate the Transportation Center and Project Mobility.

Metro Mobility Legislative Appropriations for 1983-1985 are \$10,000,000. The projected 1983 Project Mobility budget is \$2,579,700.

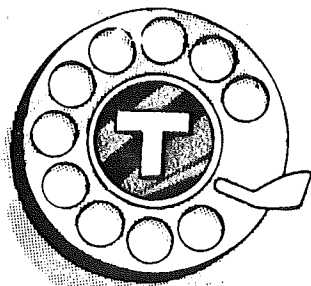
The projected 1983 Metro Mobility Transportation Center budget is \$870,100 plus capital computer expense of \$145,000.

Metro Mobility is currently in the process of implementing a (CADMS) computer Aided dispatch and management system.

COSTS

Average costs for Metro Mobility subsidy/passenger for the year ending 1982 were:

Overall Operational Subsidy/Passenger	8.74
Overall MMTC Subsidy/Passenger	<u>2.19</u>
Overall Total Subsidy/Passenger	10.91



METRO MOBILITY
644-1119

A NEW INDEPENDENCE FOR
HANDICAPPED PEOPLE

METRO MOBILITY
1276 University Avenue
St. Paul, Minn. 55104

METRO MOBILITY is jointly sponsored
by the Minnesota Department of
Transportation, the Metropolitan
Council and the Metropolitan Transit
Commission.

B.S.
9-27-83

MEMORANDUM

TO: Members of the Metro Mobility Management Policy
Committee

FROM: David Naiditch

DATE: September 26, 1983

SUBJECT: August Metro Mobility Monthly Report

Attached you will find the monthly reports for August, 1983. Included are the Metro Mobility ridership statistics from August, 1982, through August, 1983, trip denials and Project Mobility, Suburban Paratransit, Inc., and Morley Bus Company statistics and the average number of passengers per eight hour run reports and the telephone traffic report.

The Metro Mobility ridership for August totalled 32,401, an increase of 2.9 percent from the July ridership total and increase of over 9.9 percent from August, 1982. The 13,681 Project Mobility rides provided in August represent 6.8 percent more rides than the July Project Mobility ridership of 12,756. The percent of ridership by provider for August is outlined below:

Project Mobility	42.2%
Minneapolis S.R.T.	34.3
Suburban Paratransit	8.9
St. Paul S.R.T.	8.3
Morley Bus Company	6.3
	<u>100.0%</u>

The Minneapolis S.R.T. provided 11,101 rides in August, or 1.7 more rides than in July. The average passenger per tour ratio increased 2.3 percent in August to 1.73, and the subsidy per passenger decreased 1.2 percent from \$3.91 in July to \$3.86 in August. The St. Paul S.R.T. ridership of 1,787 is 4.9 percent greater than the July ridership of 1,698. The 1.5 passengers per tour ratio is a decrease of 16.6 percent from July and the subsidy increased from \$3.31 in July to \$3.74 in August. No shows for both Minneapolis and St. Paul Shared Ride Taxi systems decreased substantially in August. Minneapolis S.R.T. no shows decreased by 18.1 percent in August from July and the St. Paul S.R.T. no shows decreased 29.0 percent.

The 156 Project Mobility trip denials recorded in August represent 1.13 percent of all trip requests. Suburban Paratransit's 19 trip denials represent 0.06 percent of their trip requests. The combined total of lift equipped service trip denials account for 1.06 percent of all trip requests.

The Order Filler training schedule continued through the month of August. The trainees have received on the job experience in all components of Metro Mobility. The Order Takers have also been going through training on the use of the computer terminals.

August 10, 1983, was the cut-off date for passengers to be entered into the compute and therefore able to use the Metro Mobility service. Effective August 11, the order takers started using the computer terminals to verify passenger certification, and are now able to zone the pick up and drop addresses using the information obtained from the computer terminals.

To date, Metro Mobility recertification stands at 6,842 persons eligible to receive service through Metro Mobility.

DN/kal/1169

MONTH OF AUGUST 1983
METRO MOBILITY RIDERSHIP

MONTH	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	1983 MARCH	APRIL	MAY	JUNE	JULY	AUGUST
PRO-MO ST. PAUL	5,470	5,412	5,393	5,264	4,859	5,157	4,794	5,820	5,353	5,540	5,373	4,888	5,506
PRO-MO MINNEAPOLIS	8,285	8,580	9,496	9,155	8,603	9,049	8,421	9,426	8,838	8,954	8,038	7,868	8,175
PROJECT MOBILITY RIDERSHIP	13,755	13,995	14,889	14,419	13,462	14,206	13,215	15,246	14,191	14,494	13,411	12,756	13,681
MINNEAPOLIS TAXIS, RIDERSHIP	11,649	11,996	12,413	12,642	11,241	13,032	12,396	14,187	13,075	13,335	12,525	10,909	11,101
ST. PAUL TAXIS, RIDERSHIP	1,581	1,976	2,505	2,495	2,423	3,387	2,966	3,244	3,270	3,210	3,091	3,060	2,689
SUBURBAN PARATRANSIT	2,202	2,477	2,719	2,689	2,586	2,668	2,531	3,046	2,836	2,899	2,758	2,553	2,875
MORLEY NORTH		57	631	585	1,295	827	972	1,048	887	1,859	2,261	1,683	1,514
MORLEY SOUTH		45	248	295		357	331	485	406	462	449	492	541
GRAND TOTAL	29,187	30,546	33,462	33,125	31,007	34,477	32,411	37,256	34,665	36,259	34,495	31,453	32,401
TRIP DENIALS													
MINNEAPOLIS PROJECT MOBILITY	68 (0.81%)	122 (1.40%)	130 (1.38%)	157 (1.74%)	110 (1.29%)	139 (1.56%)	222 (2.70%)	135 (1.41%)	186 (2.06%)	158 (1.73%)	59 (0.72%)	95 (1.19%)	130 (1.57%)
ST. PAUL PROJECT MOBILITY	42 (0.76%)	53 (0.96%)	59 (1.10%)	77 (1.48%)	94 (1.97%)	61 (1.20%)	44 (0.92%)	53 (0.90%)	62 (1.14%)	46 (0.82%)	36 (0.66%)	33 (0.67%)	26 (0.47%)
PROJECT MOBILITY TOTAL MINNEAPOLIS AND ST. PAUL	110 (0.79%)	175 (1.23%)	189 (1.28%)	234 (1.64%)	204 (1.53%)	200 (1.43%)	266 (2.05%)	188 (1.22%)	248 (1.72%)	204 (1.38%)	95 (0.70%)	128 (0.99%)	156 (1.13%)
SUBURBAN PARATRANSIT							58 (2.24%)	27 (0.09%)	74 (2.50%)	29 (1.00%)	22 (0.88%)	20 (0.70%)	19 (0.60%)
COMBINED TOTAL FOR ALL LIFT EQUIPPED SERVICE							324 (2.06%)	215 (1.16%)	332 (1.91%)	233 (1.32%)	117 (0.71%)	148 (0.96%)	175 (1.06%)

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TABLE I

PROJECT MOBILITY STATISTICS

MONTH OF AUGUST 1983

	<u>MINNEAPOLIS</u>	<u>ST. PAUL</u>	<u>TOTAL</u>
VEHICLE HOURS	3,621.63	2,158.03	5,779.66
LAYOVER HOURS	481.35	163.88	645.23
ON ROAD HOURS	3,889.10	2,345.41	6,234.51
DEAD TIME	267.47	187.38	454.85
TOTAL PLATFORM HOURS	4,370.45	2,509.29	6,899.74
VEHICLE MILES	58,413	32,866	91,279
PASSENGER PER VEHICLE HOUR	2.10	2.26	2.15
TOTAL PASSENGERS	8,175	5,506	13,681
HANDICAPPED	7,516	4,898	12,414
NON-HANDICAPPED	644	594	1,238
UNDER 6	15	14	29
AVERAGE TRIP LENGTH	7.64 miles	6.98 miles	7.37 miles
AVERAGE TRIP TIME	22.08 minutes	20.33 minutes	21.36 minutes
TOTAL NUMBER PICK-UPS	6,342	4,587	10,929
TOTAL NUMBER NO-SHOWS	112	76	188

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TABLE II

PROJECT MOBILITY
AVERAGE NUMBER OF PASSENGERS PER EIGHT HOUR RUN

	MINNEAPOLIS			SAINT PAUL			TOTAL		
	TOTAL EIGHT HOUR RUNS	TOTAL PASSENGERS	PASSENGERS PER EIGHT HOUR RUN	TOTAL EIGHT HOUR RUNS	TOTAL PASSENGERS	PASSENGERS PER EIGHT HOUR RUN	TOTAL EIGHT HOUR RUNS	TOTAL PASSENGERS	PASSENGERS PER EIGHT HOUR RUN
APRIL 1982:									
Weekends	60.00	976	16.26	40.00	617	15.48	100.00	1,593	15.93
Weekdays	404.50	7,651	18.98	264.00	4,289	16.28	668.25	11,940	17.86
MAY:									
Weekends	81.00	1,308	16.14	55.00	882	16.03	136.00	2,190	16.10
Weekdays	369.75	7,291	19.71	240.00	4,010	16.70	609.75	11,301	18.53
JUNE:									
Weekends	60.00	902	15.03	40.00	588	14.70	100.00	1,490	14.90
Weekdays	399.50	7,035	17.60	259.00	4,134	15.96	658.50	11,169	16.96
JULY:									
Weekends	74.00	1,173	15.85	50.00	862	17.24	124.00	2,035	16.41
Weekdays	408.00	7,396	18.12	252.00	4,278	16.97	660.00	11,674	17.68
AUGUST:									
Weekends	68.00	1,155	16.98	45.00	807	17.93	113.00	1,962	17.36
Weekdays	425.00	7,130	16.77	264.00	4,663	17.66	689.00	11,793	17.11
SEPTEMBER:									
Weekends	65.00	1,078	16.58	45.00	741	16.46	110.00	1,819	16.53
Weekdays	414.90	7,502	18.08	252.00	4,671	18.53	666.90	12,173	18.25
OCTOBER:									
Weekends	75.50	1,328	17.58	50.00	818	16.36	125.50	2,146	17.09
Weekdays	441.50	8,168	18.50	252.00	4,574	18.15	693.50	12,742	18.37
NOVEMBER:									
Weekends	68.00	1,119	16.46	45.00	752	16.71	113.00	1,871	16.58
Weekdays	440.00	8,036	18.26	260.00	4,107	15.80	700.00	12,143	17.35
DECEMBER:									
Weekends	60.00	1,015	16.53	40.00	730	18.25	100.00	1,745	17.45
Weekdays	426.75	7,055	16.91	260.25	4,350	16.71	687.00	11,405	16.60
JANUARY, 1983:									
Weekends	72.50	1,170	16.14	40.00	782	19.55	112.50	1,952	17.35
Weekdays	427.50	7,879	18.43	252.00	4,375	17.36	679.50	12,254	18.03

TABLE II (continued)

	MINNEAPOLIS			SAINT PAUL			TOTAL		
	TOTAL EIGHT HOUR RUNS	TOTAL PASSENGERS	PASSENGERS PER EIGHT HOUR RUN	TOTAL EIGHT HOUR RUNS	TOTAL PASSENGERS	PASSENGERS PER EIGHT HOUR RUN	TOTAL EIGHT HOUR RUNS	TOTAL PASSENGERS	PASSENGERS PER EIGHT HOUR RUN
FEBRUARY:									
Weekends	65.50	1,087	16.59	40.00	737	18.42	105.50	1,824	17.28
Weekdays	410.50	7,334	17.86	240.00	4,057	16.90	650.50	11,391	17.51
MARCH:									
Weekends	65.00	1,033	15.89	40.00	690	17.25	105.00	1,723	16.40
Weekdays	471.00	8,393	17.81	276.00	5,130	18.58	747.00	13,523	18.10
APRIL:									
Weekends	74.75	1,291	17.27	45.00	775	17.22	119.75	2,066	17.25
Weekdays	430.75	7,547	17.52	252.00	4,578	18.17	682.75	12,125	17.76
MAY:									
Weekends	76.25	1,151	15.10	50.00	847	16.94	126.25	1,998	15.83
Weekdays	431.75	7,803	18.07	252.00	4,693	18.62	683.75	12,496	18.23
JUNE:									
Weekends	66.00	1,041	15.77	40.00	684	17.10	106.00	1,725	16.27
Weekdays	427.50	6,997	16.36	264.25	4,689	17.74	691.75	11,686	16.89
JULY:									
Weekends	86.50	1,401	16.20	55.00	892	16.22	141.50	2,293	16.20
Weekdays	410.75	6,467	15.74	254.50	3,996	15.70	665.25	10,463	15.73
AUGUST:									
Weekend	67.25	988	14.69	40.00	673	16.83	107.25	1,661	15.49
Weekdays	475.00	7,187	15.13	281.00	4,833	17.20	756.00	12,020	15.90

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TABLE III

MINNEAPOLIS SHARED RIDE TAXI STATISTICS

MONTH OF AUGUST 1983

	<u>YELLOW</u>	<u>BLUE/WHITE</u>	<u>RED/WHITE</u>	<u>TOTAL OR UNWEIGHTED AVERAGE FOR ALL SHARED RIDE PROVIDERS</u>
TOURS	3,537	1,881	986	6,404
PASSENGERS	6,337	3,229	1,535	11,101
AVERAGE PASSENGER PER TOUR	1.79	1.72	1.56	1.73
NO SHOWS	208	151	26	385
PERCENT NUMBER NO SHOWS	3.39	4.91	1.72	3.59
TOTAL COST FOR ALL TOURS	\$28,049.70	\$13,986.00	\$ 7,839.70	\$49,875.40
LESS: FARES COLLECTED	<u>4,045.95</u>	<u>2,006.40</u>	<u>924.00</u>	<u>6,976.35</u>
TOTAL SUBSIDY PER PASSENGER	\$24,003.75	\$11,979.60	\$ 6,915.70	\$42,899.05
SUBSIDY PER PASSENGER WITHOUT TRANSPORTATION CENTER COSTS	\$ 3.88	\$ 3.72	\$ 4.28	\$ 3.91

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TABLE IV

ST. PAUL SHARED RIDE TAXI STATISTICS

MONTH OF AUGUST 1983

	<u>YELLOW</u>	<u>CITY WIDE</u>	<u>DIAMOND</u>	<u>TOTAL OR AVERAGE ALL SHARED RIDE PROVIDERS</u>
TOURS	690	765	332	1,787
PASSENGERS	1,002	1,169	518	2,689
AVERAGE PASSENGER PER TOUR	1.45	1.53	1.56	1.50
NO SHOWS	12	24	13	49
PERCENT NUMBER NO SHOWS	1.21	2.10	2.57	1.86
TOTAL COST FOR ALL TOURS	\$4,350.60	\$5,136.65	\$2,275.60	\$11,762.85
LESS: FARES COLLECTED	<u>627.45</u>	<u>742.95</u>	<u>329.40</u>	<u>1,699.80</u>
TOTAL TAXI SUBSIDY	\$3,723.15	\$4,393.70	\$1,946.20	\$10,063.05
TAXI SUBSIDY PER PASSENGER	\$ 3.72	\$ 3.76	\$ 3.76	\$ 3.74

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TABLE V

SUBURBAN PARATRANSIT, INC.
OPERATING STATISTICS
MONTH OF AUGUST 1983

HOURS:

Platform Hours:		
Standard Shift Hours	1,727.50	
Additional Shift Hours	<u>4.88</u>	
Total Platform Hours		1,732.38
Garage Time		123.96
On Road Hours		1,608.42
Layover Hours		461.46
Vehicle Hours		1,146.96

MILES:

Vehicle Miles (Odometer)	23,420
Revenue Miles (Log Sheet)	22,728
Administrative Miles	432

PASSENGER INFO:

Passenger Per Vehicle Hours	2.51
Total Passengers	2,875
Certified Passengers	2,652
Noncertified Passengers	209
Under Six	14
Passengers Year to Date	12,166
Number of Pick-Ups	2,541
Number of No Shows	12 = .4%

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TABLE V

SUBURBAN PARATRANSIT, INC.
MONTH OF JULY 1983
Page 2

Trip Denials	19 = .6%
Cancellations	356 = 12.4%
Company Pass	43
Medical Assistance	18
Coupons	\$ 203.85
No Pay	5
Times Lift Used	1,164
% of Total Passengers	40%
Transfers	759
% of Total Passengers	26%
Run Revenue	1,678.94

TRIP LOG:

Average Trip Length/Miles	5.57
Average Trip Length/Minutes	19.28

MISCELLANEOUS:

Overtime:	
Holiday Overtime Hours	0
Standard Overtime Hours	19.42

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TABLE VI

MORLEY BUS COMPANY

AUGUST 1983

	<u>North</u>	<u>South</u>	<u>Total</u>
Passengers	1,514	541	2,055
Miles	7,479	3,798	11,277
Hours	721.00	371.00	1,092.00
Passengers Per Hour	2.10	1.46	1.88
Total Cost for all Tours	\$11,449.48	\$5,891.48	\$17,340.96
less: Fares Collected	903.00	365.10	1,268.10
Total Subsidy	\$10,546.48	\$5,526.38	\$16,072.86
Subsidy Per Passenger	\$ 6.97	\$ 10.22	\$ 7.82

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TABLE VII

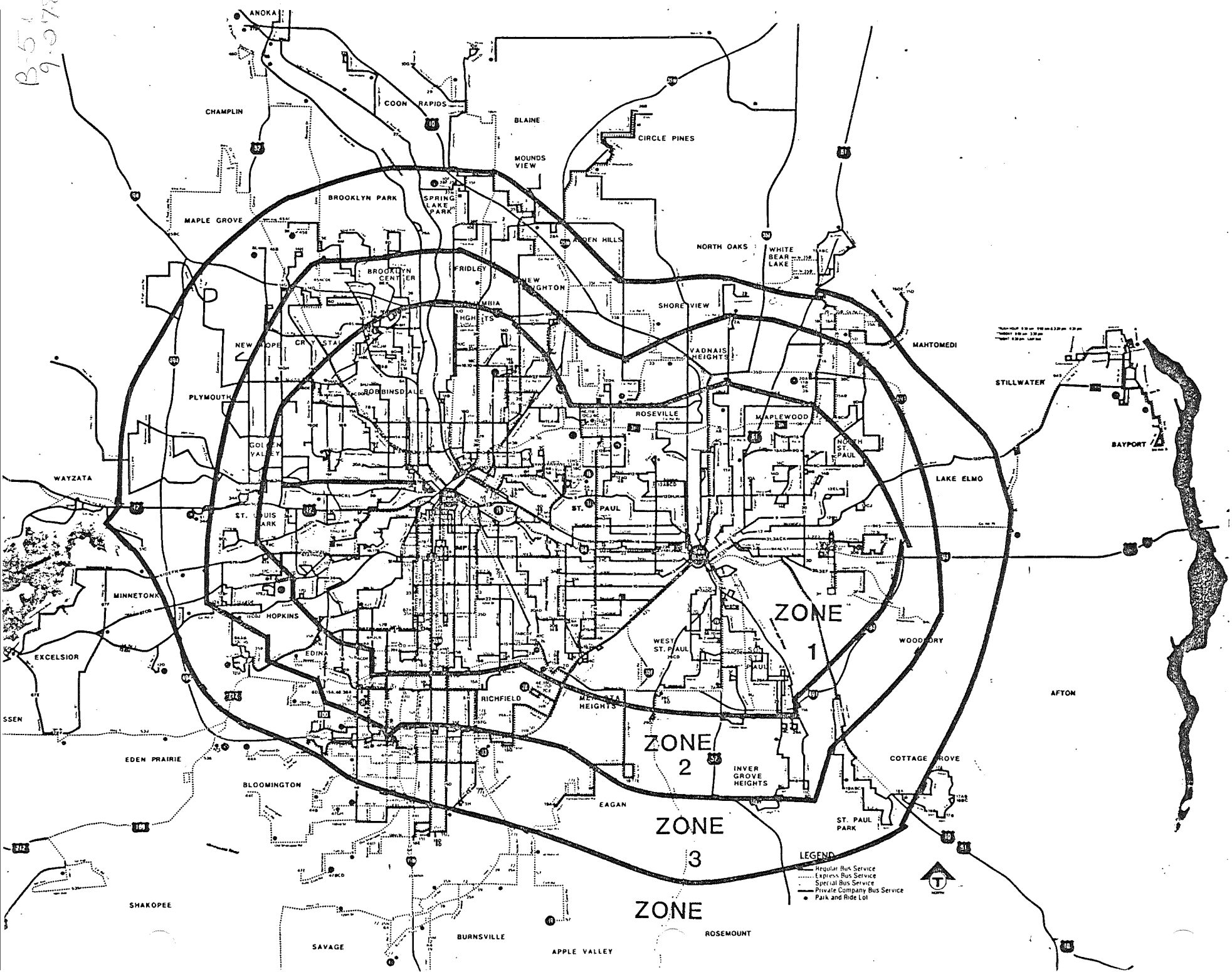
METRO MOBILITY TELEPHONE TRAFFIC REPORT

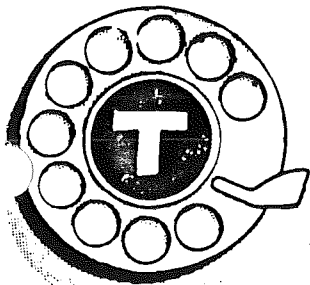
	April 1982 - April 1983												
	1982 Aug.	Sept.	Oct.	Nov.	Dec.	83 Jan.	Feb.	Mar.	April	May	June	July	Aug.
Total Number of Incoming Calls	16,107	17,419	19,049	20,353	19,982	20,030	19,419	21,360	20,452	21,001	20,074	17,437	19,202
Number of Dropped Calls	1,259	1,488	1,898	2,737	2,198	1,963	1,999	2,149	1,764	1,947	2,101	1,974	3,505
Total Number of processed calls	14,848	15,931	17,151	17,616	17,783	18,067	17,420	19,211	18,688	19,054	17,973	15,463	15,697
Percent of Dropped Calls	8	9	10	13	11	10	10	11	9	9	10	11	18
Number of Calls Answered in less than one minute of waiting	10,864	10,883	9,263	8,259	7,113	9,359	9,269	13,508	12,321	13,147	8,447	7,268	6,718
Percent of the total processed calls	73	68	54	47	40	52	53	70	66	69	47	47	43
Number of Calls Answered between one and two minutes of waiting	2,022	2,560	3,103	3,722	3,912	2,204	2,104	2,974	2,791	3,048	2,875	2,319	1,860
Percent of the total processed calls	14	16	18	21	22	12	12	15	15	16	16	15	12
Number of Calls Answered between two and three minutes of waiting	892	1,178	1,882	2,164	3,200	1,590	1,701	1,271	1,401	1,333	1,977	1,856	1,414
Percent of the total processed calls	6	8	11	12	18	9	10	7	7	7	11	12	9
Number of Calls Answered after three minutes of waiting	1,070	1,310	2,903	3,471	3,556	4,914	4,346	1,458	2,175	1,526	4,674	4,020	5,705
Percent of the total processed calls	7	8	17	20	20	27	25	8	12	8	26	26	36

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METRO MOBILITY
644-1119

**A NEW INDEPENDENCE FOR
HANDICAPPED PEOPLE**

Dear:

You are now certified to use Metro Mobility service. This packet contains your certification card along with service information. It is important that you understand this information as it will assist you in your travels with us. Write down your certification number (found on the card) so you will always have it.

The purpose of Metro Mobility is to provide dial-a-ride transportation for disabled persons within portions of the metropolitan area. We hope it will become a simple and convenient means of transportation for you.

If you have any further questions, please feel free to call us at 644-1119.

Sincerely,

Linda Magnusson
Certification Secretary

METRO MOBILITY
1276 University Avenue
St. Paul, Minn. 55104

METRO MOBILITY is jointly sponsored
by the Minnesota Department of
Transportation, the Metropolitan
Council and the Metropolitan Transit
Commission

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The information, fares and policies contained in this booklet are subject to change.

**If you have any questions, problems or comments regarding the service, do not hesitate to call.
The number is 644-1119.**

METRO MOBILITY

Riders Guide

GENERAL INFORMATION

Metro Mobility is a demand responsive door-to-door service for individuals who, because of a disability, are unable to use regular MTC service. Metro Mobility consists of four major components of which any may be used for your transportation needs:

PROJECT MOBILITY consists of 29 small and five large accessible buses operated by the MTC and serves Minneapolis, St. Paul and portions of some first-ring suburbs.

SHARED-RIDE TAXI SERVICE is provided by the Yellow, Blue and White, and Red and White Taxi companies in Minneapolis and the St. Paul Yellow, Diamond and City Wide Taxi companies in St. Paul.

SUBURBAN PARATRANSIT INCORPORATED consists of accessible and non-accessible vans and serves Bloomington, Brooklyn Center, Crystal, Golden Valley, New Hope, Richfield, Robbinsdale, St. Louis Park and a portion of Edina.

MORLEY BUS CO. consists of accessible buses and serves Fridley, Little Canada, Maplewood, New Brighton, North St. Paul, Roseville, South St. Paul and West St. Paul.

Requests for these services are placed at the Metro Mobility Transportation Center. Metro Mobility service is available from the first pick up at 6:00 a.m. to the last pick up at 11:00 p.m. weekdays and from the first pick up at 8:00 a.m. to the last pick up at 11:00 p.m. weekends and holidays. Morley service is available from the first pick up at 6:00 a.m. to the last pick up at 7:00 p.m. weekdays and from the first pick up at 8:00 a.m. to the last pick up at 7:00 p.m. on weekends and holidays.

You can use Metro Mobility transportation to take you to and from work, recreation centers, medical appointments, shopping and almost anywhere else within the service boundaries. However, longer trips may require transferring onto another vehicle.

We try to honor all ride requests; however, there may be times when service demands are greater than our capacity and we will have to call you to cancel your ride. Please understand that we are eager to serve you to the extent that it is possible. However, *we cannot guarantee you a ride when you place your request.* Please keep in mind that **PRIORITY CANNOT BE GIVEN** based on type of disability and/or purpose for requesting service. We suggest that you *avoid lengthy trips* whenever possible.

CERTIFICATION NUMBER

The first two digits of your number identify the type of vehicle you are able to use and whether or not you require an escort to travel.

If your certification number begins with 22, 24, 32, 34, or 36 you must travel with an individual who is qualified to assist you. No exceptions will be granted. Metro Mobility does not provide escorts.

PLEASE NOTE: If your disability changes, or if you move or have lost your card, be sure to notify us at 644-1119. It is extremely important that we have current information about you when dispatching vehicles.

DRIVER ASSISTANCE

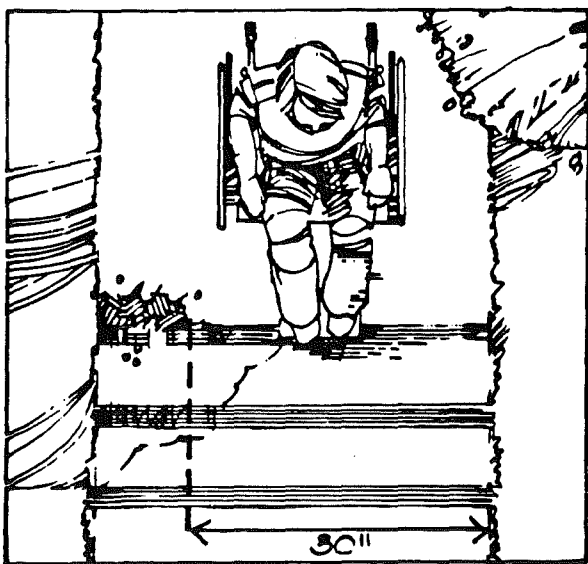
Metro Mobility policies for providing passengers with assistance are defined by state law. Please read the following guidelines carefully:

Metro Mobility drivers will provide you with assistance to and from a vehicle and the exterior entrance (first door) of a building although *you need to specifically request this assistance from taxi drivers when you place your order.* This includes walking support, lifting your wheelchair up and down steps and pushing your wheelchair. (Drivers are required to use "accessible" building entrances when available.)

If you need assistance in getting from your wheelchair into a taxicab or from a cab into your wheelchair, drivers will hold the chair for you, but cannot lift you. Your wheelchair will be stored in the trunk of the cab while traveling.

REMINDER: Metro Mobility drivers are required to provide assistance to the passenger from and to the exterior door. Please do not expect cab, bus, or van drivers to assist in dressing passengers, lifting wheelchairs and passengers up interior stairways or carrying packages and groceries.

If you use a wheelchair, be sure it is in good repair. A driver can deny you transportation if your chair is considered unsafe. If you use a powered wheelchair and there are steps where you wish to be picked up or dropped off, have another person(s) available to assist in lifting the chair up and down the steps. The driver will not lift or assist a power chair up or down stairs.

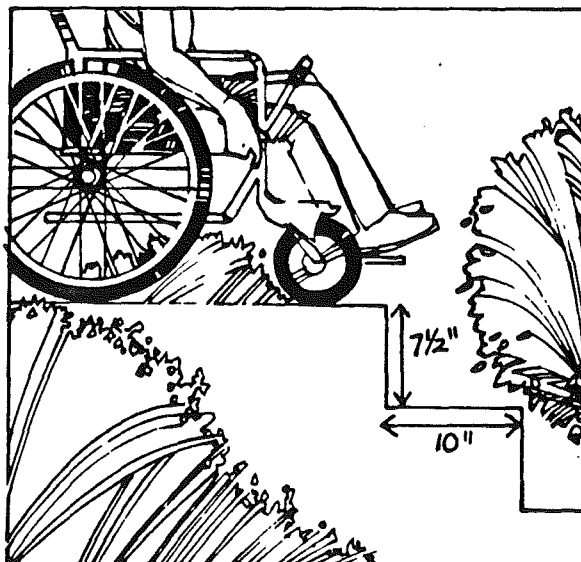


If a driver advises you of the unsafe condition of your steps or equipment and refuses to transport you, please call the Metro Mobility office and ask for a supervisor. They will advise you of our requirements and safety regulations at 644-1119.

A NOTE ABOUT STEPS: A driver is only requested to assist persons in wheelchairs up and down steps which meet the following standards: not less than 10 inches deep, not more than 7½ inches high, 30 or more inches wide; free of chipped and broken edges, snow, ice and other obstacles.

Whether you use a wheelchair or not, you should keep steps and walkways free of ice, snow and other debris.

If there is a ramp leading to your home, be sure it is in good repair.



TRIP REQUESTS

REMEMBER THESE NUMBERS:

Metro Mobility service	644-2122
Metro Mobility Information	644-1119 (8:00 a.m. to 5:30 p.m. Monday-Friday)
Metro Mobility Cancellation	646-2001

To request service, call the Metro Mobility Transportation Center at 644-2122. *You must place your trip request between the hours of 6:00 a.m. and 1:00 p.m. the day before you need a ride.* They will schedule your trips any time during the hours of 6:00 a.m. and 11:00 p.m. on weekdays and 8:00 a.m. and 11:00 p.m. on Saturdays, Sundays and holidays. (Refer to map for suburban times.)

To make sure your request is taken promptly, the Transportation Center is equipped with a special telephone system that ranks calls in the order they are received. When you dial the service number, 644-2122, you will hear a recorded message and be put on hold until an Order Taker is free to take your call. Please do not hang up or place your request until an operator has answered

Make sure when you call that you are *positive* of the destinations and times you are requesting. Remember, if you are not called back the night before you ride, assume that you are getting what you requested. Do not call operators for time checks or ask drivers to check your return times. This takes up precious operating time by the operators, dispatchers and slows the driver's progress.

WHEN REQUESTING A RIDE: Have your Metro Mobility Certification Number, the times you would like to be picked up and returned, (allow ample time for your trip) the exact address of your pick up and destination and apartment numbers or security codes.

Depending on where you live, where you wish to travel, and availability of vehicles, you will be met by either a bus, cab or a van.

You may stop as often as you choose during the course of a single trip, providing you have a minimum of one hour between pick up times and have arranged to do so *in advance*. Please keep in mind that when you make stops, the driver cannot wait for you. Another driver and vehicle will be scheduled to pick you up and take you to your next scheduled destination.

You may travel with up to three noncertified companions, providing that they are picked up and dropped off with you at the same locations. Remember, there is an additional fare.

A NOTE ABOUT MEDICAL APPOINTMENTS: It is a good idea to tell your doctor's receptionist that you have scheduled a return ride with Metro Mobility noting the time you need to be ready to go (including lead time). With that in mind, the receptionist may be able to arrange for you to see your doctor accordingly.

PLEASE NOTE: All standing orders are automatically cancelled on the following holidays: New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day and the Friday after Thanksgiving, and Christmas Day. If you need a ride on any one of these days, be sure to place your order.

ONCE YOU HAVE MADE YOUR REQUEST:

The Metro Mobility staff will do its best to see that service is provided to you as scheduled; however, vehicles may arrive as much as 15 minutes before or after the time given to you when placing your order and still be considered on time. So, it is important that you be prepared accordingly. Please keep in mind that drivers can only wait for a maximum of five minutes. After that, you will be listed as a "no-show" rider. (A "no-show" rider is one who places a request for service, but does not meet his/her ride with five minutes of its arrival.)

PLEASE READ CAREFULLY: If you do not show up for your rides three times in a 30 day period, you will be advised that if you do not show up one more time during the same period, you will be denied Metro Mobility services for the next 30 days.

IF METRO MOBILITY IS LATE:

If your ride does not arrive within 20 minutes after the scheduled pick up time, go to the nearest phone (where you can watch for the vehicle, if possible) and call 644-2122. When an operator answers, indicate that your ride is late and give your name, certification number, pick up address and the time your ride was scheduled. This information will be given to a dispatcher who will come on the line to explain the delay. If your ride arrives while you are on the phone, hang up and try to meet it.

METRO MOBILITY FARE:

The fares for Metro Mobility services are:

\$.60 for each certified passenger

\$.75 for each certified passenger during peak hours.

PEAK HOURS: Monday through Friday

6:00 a.m. - 9:00 a.m. and

3:30 p.m. - 6:30 p.m.

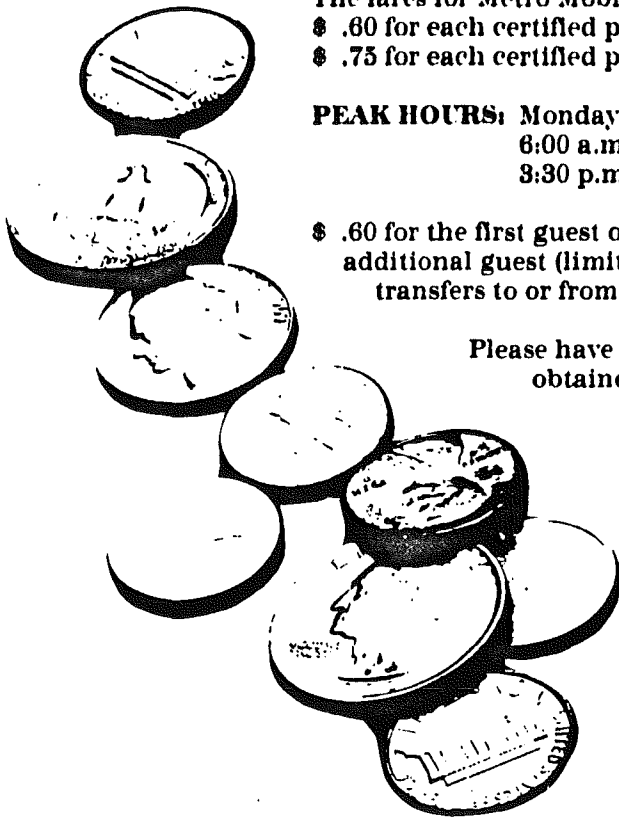
\$.60 for the first guest or escort or \$.75 during peak hours. \$1.50 for each additional guest (limit 3 guests). An additional \$.15 is charged for transfers to or from a suburban paratransit vehicle.

Please have exact change ready. Commuter books can be obtained for use on Metro Mobility vehicles from either the Metro Mobility Transportation Center or the Courage Center.

A WORD ABOUT REQUESTS:

If you are in doubt about the correct spot to wait, be sure to ask your Order Taker when placing your order. (To help you, a few standard Metro Mobility pick up areas and a map are included.)

PLEASE REMEMBER to write down the pick up and drop off times you are given when placing your order, or if/when you are called back with time changes.



DOWNTOWN MINNEAPOLIS PICK UP AND DROP OFF POINTS

1. **Downtown Hennepin Avenue**
pick up and drop off points will be limited to the following:

 Minneapolis Public Library
 Hennepin and 4th - Hennepin Avenue side at entrance to parking lot drive through

 Plymouth Building
 Hennepin and 6th - 6th Street side - cabs
 Hennepin side at 6th Street - buses

 Hennepin Avenue
 from 900 to 1500 - use exact address

 Metro College and AVTI - 1415 Hennepin (only)
2. **Powers, Penney's and NSP.**
 5th and Nicollet - Penney's door near Nicollet - cabs
3. **Donaldsons, Norwest Bank, IDS, Marquette Inn**
 710 Marquette Avenue (but not between the hours of 3:30 p.m. & 6:00 p.m. weekdays for bus)
4. **Daytons, LaSalle Building and shops on 8th Street**
 811 LaSalle
5. **Hennepin County Government Center**
 6th Street North Tower (300 South 6th Street)
 6th Street South Tower - bus (301 South 6th Street)

 Minneapolis City Hall
 enter through tunnel from Government Center
6. **Northwestern Bell Telephone Building**
 2nd Avenue - entrance closest to 5th Street (main door)
 5th Street side - 200 South 5th Street - buses
7. **Doctors Building, Medical Arts Building and Benson Optical**
 Medical Arts Building - 9th Street entrance
8. **Physicians and Surgeons Building**
 63 South 9th Street (on 9th Street by Walgreens - bus)
9. **Metropolitan Medical Office Building**
 804 9th Avenue South
10. **Orchestra Hall**
 11th Street ramp at box office door
11. **Metropolitan Medical Center**
 900 South 8th Street to taxis
 7th Street - emergency room door for buses only
12. **Butler Square Building**
 6th Street handicapped entrance (across the street from door closest to 2nd Avenue North - buses)
13. **Hennepin County Medical Center**
 indicate north block or south block (no emergency entrance pick ups)

DOWNTOWN ST. PAUL PICK UP AND DROP OFF POINTS

1. American Center Building
160 East Kellogg - eastbound bus stop in front of building
2. Doctors Professional Building
280 North Smith - main entrance
3. Landmark Center
entrance on Market at 5th Street
4. Lowry Medical Arts Building
building entrance on southeast corner of 5th and St. Peter on 5th Street
5. Omni Theatre/Science Museum
30 East 10th by lizard
6. Ramsey County Courthouse
main entrance on Kellogg
7. St. Paul Civic Center
O'Shaughnessy Plaza only
8. St. Paul Vocational Technical Institute
main entrance on Marshall
9. Town Square
Minnesota Street between 6th and 7th streets by bus stop
10. Ramsey Hospital - Gillette entrance when open
main entrance at other times

COMMUNITIES SERVED

MINNEAPOLIS

Bloomington

Brooklyn Center

Columbia Heights

Crystal

Fridley

Golden Valley

MINNEAPOLIS

Hilltop

New Hope

Richfield

Robbinsdale

St. Anthony

St. Louis Park

A portion of Edina

ST. PAUL

Little Canada

Maplewood

New Brighton

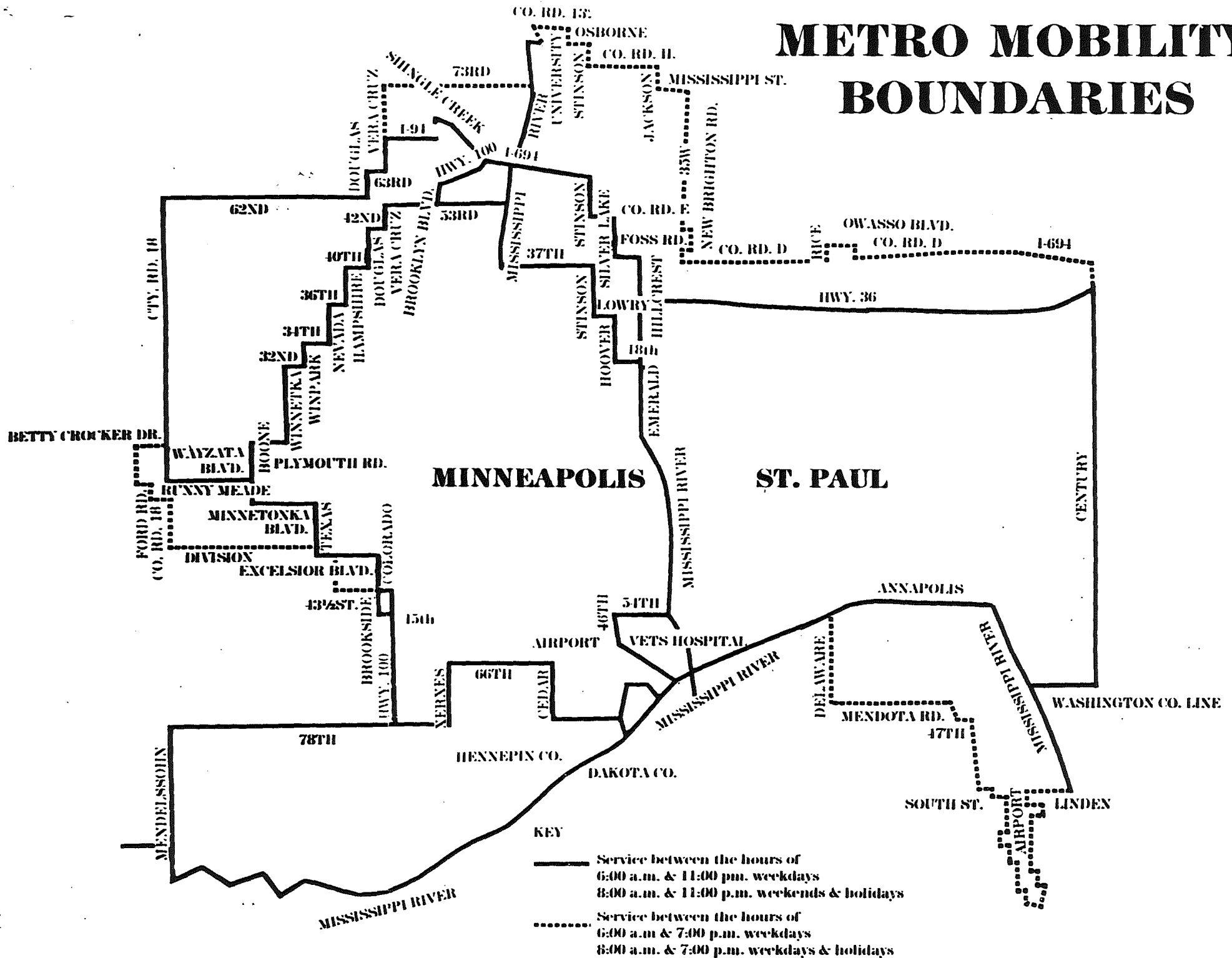
North St. Paul

Roseville

South St. Paul

West St. Paul

METRO MOBILITY BOUNDARIES



B-6

PRESENTATION TO THE
LEGISLATIVE STUDY COMMISSION
9/27/83

INTRODUCTION

Good morning, I am Judith McCourt.

MTC has long recognized that all transit needs cannot be solely met by regular route transit. As a result, in 1975, the MTC became involved in paratransit services including transportation services for the handicapped community paratransit services and ridesharing.

The family of services philosophy resulted in 1979 in the formation of the Special Services Division who's responsibility is to oversee the development, and delivery of all special services.

The MTC consists of ten divisions, one of which is the Special Services Division. The following chart indicates where the Special Services Division falls within the MTC. The Special Services Division is part of the operating structure of the MTC and is responsible for the delivery of Project Mobility services, the coordination of the Metro Mobility Transportation, paratransit functions and Minnesota Rideshare. (Attachment 1)

Mr. David Naiditch, Manager of the Metro Mobility Transportation Center, has spoken to you this morning about MTC's involvement with services for the handicapped. I will brief you on the MTC's involvement with other paratransit activities and ridesharing.

I will spend the majority of my time discussing the MTC involvement in ridesharing. However, I would like to take a few minutes first to discuss supplementary special services that are provided by the MTC.

The MTC Special Services Division provides Paratransit Planning and Research activities in the metropolitan area. These activities can be placed

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into one of three functional areas:

- a. Assistance to communities and agencies.
- b. Development, Implementation and Evaluation of Demonstration Programs; and
- c. Research.

I will briefly provide a profile of each of these areas:

Perhaps, one of the most vital functions is providing assistance to communities and agencies.

The Special Services Division offers technical assistance as requested to communities or agencies who may need help in analyzing their transportation needs and developing cost-effective services that will meet those needs.

In the past two years, assistance has been provided to the communities of Apple Valley, Burnsville, Eagan, Lakeville, Rosemount and Savage, Rockford, and Independence, as well as Hennepin County Social Services, Anoka County, the City of Minnetonka, and Dakota County.

- o Through technical assistance, Apple Valley, Burnsville, Eagan, Lakeville, Rosemount and Savage were able to evaluate several community transportation options.
- o Rockford, Delano and Independence began a transportation program through the technical assistance of the MTC and now serves the transportation needs of the communities's elderly.
- o Dakota County received assistance for its volunteer transportation project.

- o Hennepin County Social Services used Special Services assistance to identify potential transportation providers and develop a bid specification for transportation services for mentally retarded clients.
 - o Special Services also facilitated the lease of vehicles to the City of Minnetonka, Anoka County Grasslands, and Suburban Community Services. These programs now provide local transportation opportunities to elderly and handicapped persons. These services are provided outside of the current Metro Mobility Service area where other special transportation options are limited.
2. The second function is the Development Implementation and Evaluation of Demonstration Programs.
- o Valley Transit is a general population community circulator. It interfaces with MTC service and is also coordinated with Washington County Human Services. The MTC allocates approximately \$90,000 of its operating budget to support this program.
 - o Currently, the Division manages an Exurban Paratransit Assistance Program. This project was developed in response to 1981 legislative changes that required the MTC to return tax levies from the outlying portions of the Transit Taxing District in the form of paratransit or ridesharing services. This program is in its second year and helps support 8 paratransit projects and 1 ridesharing project in outlying portions of the transit taxing district. More than \$150,000 is allocated to paratransit projects and more than \$75,000 to ridesharing.

3. The third function is Research. This area will be discussed in greater detail under ridesharing. However, in 1983 the Division will:

- o Conduct a Ridesharing Market Potential Study;
- o Develop an Owner-Operator Guide for Vanpool Drivers; and,
- o A Flex Time Manual.

I will now turn the presentation to ridesharing.

WHAT IS MINNESOTA RIDESHARE? -

Minnesota Rideshare is a comprehensive rideshare program designed to assist employers and individual commuters into "shared-ride" services that include carpools, vanpools and buses. The program began in 1977 in the metro area, under the sponsorship of the Metropolitan Transit Commission as a demonstration project. Currently, over 17,000 persons are registered with the service. According to the 1980 census, 20% of the metro area commuters already carpool and 9% bus to work. (Attachment Two)

As mentioned the rideshare program, within the MTC, is part of the Special Services Division. The following organizational chart indicates where ridesharing and the Special Services Division falls within the MTC. The Ridesharing staff consists of a manager, who reports to the Director. A marketing coordinator, a rideshare coordinator and two rideshare assistants.

The goal of the ridesharing program is to foster and maintain a partnership between private and public sectors and to promote and increase ridesharing in the Twin Cities metropolitan area.

BACKGROUND

Before I discuss the actual services provided by Minnesota Rideshare, I would like to take a few minutes to trace the MTC's involvement in ridesharing.

MTC began its involvement with a rideshare demonstration project known as Share-A-Ride, in 1977. Ridesharing promotion and matching services were offered to a few selected multi-employer sites in southern Hennepin County.

Steady and promising results were apparent toward the end of the demonstration project. Based on these results, the MTC made the decision, in 1979, to not only continue to provide ridesharing services, but to centralize and directly assume responsibility for the management, marketing and matching elements of the program and to offer services to employers and individuals throughout the entire metropolitan area.

This decision occurred in a period of intense energy consciousness. Gasoline shortages were prevalent. Prices were rapidly increasing and employers were concerned with the possibility of not being able to get their employees to work. These employers made an active commitment to ridesharing by either sponsoring internal programs or assisting with Share-A-Ride efforts.

To increase the level of ridesharing efforts in the Twin Cities metropolitan area, Governor Quie set forth an executive order in 1980 to the Minnesota Department of Transportation to assume responsibility for ridesharing. Under Mn/DOT, the program became known as Minnesota Rideshare and was expanded statewide. The MTC's service area was reduced to provide ridesharing services in only the eastern half of the metropolitan area and Mn/DOT contracted with a provider to provide marketing services in the western portion, as well as to continue fleet operations statewide.

In 1980, the situation changed. Gasoline supplies became plentiful. Prices stabilized. Federal and State emphasis on funding ridesharing also decreased as economic conditions worsened. The budgets for Minnesota Rideshare were reduced. In 1981, the Legislature established a limit for the 1981-1983 biennium on the amount of federal and state highway funds that could

be used for ridesharing and told Mn/DOT to phase out their ridesharing responsibilities and transfer them to local communities and authorities. These limited dollars had been the major funding sources for ridesharing.

Governor Quie then asked the Metropolitan Council to establish a Rideshare Management Board to determine how ridesharing services should be provided in the metropolitan area. The RMB recommended that the MTC be the regional service provider and focus its efforts on assisting local communities and organizations to set up their own ridesharing programs.

This period of changing roles was marked by a period of funding uncertainty. The program had been funded with state and federal funds through 1981. The MTC realized that ridesharing was a vital element of its overall transportation program and could be used to supplement regular route transit as well as to provide transportation in areas where it was economically unfeasible to provide regular route service.

The MTC stepped forward in 1982 and provided the necessary funding from its operating budget to insure that ridesharing services could be provided to persons travelling in the Twin Cities metropolitan area.

This chart shows a comparison of two funding years 1981 and 1983. You can see the chart shows the shift in funds from other sources to MTC's operating budget.

ATTACHMENT 3

In the past year, the MTC has supported the program through local operating funds. In addition, it has dedicated portions of its federal funds to conduct research to improve MTC's effectiveness in delivering these services to local residents.

WHAT SERVICES ARE AVAILABLE THROUGH MINNESOTA RIDESHARE?

I will now discuss the services MTC provides or facilitates as part of Minnesota Rideshare.

The MTC acts as both a provider and a broker of rideshare information and services, especially for the commute trip to and from work. The types of services available are:

Service

First

- o Marketing/Sales Consultation - Promotion and program development are available to employers who want to promote and/or provide ridesharing to their employees. Minnesota Rideshare has also offered services to persons who may be potentially misplaced as a result of MTC regular route service changes.

Minnesota Rideshare also helps companies who move locations to do so smoothly. Companies we have helped include:

- Share
- Honeywell
- OPUS II development

Second

- o Matching - Computerized matching for people who want to join carpools or vanpools is based on similar work and home locations, work hours and is multi-employer in nature throughout the region.

Third

- o Vanpool Services - A turnkey service, where everything from the van to insurance is provided by a third party. A number of employers also provide company sponsored vanpools and many individual entrepreneurs now operate as owner-operators.

Fourth

- o Bus Information/Services - Schedule, fare and Park & Ride information are provided to individual applicants. MTC also helps employers with schedules and setting up convenience fare/pass programs.

Fifth

- o Parking Management - The two downtowns have special parking rates for poolers provided by the cities. Many companies also have preferential parking for poolers.

The following chart shows the level of service provided by Minnesota Rideshare. Attachment 4

MTC also participates in Planning and Development Projects to improve the delivery of ridesharing services. These projects include:

1. Market Research Study

A rideshare market potential study is being conducted an area surrounding T.H. 12/I-394 corridor. The study will determine what approaches can be used to reach unserved market potential and to develop effective marketing strategies. The marketing strategies developed as part of this research will be incorporated into future rideshare marketing plans.

2. Program Development

Three projects will be completed in 1983:

a. Flex Guide for Employers

The MTC is developing a manual to assist employers in setting up flex time programs. Flex time is an incentive for both pooling and transit. A "how to" employer implementation manual will be the final product of this work.

b. Owner-Operator Vanpool Program

As in other areas of the U.S., Owner-operator vanpools are growing in numbers. We have seen an increasing interest in the Twin Cities.

An increase in owner-operator vanpools benefits the community as they do not require a public subsidy. This project will result in a manual to assist persons in setting up owner-operator vanpools.

c. On-line Computer System

The MTC is analyzing the cost-benefits of converting to an on-line computer matching system.

The mix of long-term planning efforts and operations is one of MTC's strengths as a regional provider of ridesharing.

Before I bring this overview to a close, I will briefly discuss the existing and potential ridesharing markets and the benefits of the program to the metropolitan area.

3. Existing Market

Approximately six million one-way trips are made every day by the two million residents of the Twin Cities Metropolitan Area, an average of three per person. About one-fourth are work trips with a vehicle occupancy of 1.2. The regional goal for auto occupancy in the peak period 1.6.

Work trips are a target for ridesharing because they make up 21% of all trips. They are regular, repetitive and 50% longer than other trips and they have lower auto occupancy than non-work trips. Work trips are concentrated during peak travel periods of the day, and larger highways, bridges and other transportation facilities are needed to accommodate them. Therefore, reducing work trips has a greater beneficial effect on the capacity needs of the regional transportation system than reducing other vehicle trips.

Metropolitan Council estimates show that approximately 29 percent of the work trips in the region currently involve ridesharing.

Carpools and vanpools account for approximately 20 percent of trips, regular route buses for 9 percent.

The destination of work trips influences the amount of ridesharing. Work trips to the central business districts of Minneapolis and St. Paul show both a higher auto occupancy 1.4 passengers per car, compared with a regional average of 1.2. The downtowns also have a much larger share of transit usage 40 percent of work trips, compared with 9 percent regionwide. Traffic congestion and parking costs, as well as employment concentration, explain the greater use of ridesharing for work trips downtown. Travel to the metro centers, however, represents only about 14 percent of total work trips in the metropolitan area.

4. Potential Market

The market potential for ridesharing depends on several factors. A few include: The perceived cost of traveling alone, including the price of gasoline; availability of fuel; the cost of parking, traffic and congestion; and the commuting distance. Encouragement by employers also plays an important role in increasing ridesharing. Indications are that ridesharing has much untapped potential to supplement the regional transit system. The majority of automobiles used for work trips still have only one occupant. Following the gasoline shortage of 1973-74, auto occupancy during the morning peak travel period rose to a level 12 percent higher than occupancy in 1981. If a similar increase in occupancy were to take place today, about 100,000 vehicle trips could be eliminated daily in the region.

The potential for savings is great. Ridesharing succeeds in increasing vehicle occupancy. The chart below shows vehicle reductions and the savings that would occur if vehicle occupancy was increased from the baseline of 1.2 to:

Vehicle Occupancy	Daily Vehicles	SAVINGS		
		Annual Gas Consumption (Gallons)	Annual Vehicle Miles Travelled	Annual Cost to Drivers
1.20	1,066,000	--	--	--
1.30	984,000	24,000,000	410,000,000	\$ 56,600,000
1.40	914,000	44,700,000	760,000,000	\$104,900,000
1.50	853,000	62,600,000	1,065,000,000	\$147,000,000
1.60	800,000	78,200,000	1,330,000,000	\$183,500,000

THE BENEFITS OF RIDESHARING ARE MANY:

1. Costs

Over the last few years, the MTC cost of carpool and vanpool placement has been approximately \$60. This one-time subsidy averages out to less than 10 per passenger trip over the life span of a typical pool.

2. Benefits

Ridesharing has proven to be beneficial to users and non-users in a number of ways:

a. Environmental Benefits

In the past five years, car and vanpoolers have saved approximately 7.4 million gallons of fuel.

b. User Benefits

A person with a 10 mile one-way commuting trip can save between \$500 and \$800 annually by ridesharing. These savings of course, will vary depending on the size and age of the car. Vanpoolers save even more approximately \$1,000 per year.

c. Employer Benefits

Savings in parking costs are the most easily quantifiable benefit for employers. In some cases, a ridesharing program can enable the employer to expand on the existing site and forego land acquisition and additional capital costs. Construction, financing and maintenance cost of a single parking space ranges from \$250 per year for a surface lot to \$800 for a ramp. Subsidizing parking in the downtown area can cost between \$180 and \$500 per year per space.

Other benefits, not as readily quantified, have been shown to include reduced stress, improved productivity, reduced tardiness, and improved morale among ridesharing employees.

d) Transit System Benefits

Ridesharing offers an alternative to providing peak period transit service where it is economically unfeasible to provide regular route service.

e) Highway System Benefits

The current cost of adding one lane mile of freeway is approximately \$1.5 million, excluding land purchase. In highway corridors where enough demand could be channeled into ridesharing to avoid building or adding a lane, substantial savings would be achieved.

CONCLUSION

In conclusion, MTC has remained committed to providing a family of services to meet the many travel needs of Metro Area residents, commuters and employers. Thank you]

kal/1260
9-26-83

METROPOLITAN TRANSIT COMM.

CHIEF
ADMINISTRATORASST. CHIEF ADMINISTRATOR
ADMINISTRATIONASST. CHIEF ADMINISTRATOR
TRANSIT OPERATIONS

FINANCE

HUMAN
RESOURCESINFORMATION
SERVICESMANAGEMENT
SERVICESPLANNING,
DEVELOPMENT
&
COMMUNI-
CATIONSENGINEERING
&
FACILITIESEQUIPMENT
MAINTENANCERISK
MANAGEMENTSPECIAL
SERVICES

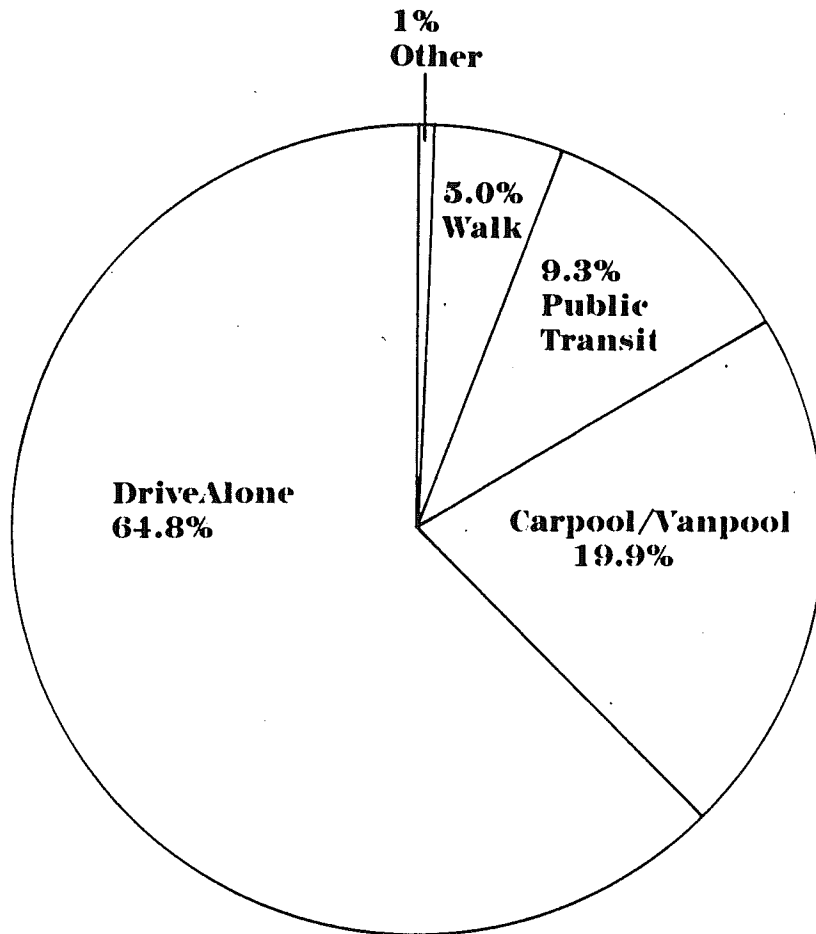
TRANSPORTATION

DIRECTOR

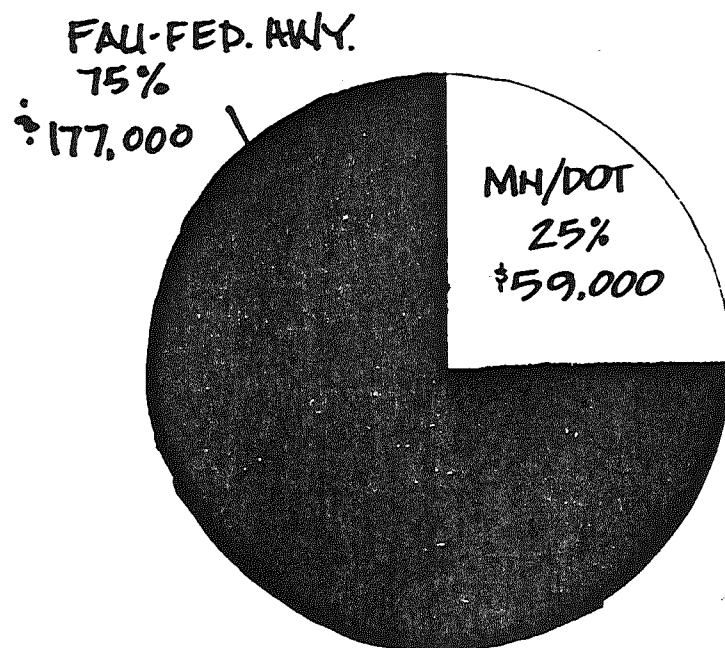
METRO
MOBILITY
MANAGERRIDESHARE
MANAGERASST.
DIVISION
MANAGERCERTIFICATION
SECRETARY

SECRETARY

METRO
MOBILITY
SUPERVISORSMARKETING
COORDINATORRIDESHARE
COORDINATORRIDESHARE
ASSISTANTRIDESHARE
ASSISTANTPROJECT
MOBILITY
DRIVERSORDER
TAKERSORDER
FILLERS

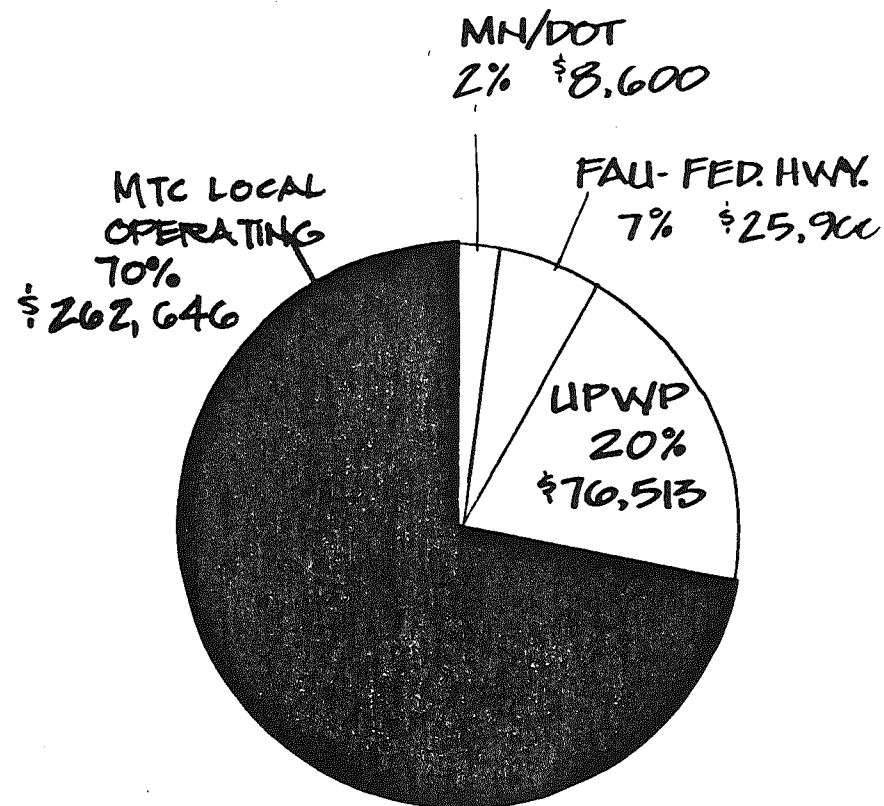


EXPENDITURES-RIDESHARING



1981

236.000



1983

373.669

RIDESHARING MTC

REGISTERED CARPOOLS

2088

AVERAGE CARPOOL OCCUPANCY

2.6 PERSONS

REGISTERED VANPOOLS

204

AVERAGE VAN OCCUPANCY

11.0

TOTAL PERSONS ON DATABASE

17,294

ANNUAL PERSON TRIPS PROVIDED
THROUGH RIDESHARING

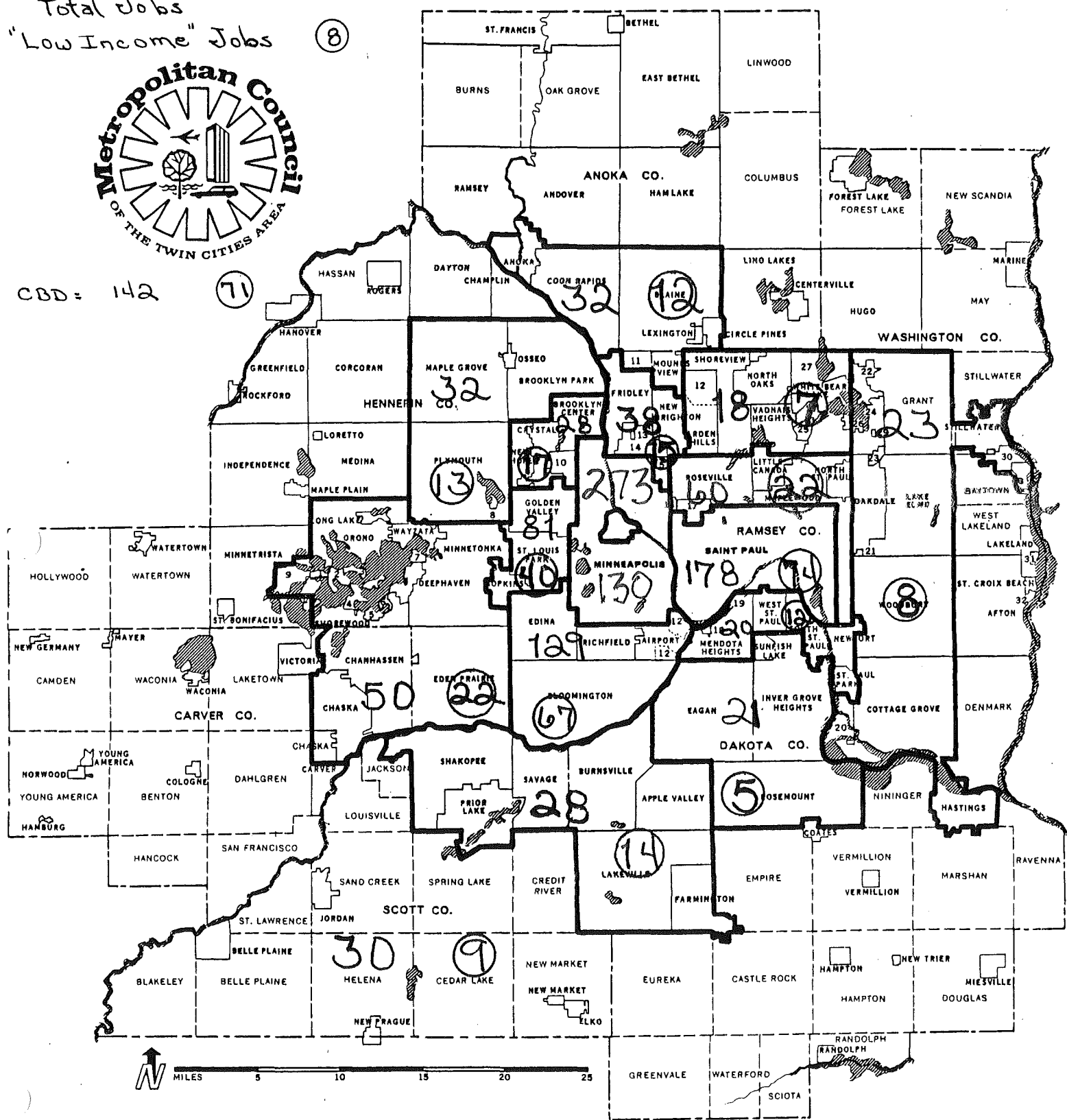
3,867,091

TOTAL JOBS AND "LOW INCOME" JOBS, 1980

Total Jobs
"Low Income" Jobs



CBD = 142








TWIN CITIES METROPOLITAN AREA Political Boundaries, 1983

in 000's



METROPOLITAN HIGHWAYS

-  Interstate Freeway
-  Major Arterial
-  MUSA Boundary
-  Right-of-Way Reservation
-  Subregion

January 13, 1983

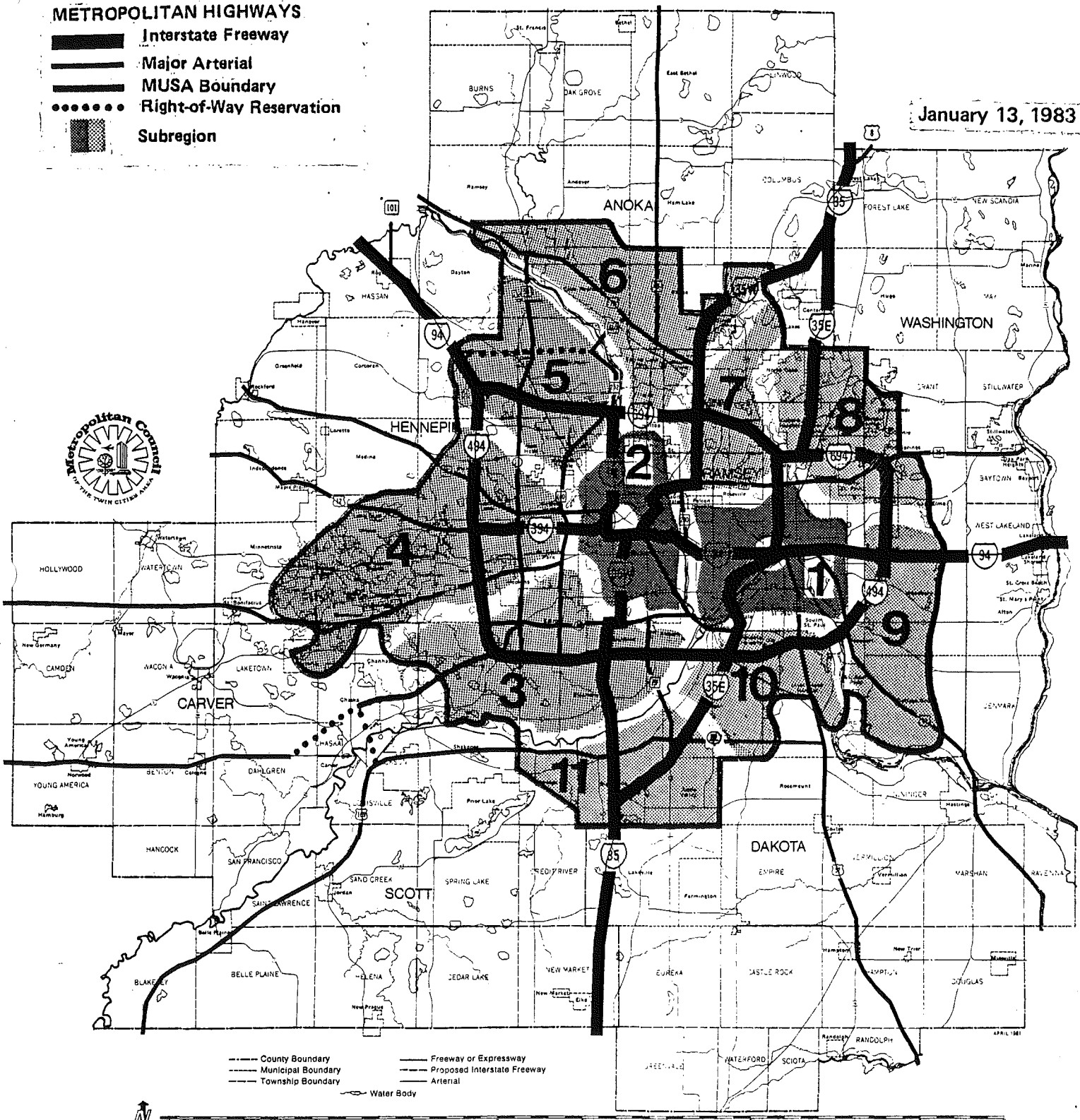
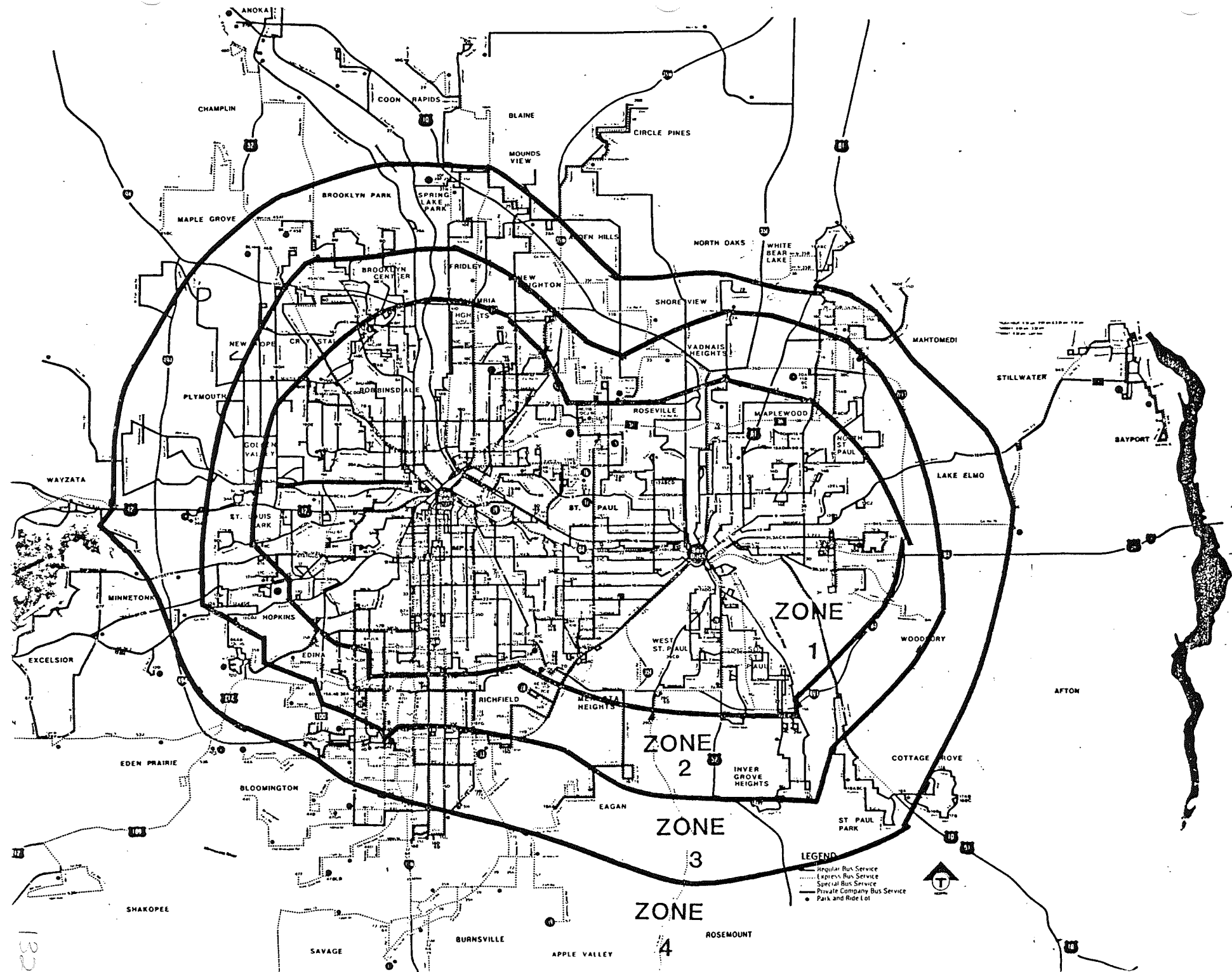


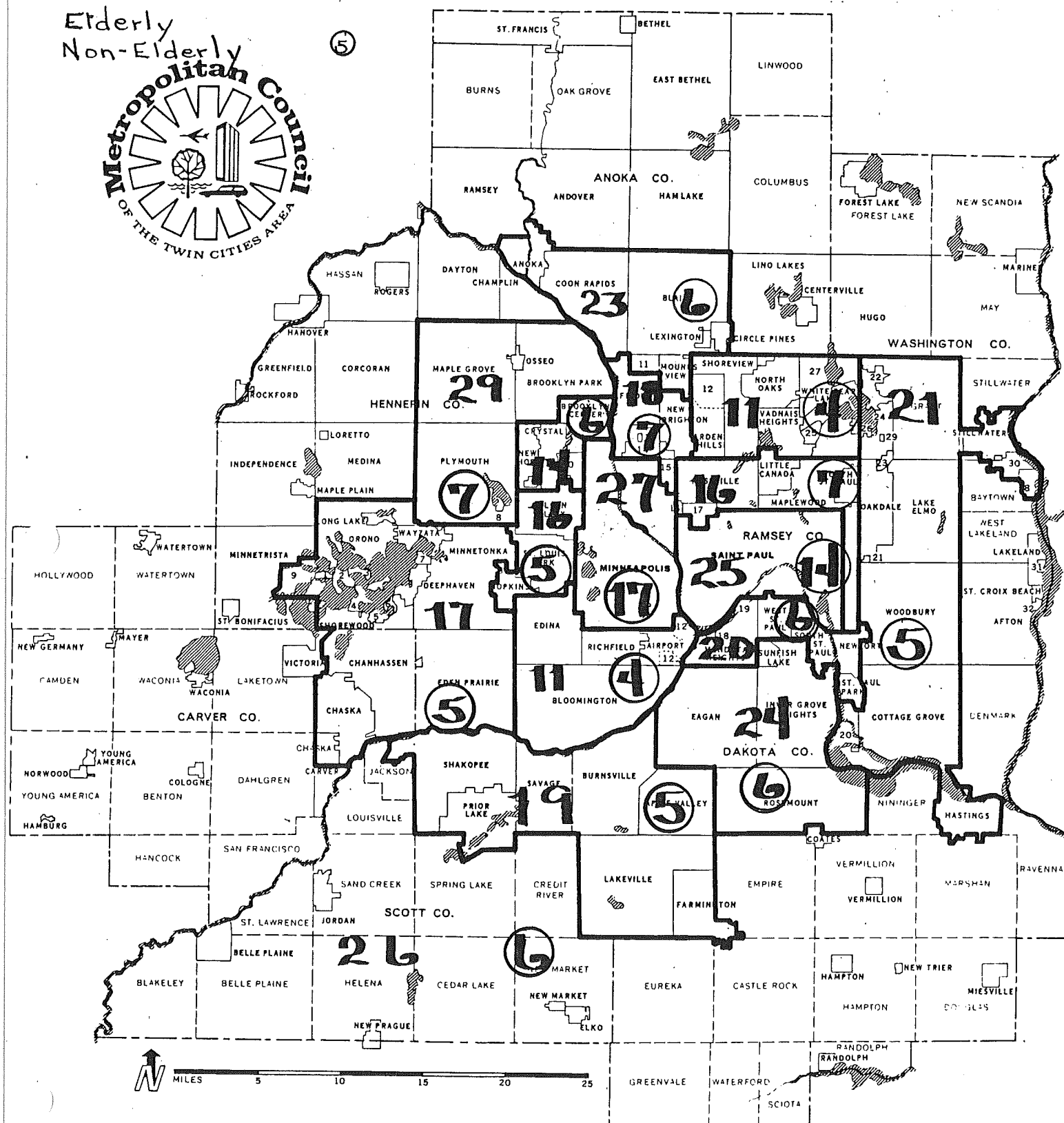
Figure 6. 2000 METROPOLITAN HIGHWAY SYSTEM PLAN



Elderly
Non-Elderly



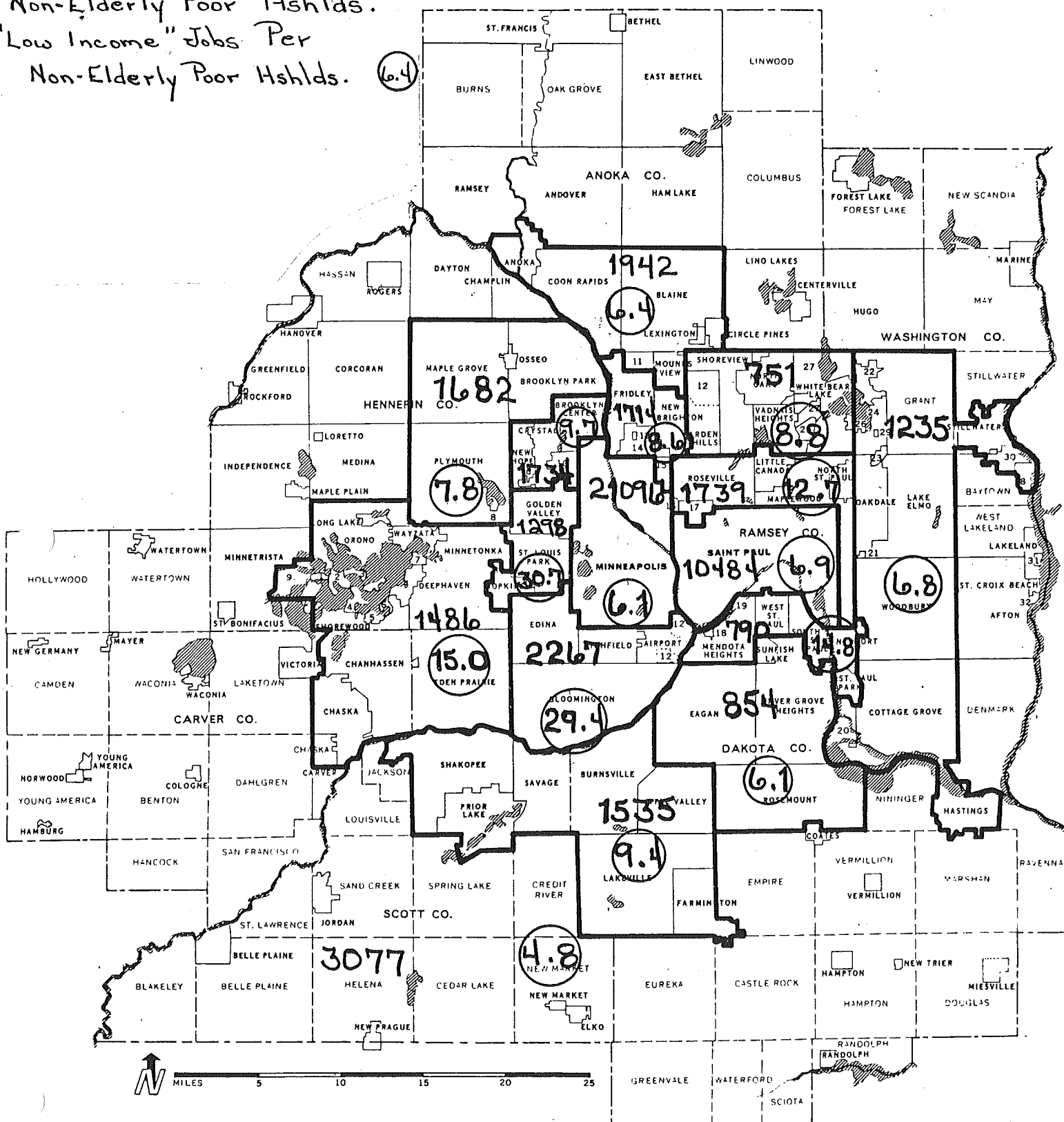
The logo of the Metropolitan Council of the Twin Cities Area is a circular emblem. It features a stylized sunburst or compass rose design in the background. In the center, there is a stylized tree on the left and a tall, rectangular building on the right. Below the tree is a wavy line representing water. The words "Metropolitan Council" are written in a large, bold, sans-serif font, curving along the top inner edge of the circle. Below the circle, the words "OF THE TWIN CITIES AREA" are written in a smaller, sans-serif font, also curving along the bottom edge.



TWIN CITIES METROPOLITAN AREA Political Boundaries, 1983

NON-ELDERLY POOR HOUSEHOLDS AND "LOW INCOME" JOBS

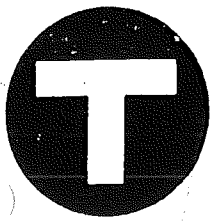
Non-Elderly Poor Hshlds.
'Low Income' Jobs Per
Non-Elderly Poor Hshlds.



TWIN CITIES METROPOLITAN AREA Political Boundaries, 1983

Total Jobs
"Low Income" Jobs (b)





Metropolitan Transit Commission

801 American Center Building St. Paul, Minnesota 55101

612/221-0939

November 8, 1983

MEMORANDUM

TO The Honorable Steven G Novak
Minnesota Senate
and
The Honorable Kathleen A Vellenga
Minnesota House of Representatives
and
Members of the Legislative Study
Commission on Metropolitan Transit

FROM Louis B Olsen *LBO*
General Manager

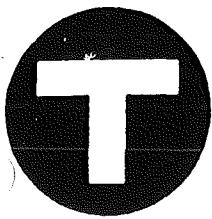
Pursuant to the study commission's October 20th correspondence to Chairman Stumpf, I have dealt with the three specific areas addressed in that correspondence, as follows: description of the ATE organization; description of the ATE management agreement with the MTC, since its inception; and, a description of the history of MTC's organizational structure, as well as its current organization.

Enclosed herein, please find narrative responses to each of the aforementioned subject areas. I would hasten to point out that, in each case, the comments made represent my best understanding and recollection of the past, and have resulted from research and actual conversations with present and former chairmen, commissioners and employees of the MTC.

I hope each of you will find this information helpful. I will be available at the upcoming meeting of the study commission to elaborate further on any of this material, should the study commission so desire.

LBO:jw

Attachments



Metropolitan Transit Commission

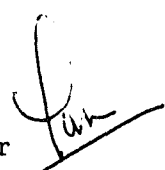
801 American Center Building St. Paul, Minnesota 55101

612/221-0939

November 4, 1983

MEMORANDUM

TO The Honorable Kathleen A Vellenga
Minnesota House of Representatives
and
The Honorable Steven G Novak
Minnesota Senate
and
Members of the Legislative Study
Commission on Metropolitan Transit

FROM Louis B Olsen
Chief Administrator/General Manager 

SUBJECT History of ATE Management & Service Company, Inc. (ATE M&S)

In late 1969, ATE Management & Service Company, Inc. (ATE M&S) filed articles of incorporation under Delaware law, describing itself as a "professional transit management firm" and identified the city of Cincinnati in the State of Ohio as its regular place of business.

The incorporators were senior managers employed by American Transportation Enterprises, Inc. (ATE), a wholly-owned subsidiary of American Diversified Enterprises, Inc. (ADE), which owned and operated transit systems in seventeen (17) cities generally located in the lower eastern and southern United States. Among the transit systems owned and operated by ADE/ATE were, for example, Richmond, Virginia; Norfolk, Virginia; Nashville, Tennessee; Chattanooga, Tennessee; and, Omaha, Nebraska.

The creation of ATE M&S resulted from the recognition of a number of senior managers employed by ADE/ATE that privately-owned transit systems would eventually become acquired by public entities due to decreasing ridership, increasing fares and increasing costs of operation.

In creating ATE M&S, the parent company (American Diversified Enterprises) agreed to enter into a contract with ATE M&S for the management of the seventeen transit systems it owned. During the early and middle 1970's, public authorities acquired all transit systems owned by ADE/ATE. In fact, ATE M&S still manages six (6) of those original 17 systems; Altoona, Pennsylvania; Chattanooga, Tennessee; Nashville, Tennessee; northern Kentucky; Richmond, Virginia; and, Wilmington, Delaware.

In addition, the new firm (ATE M&S) began marketing its management services under a three-part concept of transit management that had been successful under private ownership.

The three-part concept was as follows:

- (1) A trained and experienced professional resident transit management team (the size of the team being determined by the particular needs of the transit system as well as the system's size) would be provided to manage the transit system.
- (2) The availability of Cincinnati headquarters transit technical or professional staff, who would be available to assist the transit system on an "on call" or "as needed" basis, thus eliminating the requirement for the transit system to retain on its payroll certain professional/technical staff that would be used only occasionally.
- (3) Oversight from the ATE M&S Cincinnati headquarters office by a Senior Management Executive who would ensure client satisfaction and provide further assistance to management or the client in special problem-solving.

In addition to the 17 original transit systems that were managed by ATE M&S in accordance with its agreement with the former parent company, ATE M&S' first management contract was with Duluth, Minnesota in January, 1970. Shortly thereafter, a second contract was secured by ATE M&S to manage Baltimore, Maryland; the third with Peoria, Illinois; and, the fourth, in September, 1970, with the Twin Cities Metropolitan Transit Commission (MTC) in Minneapolis/Saint Paul.

ATE M&S currently manages 56 transit systems located in 31 states of which the Twin Cities system is the largest (based on number of buses and number of passengers carried). ATE M&S also manages transit systems located in seven (7) cities in the Kingdom of Saudi Arabia under contract with the Government of Saudi Arabia. In addition to the seven cities that ATE M&S manages in Saudi Arabia, it is responsible for all over-the-road service (Greyhound type service) between those cities.

For your information, I attach hereto as Exhibit A, a list of those transit systems managed by ATE M&S within the continental United States. This exhibit demonstrates the city, the date of the original contract, the number of times the contract has been renewed, the number of buses in the transit system, the number of people employed by the system, the annual ridership of the transit system, and the number of ATE M&S personnel assigned by virtue of the management agreement.

For your further information and attached hereto as Exhibit B, I have included the names and addresses of ATE M&S competitors (other domestic transit management companies), which includes the number of systems that each company manages, the number of states in which they manage transit systems, and the total number of vehicles that are under management contract with each company. At the bottom of this exhibit, I have identified the largest transit system that each transit management company manages.

In addition to the cities that it manages as described in Exhibit A, ATE M&S also has a sizable transit consulting practice. Therefore, ATE M&S is likely to be in another 20 or so cities, engaged in a variety of consulting work, under contract, with transit systems, city governments, county governments, state governments, or metropolitan transit districts.

During mid-1983, in an effort to diversify into other areas of similar endeavor, ATE M&S merged with Golden Cycle, Inc., in an effort to obtain additional financial resources to support diversification activities. Under the merger, the new company became known as ATE Enterprises, Inc.

One of the direct results of the aforementioned merger was to make ATE Enterprises, Inc., a "public" company, with its stock being traded on the national over-the-counter market. Prior to the merger, ATE M&S was a "private" corporation, with more than 50 percent of its stock being owned by its employees.

Since the July 1st merger, ATE Enterprises, Inc., has expressed a corporate philosophy that would lead it into a number of areas other than transit management/transit consulting, which can be briefly described as follows:

- o Public Facilities Management - an effort almost totally directed at this time toward federally owned public facilities (warehouses, garages, etc.).
- o Transportation Related Data Processing - aimed mainly at maintenance activities in transit systems, school bus operations and the trucking industry.
- o Privatization - an effort to provide private professional management for various publicly-owned entities (public services which could conceivably include publicly-owned facilities and operations).

In effect, the new company--ATE Enterprises, Inc.--seeks to apply its professional management experience and skills to new and different endeavors for profit making purposes. However, this will be done in such a way as to combine the best of public ownership with the best of private management technique.

ATE Enterprises is organized with a chairman and a board of directors, who are responsible for supervising four (4) separate and distinct subsidiary companies, as follows:

- (1) ATE Management & Service Company, Inc. - which is responsible for transit management and transit consulting activities.
- (2) Data Incorporated - which is responsible for developing and marketing data processing systems aimed at transit systems, school bus operations and the trucking industry.
- (3) ATE Support Services -- which is responsible for marketing the management of publicly-owned services and facilities.

- (4) Golden Cycle - which is responsible for management and sales of real estate and property owned by the company that ATE recently merged with (Golden Cycle, Inc.).

As a senior manager of ATE and a member of the board of directors of ATE M&S and ATE Support Services, structurally I report directly to the president. In all other instances, ATE M&S transit managers report to a senior management executive (SME) or regional vice president, who in turn reports to the executive vice president of ATE M&S. The executive vice president of ATE M&S reports directly to the president of ATE Enterprises, Inc.

All ATE transit management contracts provide that salary and benefits shall be paid by ATE and that moving and relocation costs, likewise, shall be paid by ATE in the event of the transfer of an employee. Regarding salary, ATE transit management employees generally receive salaries that range from 15 to 20 percent higher than what the employee might receive in a comparable industry position. It is felt that this is required to attract the finest managers possible.

Prior to being employed by ATE, candidates are subjected to the following:

- an extensive psychological test aimed at measuring aptitude for management and/or for the technical expertise required for which the candidate is being considered, as well as to determine relative management/technical strengths and weaknesses for the position.
- an extensive background check for the purposes of ensuring fitness of employment with ATE, since the company manages financial resources of public entities.
- an extensive interview process that is conducted in the Cincinnati headquarters office by five or more ATE senior executives.

This memorandum attempts to describe ATE M&S and ATE Enterprises as simply and succinctly as possible. Should members of the study commission wish additional information concerning ATE Enterprises, Inc., I would be only too happy to answer questions at my appearance before the study commission on November 9th. I will supply additional documentation and information as needed at that time.

LBO:jw

Attachments

cc Chairman Peter Stumpf
Edward Bahuk
Alison Fuhr
Paul Joyce
Edward Kranz
Ron Maddox
Bruce Nawrocki
Frank Snowden

ATE MANAGEMENT AND SERVICE COMPANY, INC.
U.S. TRANSIT OPERATIONS CURRENTLY MANAGED¹

Transit Systems	Date of Contract Initiation	Times Renewed	Number of Buses	Number of System Employees	Number of ATE Employees	Annual Ridership
Alexandria	12/83	*	20			Start Up
Altoona	12/75	2	31	47	1	1,350,000
Baltimore	4/30/70	4	959	2,010	8	74,051,000
Birmingham	8/01/73	4	164	193	3	4,637,769
Central Contra Costa	11/24/80	*	77	113	2	4,000,000
Charlotte	3/01/77	2	110	225	3	9,500,000
Chattanooga	12/01/72	3	69	135	2	3,600,000
Chicago RTA ²					2	
West Towns	3/01/81	*	86	171	2	5,737,510
Waukegan	5/01/82	*	29	59	1	412,085**
Oak Lawn	4/01/83	*	30	57	1	1,337,000
Cincinnati	2/08/73	4	394	920	4	33,087,897
Connecticut DOT ³	6/01/79	2	421	825	4	28,200,000
Duluth	2/70	5	99	157	1	5,329,765
Great Falls	7/01/81	*	15	35	1	475,000
Hampton	12/15/77	2	118	193	1	5,461,685
Haverhill/Lawrence	1/12/83	*	29	46	1	850,279
Houston ⁴	5/01/82	*	746	2,000	5	58,000,000
Indianapolis	11/06/74	3	267	496	4	15,200,000
Laredo	6/01/76	2	33	75	2	3,400,000
Lexington	12/01/76	2	56	97	2	3,200,000
Lima	9/18/78	2	12	26	1	311,912
Lincoln	4/01/76	2	72	125	1	3,345,900
Louisville	8/08/74	3	311	677	4	18,000,000
Lubbock	9/15/79	1	41	73	2	2,500,000
Lynchburg	7/01/74	3	26	66	2	1,888,000
Madison	1/01/82	*	208	301	1	13,282,362
Memphis	3/22/76	2	311	402	2	17,227,343
Minneapolis/St. Paul	9/19/70	5	1,126	2,293	5	81,608,321
Missoula	9/07/77	1	19	36	1	635,000
Monroe, La.	5/22/79	1	17	34	1	1,180,000
Monroe, Mi.	4/01/80	1	28	42	1	257,741
Muncie	5/01/81	*	27	57	1	1,233,835
Nashville	7/27/73	2	125	262	3	9,700,000
New Orleans	1/01/83	*	505	1,300	8	80,000,000
35 street cars						
No. Kentucky (TANK)	11/14/72	3	84	183	2	4,900,000
Orlando	5/13/72	4	66	163	2	3,500,000
Peoria	7/14/70	4	57	122	3	2,300,000
Reno	7/14/78	2	30	96	2	1,820,000
Richmond	8/01/73	3	208	396	5	15,313,359
Riverside	2/01/81	*	71	112	2	2,500,000
Roanoke	1/14/75	3	35	65	2	1,500,000
Rockford	9/01/82	*	50	90	1	2,651,350
St. Louis	2/01/82	*	929	1,939	3	48,425,000
San Bernardino	3/01/79	2	82	205	3	3,800,000
South Bend	3/20/75	2	58	124	2	3,614,962
Stockton	9/21/76	2	69	102	3	2,440,118
Tucson	7/01/78	2	159	308	4	8,962,719
Tulsa	10/01/76	2	99	200	2	3,983,492
Waukesha	7/16/81	*	12	25	1	280,000
Wichita	11/09/81	*	65	100	1	2,934,000
Wilmington	2/01/79	1	100	180	1	5,000,000
Worcester	5/31/78	4	62	144	1	5,101,255
TOTALS			8,817	18,102	123	608,026,659
35 Street Cars						

1. All ATE management contracts are long term, fixed fee agreements in the continental U.S.-ATE also manages seven transit systems in the Kingdom of Saudi Arabia, including over-the-road public transport.
2. Five suburban systems (400 buses) managed by ATE for RTA.
3. Three systems managed for Connecticut DOT.
4. Full-time advisory contract with ATE resident personnel.
- * Initial contract in effect.
- ** Six month ridership figures.

njh/1141
9/83

NOTE: Effective 11/07, ATE will also commence managing an 80-bus system in Harvey, Ill.

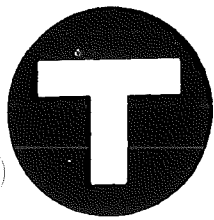
EXHIBIT B

DOMESTIC TRANSIT MANAGEMENT COMPANIES

<u>NAME</u>	<u>NO. OF SYSTEMS</u>	<u>NO. OF STATES</u>	<u>NO. OF VEHICLES</u>
American Transit Corporation* Chromalloy Plaza, Suite 1500 120 South Central Avenue St. Louis, MO 63105	22	14	900
ATE Management & Service Company, Inc.** 617 Vine Street, Suite 800 Cincinnati, OH 45202	56	31	9,000
City Coach Lines, Inc. & Subsidiaries*** 3733 University Boulevard West Suite 212 Jacksonville, FL 32217	7	4	435
McDonald Transit Associates, Inc.**** 5009 Brentwood Stair Road Suite 305 Fort Worth, TX 76112	6	4	200
National Transit Services, Inc.***** 9720 Town Park Drive Suite 109 Houston, TX 77036	4	4	300

- * Largest system managed - Phoenix, Arizona - 268 vehicles
 ** Largest system managed - Minneapolis, Minnesota - 1,119 vehicles
 *** Largest system managed - Jacksonville, Florida - 215 vehicles
 **** Largest system managed - Fort Worth, Texas - 141 vehicles
 *****All four systems approximately the same size.

LBO:jao
 11/7/83



Metropolitan Transit Commission

801 American Center Building St. Paul, Minnesota 55101

612/221-0939

November 4, 1983

MEMORANDUM

TO The Honorable Steven G Novak
Minnesota Senate
and
The Honorable Kathleen A Vellenga
Minnesota House of Representatives
and
Members of the Legislative Study
Commission on Metropolitan Transit

FROM Louis B Olsen
Chief Administrator/General Manager

SUBJECT History of ATE Management & Service Company Management Agree-
ment Involvement with the Metropolitan Transit Commission

The purpose of this memorandum is to respond to the October 20, 1983 letter to MTC Chairman Peter Stumpf from Senator Steven Novak and Representative Kathleen Vellenga, co-chairs of the Legislative Study Commission on Metropolitan Transit. The letter requested that I appear before the study commission on Wednesday, November 9th, at 9:00 AM for the purpose of "describing the ATE organization, its history of involvement with the MTC, and to present an organizational chart illustrating the breakdown of ATE, MTC and Commissioners' staff.

ATE History of Involvement with the MTC

In November, 1969, the Amalgamated Transit Union (ATU) Local 1005 struck Twin City Lines Inc. (TCL), which was the major transit operator in the Twin Cities metropolitan area. This action caused a complete shutdown of Twin Cities' transit services operated by TCL.

After 25 days, the strike ended and service was restored, but only after Minnesota Governor Harold Levander and the fledgling Metropolitan Transit Commission had interceded. As part of the labor settlement, it was agreed by the parties involved (Governor Levander, MTC, TCL, and ATU Local 1005) that negotiations would commence immediately for the acquisition by the MTC of financially troubled TCL's transit system. In addition, certain other labor contract concessions were made, including a cost of living adjustment (COLA), a retroactive wage increase effective upon public takeover, and a number of other restrictive work rule changes, to take effect at public takeover.

In late January of 1970, ATE Management & Service Company (ATE) was hired by the MTC to advise and assist in the negotiations that, were hoped to lead to the sale of the operating rights and assets of TCL to the MTC.

Later, in April of 1970, the MTC made the decision to retain a private management company under contract to operate the transit system once it was acquired from TCL. Since there were no local transit management firms, proposals for the management of the system were solicited from the following major national transit management firms:

- o American Transit Corporation (ATC) of Saint Louis, Missouri
- o ATE Management & Service Company (ATE) of Cincinnati, Ohio
- o National City Lines (NCL) of Houston, Texas

As I understand it, the MTC had determined that the bid award would be based solely upon professional qualifications. On this basis, ATE was the preferred choice, and was thus selected to manage the MTC's bus operations.

Although bid price (management fee) was not considered as part of the decision-making process, ATE was coincidentally the lowest bidder, as well. The resultant management agreement became effective upon the MTC's acquisition of TCL.

By mid-year, 1970, it became apparent that the MTC and TCL (a wholly-owned subsidiary company of Minnesota Enterprises, Inc.--MEI) were unable to reach agreement on the value of the transit system and, therefore, the sale price of TCL. At issue, among other things, were the unfunded pension liability. Thus, while negotiations continued between MEI/TCL and the MTC, the MTC with its legal counsel and two other private firms (Simpson & Curtin and Peat, Marwick & Mitchell) began initial steps necessary to acquire TCL through either a negotiated sale or condemnation, should negotiations fail.

On September 18, 1970, after negotiations had broken down due to disagreements over value and sale price, the MTC acquired the operating rights and assets of TCL, using the "quick take" provision of Minnesota Statutes giving the MTC condemnation rights.

On that date (9/18/70), the MTC acquired TCL and ATE began its management of the MTC. The first agreement (a three-year, fixed fee agreement) provided for seven (7) full time ATE professional persons. ATE was encouraged (if not actually directed) by the MTC to retain, as part of that management agreement, as many of the TCL professionals as were qualified and practicable to the running of the transit system. In fact, four (4) of the seven (7) original positions were filled by former TCL employees.

The MTC's original contract with ATE also contained an incentive (or bonus) clause based on any increase in ridership that occurred from one year to the next, beginning with the base year, October 1, 1970 through September 30, 1971. In early 1971, the Minnesota Legislature directed that senior citizens be allowed to ride free, thus distorting ridership counts for the purposes of calculating the incentive fee (bonus). With this in mind, ATE's Harry W Springer, then MTC General Manager, sought and received from the MTC a management agreement change that eliminated the incentive (bonus), due to ridership distortion.

As with any ATE management agreement with a local transit authority, in addition to the resident positions, the MTC/ATE agreement provided for an unlimited amount of ATE support staff assistance from its Cincinnati headquarters office at no charge to the MTC, other than actual travel and per diem costs.

In 1973, the Commission negotiated a new management agreement which reduced the number of full time ATE professional resident persons from seven (7) to five (5).

In 1975 and again in 1977, the management agreement was extended for two-year periods. Then, in 1979, the agreement was extended for two years, three months and twelve days (or through December 31, 1981) in order to place the agreement on a calendar year basis for budgeting purposes.

Each of the aforementioned management agreements provided for a 5 percent maximum escalation, calculated on the base year 1973 management fee, and governed by the Minneapolis/St Paul Consumer Price Index (CPI). The following is a history of ATE annual fee charges effective September 18, 1973 through December 31, 1981.

<u>Year</u>	<u>Fee</u>	<u>5% Max. Annual COLA Applied</u>	<u>Actual Annual %age Increase Over Prior Yr</u>	<u>MN CPI APR Index</u>	<u>CPI Annual Increase Over Prior Yr</u>
1973	\$267,600			130.8	
1974	\$280,980	\$13,380	5.0%	145.1	10.0%
1975	\$294,360	\$13,380	4.8%	156.8	8.1%
1976	\$307,740	\$13,380	4.6%	168.7	7.6%
1977	\$321,120	\$13,380	4.4%	179.6	6.5%
1978	\$334,500	\$13,380	4.2%	194.9	8.5%
1979	\$347,880	\$13,380	4.0%	216.8	10.8%
1980	\$361,760	\$13,380	3.8%	245.7	13.8%
1981	\$374,640	\$13,380	3.7%	267.3	8.8%

NOTE: During the above period from 1973 through 1981, the CPI increased 104.3%, while ATE management fee increased 40.0%.

From the above, you will note that the first year that ATE was eligible for an escalator increase, ATE received a 5% (or \$13,380) increase. In each succeeding year, ATE received a similar increase. However, because the increase was calculated on the base year (1973), the percentage increase actually decreased from 5% to 3.7% over the eight-year period.

In July, 1981, the MTC negotiated a new management agreement with ATE which included the following revisions:

- (1) A three (3) year contract, beginning January 1, 1982.
- (2) A fixed 7.6% annual increase for each of the three (3) years, beginning January, 1982, using the management fee in December of 1981, 1982, and 1983, respectively, as the base for the 7.6% annual increase. For instance, the annual fee in effect in December, 1981 was \$374,640; thus, a 7.6% increase would increase the fee to \$403,113, a difference of \$28,473, annually.
- (3) An increase in the automobile allowance from \$2,000 for each of two automobiles annually to \$4,000 per automobile annually.

For your further information, the following is an analysis of ATE management agreement costs to the MTC for the period of 1982 to date.

<u>Year</u>	<u>Fee</u>	<u>7.6% Max. Annual COLA Applied</u>	<u>Actual Annual %age Increase Realized</u>	<u>MN CPI AUG Index</u>	<u>CPI Annual Increase AUG Index</u>
1981	\$374,640			287.0	
1982	\$403,113	\$28,473	7.6%	313.3	9.16%
1983	\$433,749	\$30,636	7.6%	308.5	(1.54%)

NOTE: During the above period, the CPI increased 7.5% and the ATE contract increased 15.8%

Staffing

In February, 1982, upon the retirement of Camille D Andre as chief administrator, the Commission assigned the duties and responsibilities of chief administrator to the general manager.

In addition, the Commission, at about this same time, approved a reorganization of the MTC's management structure. Attached hereto, as Exhibit A, please find an organizational structure that depicts the MTC organization prior to the assigning of the duties of chief administrator to the general manager (ATE positions indicated by asterisk). Also attached, Exhibit B reflects the organization of the MTC after reorganization (again, ATE positions are asterisked).

The following commission management positions are currently filled by ATE resident professional staff:

- | | |
|---|--------------------|
| - Chief Administrator/General Manager | - Louis B Olsen |
| - Assistant Chief Administrator/Transit Operations | - John R Farrell |
| - Assistant Chief Administrator/Administration | - John J Capell |
| - Director of Equipment Maintenance | - George G Caria |
| - Director of Planning/Development & Communications | - Robert E LaShomb |

NOTE: Messrs Capell and LaShomb are former employees of the MTC.

The MTC's three-year management agreement with ATE will expire December 31, 1984.

TO REVIEW

The MTC has had a management agreement with ATE since September 18, 1970, for a period of 13 years and one month. The original agreement provided for seven (7) full time professional resident persons, which was later reduced to five (5) full time professional resident persons in 1973.

During the last ten years (from 1973 through 1983) of the MTC agreement with ATE, for which there were five (5) professional persons assigned as part of the management agreement, the Minneapolis/St Paul area CPI increased 135.9% and the MTC/ATE management agreement fee increased 62.0% or less than one-half

(46%) of the rate of the consumer price index.

What I have described in this memorandum is a collection of both known facts and personal recollections. Although I have tried to keep my response as factual as possible, I will admit that my memory of events since first arriving here in 1970, is less than perfectly clear. Should members of the study commission wish additional information or specific facts, I would be only too happy to conduct further research into any aspect of the contents of this memorandum.

It is my sincere hope that this memorandum substantially addresses your request for the "history of the Commission's involvement with ATE," as described in the October 20, 1983 letter to Chairman Peter Stumpf. I will be available at the November 9th meeting to elaborate further on the subject matter of this memorandum, should the study commission so desire.

LBO:jw

Attachments

cc Chairman Peter Stumpf
Edward Bayuk
Alison Fuhr
Paul Joyce
Edward Kranz
Ron Maddox
Bruce Nawrocki
Frank Snowden

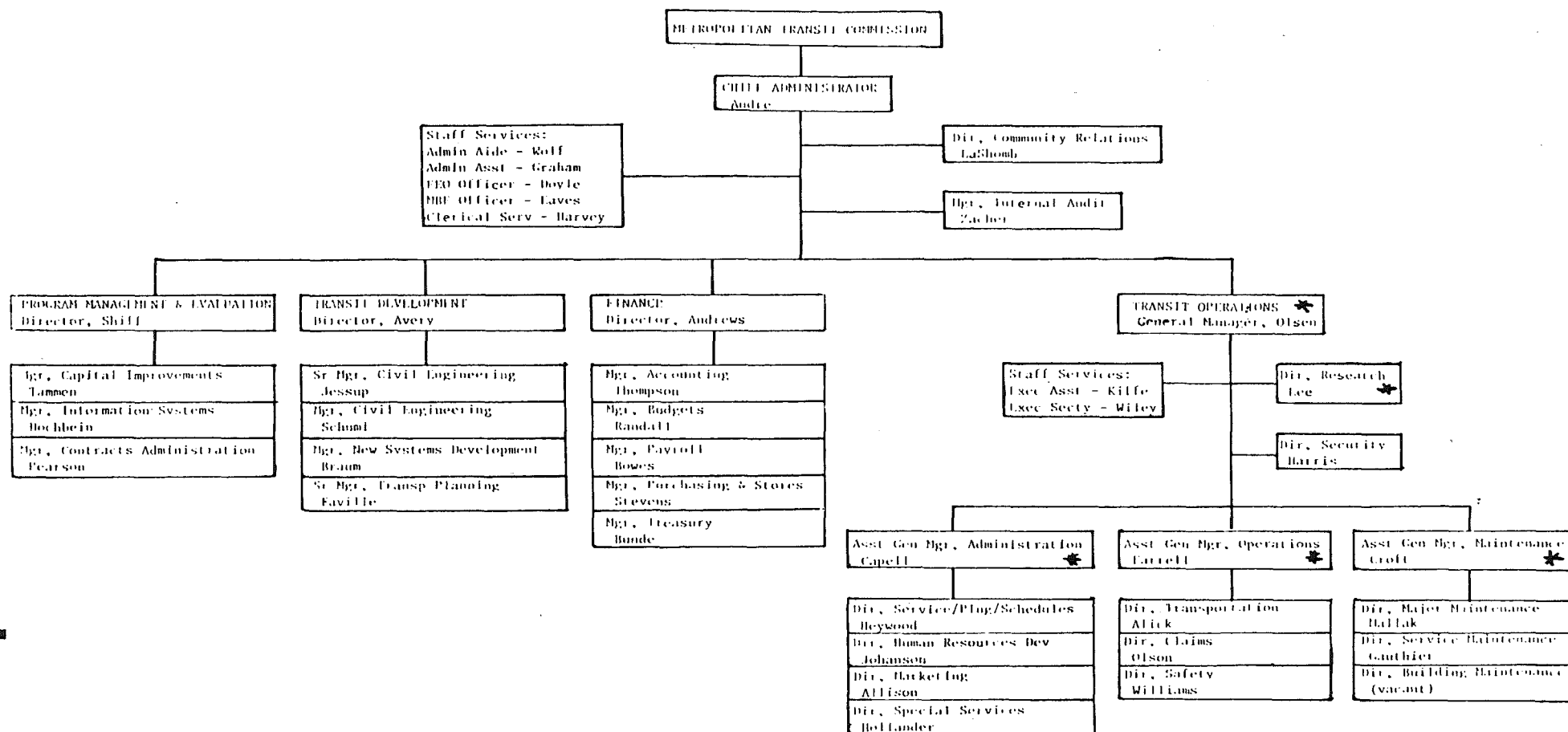
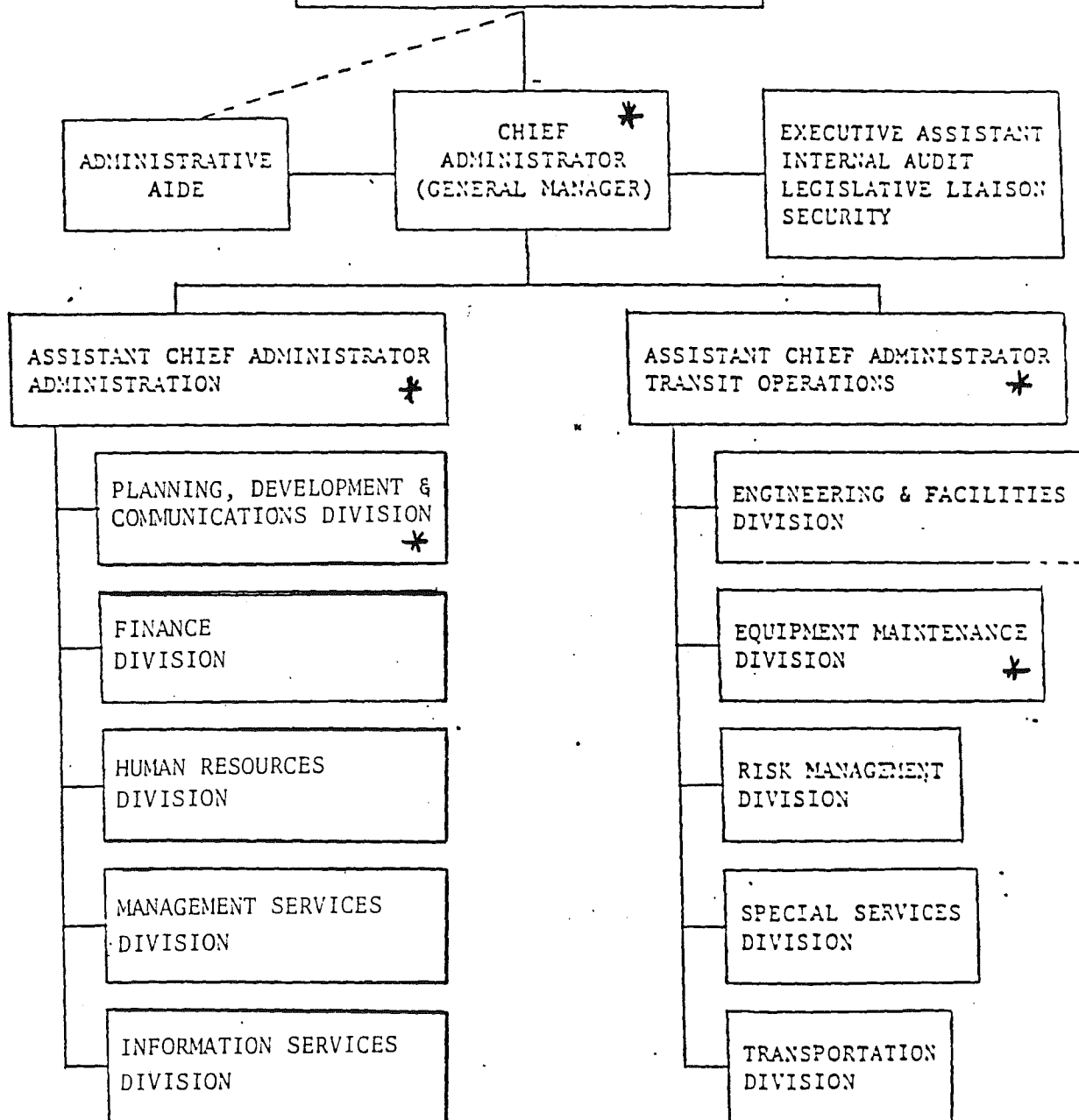


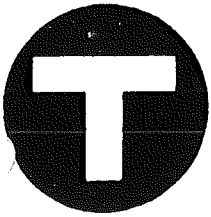
EXHIBIT B

METROPOLITAN TRANSIT COMMISSION

Effective February 1, 1982
Revised May, 1983



* Denotes ATE Positions



Metropolitan Transit Commission

801 American Center Building St. Paul, Minnesota 55101

612/221-0939

November 4, 1983

MEMORANDUM

TO The Honorable Kathleen A Vellenga
Minnesota House of Representatives
and
The Honorable Steven G Novak
Minnesota Senate
and
Members of the Legislative Study
Commission on Metropolitan Transit

FROM Louis B Olsen
Chief Administrator/General Manager

SUBJECT History and Current Management Organization
of the Metropolitan Transit Commission (MTC)

In a letter to MTC Chairman Peter Stumpf, dated October 20, 1983, from Senator Steven G Novak and Representative Kathleen A Vellenga, it was requested that I provide information and give testimony regarding the history and current management organization of the Metropolitan Transit Commission (MTC). As with all of the written material that I will provide to the Legislative Study Commission, this particular narrative results from my own personal knowledge of the MTC dating back to mid-1970, minutes of MTC meetings, and conversations I have had with former chairmen and former transit commission members who are or have been a part of the MTC since its inception in 1967.

The Metropolitan Transit Commission came into being as a separate agency of metropolitan government in 1967 as a part of the Metropolitan Development Act passed by the Minnesota Legislature that same year. The original Commission had begun a year or so earlier, when a number of Twin Cities area communities interested in improving transit named representatives to serve on a joint powers task force.

Attached hereto, please find a copy of Minnesota Statute 473A.01. I would draw your attention specifically to subsection 473A.02, entitled Legislative Determination, Policy and Purpose, which I believe sets forth the original goals and objectives of the MTC.

As you can see from subsection 473A.02, the original goals and objectives of the MTC were to promote and encourage transit usage within and throughout the metropolitan area in order to reduce vehicular congestion and air pollution and to curtail freeway and/or highway expansion within the general metropolitan area, specifically within the two major cities, and to reduce

freeway and highway maintenance costs resulting from increased usage of transit.

After a number of lengthy discussions with the makers and supporters of the original bill, I have been led to believe that another major impetus for the creation of the MTC was a recognition that the major private transit operator, Twin City Lines--a wholly owned subsidiary of Minnesota Enterprises, Inc. (MEI)--was in serious financial difficulty due to decreasing ridership, increasing fares and increasing costs of operation. All of these factors were leading to a significant decline in transit services provided by TCL. This, I might add, was a typical problem experienced by many major transit systems during the 1960's for the very same reasons.

The original staff of the MTC consisted of an executive director, a secretary and a financial consultant. As the MTC began to implement its legislative direction, it grew so that, by the time MTC had acquired the major transit system (TCL) in September of 1970, it had an executive director and approximately 25-30 staff persons. Their responsibilities were generally as follows: financial, marketing (public relations and public information), long and short-range planning, capital planning and procurement, and regulation of all transit operations within the metropolitan area.

It should be pointed out that the original MTC law (Metropolitan Development Act of 1967) required that, if and when the MTC acquired the operating rights and assets of the major transit operator (TCL), it would also become the regulator of all transit systems within the metropolitan area. That is to say, the MTC would serve as a metropolitan public service commission for regulating not only the major transit system it had just acquired but also other private transit systems operating within its jurisdiction.

Prior to the actual acquisition of TCL, the Commission determined that it would hire a private management company to manage its transit operations upon public acquisition. Part of the stated reason for this decision was that the MTC, at that time, wished to place at arms length its transit operations for regulatory reasons (conflict of interest) and to separate the management and operation of the transit system from the political aspects of the governmental entity.

A contracted management firm would also be more responsive, since the Commission could summarily remove any of the personnel employed as a part of the agreement at any time. Ultimately, of course, if for any reason, the Commission was unhappy about its performance, the contract could be terminated upon expiration.

Hence, when the acquisition of TCL occurred, the MTC organized itself into two separate and very distinct divisions, the Government Division and the Transit Operating Division.

The Government Division (GoD) was responsible for regulating the operations of all private transit systems operating in the metropolitan area, as well as the major transit system that it had just acquired. In addition, the

division was responsible for financial planning, capital planning and procurement, long and short-range transit planning, marketing and public information, and intergovernmental relations including legislative liaison.

The Transit Operating Division (TOD) was responsible for the management, supervision and operation of the major transit system which the MTC had acquired, including but not necessarily limited to the following responsibilities: transit operations, telephone information, maintenance, routes and schedules, purchasing and stores, finance, claims, personnel and training, graphics, and employee relations including contract negotiations.

In 1977, as a result of a court action brought against the MTC by a local private transit operator, the MTC lost its ability to regulate private transit operations within the metropolitan area. In its decision, the court indicated that, since the MTC owned and operated the major transit system in the metropolitan area, it would be impossible for the MTC to act as an impartial regulator in cases involving transit route disputes between the MTC and other private transit operators. As a result, the MTC ceased its regulation of private transit operations in the metropolitan area; all remaining private operators reverted back to the jurisdiction of the Minnesota Public Utilities Commission (PUC). However, the MTC remained "self-regulating."

In 1978, the MTC made a decision to consolidate all financial activities under a single director of finance who would report directly to the chief administrator, rather than the general manager. This, it was felt, would eliminate the overlap and redundancy of activities between the GoD and TOD finance functions.

From that point on, the organizational structure of the MTC remained unchanged until the chief administrator, Camille D Andre, announced his retirement in late 1981. In September, 1981, the MTC made the decision to assign the responsibilities of the chief administrator (upon his retirement) to the general manager and to reorganize the MTC consistent with this decision. The Commission also directed the chief administrator and general manager to develop a reorganization plan for the entire agency, which the Commission could then review and implement as appropriate.

In December of 1981, the chief administrator and general manager jointly presented their recommendations on reorganization to the Commission. The Commission concurred with the reorganization plan and adopted it, effective February 1, 1982, which was the established retirement date for Mr Andre. Attached hereto as Exhibit A, please find a copy of the MTC organization prior to February 1, 1982 and, as Exhibit B, the MTC organization structure after February 1, 1982, which incorporates the changes approved by the Commission.

At this point, I find it necessary to make an editorial comment about the objectives behind this reorganization plan. The new organizational structure, which still fundamentally exists today, was designed with simplicity in mind and effectiveness of management as its goal. It was developed to encourage and better facilitate interdivisional communications and cooperation, while eliminating superfluous layers of management.

Under the current organization, you will note that there is a chief administrator, two assistant chief administrators and ten functional divisions. The assistant chief administrator for transit operations is assigned responsibility for what would normally be referred to as the "hard" side of the

business; that is, transit operations, maintenance, special services (project mobility), risk management, and engineering and facilities. The assistant chief administrator for administration is assigned those areas of responsibility that are generally regarded as "soft" areas; such as, finance, human resources, management services, information services (data processing), planning, development and communications.

Although there have since been several minor adjustments to the organization that reflect our experience over time in dealing with the structure, it remains, by and large, the same today as it was on February 1, 1982. I might add that, six months after the new organization had been put into effect, we conducted an analysis of management's experience in dealing with the new organization. A report was prepared and presented to the Commission and, following lengthy discussion, the Commission chose to keep the organization intact.

As I have repeatedly indicated in all of my memoranda to the Legislative Study Commission, the contents of this historical summary represent my recollection of the subject matter based on research and discussions with others. Although I could be in error on an exact date here or there, I think you'll find my overall interpretation of events to be an accurate and impartial portrayal.

It is my sincere hope that this memorandum and its attachments will assist the study commission in better understanding both the history and the current organizational structure of the MTC, as requested in the letter of October 20th to Chairman Stumpf.

I would be more than happy to elaborate further on this subject at the November 9th meeting, should the study commission so desire.

LBO:jw

Attachments

cc Chairman Peter Stumpf
Edward Bayuk
Alison Fuhr
Paul Joyce
Edward Kranz
Ron Maddox
Bruce Nawrocki
Frank Snowden

§ 473A.01 METROPOLITAN TRANSIT COMMISSION

Subd. 6. "Elected chief executive" means the mayor of a city, village, or borough, chairman of a town board, or other corresponding chief elected officer of a municipality.

Subd. 7. "Person" means any human being, any municipality or other public corporation or other public agency, any private corporation, any copartnership, joint stock company or other company, association or other organization, or any receiver, trustee, assignee, agent, or other legal representative of any of the foregoing, but does not include the commission.

→ Subd. 8. "Public transit" means transportation of passengers for hire by means, without limitation, of a street railway, elevated railway, subway, underground railroad, motor vehicles, buses, or other means of conveyance operating as a common carrier on a regular route or routes, or any combination thereof; provided, however, that "public transit" shall not include a common carrier railroad or common carrier railroads.

Subd. 9. "Public transit system" means, without limitation, a combination of property, structures, improvements, equipment, plants, parking or other facilities, and rights, or any thereof, used or useful for the purposes of public transit.

Subd. 10. "Mass transit system" means a public transit system the primary function of which is to provide rapid public transit for large numbers of passengers.

→ Subd. 11. "Operator" means any person engaged or seeking to engage in the business of providing public transit, but does not include persons engaged primarily in the transportation of children to or from school, in operating taxicabs, in operating buses, limousines, or other means for the transportation of passengers between a common carrier terminal station and a hotel or motel, in operating a common carrier railroad or common carrier railroads, or a person furnishing transportation solely for his or its employees or customers. Laws 1967, c. 892, § 1.

Effective date.

Laws 1967, c. 892, § 19, provides: "Sections 473A.01 thru 473A.18 shall become effective July 1, 1967, subject to and upon compliance with such provisions of general law as may be applicable."

Title of Act:

An Act relating to metropolitan public transit; establishing a Twin Cities metropolitan public transit area comprising the counties of Hennepin, Ramsey, Anoka, Washington, Dakota, Scott, and Carver; creating a Twin Cities

area metropolitan transit commission and prescribing its powers and duties; providing for the regulation and control of public transit in the area and for planning, engineering, constructing, maintaining, and operating public transit facilities and systems therein; defining offenses relating to such purposes and prescribing penalties therefor. Laws 1967, c. 892.

Library references

Municipal Corporations \hookrightarrow 273½.
C.J.S. Municipal Corporations § 1054.

473A.02 Legislative determination, policy and purpose

The legislature finds and determines that nearly half the people of the state live in the metropolitan transit area hereinafter established. The population of that area is growing faster than in any other area of the state, and it is continually visited by large numbers of people from other parts of the state, resulting in a heavy and steadily increasing concentration of resident and transient population and creating serious problems of public transit and public highway traffic in the area. The present public transit systems in the area consist largely of bus lines using the public highways and streets. These systems are inadequate to meet the needs for public transit in the area. A major part of the transportation of people in the area is provided by private motor vehicles. All of the foregoing adds heavily to the traffic load on the state highways which constitute the main routes of travel to, from, and through the area, aggravating the congestion and danger of accidents thereon, polluting the surrounding air, intensifying the wear and tear on those highways and streets, increasing the cost of maintenance thereof, and the number, size, and cost of new highways that must be constructed in the area. These effects will progressively grow worse as the population of the area increases, imposing serious handicaps on the business, industry, property development, recreation, and other beneficial activities of the residents of the area and visitors thereto, and causing severe and widespread harm to the public

§ 473A.05 METROPOLITAN TRANSIT COMMISSION

In view of the fact that Metropolitan Transit Commission employees are paid from proceeds of its taxing power and not from state appropriations, the employees would not be state employees for the purpose of participation in health in life and health benefits established under sections 43.42-43.50. Id.

The metropolitan transit authority would be a political subdivision within the meaning of the constitutional requirement of art. 16, § 9. Op. Atty. Gen., 82-L, July 24, 1967.

473A.06 Mass transit system

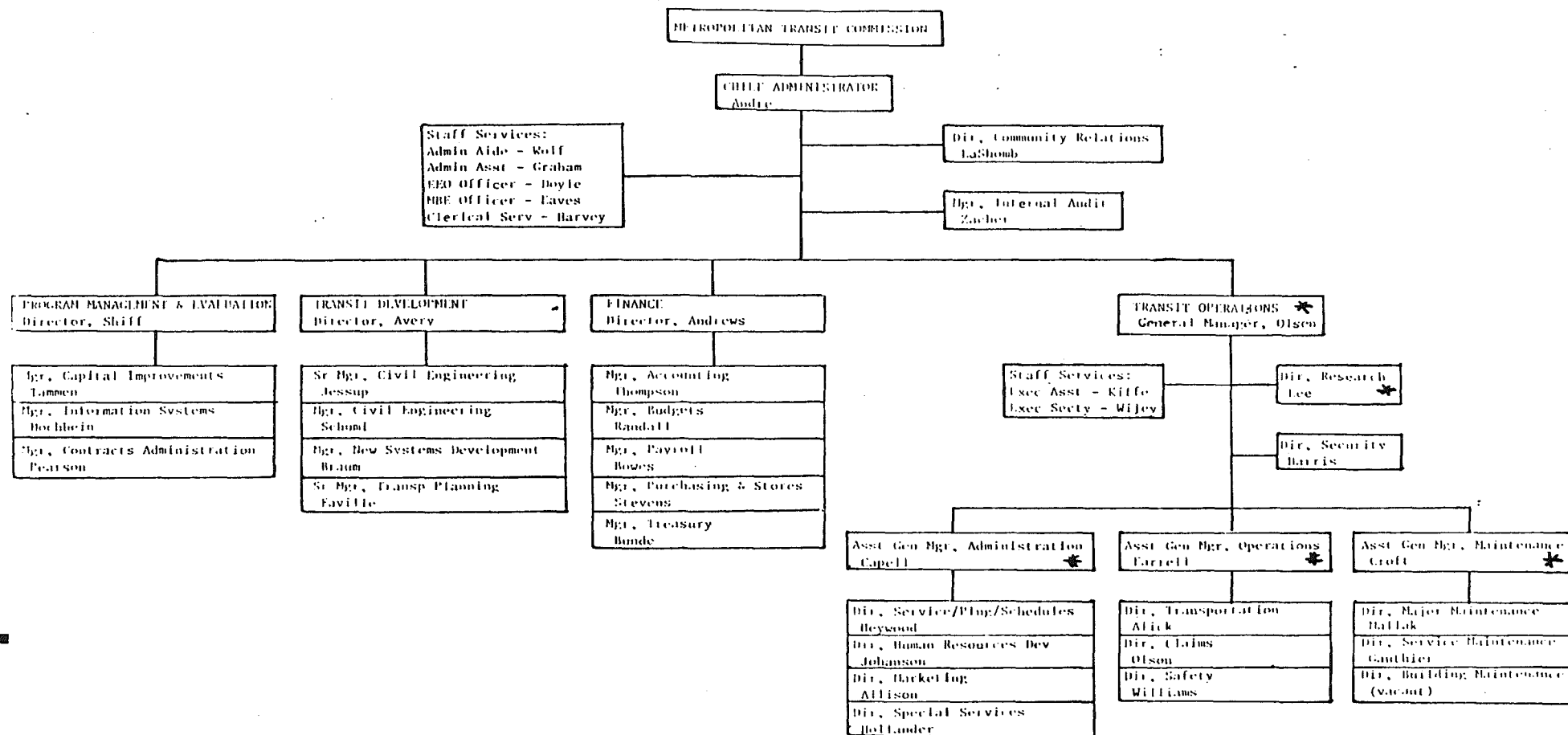
Subdivision 1. Plan for complete system. The commission, with the cooperation of the Twin Cities metropolitan planning commission or its successor in authority and the department of highways, shall develop a plan for a complete, integrated mass transit system for the metropolitan transit area so designed as in the judgment of the commission to best fit the needs of the area, to be submitted to the legislature at its next regular session after July 1, 1967. Such plan shall provide for and include the coordination of routes and operations of all publicly and privately owned mass transit facilities within the area to the end that combined, efficient, and rapid mass transit service may be provided for the use of the public in the entire area. The commission may designate a segment of the system planned as a pilot or demonstration mass transit project using, without limitation, new technology including airborne systems, or traditional systems of evolved or modern form.

Subd. 2. Improvement of existing public transit systems. The commission, as a primary objective, shall make recommendations and suggestions to improve public transit systems now or hereafter operating in the transit area and strengthen the operation thereof by assisting the operators in experimenting with new services, extending routes, adjusting fares, and other appropriate expedients. The commission may enter into a prior agreement to reimburse any such operator for any losses incurred resulting from any experimentation conducted with routes, fares or equipment.

Subd. 3. Combination of mass transit and public highway systems; services of department of highways. The mass transit system specified in subdivision 1 shall be designed, as far as practicable, so as to provide, in combination with public highways, adequate means and facilities of maximum attainable efficiency for public transportation to, from, and within the metropolitan transit area, and to relieve the congestion, traffic hazards, and other objectionable conditions aforesaid on the public highways caused by lack of adequate provisions for public transit. In planning, designing, and constructing the mass transit system the commission may make use of engineering and other technical and professional services, including regular staff and qualified consultants, which the commissioner of highways can furnish, upon fair and reasonable reimbursement for the cost thereof; provided, that the commission shall have final authority over the employment of any services from other sources which it may deem necessary for such purposes. The commissioner of highways may furnish all engineering, legal, and other services, if so requested by the commission and upon fair and reasonable reimbursement for the cost thereof by the commission, which the commission requests for the purposes stated in this subdivision, including the acquisition by purchase, condemnation, or otherwise in the name of the commission of all lands, waters, easements, or other rights or interests in lands or waters required by the commission.

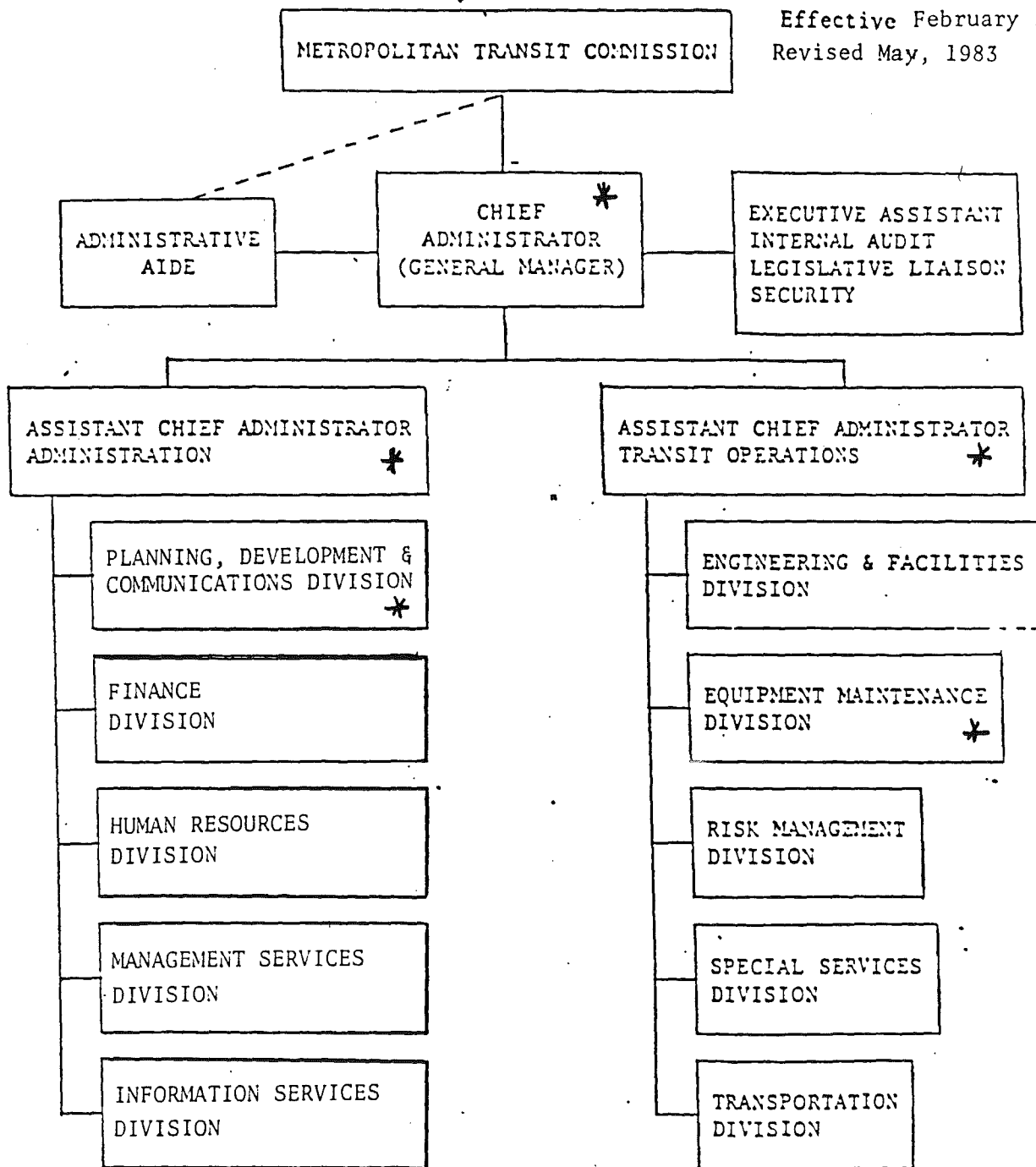
Subd. 4. State highways; joint use for transit and highways purposes. Wherever the joint construction or use of a state highway is feasible in fulfilling the purposes of sections 473A.01 to 473A.18, the commission shall enter into an agreement with the commissioner of highways therefor, evidenced by a memorandum setting forth the terms of the agreement. Either the commission or the commissioner of highways may acquire any additional lands, waters, easements or other rights or interests therein required for such joint use in accordance with said agreement, or joint acquisition may be made by condemnation as provided by section 117.015 and the provisions of this chapter. Under any such agreement each party shall pay to the other party reasonable compensation for the costs of any services performed

MSD 473.411(2)



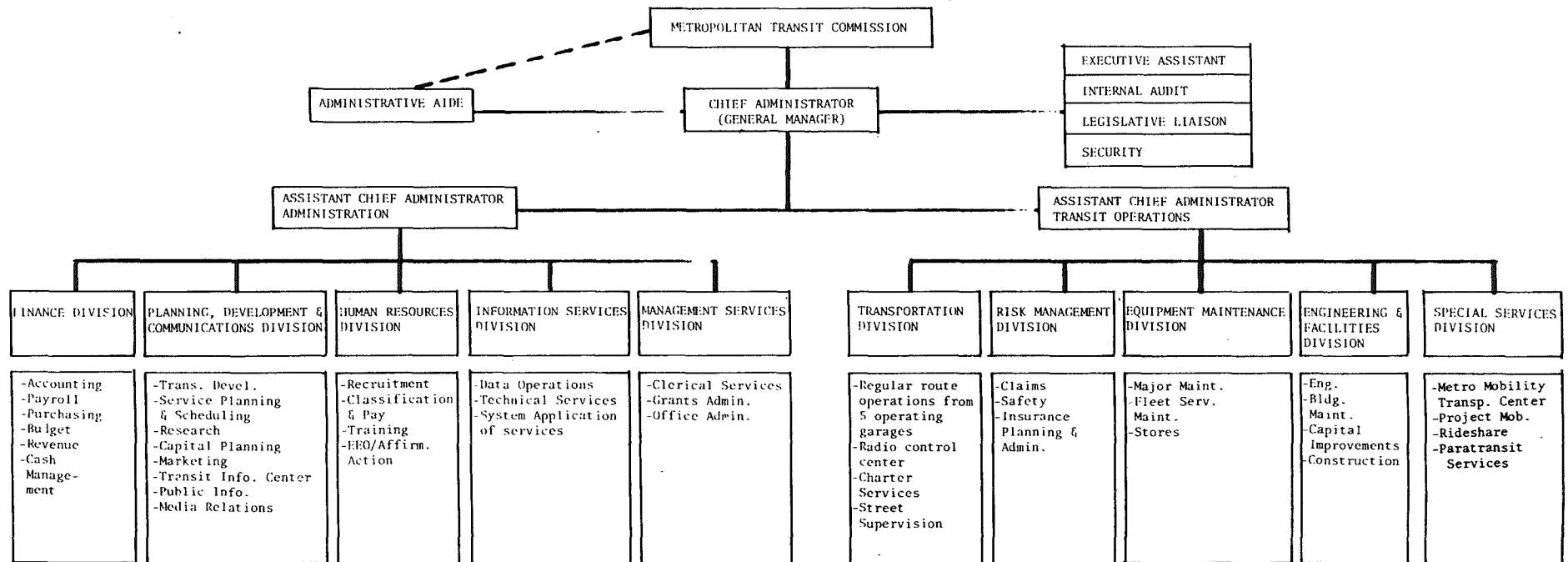
March 30, 1981

Effective February 1, 1982
Revised May, 1983



* Denotes ATE Positions

MTC ORGANIZATIONAL STRUCTURE



MTC ORGANIZATIONAL DESCRIPTION

The MTC's current organizational structure consists of the following organizational units.

The Commission - Consists of a chairman, who is appointed by the Governor of the State of Minnesota, and 8 commissioners, who are appointed by the Metropolitan Council. The commission is responsible for the management of MTC's affairs and the operation of MTC's service.

The Chief Administrator - Is the chief executive officer of the MTC and is appointed by the chairman, subject to approval by the full commission, to administer the major management responsibility of the MTC as directed by the commission. The chief administrator is responsible for both external contacts and internal operations. The current chief administrator is also the general manager of the MTC.

The Executive Staff - Consists of 2 assistant chief administrators, who assist in managing the administrative and transit operating functions. The executive staff also includes the internal audit and security functions. The fundamental role of the executive staff is to assist the top executives in carrying out their functions; the staff is charged with providing advice and counsel, conducting long-range studies, developing agency policies and uniform practices, and coordinating special programs and events. Primary responsibility for labor relations, including contract negotiations and changes in administrative policies and procedures affecting bargaining unit employees, rests with these people.

The Chairman has statutory authority to hire five unclassified persons to assist him in carrying out the duties and responsibilities of the chairman's office.

MTC DIVISIONS

There are 10 major divisions within the MTC that report to 1 of the 2 assistant chief administrators. The mission statements of these divisions are as follows.

Engineering and Facilities Division

- Maintain existing buildings, grounds, and ancillary facilities.
- Manage design and construction of new structures, renovations, shelters, and road improvements.
- Specify, purchase, and inspect all federally funded equipment.
- Administer purchase of locally funded equipment.
- Manage acquisition of required real estate.
- Administer minority and women owned business enterprise program under policy direction from the chief administrator.

Special Services Division

- Respond to existing and projected transportation needs that cannot be met by regular route transit -- plan, develop, coordinate, and/or provide paratransit services and identify, implement, and/or coordinate specific actions and changes for segments of the population unable to use regular route transit effectively.

Transportation Division

- Dispatch drivers and buses daily in compliance with prearranged schedules at service garages.
- Provide charter availability and information.
- Operate 2-way radio communications system.
- Provide guidance and training to crew of street supervisors.
- Conduct investigations of, resolve problems with, and respond to passenger complaints.

Risk Management Division

- Identify agency-wide risks and provide advice for remedies.
- Ensure safe, healthy environment for employees and passengers.
- Coordinate insurance coverages.
- Investigate, negotiate, settle, or otherwise dispose of all public liability and workers compensation claims against MTC.

Equipment Maintenance Division

- Conduct major repair of all vehicles and fleet equipment operated by MTC to maintain peak bus requirement.
- Inspect, service, and clean buses daily at service garages.
- Maintain adequate inventory and assure proper distribution of parts and materials in organized manner.
- Maintain 2-way radio system.

Human Resources Division

- Ensure that MTC has appropriate number of employees with necessary skills and abilities to perform responsibilities.
- Ensure that all applicants and employees are given equal opportunities.
- Administer appropriate levels of compensation and benefits for salaried employees.
- Develop integrated human resources management system.
- Develop and implement training programs and serve as resource for employee and organizational development activities.

Planning, Development and Communications Division

- Develop, coordinate, and direct a comprehensive planning process that includes long-range and capital planning, service planning and scheduling, liaison with local and regional agencies in area-wide transportation planning process, budgetary and operational performance analysis, and research studies and analyses to support development and improved operation of MTC transportation services.
- Maintain public awareness of MTC services and policy objectives by identifying messages and their method of conveyance to the various segments of the public.
- Maintain contacts with news media.
- Develop and administer public information program.
- Provide staff support for Advisory Committee on Transit.
- Administer advertising, publications, and graphics functions.

Finance Division

- Gather financial data for input in various information systems and subsequent analysis and dissemination through internal and external reports.
- Coordinate and prepare all MTC budgets, including operating, capital, biennial state, and long-range 5 and 10 year planning budgets.
- Manage cash functions including revenue collection, investment of funds, cash forecasting, and contingency planning.
- Prepare all agency payrolls including related employee fringe benefits.
- Coordinate procurement of materials and supplies for agency at the most favorable prices in accordance with adopted policies and procedures.

Management Services Division

- Provide office and clerical (including word processing) services.
- Manage agency-wide contracts administration.
- Manage agency-wide records administration, including assistance with records inventories, classifications, retentions, microfilming and storage.
- Arrange bus sales and leases (except bulk sales of used buses)
- Provide physical space planning and management for office facilities.

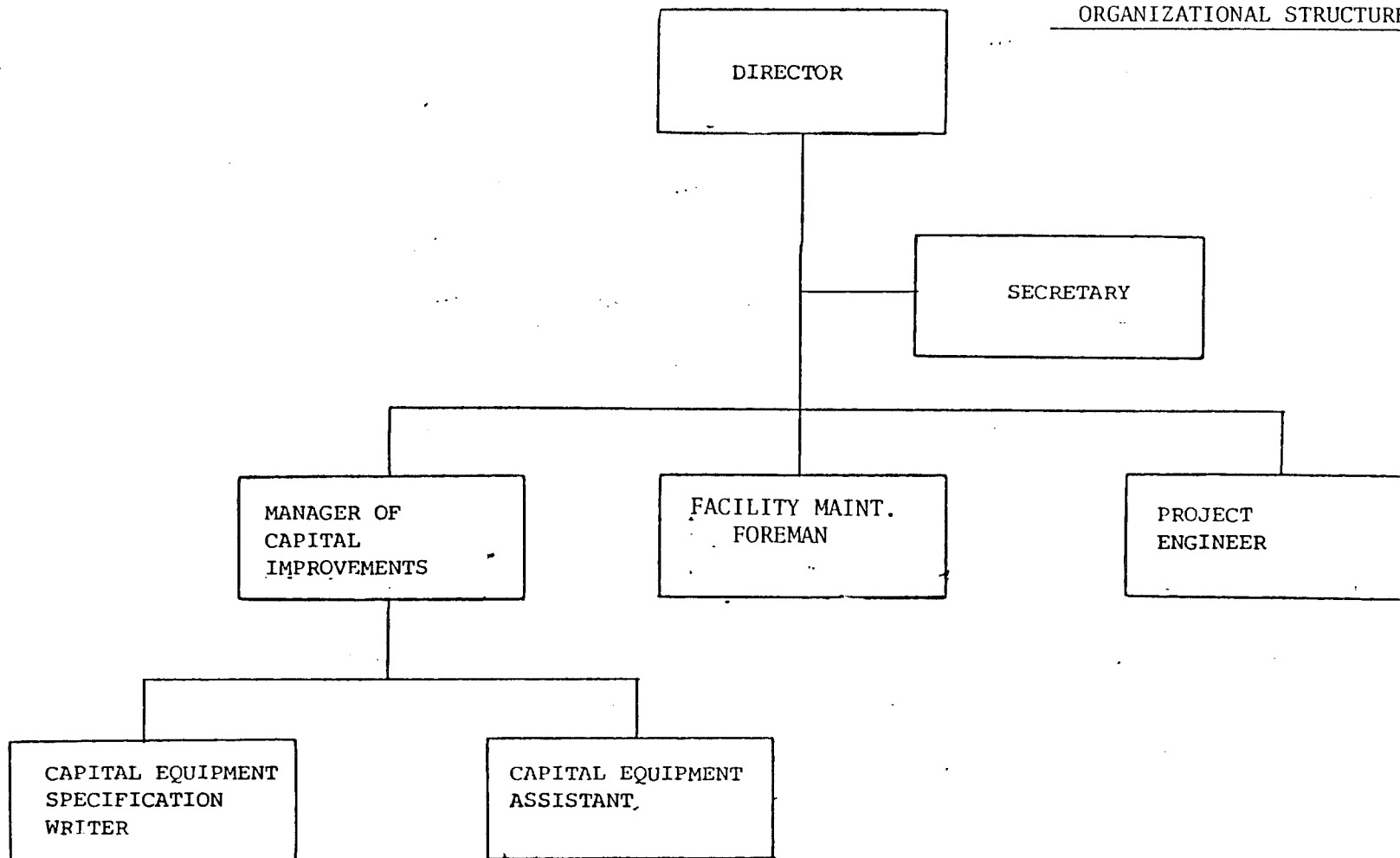
Information Services Division

- Provide coordination and assistance to all MTC divisions in the effective application of data processing to their environments.
- Design, implement and maintain computer applications systems in order to meet the needs of the MTC in an efficient manner.
- Provide the technical service required to properly and effectively use all MTC computer related resources.
- Provide and/or operate all computer facilities and equipment required to effectively meet MTC needs in a coordinated manner.

11/3/83

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ENGINEERING AND FACILITIES
ORGANIZATIONAL STRUCTURE



SPECIAL SERVICES
ORGANIZATIONAL STRUCTURE

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DIRECTOR

SECRETARY

MANAGER OF
RIDESHARE

PARATRANSIT
PLANNER

MANAGER OF
METRO MOBILITY

RIDESHARE
COORDINATOR

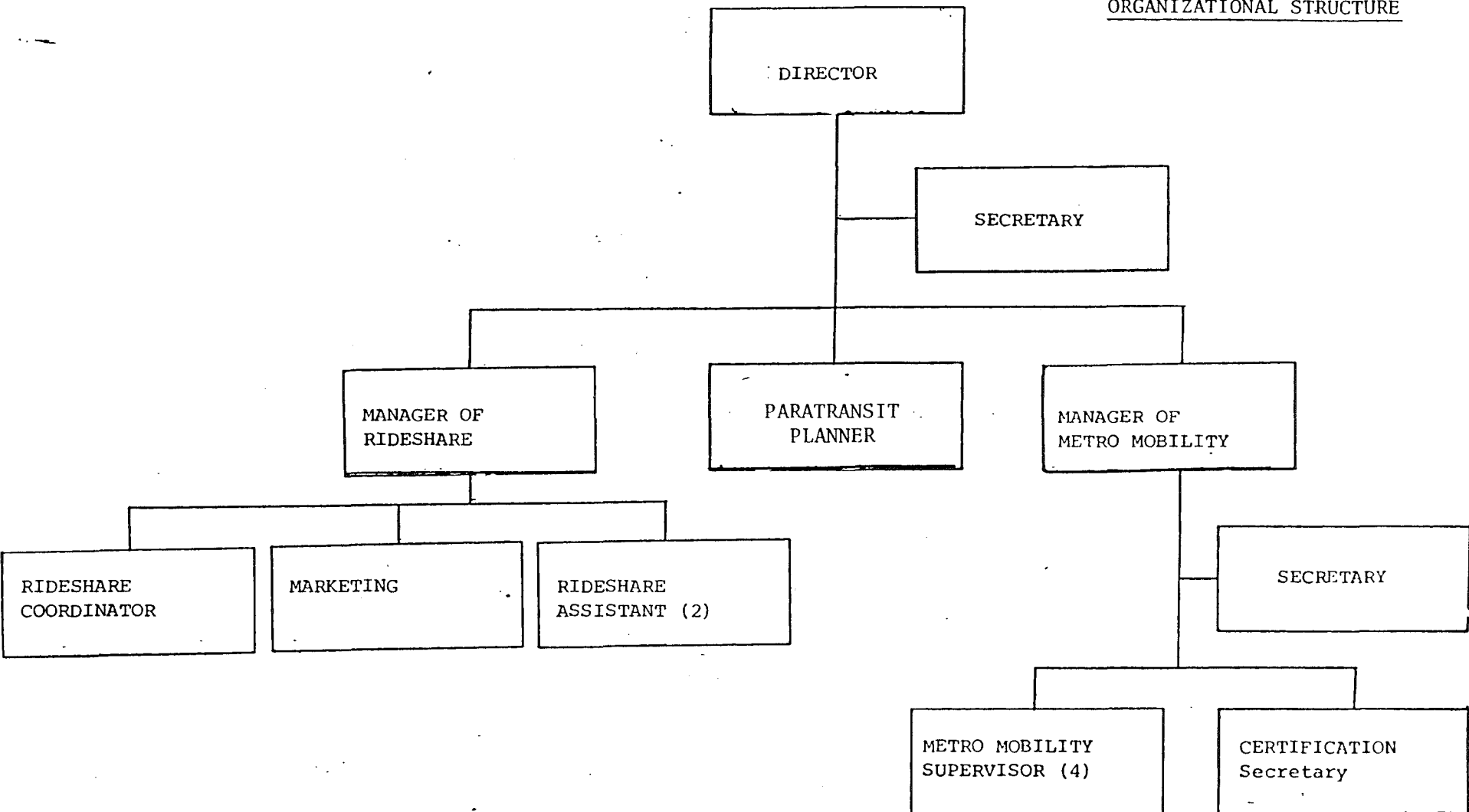
MARKETING

RIDESHARE
ASSISTANT (2)

SECRETARY

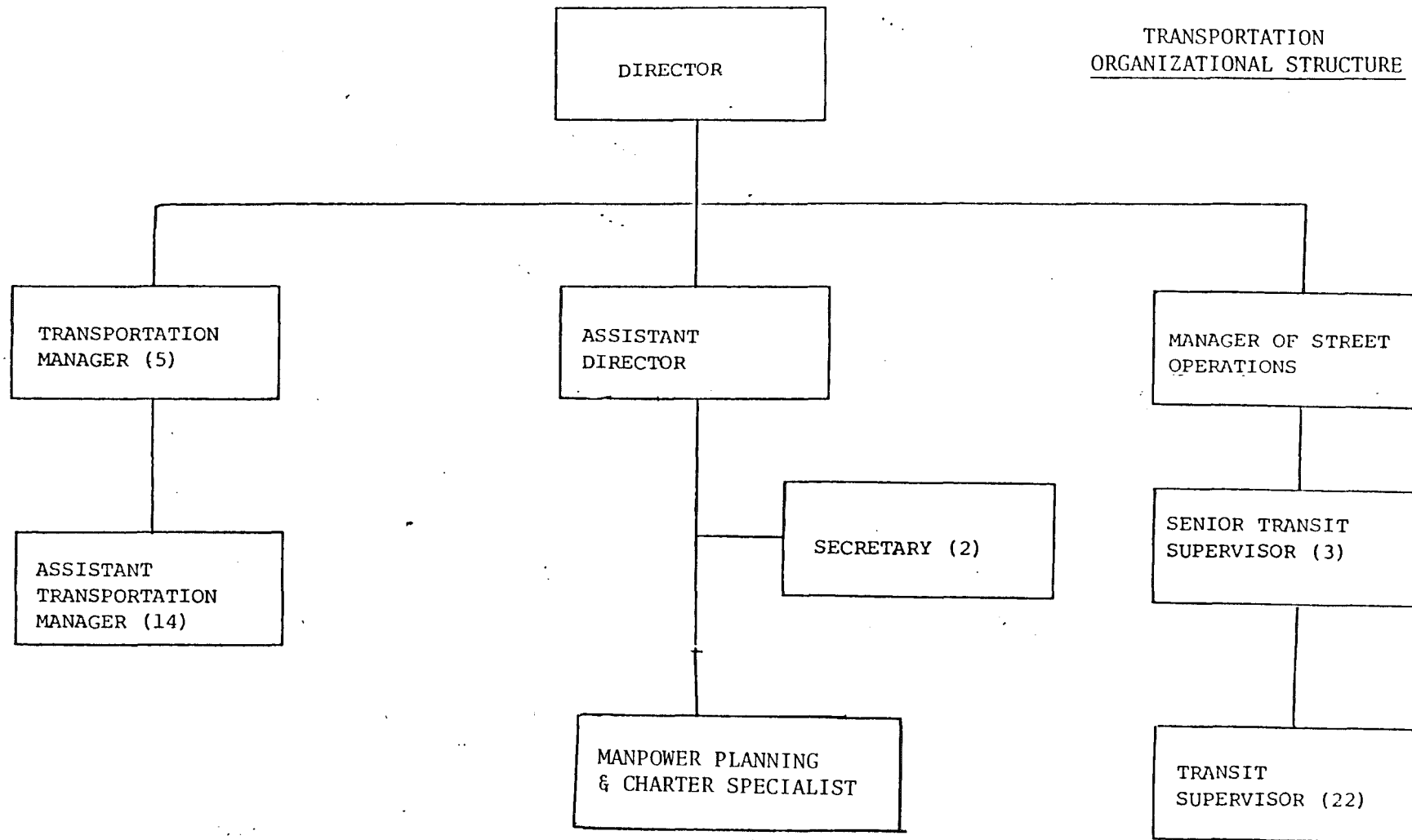
METRO MOBILITY
SUPERVISOR (4)

CERTIFICATION
Secretary



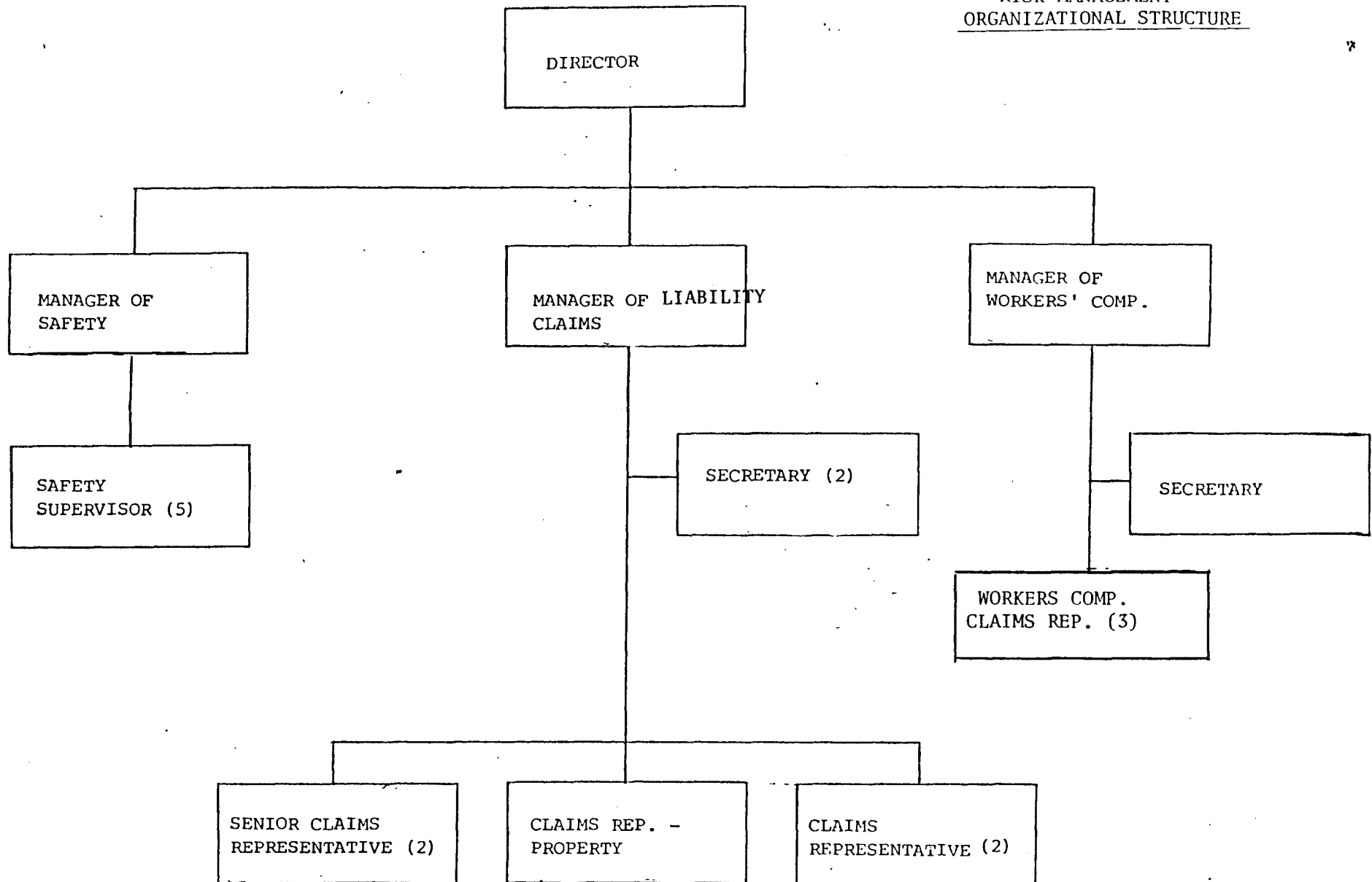
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TRANSPORTATION
ORGANIZATIONAL STRUCTURE

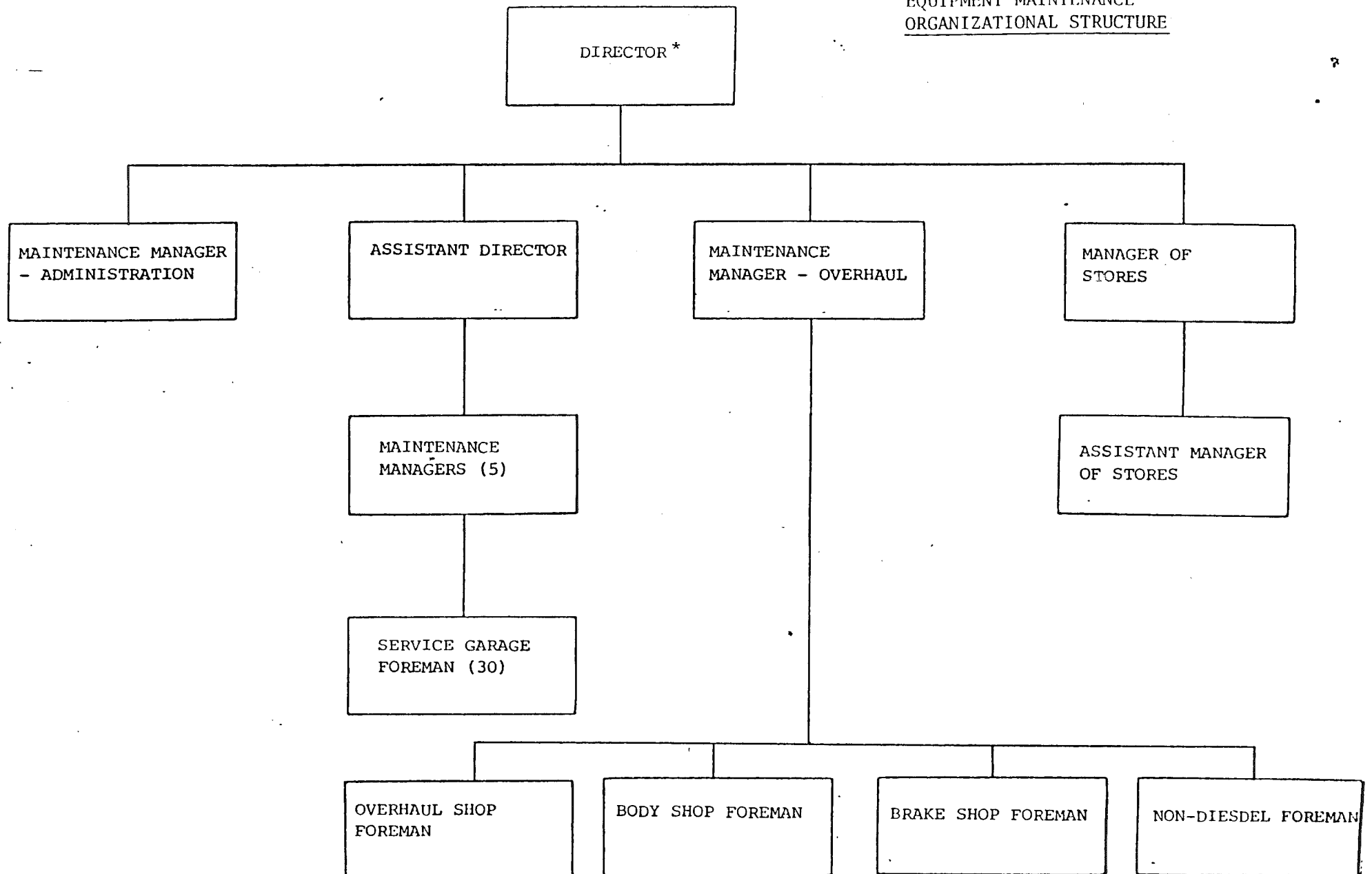


RISK MANAGEMENT
ORGANIZATIONAL STRUCTURE

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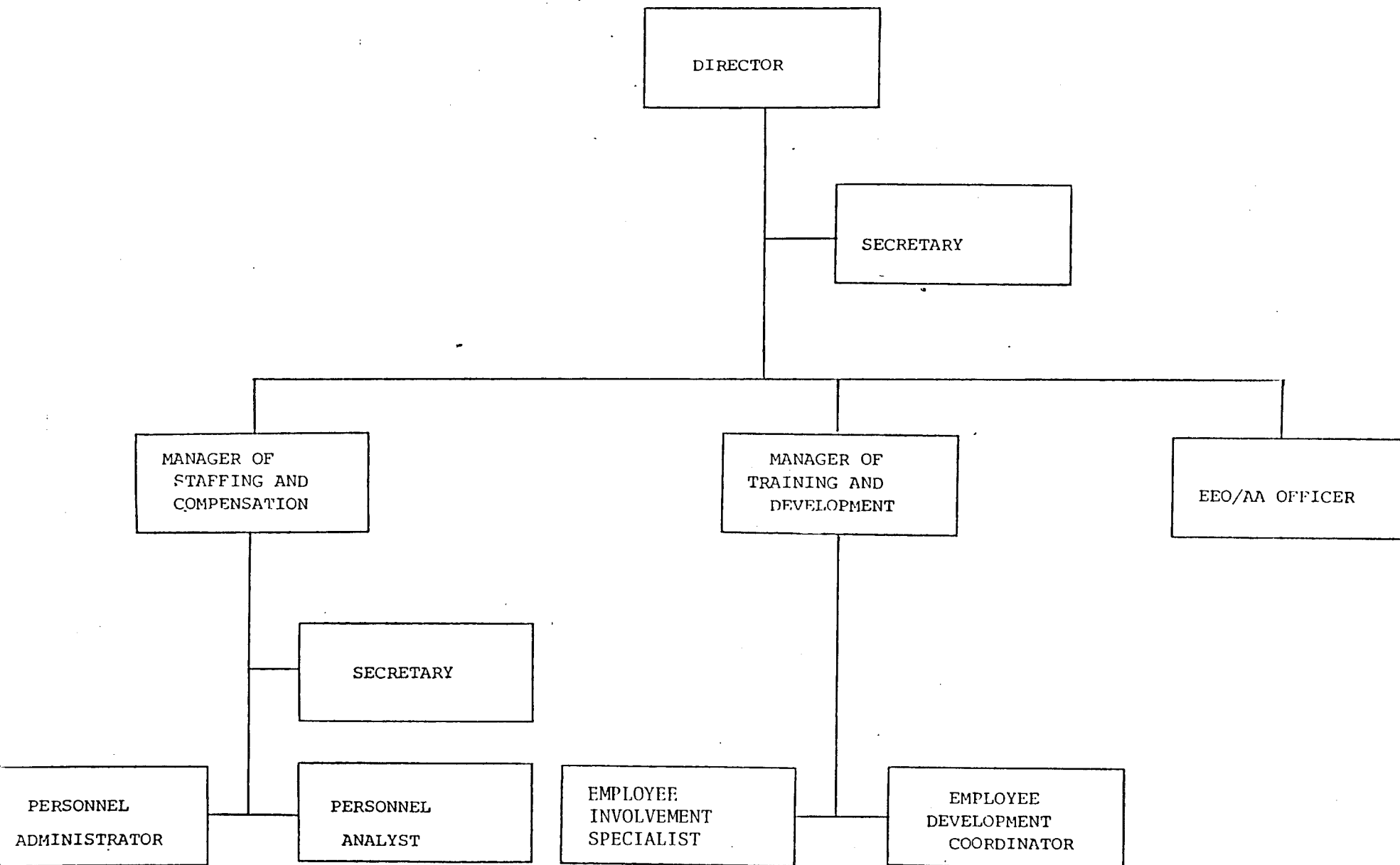
EQUIPMENT MAINTENANCE
ORGANIZATIONAL STRUCTURE



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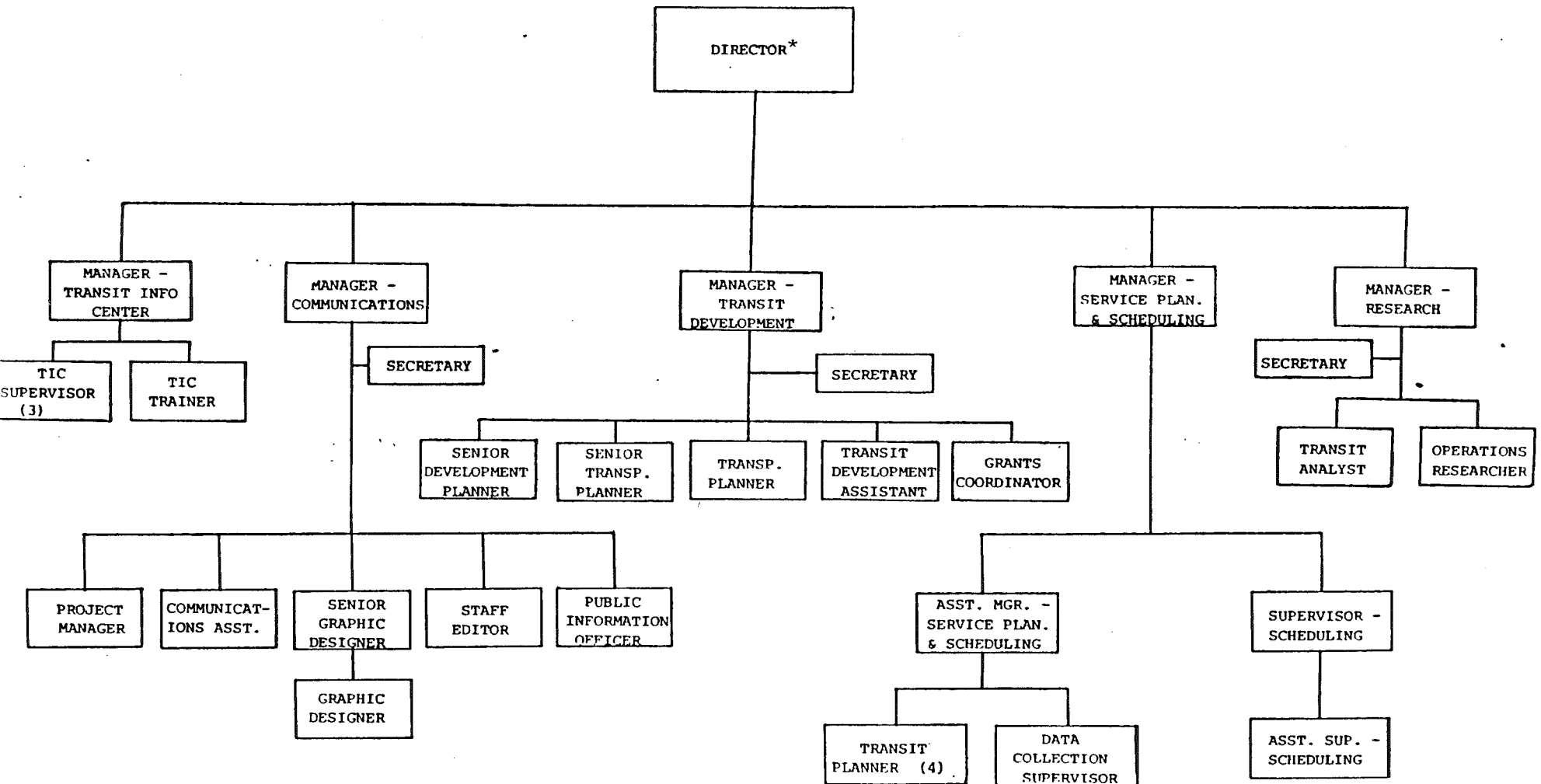
HUMAN RESOURCES
ORGANIZATIONAL STRUCTURE

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PLANNING, DEVELOPMENT & COMMUNICATIONS
 ORGANIZATIONAL STRUCTURE

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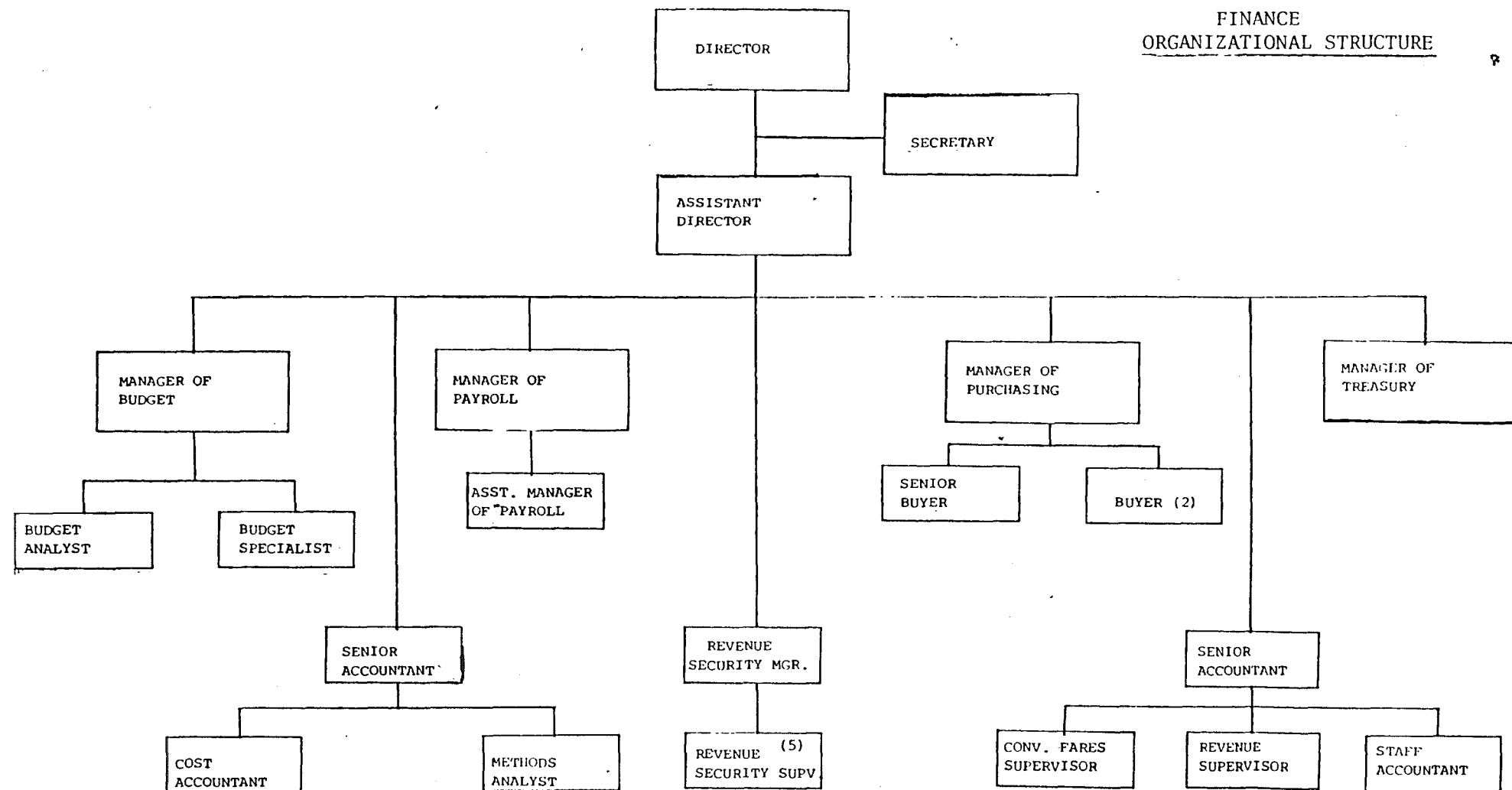


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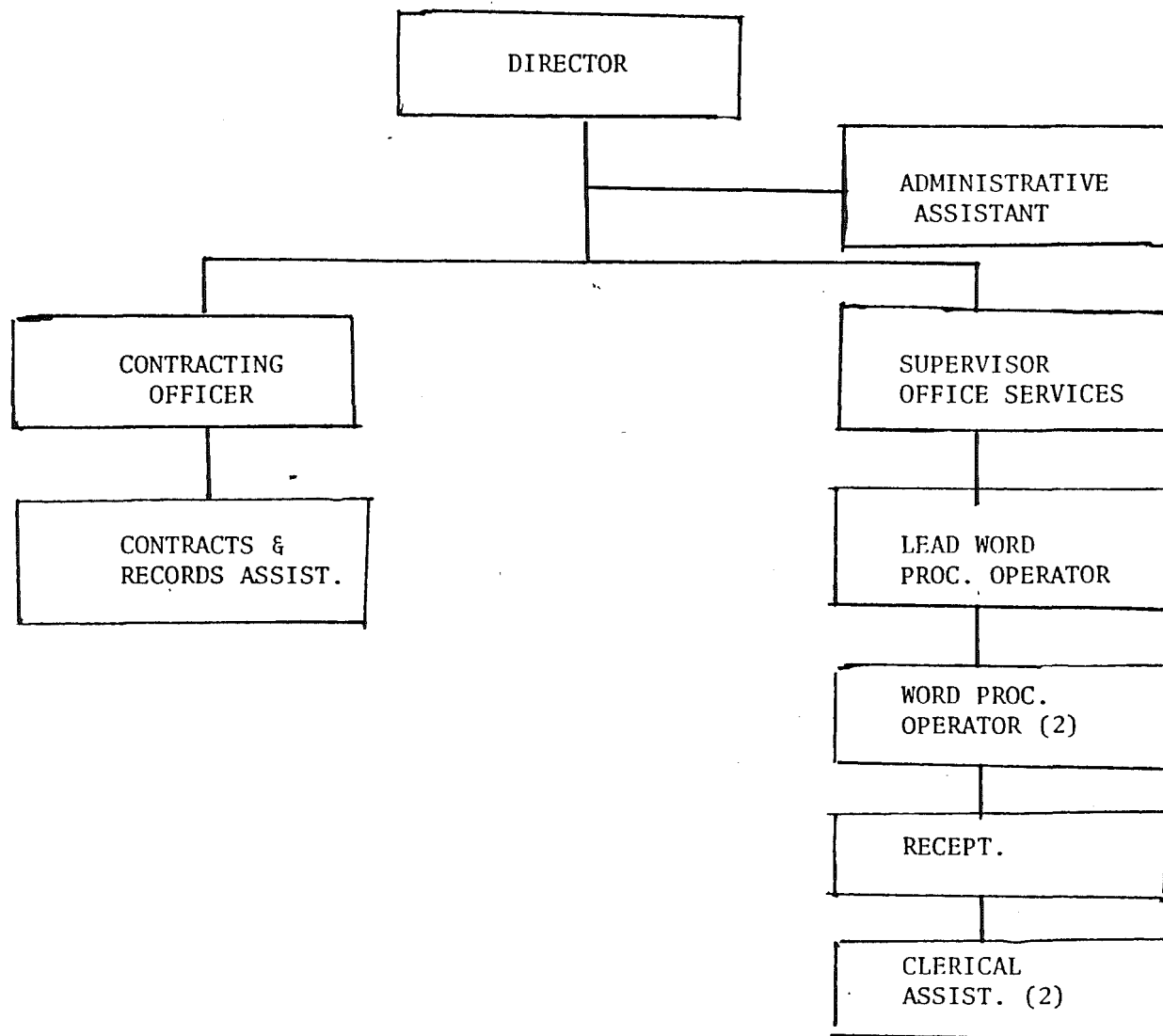
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FINANCE
ORGANIZATIONAL STRUCTURE

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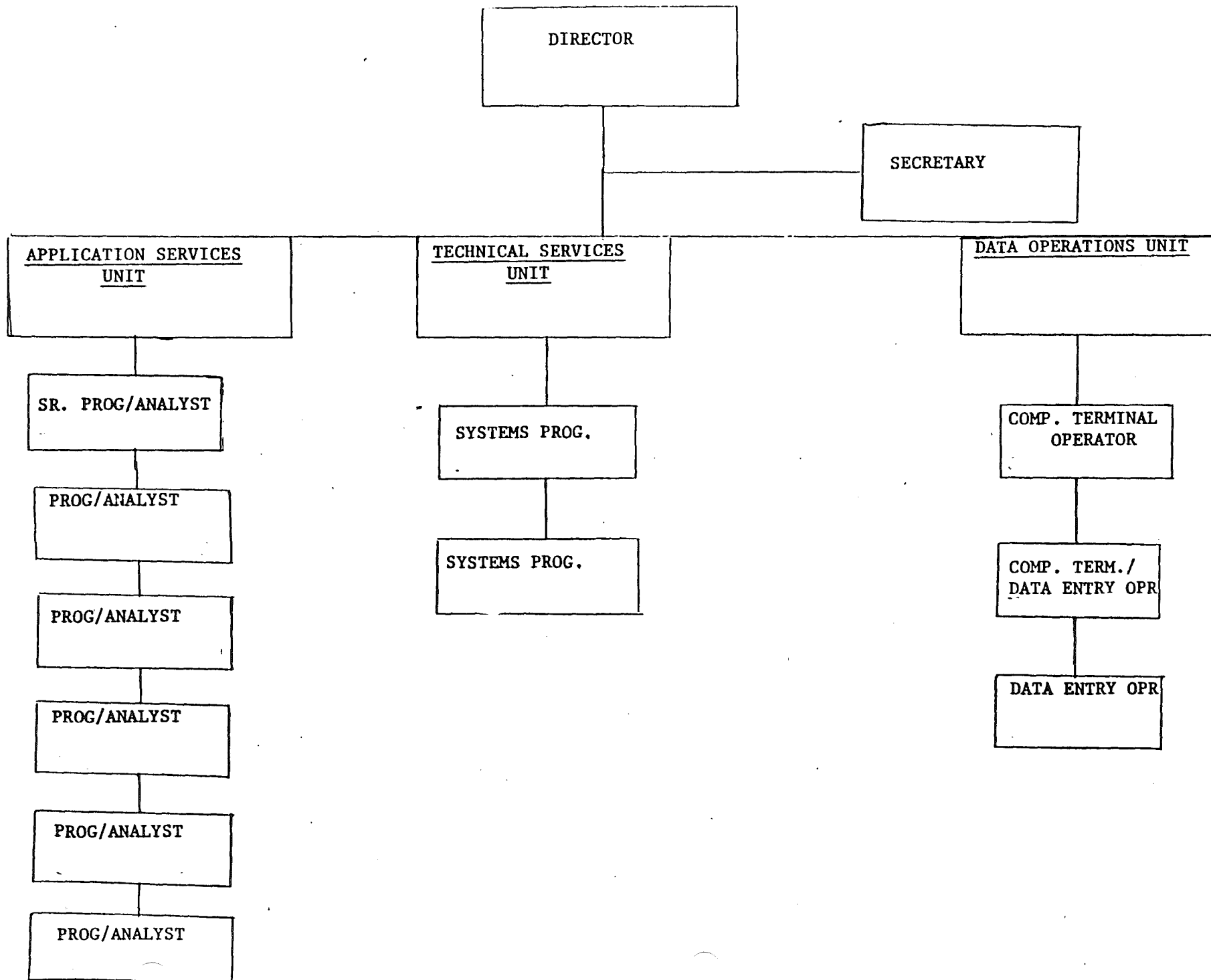


MANAGEMENT SERVICES
ORGANIZATIONAL STRUCTURE

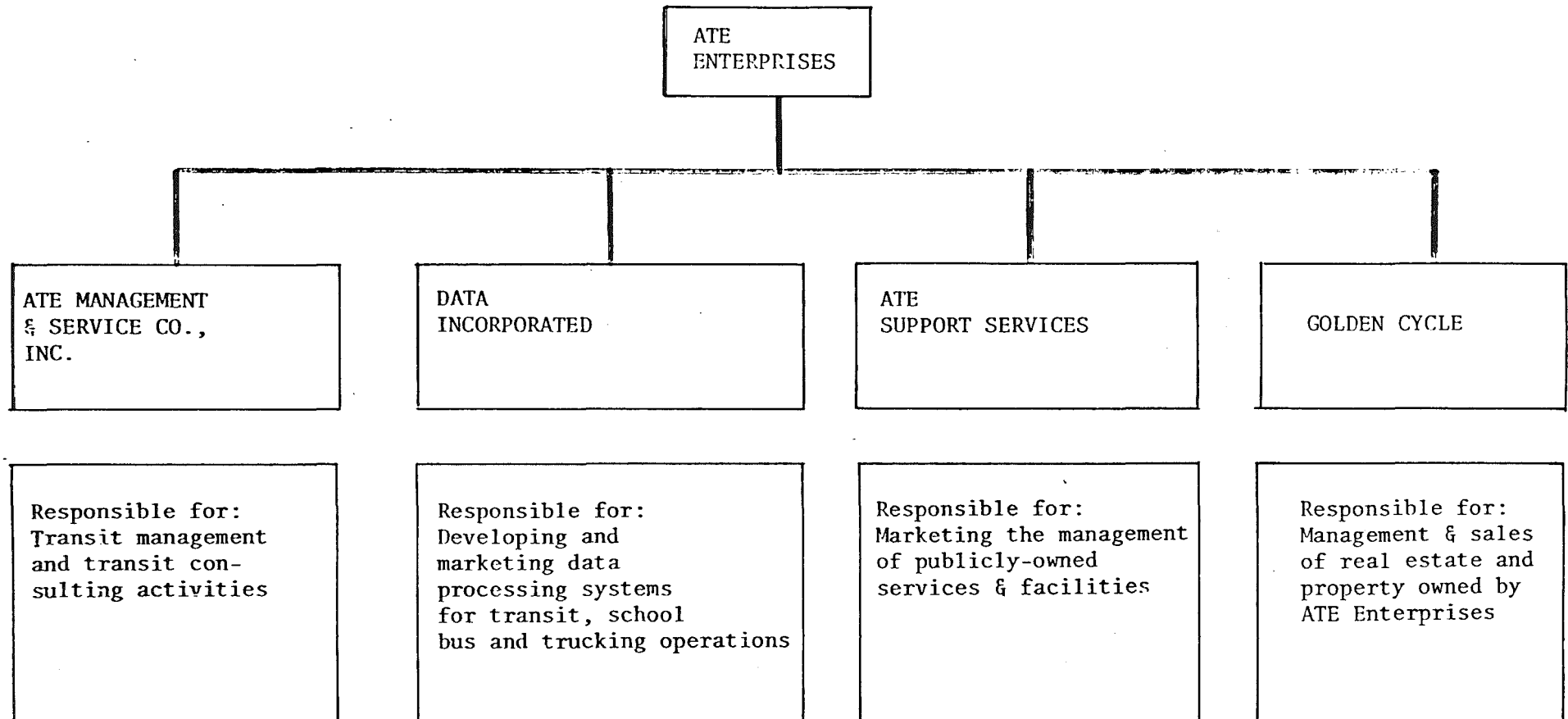


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INFORMATION SERVICES
ORGANIZATIONAL STRUCTURE



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12-14-83

EVALUATION OF MTC
TRANSIT SERVICE

Lawrence Dallam
Metropolitan Council
December 13, 1983

ROLE OF TRANSIT

- Primary*
- o Provide mobility for transit dependent
 - o Provide accessibility to jobs -- especially in the downtowns
 - o Relieve highway congestion (clean air, energy)
 - o Provide alternative to driving

*10,000 trips/day provided by bus.
1 Freeway lane 3564
34% - 40% nplw*

Table 1.8
MTC Regular Route Operating Costs

Year	Costs (millions of dollars)	Related Factors			
		Service level (millions of bus-miles)	Top Driver Wages (Dollars/hour)	Fuel Cost per gallon (cents/gallon)	Rush-hour buses
1971	15.6	18.6	4.45	11.6	559
1972	17.6	19.2	4.90	11.9	606
1973	20.8	21.1	5.36	27.4	627
1974	26.6	23.3	5.97	27.3	741
1975	34.6	27.3	6.54	34.6	844
1976	42.1	29.9	7.03	36.5	882
1977	48.0	30.1	7.67	40.9	823
1978	52.2	29.2	8.41	44.1	817
1979	63.2	29.4	9.38	79.4	855
1980	72.8	30.3	10.25	95.5	866
1981	84.1	30.5	11.40 10.60	106.5	856
1982	86.9	29.1	12.01	94.5	840
1983(Proj)	94.6	28.6	# 12.88 12.30	107.0	820

Service increase 54%

Table 1.12
Service Expansion and Inflation Influence on Cost

Year	Actual Costs (millions of \$)	Inflation Factor	Service Expansion Factor	Simulated Costs (millions of \$)	Percentage Variance with Actual Cost
1971	15.6	1.00	1.00	15.6	0.0%
1972	17.6	1.036	1.03	16.6	- 5.7%
1973	20.8	1.06	1.10	19.4	- 7.2%
1974	26.6	1.115	1.10	23.8	-11.7%
1975	34.6	1.085	1.17	30.2	-14.5%
1976	42.1	1.062	1.10	35.3	-19.3%
1977	48.0	1.071	1.01	38.2	-25.7%
1978	52.2	1.092	0.97	40.5	- 29.0%
1979	63.2	1.119	1.01	45.7	- 38.2%
1980	72.8	1.114	1.03	52.5	- 38.8%
1981	84.1	1.119	1.01	59.3	- 41.9%
1982	86.9	1.097	0.95	61.8	- 40.6%
1983 (Proj.)	94.6	<u>1.016</u>	<u>0.98</u>	# 61.5	46.2% - 53.8%
		2.565	1.537	<i>due to inflation and service expansion</i>	

An inflation factor of 1.06, for instance, in 1973, means that the overall inflation rate was 6 percent. A service expansion factor of 1.17 also in 1975 means that the number of service-miles deployed in 1975 were 17 percent greater than in 1974.

The simulated cost in any given year is obtained by multiplying the previous year simulated cost by both the inflation and the service expansion factors.

Table 1.12, however, does not fully explain the causes for the escalation of the operating costs. The actual 1983 cost is still greater than the simulated cost obtained assuming the overall inflation and expansion of service were the only two factors producing an escalation of costs. Other factors need to be considered in order to reconcile the \$94.6 million of actual cost and the \$61.5 million simulated cost.

First, one must recognize that some of the cost components, such as the fuel cost and the labor cost have escalated at a faster rate than inflation. Table 1.13 shows the evolution of these cost components and compares the actual costs to simulated costs that would have resulted assuming an escalation factor equal to the overall inflation rate.

Table 1.13
Wages and Fuel Costs

Year	Actual Top Driver Wages (\$/hour)	Actual Fuel Cost (cents/ gallon)	Actual Inflation Factor	Simulated Top Driver Wages (\$/hour)	Simulated Fuel Cost (cents/ gallon)
1971	4.45	11.6	1.00	4.45	11.6
1972	4.90	11.9	1.036	4.61	12.0
1973	5.36	27.4	1.06	4.89	12.7
1974	5.97	27.3	1.115	5.45	14.1
1975	6.54	34.6	1.085	5.91	15.3
1976	7.03	36.5	1.062	6.28	16.2
1977	7.67	40.9	1.071	6.72	17.4
1978	8.41	44.1	1.092	7.34	18.9
1979	9.38	79.4	1.19	8.22	21.2
1980	10.25	95.5	1.114	9.15	23.5
1981	11.40	106.5	1.119	10.24	25.6
1982	12.01	94.5	1.097	11.24	26.9
1983	12.88 (Proj)	107.0	1.016	11.42	28.0

Table 1.13 shows that:

- o Direct labor costs, represented by driver wages, have increased about 13 percent over and above inflation during the 1971-1983 period. In other words, if driver wages had increased since 1971 just to keep up with inflation, those wages would be \$11.42/hour rather than the \$12.88/hour actually paid by the MTC in 1983. Assuming that direct labor accounts for 50 percent of the costs, this factor would have added almost 4 million dollars over and above inflation.
- o If fuel costs had also increased only to keep up with inflation, MTC would be paying 28 cents/gallon rather than \$1.07/gallon actually paid in 1983. The energy crises of 1973-74 and 1979 were mainly responsible for this increase of 282 percent over and above inflation. Such an increase produces approximately a \$6 million expenditure over and above inflation.

1983 MTC Operating Cost	\$94.6 million (projected)
1971 MTC Operating Cost	<u>15.6 million</u>

Increase \$79.0 million

Increase due to service expansion and inflation (CPI) -46.1 million

\$32.9 million

Increases Over and Above Inflation:

Wages	\$4 million	
Fuel	6 million	
Fringe Benefits	<u>7 million</u>	<u>-17.0 million</u>
Remainder		\$15.9 million

What is the explanation for the remaining \$15.9 million increase?

Two reasons:

1. Change in nature of service
2. Utilization of labor

Two significant changes in service since 1971

- o suburbanization of routes
- o increase in peak-hour service *50% of trip occur during rush hour*
820 buses rush
30.0 off peak

Labor Utilization

- o guarantee time (40 hours of pay regardless of hours worked)
- o spread time (premium pay for work beyond 11 hours regardless of hours worked)
- o straight runs (60% of hours worked must be uninterrupted)

Ratio of current payroll to hours worked = 1.20 (i.e., 20% of wages are paid for hours not worked).

Table 1.14
MTC Performance Indicators

Year	Bus-miles (millions)	Passengers (millions)	Number of MTC Employees	Passengers per bus- mile	Bus-miles of service per employee
1971	18.6	45.2	1,189	2.43	15,643
1972	19.2	48.8	1,241	2.54	15,471
1973	21.1	52.1	1,332	2.47	15,841
1974	23.3	56.5	1,536	2.42	15,169
1975	27.3	63.0	1,780	2.31	15,337
1976	29.9	62.4	1,933	2.09	15,468
1977	30.1	63.0	1,894	2.09	15,892
1978	29.2	70.4	1,904	2.41	15,336
1979	29.4	74.3	2,204*	2.53	13,339
1980	30.3	72.4	2,459*	2.39	12,322
1981	30.5	70.5	2,375*	2.31	12,842
1982	29.1	63.9	2,316*	2.20	12,565

* Includes Special Services Employees (Metro Mobility)

Until 1977, the system productivity, as measured by the number of passengers carried per each bus-mile of service placed on the street, declined with the exception of 1972. During that period of expansion, the additional service generated less riders (i.e. was less productive) than the already existing service. After significant increases in productivity in 1978 and 1979 due to service cut-backs that did not result in ridership losses, the trend has reversed since 1980 mainly due to loss of riders.

Table 1.15
MTC Performance Indicators (II)

Year	Cost (Millions of \$)	Passengers (millions)	Bus-miles (millions)	Cost per mile (\$/mile)	Cost/passenger (\$/passenger)
1971	15.6	45.2	18.6	0.84	0.35
1972	17.6	48.8	19.2	0.92	0.36
1973	20.8	52.1	21.1	0.99	0.40
1974	26.6	56.5	23.3	1.14	0.47
1975	34.6	63.0	27.3	1.27	0.55
1976	42.1	62.4	29.9	1.41	0.68
1977	48.0	63.0	30.1	1.60	0.76
1978	52.2	70.4	29.2	1.79	0.74
1979	63.2	74.3	29.4	2.15	0.85
1980	72.8	72.4	30.3	2.40	1.01
1981	84.1	70.5	30.5	2.76	1.19
1982	86.9	63.9	29.1	2.99	1.36
1983 (Proj)	94.6	N.A.	28.6	3.31	N.A.

steady increase

*Only regular route service
was included in analysis.*

Comparison of Suburban Regular-Route Performance in 1982

Provider	Costs (Dollars)	Service Levels (Bus-miles)	Cost/Mile (Dollars)	Passengers	Cost per Passenger (Dollars)
Medicine Lake Lines	\$ 852,000 ¹	498,000	1.71	497,829	1.71
North Suburban Lines	\$ 643,000 ¹	396,000	1.62	392,577	1.63
MTC	\$86,900,000	29,100,000	2.99 ²	63,900,000	1.36 ³

(1) Includes capital costs

(2) Average of central cities and suburbs; therefore, this figure is less than actual cost per mile of suburban MTC service.

(3) Average of central cities and suburbs -- actual cost of suburban service is about \$2.00 per passenger and fully developed area service is about \$1.00 per passenger.

*Reg. route service in suburbs would
not be cost effective.*

ISSUE 2: ARE MORE EFFECTIVE SERVICE/DELIVERY OPTIONS AVAILABLE?

1. Contract out peak-hour-only service for suburbs to private providers.
2. Reorganize suburban peak-hour service to focus on "timed-transfer" prints to main trunk line express buses (small feeder buses converge to common point for transfer to downtown express -- feeder buses can be used in off-peak for local subregional service).
3. Promote ridesharing (car and van pools).
4. Change labor arrangements for peak-hour-only service.

→ Met Council requests MTC to analyze and make recommendations.

JM607A

ISSUE #4

The roles and responsibilities of the MTC, Council and Mn/DOT in the planning, programming and delivery of transit service in the Metropolitan Area.

BACKGROUND

The Regional Revenues Task Force identified the need for an overall review of the MTC operations in order to ensure consistency with regional goals, policies, plans and priorities. After some study of the issue it became apparent that the entire institutional structure for transit service delivery, from beginning (goals) to end (service to the public), should be analyzed.

APPROACH

Issue #4 will be discussed by identifying the essential sequential steps necessary for the orderly development of transit service; relating the existing structure to these steps; determining deficiencies; identifying options for improving the process; and making recommendations.

PROCESS FOR DEVELOPMENT/DELIVERY OF TRANSIT SERVICE

Following are the essential steps/decisions that are made (implicitly or explicitly) in the determination of who is to be served with what kind of transit service, how often and at what price.

- Step 1. Regional goals, policies and priorities (on who, in general, are to be served and how, and where).
2. Forecast of the future (population, employment, metro travel by mode) and the adequacy of the existing system (needs).
3. Long range (10-20 years) metropolitan system plan that identifies service areas, service corridors, and market segments to be served.
4. Detailed analysis of each service area (market survey and needs analysis).
5. Short-range (2-5 years) service (operation) plan and program for each service area (type of service, routes, frequency, costs, fares).
6. Metropolitan capital improvement program including capital needs in each service area during the next 2-5 years.
7. Metropolitan operating budget for the next two years.
8. Collection of federal, state and metropolitan grants/subsidies; allocation of funds to priority service areas and markets; selection of service provider(s); licensing of providers (as required); coordination and evaluation of all service.
9. Service delivery (paratransit, taxi, ridesharing, E&H, bus, fixed guideway,...).

The Existing Structure

A variety of actors are involved in the decision-making process that leads to the delivery of transit services in the Twin Cities Metropolitan Area. The major participants and their functions are:

- The federal government -- provides capital and operating assistance, as well as some policy input.
- The state legislature -- provides overall policy direction and operating assistance.
- The Mn/DOT -- channels funds and provides administrative oversight.
- The Metropolitan Council -- provides regional policy input and oversight.
- The MTC -- prepares regional service plan and program, and operates the bulk of the regular route service and certain special services (e.g. Project Mobility and ridesharing services).
- A few private providers and local units of governments -- operate limited regular route service (Medicine Lake Lines and North Suburban Lines) and paratransit services (Suburban Paratransit, Morley Bus Company, taxicab providers, Columbia Heights, Hastings, etc.).

The roles and responsibilities of the major actors deserve further scrutiny.

The Legislature

The state legislature provides overall policy direction. The most explicit policy statements are contained in Mn. Stat. 473.402, Subd. 2:

"The Metropolitan Transit Commission, in addition to other duties and purposes, shall have the following performance goals:

- (a) To increase the number of persons riding and the rate at which persons are diverted from driving to riding.
- (b) To achieve the fullest and most efficient use of public resources and investments in public transit and paratransit.
- (c) To increase service levels within geographic areas and on routes and route segments characterized by high density of demand for service, transit dependent population, and little or no subsidy per passenger.

Other significant areas where the legislature has provided direction are:

- Definition of the boundaries of the Metropolitan Transit Taxing District.
- Establishment of a property tax mill rate to be collected by the MTC.
- Establishment of a biennial appropriation providing operating aid to the MTC and other private providers.
- Establishment of certain limitations on the fare structure and pricing levels (social fares, fare ceilings, etc...).

- Establishment of a demonstration program for outlying communities receiving little or no MTC service ("Opt Out").
- Establishment of a relationship between the level of service received and the amount of property tax paid by the various metropolitan communities ("feathering").

Mn/DOT

The Department of Transportation provides administrative oversight over the statewide transit program.

The level of participation of the state in the various types of metro area transit systems is shown in Table 1:

Table 1

Twin Cities Area Transit Projects
1983 Estimates (Millions of Dollars)

<u>Transit Project</u>	<u>Total Operations</u>	<u>State Aid</u>
MTC Regular Route	97.5	11.3 (12%)
Private Regular Route		
Providers	1.7	1.1 (62%)
Metro Mobility	5.4	5.0 (94%)
Other Non-MTC Providers	1.2	.6 (50%)

Mn/DOT enters into operating contracts with all transit systems that receive state financial assistance. Major responsibilities of Mn/DOT are:

- Develop a state transit program strategy;
- Develop administrative rules for transit;
- Develop management plan/contract preparation;
- Monitor and evaluate systems cost and performance;
- Review and evaluate statewide transit program.

Metropolitan Council

The Council as the designated long-range transportation planning agency (Mn. Stat. 473.146, Subd. 4), provides policy direction by adopting a Transportation Policy Plan (TPP) relating to all transportation forms. The plan must be reviewed at least every four years and be prepared in consultation with and making maximum use of the expertise of the MTC.

In terms of MTC's oversight, the Council has the following responsibilities:

- Review and approval of the Transit Development Program (TDP) prepared by MTC in compliance with Mn. Stat. 473.161 and 473.411.
- Review and approval of the annual MTC capital budget (Mn. Stat. 473.163)
- Review and approval of MTC contract with Mn/DOT for financial assistance (Mn. Stat. 174.23, Subd. 2 and 174.24, Subd. 3a).
- Approval of revenue bonds issued by the MTC (Mn. Stat. 473.438, Subd. 7)
- Review and comment on changes to user charges proposed by the MTC (Mn. Stat. 473.163, Subd. 4).

Metropolitan Transit Commission

The role of the MTC is to provide adequate public transit and paratransit services within the Metropolitan Area in accordance with the performance goals defined by the legislature. It is also responsible (every two years) for the preparation of a five-year Transportation Development Program providing for the implementation of regional policies adopted by the Metropolitan Council in its Transportation Policy Plan as it relates to transit and paratransit. In addition, the MTC prepares a capital improvement program and an operating budget.

The purpose of the TDP is twofold. First, it is a document where proposed capital improvements are described, evaluated and ultimately justified. Second, it should also contain..."An operational improvement program which shall at least describe performance objectives and standards which the Commission proposes to achieve in satisfying policies, purposes and goals established by the legislature and the Council; identify performance indicators by which to monitor and assess progress in achieving the objectives and standards; and establish a route deficit limit. The program may include such other information as the Council or the Commission deems necessary."

In summary, MTC fulfills the responsibilities of a "broker" of services for its own programs, conducting planning and programming activities through the annual budget process and the preparation of the TDP.

Mn/DOT plays a similar role for the non-MTC programs, including the entire Metro Mobility program. It also provides administrative oversight for the state portion of the MTC operating deficits (operating assistance and social fares).

ANALYSIS OF EXISTING STRUCTURE

The Council provides policy direction through the preparation of the policy plan and policy oversight through review and approval authority of the capital budget and the TDP. It does not exercise any direct review authority over the operating budget. The legislature provides overall direction and oversight.

The existing roles and responsibilities of MTC, Mn/DOT and the Council as provided by state law, can be placed in the context of the previously identified steps in the development and delivery of transit service.

- Step 1. Metropolitan goals, policies and priorities -- Metropolitan Council.
2. Metropolitan forecasts and needs -- Metropolitan Council.
3. Long-range metropolitan system plan -- Metropolitan Council
4. Detailed analysis of each service area -- MTC
5. Short-range service/operations plan -- MTC, Mn/DOT (E & H).
6. Metropolitan C.I.P. -- MTC, Mn/DOT (E & H, paratransit, private bus operators).
7. Metropolitan operating budget -- MTC, Mn/DOT (non-MTC providers, Metro Mobility).

8. a. Funding -- MTC, Mn/DOT
b. Brokering -- Mn/DOT (Metro Mobility)
9. Service delivery -- MTC, municipalities, counties, taxis, private bus operators.

The Council's Transportation Policy Plan (TPP) includes steps 1, 2 and 3. A TPP was adopted in 1975 and in 1982. The Commission's Transportation Development Program (TDP) includes Steps 4 and 5. A TDP was prepared in 1978 and 1982 and each was partially approved by the Council. The major deficiency in each document was insufficient attention to Steps 4 and 5. Specific needs for transit service (regular route, paratransit, ridesharing) have not been identified and a service plan to address these needs has not been prepared. The TDP has also not addressed the coordination of services delivered by the several non-MTC providers. Public hearings focusing public attention upon proposed services and expenditures have not been held (not required by statute). The Commission prepares its own capital budget based upon the TDP and an operating budget, whereas Mn/DOT provides capital and operating funds but does not prepare a plan, program or budget for public review and comment. Neither an integrated capital budget (Step 6) nor an integrated operating budget (Step 7) describing needs for the entire metro area has been prepared. The Commission and Mn/DOT are the recipients of federal, state and local funds -- MTC for its own operation and Mn/DOT for all state-assisted services and some federal. In terms of "brokering" (step 8 b.), in the true sense of the term (matching supply with demand or need), only the Metro Mobility Project is brokered by Mn/DOT. Under state law (Sec.473.405, Subd. 2) the Commission is authorized to contract with other service providers in lieu of directly operating the desired service, but has rarely exercised this authority (e.g. Stillwater feeder service).

★ The major deficiency in the existing structure is the absence of a short-range service plan for the Metro Area that would specify transit needs and proposed services for each part of the area and a program to implement the plan. The result of this deficiency is insufficient service within the area -- particularly in 2nd and 3rd tier suburbs. A companion result is the lack of a clear program of need for additional resources that can be presented to the legislature for their deliberation. The reason for this deficiency is believed to be due to the size and mixture of the responsibilities of the Commission. It is extremely difficult for an agency to expend energy and resources on planning (especially for services it cannot efficiently provide) when it is daily confronted with the pressures and demands of operating and maintaining a large fleet of buses. It is also difficult for an agency providing transit service, to allocate scarce resources to services that would be provided by others, even if an objective and comprehensive metro service plan were prepared. That is, what may be in the best interest of the region may not be in the best interest of the agency's bus operation.

Another reason for the deficiency is that no agency has sufficient authority to require the Commission to prepare and implement a service plan consistent with the Council's Transportation Policy Plan, since no agency reviews and approves the Commission's annual operating budget. The Council approves the annual capital budget but the capital budget usually is not directly related to the operating budget -- especially when service is not undergoing major expansion that would require new facilities. The legislature has reserved for itself the review of the operating budget and therefore the determination of who is to be

served, where and how, -- a difficult, if not impossible, task for a part-time legislature. It is therefore not surprising that MTC looks to the legislature for the the policy direction that the legislature in the 1974 Metropolitan Reorganization Act conferred upon the Council. Even so -- the legislature, when considering financial assistance, does not require the supporting documentation as to the adequacy of the proposed budget in addressing metropolitan policies and needs (i.e. metropolitan service plan).

THE PROBLEM

As outlined in the preceding section, the problem with the existing structure is twofold:

1. There is no comprehensive short-range transit service plan and program for the metropolitan area. (This results in inadequate and uncoordinated transit service in the suburbs).
2. There is no agency review of the MTC operating budget to ensure consistency with metropolitan policies and plans, either before or after legislative action.

OPTIONS

In response to this problem, the following options are presented:

- A. Separate metropolitan service planning and programming responsibilities from direct operating authority by the establishment of a public transit authority to own, manage and operate the service. The MTC would retain all existing authority (including regulatory) except the ownership, management and operation of the service.
- B. Give Metropolitan Council overall review and approval authority of MTC annual operating budget for consistency with the Transportation Policy Plan.
- C. Maintain the existing structure and decentralize metropolitan services by reducing the MTC service area to the fully developed area (subregions 1 and 2), thereby strengthening the commission's ability to plan, coordinate, regulate and broker transit service in the suburban areas.
- D. Require MTC to submit to the legislature at the beginning of the biennium a metropolitan service plan for the ensuing two years, along with Council findings as to its consistency with the Metropolitan Development Guide.

*recommended
by Met
Council*

DISCUSSION OF OPTIONS

Option A, by establishing a separate transit authority, would allow the MTC to concentrate on metropolitan transit service needs and the coordination and brokering of services to meet these needs. It would also remove the obvious conflict of interest in planning and supplying the type of services inconsistent with the characteristics and needs of its own service. It would enable the MTC to regulate (including licensing) the entry and performance of transit providers in the area. This approach would be similar to the Chicago model where these functions are separated. Option A would ensure that a comprehensive Transportation Development Program (and service plan) is prepared

since it would be the primary document as the basis for brokering services. This revised agency would then review and approve the operating budgets of the various service providers. The major disadvantage is that of establishing another agency and the problems associated with board composition and appointment, delineation of responsibilities, etc.

Option B would provide the Council with a more effective means to encourage the commission to prepare a comprehensive and coordinated service/operations plan in their TDP, and to have the budget be more consistent with metropolitan policies and priorities. This authority would be restricted to general or categorical expenditures as opposed to line-item expenditures. The focus of the review would be on the service plan and its relationship to the budget and Council policy.

Option C would retain the existing roles and responsibilities of MTC, Mn/DOT and the Council, and acknowledge the appropriateness of regular-route service in the more densely populated area and the difficulty this type of service experiences in the low density suburbs (See discussion of Issue 1). By confining the MTC service delivery authority to the fully developed area, the competition of MTC service with other service providers in the second and third tier suburbs would be eliminated in the preparation of a meaningful short-range service plan and program for the entire metro area. It would also enable the Commission to act as a broker and regulator of subregional service for the suburban area -- since the conflict of interest of MTC service competing with other service providers would be eliminated. By so doing, the metropolitan role that Mn/DOT currently plays with the non-MTC providers could be assumed by the MTC -- and Mn/DOT could focus upon statewide needs and priorities.

In regard to agency review of the MTC operating budget, it is interesting to note that existing statute (Sec. 174.23, Subd. 2 and 174.24, Subd. 3a) requires that the Council review and approve MTC financial assistance from the state, as to its consistency with the Council's TPP and development guides (1981 amendment). Prior to the 1981 amendment, state subsidy was based upon the "performance funding system" in Sec. 174.28 with no Council review provided for. The 1981 amendment was placed in a different section (174.24) and required Mn/DOT to contract with MTC; and a 1982 amendment of that section further specified: (Sec. 174.24, Subd. 3a) "In order to receive financial assistance, the commission shall provide to the commissioner all financial records and other information and shall permit any inspection reasonably necessary to identify the revenues, costs and service plan (emphasis added) upon which the appropriation is based." It is unclear as to whether the legislature, by the placement of these amendments, intended Council review and approval of the manner in which the appropriation was to be expended -- but it is certainly clear that the Council is legally required to review and approve the contract with the commission. (Thus far, no proposed contract has been officially reviewed by the Council because of a lack of information as to what services are to be provided, for whom and where (i.e. no service plan)). This review/approval would occur every two years following legislative appropriations or as often as a contract is prepared or amended, and although this review/approval is not direct authority over the operating budget, it does provide the Council with an opportunity to approve the service plan (as to its consistency with Council plans and policies) within the context of the operating budget. The Council could notify the Commission of its review requirements sufficiently in advance of the next contract (July 1, 1984) for Commission action.

Option D would provide the legislature with the transit needs of the metropolitan area for the next two years and a service plan to address those needs, and the extent to which this plan is consistent with metropolitan plans and policies. This would enable the legislature to fund the high priority needs in the event that insufficient funds were available for the entire plan. The service plan would include the needs throughout the Area regardless of who provided the service.

FINDINGS

1. There is no comprehensive short-range transit service plan and program that addresses the overall transit (including paratransit) needs of the metropolitan area.
2. There has not been a review of the MTC operating budget to ensure consistency with metropolitan policies and plans, either before or after legislative action.
3. Since 1981, Minnesota statutes (Sec. 174.23, Subd. 2 and 174.24, Subd. 3a) provide for Council review and approval of the MTC contract with Mn/DOT for financial assistance. This review has not taken place.
4. It is difficult for the MTC to objectively plan for service needs in areas unsuited for MTC service or for providers that would compete with MTC service.
5. MTC is most proficient at providing regular-route service in built-up areas with relatively high population density.
6. Legislative appropriations to the MTC are not based upon overall transit needs in the metropolitan area, and a service plan and program to address those needs.

MINNESOTA DEPARTMENT
OF
TRANSPORTATION

OVERVIEW OF TRANSIT FUNDING
FOR
METROPOLITAN TRANSIT STUDY COMMISSION

January 4, 1984

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TRANSIT SYSTEMS IN THE METRO AREA

RURAL SYSTEMS

- . Anoka County
- . Carver County *
- . Dakota Area Referral and Transportation for Seniors (D.A.R.T.S.)
- . Scott County *
- . Washington County

- Clientele

Anoka County, D.A.R.T.S., and Washington County serve the needs of elderly and handicapped. Carver and Scott Counties while predominantly serving elderly and handicapped, are available to the general public. Total passenger trips for the rural systems is projected to be 193,860 in C.Y. 1984.

- Miles Operated

Total revenue miles for the rural systems in C.Y. 1984 is projected to be 835,850. This includes 413,500 miles of volunteer driver service.

- Type of Service

Anoka County is strictly a volunteer driver program while the others provide combinations of volunteer driver, fixed route, and/or dial-a-ride.

* Receive Federal Section 18 funds.

) SMALL URBAN SYSTEMS

- . Columbia Heights
- . Hastings*
- . Hopkins
- . St. Louis Park Emergency Program (S.T.E.P.)
- . White Bear Area Transit

- Clientele

With the exception of S.T.E.P. all of the small urban programs are open to the general public. S.T.E.P. provides service only to those unable to use regular service or Metro Mobility.

C.Y. 1984 passenger trips are expected to be 100,800.

- Miles Operated

Total revenue miles for the small urban systems in C.Y. 1984 is projected to be more than 300,000.

- Type of Service

All systems with the exception of S.T.E.P. provide dial-a-ride service while Hastings, Hopkins, and White Bear provide subscription service as well. S.T.E.P. is a volunteer driver program only.

* Receives Federal Section 18 funds.

PRIVATE OPERATORS

- . Medicine Lake Lines
- . North Suburban Lines

- Clientele

Both private operators provide service that is open to the general public and generate a significant percent of their total ridership during the peak hours. Estimated passenger trips in C.Y. 1984 is 706,387.

- Miles Operated

Medicine Lake Lines projects 422,000 revenue miles for C.Y. 1984 while North Suburban Lines projects 388,008 revenue miles for the same period of time.

- Type of Service

Both private operators provide public fixed route service.

METROPOLITAN TRANSIT COMMISSION

- Clientele

Service is open to the general public. C.Y. 1984 ridership is estimated to be 73,545,000.

- Miles Operated

C.Y. 1984 miles are estimated at 22,112,000.

- Type of Service

Public fixed route service.

- Location

Twin Cities seven county area, with the exception of those areas served by the private providers and those outside the taxing district.

METRO MOBILITY

- . MTC - Project Mobility
- . Metro Mobility Control Center
- . Blue and White Cab
- . City Wide Taxi
- . Diamond Cab
- . Red and White Taxi
- . Suburban Paratransit, Inc.
- . Transportation Management
- . Yellow Taxi of Minneapolis
- . Morley Bus Company

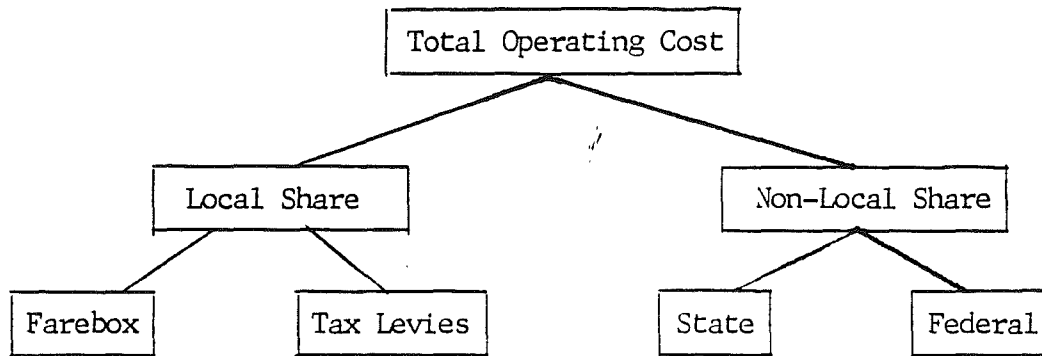
- Clientele

The clientele for all Metro Mobility projects is as described in the eligibility criteria defined in Agency Rules 14MCAR-1.7025 - 1.7037.

- Type of Service

All operators provide door through door, dial-a-ride service with group scheduling accomplished through the control center.

Fixed Share Funding



$$\text{Local Share} = (\text{Total Operating Cost}) \times (\text{Local Share } \%)$$

$$\text{Federal Share (Urbanized)} = \text{Direct funding from UMTA}$$

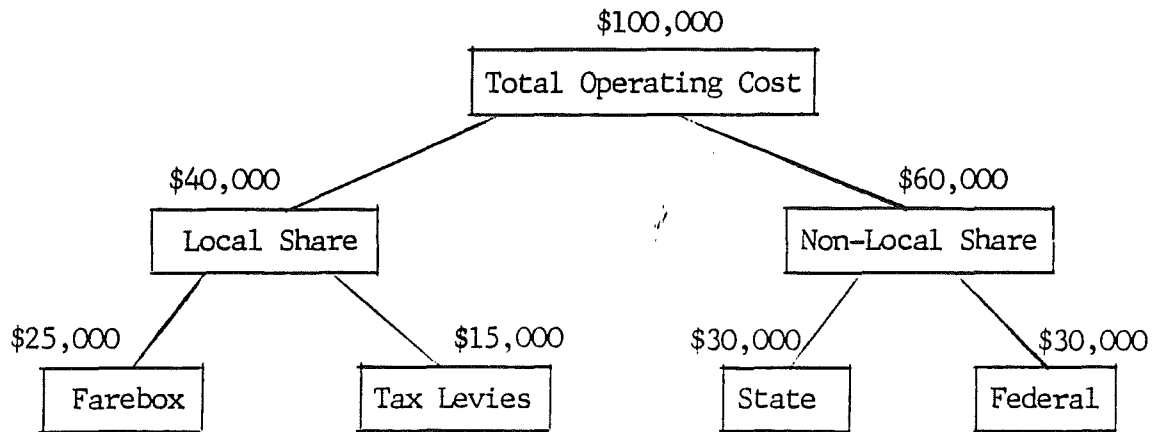
$$\text{Federal Share (Non-Urbanized)} = (\text{Operating Cost} - \text{Farebox Revenue}) \times 40\%$$

$$\text{State Share} = (\text{Operating Cost}) - (\text{Local Share}) - (\text{Federal Share})$$

(Provided adequate funding levels are available.)

SYSTEM EXAMPLE

Fixed Share Funding



$$\text{Local Share} = \frac{\$40,000}{\$100,000} \times .40$$

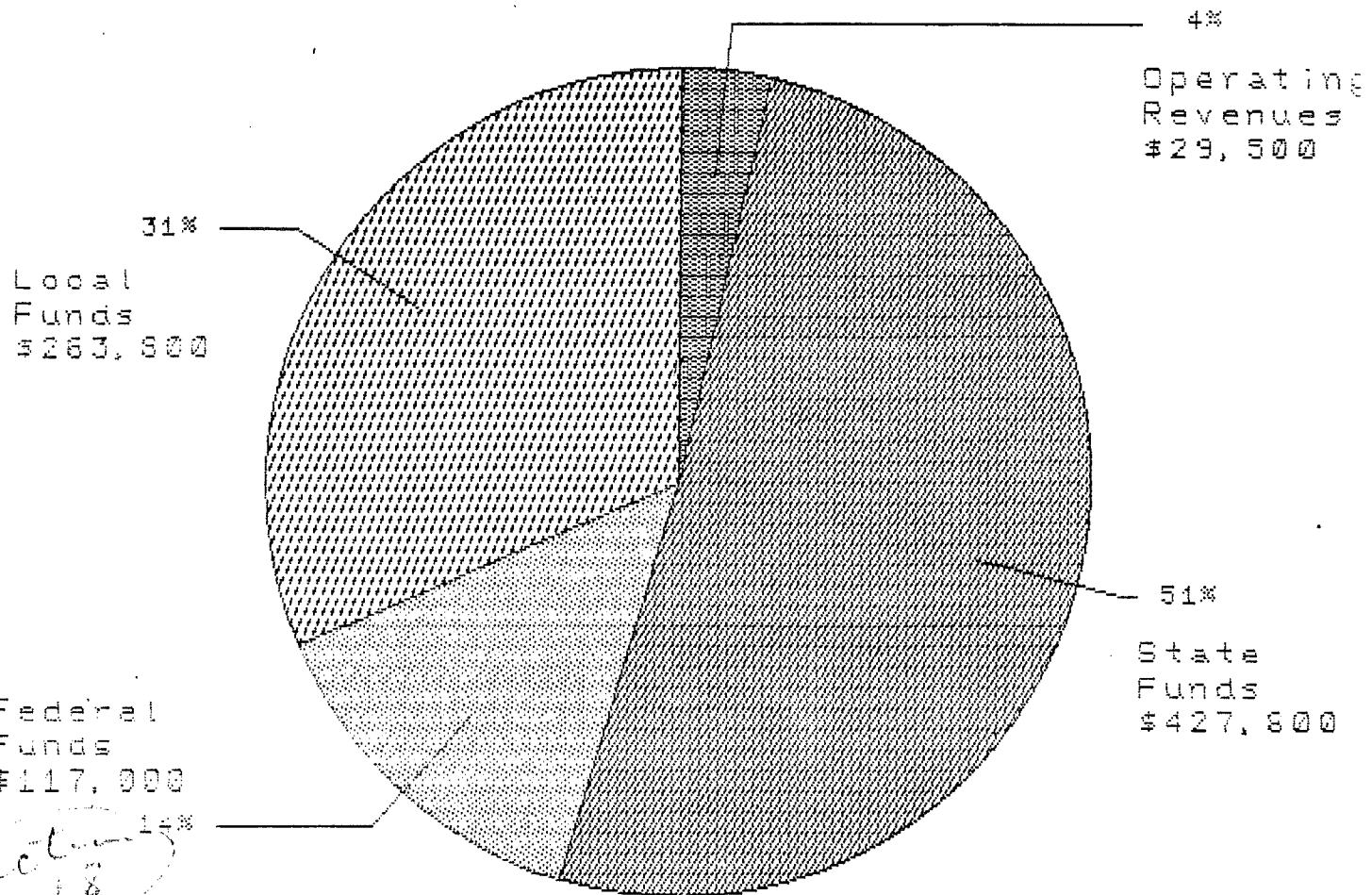
N/A
Federal Share (Urbanized) = Direct funding from UMTA

$$\text{Federal Share (Non-Urbanized)} = \frac{\$30,000}{\$100,000 - \$25,000} \times 40\%$$

$$\text{State Share} = \frac{\$30,000}{\$100,000 - \$40,000 - \$30,000}$$

(Provided adequate funding levels are available.)

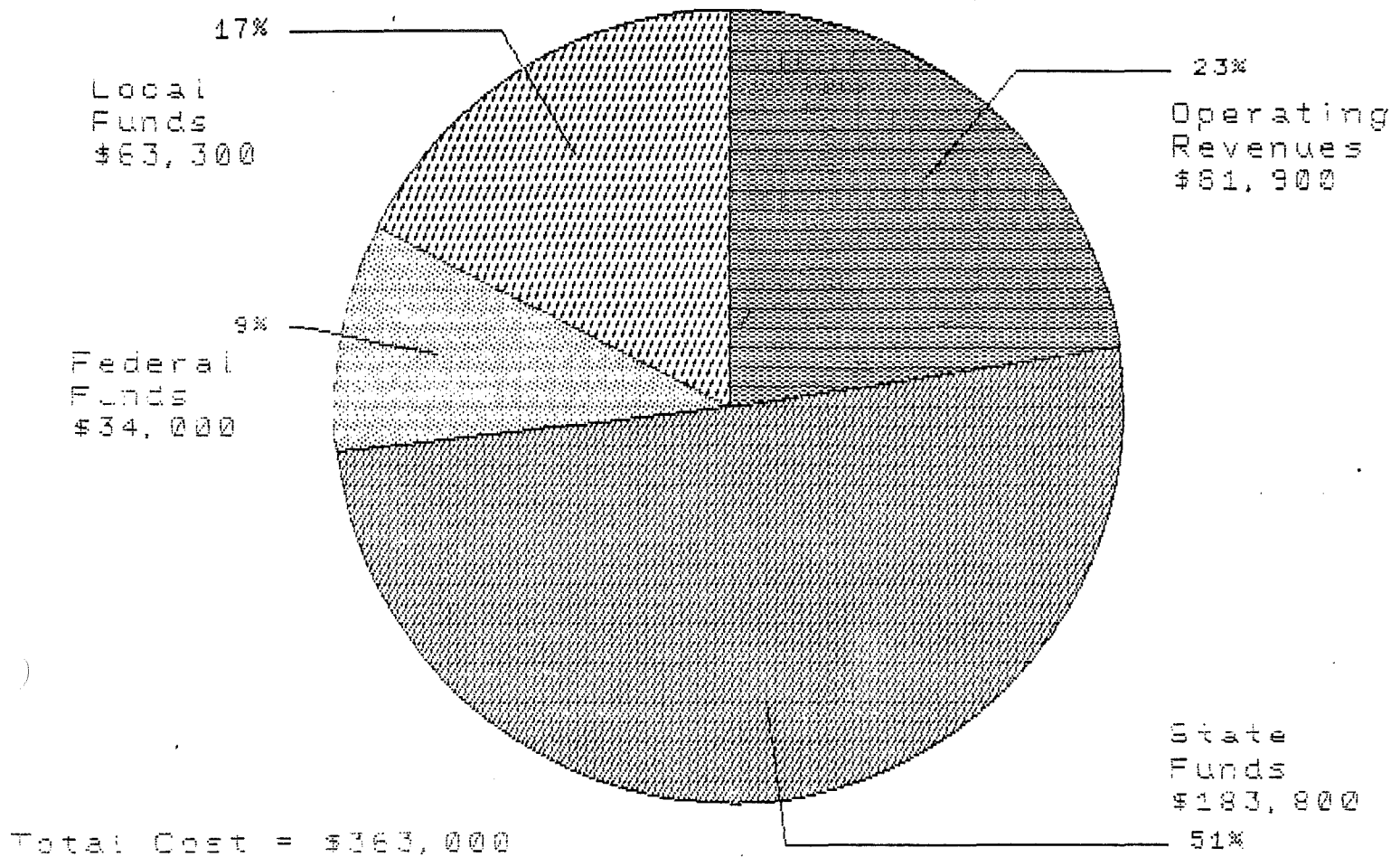
MINNESOTA DEPARTMENT OF TRANSPORTATION
Transit Cost Sharing for Calendar Year 1984
Rural Systems in Metro Area



Total Cost = \$838,100

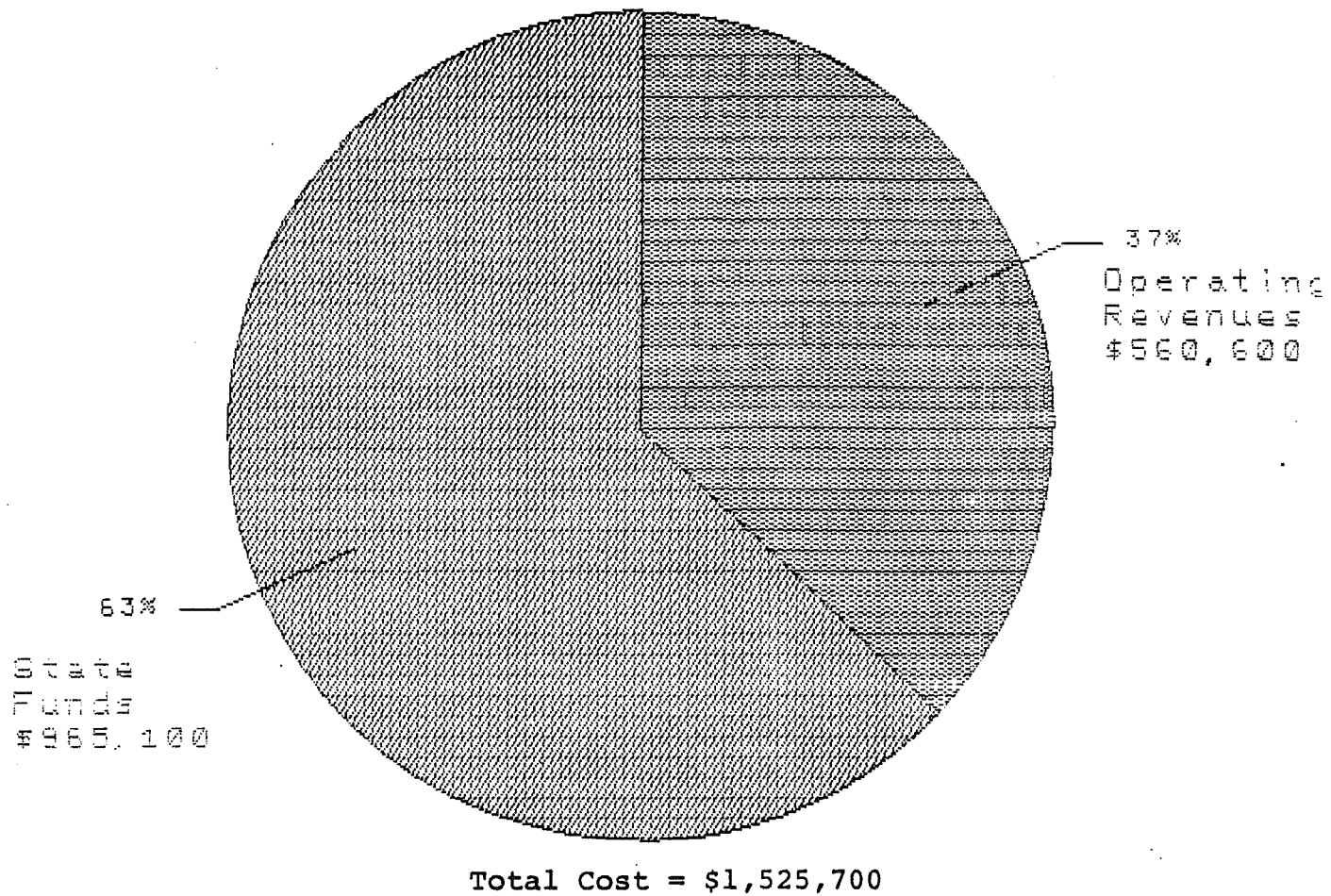
Office of Transit
12/30/83

MINNESOTA DEPARTMENT OF TRANSPORTATION
Transit Cost Sharing for Calendar Year 1984
Small Urban Systems in Metro Area



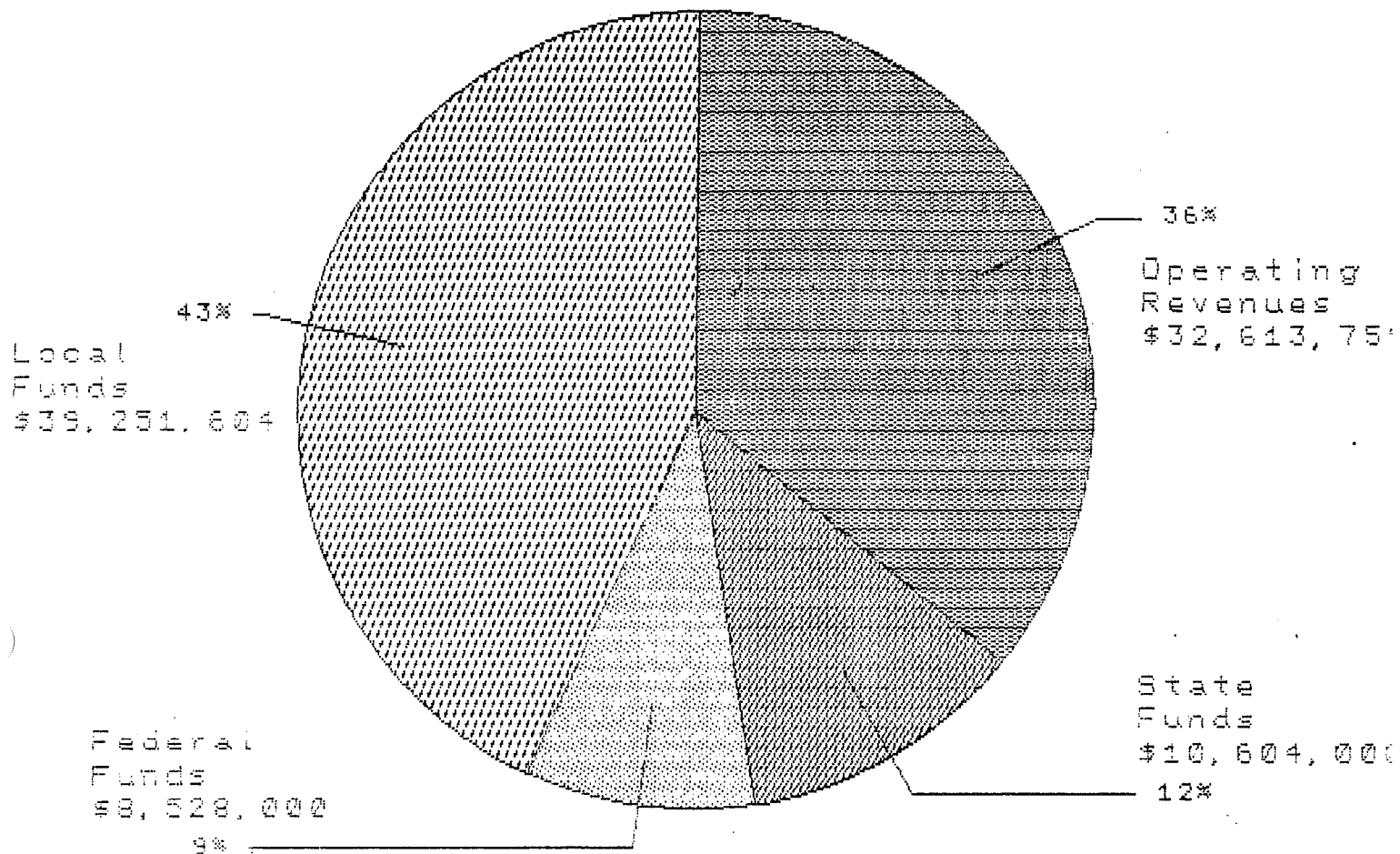
Office of Transit
12/30/83 (TRANSITS)

MINNESOTA DEPARTMENT OF TRANSPORTATION
Transit Cost Sharing for Calendar Year 1984
Private Operators



Office of Transit
12/30/83

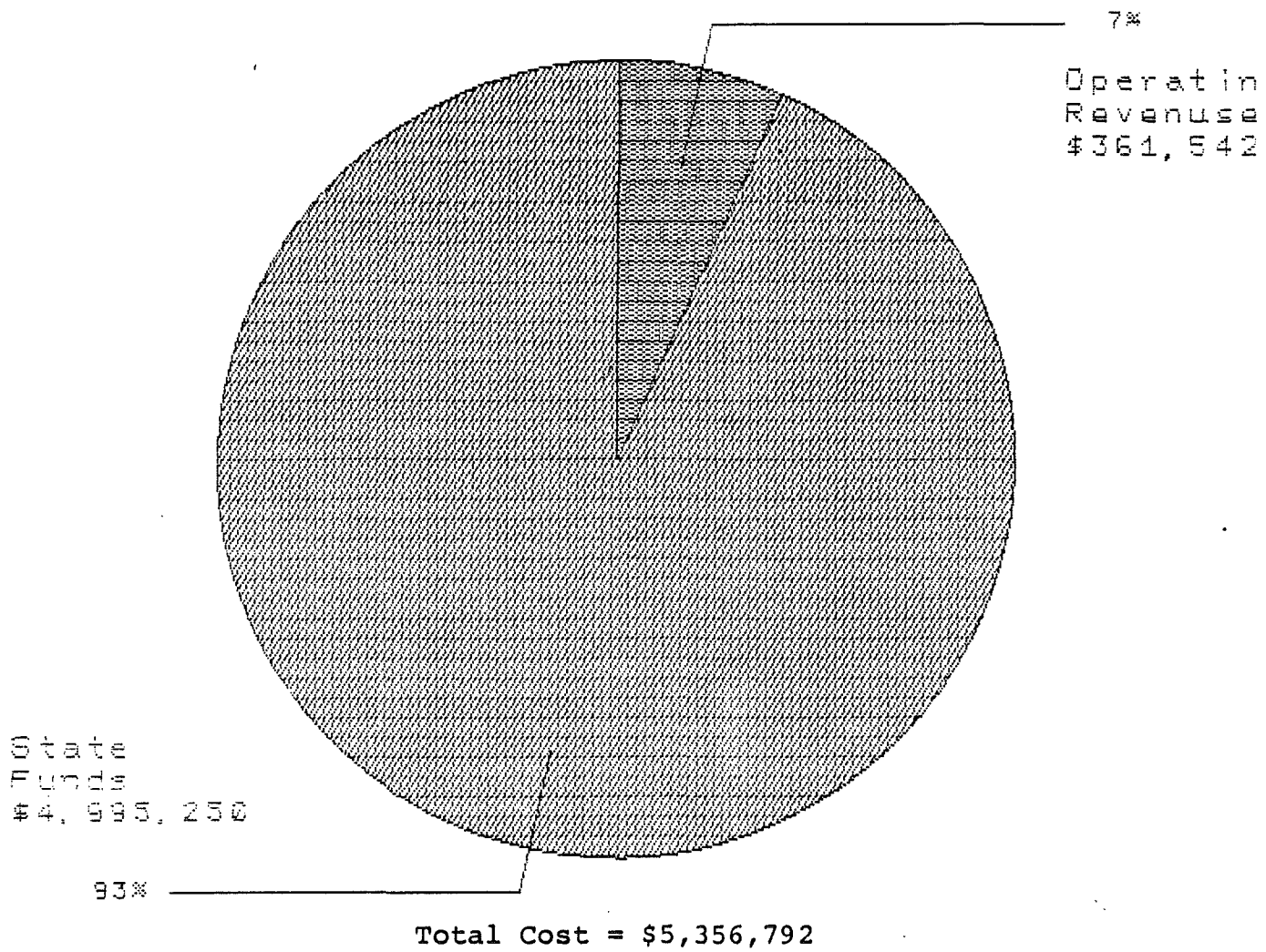
MINNESOTA DEPARTMENT OF TRANSPORTATION
Transit Cost Sharing for Calendar Year 1984
MTC



Total Cost = \$90,997,363

Office of Transit
12/30/83

MINNESOTA DEPARTMENT OF TRANSPORTATION
Transit Cost Sharing for Calendar Year 1984
Metro Mobility



Office of Transit
12/30/83

COST SHARING (C.Y. 1984)

<u>RURAL</u>	<u>Total Cost</u>	<u>State</u>	<u>Federal</u>	<u>Local</u>	<u>Revenue</u>
- Anoka County	\$ 44,777	65%	\$ -	33%	2%*
- Carver County	158,678	26%	39%	33%	2%*
- D.A.R.T.S.	308,205	65%	-	30%	5%*
- Scott County	142,327	26%	39%	31%	4%*
- Washington County	184,098	65%	-	33%	2%
TOTALS	\$838,085	51%	14%	31%	4%
<u>SMALL URBAN</u>					
- Columbia Heights	\$ 29,000	60%	-	17%	23%*
- Hastings	115,350	31%	29%	14%	26%*
- Hopkins	74,225	60%	-	18%	22%*
- S.T.E.P.	11,042	60%	-	40%	-
- White Bear	133,400	60%	-	19%	21%*
TOTALS	\$363,017	51%	9%	17%	23%
<u>PRIVATE OPERATORS</u>					
- Medicine Lake Lines	\$875,450	62%	-	-	38%*
- North Suburban Lines	650,269	65%	-	-	35%*
TOTALS	\$1,525,719	63%	-	-	37%
MTC **	\$90,997,363	12%	9%	43%	36%
<u>METRO MOBILITY</u>					
- Control Center	\$ 959,577	95%	-	-	5%
- MTC Project Mobility	2,683,995	95%	-	-	5%
- Blue & White	220,745	85%	-	-	15%
- City Wide	94,135	86%	-	-	14%
- Diamond	57,530	86%	-	-	14%
- Morley	218,360	90%	-	-	10%
- Red & White	114,180	85%	-	-	15%
- Suburban	472,180	95%	-	-	5%
- Transportation Mgmt.	109,825	86%	-	-	14%
- Yellow	426,265	85%	-	-	15%
TOTALS	\$ 5,356,792	93%	-	-	7%

* Farebox Revenue is Used as Part of Local Share.

** Total Revenue Sources are \$25,591.00 Over Total Cost.

SOURCES OF FUNDS

STATE FUNDS

- Available as authorized under M.S. 174.21 - M.S. 174.31

	<u>F.Y. 84</u>	<u>F.Y. 85</u>	<u>TOTAL</u>
Metro Mobility	\$ 5,000.0	\$ 5,000.0	\$10,000.0
Private Operators	965.1	965.1	1,930.2
Non-MTC Assistance	5,434.2	5,434.2	10,868.4
MTC - Operating	6,565.8	5,665.8	12,231.6
MTC - Social Fares	<u>4,987.5</u>	<u>4,987.5</u>	<u>9,975.0</u>
TOTAL	\$22,952.6	\$22,052.6	\$45,005.2

- State funds are made available through an application process as described in Agency Rules 14MCAR 1.4031 - 1.4065.
- State funds have been insufficient to expand beyond the 66 contracts presently funded.
- Non-MTC contractors are required to provide a fixed share of total cost, rural (35%) and small urban (40%).

FEDERAL FUNDS

(1 time Capital Investment)

- Section 3 - Discretionary Grant Program - This program provides funding, on an application basis for construction, acquisition, etc., of capital investments. Fund source is the 1¢ of the 5¢ federal gas tax increase which is dedicated to transit. Applications are submitted to and approved by UMTA. The only metro area system receiving Section 3 funds, at present is the MTC. Matching requirement is 25% of total cost.
- Section 5 - Block Grants - *general bus replacement, maintenance & operation* This program provides direct appropriations to urbanized areas (over 50,000 population) for operating and capital assistance. This program no longer receives funding (replaced by Section 9) however, all recipients have the apportionment year plus two for obligating the old funds. The only metro area system to receive these funds was the MTC. Matching requirements are 20% of total cost for capital and 50% for operating.
- Section 9 Block Grants - *direct grants to urban areas* This program provides direct appropriations to urbanized areas (over 50,000 population) for operating assistance and capital acquisition. This is the old Section 5 program. Operating assistance cannot exceed 50% of the operating deficit nor can it exceed a pre-established "cap" limit of the F.Y. 1982 Section 5 funds used for operating assistance. The MTC is the only metro area system receiving these funds. Matching requirements are 20% of total cost for capital and 50% for operating. The federal fiscal year 1984 apportionments are as follows:

Section 9

this is old section 5 program

Mpls. - St. Paul	\$19,386,902
Governor's Apportionment (areas between 50,000 - 200,000 population)	
. Duluth - Superior	643,538
. Rochester	610,727
. St. Cloud	536,597
. Fargo-Moorhead	290,776
. Grand Forks - East Grand Forks	87,998
. LaCrosse - LaCrescent	35,914

MTC 1 2 3 4 5 6 7 8 9 funds

- over 50,000 population*
Capital acquisition
80-90 million
- Section 9A - This was a one year (Federal Fiscal Year 1983) program which provided capital assistance funds to public transportation providers. Areas over 50,000 population received direct apportionments, areas under 50,000 received funds through Mn/DOT.

F.F.Y. 1983 Section 9A apportionments were:

Mpls. - St. Paul (MTC)	\$6,759,000
Governor's Apportionment (areas between 50,000 - 200,000 population)	720,000
. Duluth - Superior	210,000
. Rochester	199,000
. St. Cloud	175,000
. Fargo-Moorhead	95,000
. Grand Forks - East Grand Forks	29,000
. LaCrosse - LaCrescent	12,000
Non Urbanized areas	518,000

Metro area systems that will acquire capital equipment from this fund source in C.Y. 1984 include: the MTC, Scott and Carver Counties. With the exception of Hastings all others are ineligible to receive these funds for the reasons outlined in the Section 18 program. Matching requirement is 20% of total acquisition cost.

- Section 16(b)(2) - Capital Acquisition Program for Private Non-Profit Organizations to Meet the Special Needs of the Elderly and Handicapped - Minnesota receives an annual apportionment approximating \$434,000 for the purchase of capital equipment, matching requirement is 20%. Recent (last 3 years) metro area recipients of Section 16(b)(2) funds include D.A.R.T.S., Carver County, Scott County and Suburban Paratransit.

- Section 18 - Formula Grant for Non-Urbanized Areas Under 50,000 Population - This program provides federal funds to public transportation providers in areas under 50,000 population for operating assistance (up to 50% of the operating deficit) and capital acquisition (up to 80% of the total cost). For the past several years, all funds have been used for operating assistance.

To be eligible for Section 18 funds the recipient must provide transportation service that is open to the general public and must provide the vast majority of service within a non-urbanized area under 50,000 population. Metro area recipients include Carver County, Scott County and the City of Hastings. All others are ineligible for one or both reasons cited above.

Matching requirements are 20% of total cost for capital and 50% for operating (these are minimum requirements). Unique to the Section 18 program is that other federal fund sources can be used to provide part of the local match. Regulations read that no less than one-half of the local match may be made up of unrestricted funds from other federal programs.

LOCAL FUNDS

- Matching funds, where required, are derived from a variety of local sources including:

- . Farebox revenues (for those systems on fixed share funding)
- . General Revenues
- . Levy Authority (MTC, Duluth, Moorhead, and St. Cloud)
- . Donations (when expressly stated to be used as part of local match)
- . Federal revenue sharing
- . Other unrestricted federal programs.

OVERVIEW OF CAPITAL PROGRAMS

- State Capital Improvement Program

Initiated in 1979 to provide up to one-half of the non-federal share for new capital expenditures or vehicle renovation.

- Federal Programs Previously Discussed

- . Section 3
- . Section 5
- . Section 9
- . Section 9A
- . Section 16(b)(2)
- . Section 18

- Local

Leasing of equipment by private operators. Economic Recovery Act provided private operators the ability to sell their equipment to a private entity and lease it back thus providing tax incentives for the buyer of the equipment and allowing the private operator a mechanism to obtain good equipment without a major capital investment.

TRANSIT FUNDING ISSUES

- . Phased transfer of the Motor Vehicle Excise Tax
- . Proposed federal cutbacks in federal operating assistance
- . Deregulation of interstate bus services has resulted in a total loss of transit services to many rural communities. Needs of these communities need to be reviewed and the state's role defined.
- . One cent of the five cent federal gas tax increase dedicated to mass transit. How can we assure Minnesota receives it's fair share.

METROPOLITAN TRANSIT
FARES AND FINANCING

Larry Dallam
Metropolitan Council
January 4, 1984

Issue Is the pricing and financing of MTC service equitable and adequate?

I. Financing

Existing Sources:

Fares
Property Tax
State assistance
Federal aid

History: See Table 1

1. Federal Aid -- Unstable (requires congressional action -- current administration policy is to phase out aid for operations).
2. State Assistance

Question -- What is role of State in the support of metropolitan transit service?

- o One role is to ensure mobility for the disadvantaged through the social fares legislation.
- o No stated policy on percent of State assistance of MTC operating cost (varies from 45% to 65%, depending upon characteristics of area for outstate transit). State assistance has varied from 9% to 39% and therefore it appears that it has been treated as a balancing item. There also appears to be no correlation between amount of State assistance and progress toward achieving State goals.

3. Property Tax

Has increased steadily and assumed increasing proportion of operating budget.

From State perspective, this is appropriate and equitable since the local area is the beneficiary of the service.

From the local (metro) area perspective -- is the tax, its collection and distribution equitable?

- o In terms of the tax itself -- there is no definable relationship between the value of real estate and the existence of transit service. (The relationship is between the occupants of the property -- not the owners). Therefore, the property tax is not equitable (fair, just, reasonable or impartial).
- o In terms of the collection (who pays) -- only those individuals or entities that own property pay the tax.
- o In terms of the distribution (who benefits) -- the amount of tax levied is not related to service received (especially true in outer suburban areas).

Table 1
History of
Annual Operating Expense and Revenues

<u>Year</u>	<u>Operating Expense</u>	<u>Operating Revenues (Fares)</u>	<u>Property Tax</u>	<u>State Assistance</u>	<u>Federal</u>
Millions of Dollars (Percent of Operating Expense)					
1971	15.6	14.6 (93.6)	---	---	---
1972	17.6	13.8 (78.4)	5.0 (28.4)	---	---
1973	20.8	14.4 (69.2)	5.0 (24.0)	---	---
1974	26.6	15.3 (57.5)	8.7 (32.7)	4.0 (15.0)	---
1975	34.6	16.1 (46.5)	17.7 (51.2)	3.2 (9.2)	8.9 (25.7)
1976	42.1	16.7 (39.7)	10.9 (25.9)	16.3 (38.7)	8.6 (20.4)
1977	48.0	17.4 (36.3)	12.8 (26.7)	10.8 (22.5)	8.6 (17.9)
1978	52.2	18.1 (34.7)	16.4 (31.4)	15.2 (29.1)	11.6 (22.2)
1979	63.2	22.2 (35.1)	16.9 (26.7)	9.0 (14.2)	12.0 (19.0)
1980	72.8	28.9 (39.7)	19.6 (26.9)	20.5 (28.2)	12.0 (16.5)
1981	84.1	31.9 (37.7)	30.8 (36.6)	12.9 (15.3)	10.7 (12.7)
1982	87.0	34.4 (39.5)	34.3 (39.4)	9.6 (10.5)	8.5 (9.8)
1983	94.6*	36.4*(38.5)	43.0 (45.4)	4.3 (4.6)	8.5 (9.0)

* Estimates

Options to Property Tax

Payroll tax
Sales tax
Auto-related tax

Equitable Adjustments to Property Tax Levy

	Full Service	2.00 Mills
Relate to service levels --	Peak-Hour & Limited Off Peak	1.50 Mills
	Limited Peak-Hour Only	1.25 Mills

4. Fares

A. Policies

State

Fares and fare collection systems shall be established and administered to accomplish the following purposes:

- (a) To encourage and increase transit and paratransit ridership with an emphasis on regular ridership;
- (b) To restrain increases in the average operating subsidy per passenger;
- (c) To ensure that no riders on any route pay more in fares than the average cost of providing the service on that route;
- (d) To ensure that operating revenues are proportioned to the cost of providing the service so as to reduce any disparity in the subsidy per passenger on routes in the transit systems.

Downtown Circulation Fares. The commission and other operators may charge not less than 10 cents for service on any route providing circulation service in a downtown area or community activity center. The commission and other operators shall not contribute more than 50 percent of the operating deficit of any such route that is confined to a downtown area or community activity center.

Other Reduced Fares Prohibited; exception. Except for the advance sale of service through special passes or for other special promotional efforts, and except as provided above, the commission and other operators shall not grant any reduced fares for regular-route bus service.

Metropolitan Council

The following policy, identified as #23 of the Transportation Policy Plan, has been adopted by the Council:

The transit fare structure should reflect a balance between the actual operating cost of the service to be provided and the public purpose or need for the service.

Metropolitan Transit Commission

1. The Metropolitan Transit Commission has established a fare policy that bus revenues for regular transit services represent 40 to 45 percent of the expenses for providing such service.
2. At least once each year the commission, upon reviewing the anticipated budget for regular transit service for that year, will adopt fare adjustments that will provide the necessary bus revenues to achieve that goal.
3. Transit passenger revenue is defined as the sum of (a) farebox revenues collected from the users of regular transit service, (b) social fare reimbursements, (c) payments under contracts which contribute directly to covering the cost of operating regular transit services and (d) advertising revenue.
4. Under this policy, bus revenues and local financial support as represented by the property tax shall provide 60 to 65 percent of the cost for providing regular transit service.

B. Equity of Existing Fare Structure

- o Relationship between price and cost of services (system-wide average of 34 cents per passenger mile).

Table 2
Cost of Service vs. Actual Fares

Passenger Trip Length	Cost of Service	Actual Fare ¹
1 mile	\$.34	\$.75
2 miles	\$.68	\$.75
3 miles	\$1.02	\$.75
5 miles	\$1.70	\$.75
7 miles	\$2.38	\$.90 ²
9 miles	\$3.06	\$1.15 ²
11 miles	\$3.74	\$1.25 ²
13 miles	\$4.42	\$1.25 ²
15 miles	\$5.10	\$1.25 ²

¹ Assumes the trip destination is downtown and peak-period surcharges.

² Assumes express service from zones 3 and 4.

- o Relationship between transit fares and actual auto cost (gas, oil, tires, depreciation, insurance).

Table 3
Automobile Costs vs. Transit Fares

<u>Trip Length</u>	<u>Auto Costs</u>	<u>Transit Fare</u>
1 mile	\$.40	\$.75
3 miles	\$1.20	\$.75
5 miles	\$2.00	\$.75
7 miles	\$2.80	\$.90
9 miles	\$3.60	\$1.15
11 miles	\$4.40	\$1.25
13 miles	\$5.20	\$1.25
15 miles	\$6.00	\$1.25

These tables show that the fares for service in excess of 5 miles are significantly underpriced.

- o The peak-hour surcharge and zone fares should be retained and zone charges increased.
- o Express charges should be increased commensurate with distance of trips.
- o Inequities from the property tax should be rectified with adjustments to the property tax levy rather than through the fare structure.

APPENDIX B

METROPOLITAN TRANSIT COMMISSION

Tax Levy by Municipality Within the Metropolitan Transit Taxing District
for Property Taxes Payable 1980, 1981, 1982, 1983

	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>
<u>ANOKA COUNTY</u>				
Anoka	\$ 134,351	\$ 227,409	\$ 232,499	\$ 293,138
Blaine	205,310	329,380	365,933	465,671
Columbia Heights	169,951	265,758	284,883	365,468
Coon Rapids	276,482	433,031	494,381	654,090
Fridley	362,359	529,757	570,950	698,805
Centerville	4,973	8,403	9,954	13,520
Circle Pines	23,220	36,384	40,313	51,170
Hilltop	5,699	8,620	10,054	10,906
Lexington	12,175	19,570	21,872	26,722
Lino Lakes	33,308	56,979	67,304	87,122
Spring Lake Park	48,132	73,550	79,040	98,777
Subtotal	\$ 1,275,960	\$ 1,988,841	\$ 2,177,183	\$ 2,765,389

Source: Anoka County Auditor
Anoka Exurban Taxes

\$ 52,206

CARVER COUNTY

Chanhassan	\$ 64,418	\$ 115,611	\$ 142,002	\$ 169,259
Chaska	64,433	110,648	135,334	173,760
Victoria	13,707	23,115	—	—
Subtotal	\$ 142,558	\$ 249,374	\$ 277,336	\$ 343,019

Source: Carver County Auditor
Carver Exurban Taxes

\$ 31,928

DAKOTA COUNTY

Apple Valley	\$ 173,622	\$ 280,942	\$ 310,877	\$ 408,419
Burnsville	480,158	747,134	765,122	902,293
Eagan	257,437	413,742	459,805	581,931
Inver Grove	146,392	222,687	239,501	335,591
Lilydale	10,509	16,157	20,447	23,103
Mendota	1,992	3,227	3,224	224,044
Mendota Heights	99,273	192,557	189,599	3,998
Rosemount	58,279	91,893	99,488	128,752
South St. Paul	154,508	237,516	261,248	304,448
Sunfish Lake	6,741	12,083	14,860	17,428
West St. Paul	192,085	295,883	297,437	359,906
Subtotal	*\$ 1,580,998	*\$ 2,513,821	*\$ 2,661,608	\$ 3,289,913

Source: Dakota County Auditor
Dakota Exurban Taxes

\$ 56,320

* Does not include levy on distribution amount of fiscal disparity valuation which is \$52,089 for 1980, \$78,859 for 1981 and \$174,271 for 1982.

	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>
<u>WASHINGTON COUNTY</u>				
Bayport	\$ 24,504	\$ 34,410	\$ 45,089	\$ 50,109
Baytown	8,920	12,896	16,232	18,415
Birchwood	9,936	16,951	20,943	23,666
Cottage Grove	163,621	252,951	294,678	338,164
Dellwood	15,119	28,185	33,109	37,741
Lake Elmo	48,599	78,485	91,747	108,386
Landfall	4,595	6,788	11,362	7,424
Mahtomedi	30,865	50,600	65,251	76,250
Newport	34,759	51,356	61,037	69,721
Oakdale	93,411	134,358	174,811	203,024
Oak Park Heights	83,281	139,981	139,647	142,375
Pine Springs	3,066	5,663	7,442	8,904
St. Paul Park	33,968	55,393	60,634	69,397
Willernie	2,792	5,562	7,025	8,001
Woodbury	131,038	214,040	243,382	282,788
Stillwater	93,435	152,250	188,917	226,909
White Bear Lake	543	1,290	2,186	3,037
Subtotal	\$ 782,452	\$ 1,241,159	\$ 1,463,492	\$ 1,674,311

Source: Washington County Auditor
Washington Exurban Taxes

\$ 47,370

RAMSEY COUNTY

Arden Hills	\$ 110,667	\$ 176,721	\$ 203,123	\$ 268,036
Blaine	363	545	469	655
Falcon Heights	53,069	76,317	83,748	103,184
Gem Lake	7,711	12,069	13,645	17,471
Lauderdale	21,927	31,612	34,927	46,379
Little Canada	75,374	110,243	125,597	165,189
Maplewood	400,658	596,785	637,047	809,768
Mounds View	97,567	145,161	164,882	202,335
New Brighton	229,623	339,085	386,228	483,369
North Oaks	69,839	116,439	121,887	152,535
North St. Paul	94,900	141,042	160,515	202,607
Roseville	531,014	794,631	852,342	1,062,327
St. Anthony	35,566	49,637	56,133	67,358
Shoreview	175,873	276,289	313,169	414,220
Spring Lake Park	1,031	1,512	1,698	2,081
Vadnais Heights	39,974	74,042	100,682	138,870
White Bear Lake	197,339	299,694	334,890	427,162
White Bear Township	52,997	82,678	98,916	129,099
St. Paul	2,615,192	3,927,213	4,373,328	5,482,392
Subtotal	\$ 4,810,684	\$ 7,251,715	\$ 8,063,226	\$10,175,037

Source: Dept. of Property Taxation, Ramsey County

COMMUNITIES ELIGIBLE FOR OPT-OUT

TIER ONE

1982-83 PROPERTY TAX LEVY

✓ Centerville	\$ 13,520
✓ Lino Lakes	87,122
✓ Maple Grove	537,090
✓ Plymouth	1,100,116
✓ Tonka Bay	56,847
✓ Birchwood	23,666
✓ Pine Springs	8,904
✓ Willemie	8,001
✓ North Oaks	152,535
✓ Vadnais Heights	138,870
✓ White Bear Twshp	129,099
✓ Chaska	173,760
✓ Prior Lake	146,932
✓ Shakopee	231,603
✓ Apple Valley	<u>408,419</u>

TOTAL

\$ 3,216,484

TIER TWO

✓ Savage	\$ 95,039
✓ Circle Pines	51,170
✓ Medicine Lake	12,584
✓ Shorewood	153,113
✓ Little Canada	165,189
✓ Chanhassen	171,241
✓ Eden Prairie	703,303
✓ Burnsville	902,293
✓ Rosemount	<u>128,752</u>

TOTAL

\$ 2,382,684

TIER THREE

✓ Lexington	\$ 26,722
✓ Eagan	<u>581,931</u>

TOTAL

\$ 608,653

GRAND TOTAL - - - - - \$ 6,207,821

GLA:th
3/31/83

B-11
1-4-84

METROPOLITAN TRANSIT
FARES AND FINANCING

Larry Dallam
Metropolitan Council
January 4, 1984

Issue Is the pricing and financing of MTC service equitable and adequate?

I. Financing

Existing Sources:

Fares
Property Tax
State assistance
Federal aid

History: See Table 1

1. Federal Aid -- Unstable (requires congressional action -- current administration policy is to phase out aid for operations).
2. State Assistance

Question -- What is role of State in the support of metropolitan transit service?

- o One role is to ensure mobility for the disadvantaged through the social fares legislation.
- o No stated policy on percent of State assistance of MTC operating cost (varies from 45% to 65%, depending upon characteristics of area for outstate transit). State assistance has varied from 9% to 39% and therefore it appears that it has been treated as a balancing item. There also appears to be no correlation between amount of State assistance and progress toward achieving State goals.

3. Property Tax

Has increased steadily and assumed increasing proportion of operating budget.

From State perspective, this is appropriate and equitable since the local area is the beneficiary of the service.

From the local (metro) area perspective -- is the tax, its collection and distribution equitable?

- o In terms of the tax itself -- there is no definable relationship between the value of real estate and the existence of transit service. (The relationship is between the occupants of the property -- not the owners). Therefore, the property tax is not equitable (fair, just, reasonable or impartial).
- o In terms of the collection (who pays) -- only those individuals or entities that own property pay the tax.
- o In terms of the distribution (who benefits) -- the amount of tax levied is not related to service received (especially true in outer suburban areas).

Table 1
History of
Annual Operating Expense and Revenues

<u>Year</u>	<u>Operating Expense</u>	<u>Operating Revenues (Fares)</u>	<u>Property Tax</u>	<u>State Assistance</u>	<u>Federal</u>
Millions of Dollars (Percent of Operating Expense)					
1971	15.6	14.6 (93.6)	---	---	---
1972	17.6	13.8 (78.4)	5.0 (28.4)	---	---
1973	20.8	14.4 (69.2)	5.0 (24.0)	---	---
1974	26.6	15.3 (57.5)	8.7 (32.7)	4.0 (15.0)	---
1975	34.6	16.1 (46.5)	17.7 (51.2)	3.2 (9.2)	8.9 (25.7)
1976	42.1	16.7 (39.7)	10.9 (25.9)	16.3 (38.7)	8.6 (20.4)
1977	48.0	17.4 (36.3)	12.8 (26.7)	10.8 (22.5)	8.6 (17.9)
1978	52.2	18.1 (34.7)	16.4 (31.4)	15.2 (29.1)	11.6 (22.2)
1979	63.2	22.2 (35.1)	16.9 (26.7)	9.0 (14.2)	12.0 (19.0)
1980	72.8	28.9 (39.7)	19.6 (26.9)	20.5 (28.2)	12.0 (16.5)
1981	84.1	31.9 (37.7)	30.8 (36.6)	12.9 (15.3)	10.7 (12.7)
1982	87.0	34.4 (39.5)	34.3 (39.4)	9.6 (10.5)	8.5 (9.8)
1983	94.6*	36.4*(38.5)	43.0 (45.4)	4.3 (4.6)	8.5 (9.0)

* Estimates

Options to Property Tax

Payroll tax
Sales tax
Auto-related tax

Equitable Adjustments to Property Tax Levy

	Full Service	2.00 Mills
Relate to service levels --	Peak-Hour & Limited Off Peak	1.50 Mills
	Limited Peak-Hour Only	1.25 Mills

4. Fares

A. Policies

State

Fares and fare collection systems shall be established and administered to accomplish the following purposes:

- (a) To encourage and increase transit and paratransit ridership with an emphasis on regular ridership;
- (b) To restrain increases in the average operating subsidy per passenger;
- (c) To ensure that no riders on any route pay more in fares than the average cost of providing the service on that route;
- (d) To ensure that operating revenues are proportioned to the cost of providing the service so as to reduce any disparity in the subsidy per passenger on routes in the transit systems.

Downtown Circulation Fares. The commission and other operators may charge not less than 10 cents for service on any route providing circulation service in a downtown area or community activity center. The commission and other operators shall not contribute more than 50 percent of the operating deficit of any such route that is confined to a downtown area or community activity center.

Other Reduced Fares Prohibited; exception. Except for the advance sale of service through special passes or for other special promotional efforts, and except as provided above, the commission and other operators shall not grant any reduced fares for regular-route bus service.

Metropolitan Council

The following policy, identified as #23 of the Transportation Policy Plan, has been adopted by the Council:

The transit fare structure should reflect a balance between the actual operating cost of the service to be provided and the public purpose or need for the service.

Metropolitan Transit Commission

1. The Metropolitan Transit Commission has established a fare policy that bus revenues for regular transit services represent 40 to 45 percent of the expenses for providing such service.
2. At least once each year the commission, upon reviewing the anticipated budget for regular transit service for that year, will adopt fare adjustments that will provide the necessary bus revenues to achieve that goal.
3. Transit passenger revenue is defined as the sum of (a) farebox revenues collected from the users of regular transit service, (b) social fare reimbursements, (c) payments under contracts which contribute directly to covering the cost of operating regular transit services and (d) advertising revenue.
4. Under this policy, bus revenues and local financial support as represented by the property tax shall provide 60 to 65 percent of the cost for providing regular transit service.

B. Equity of Existing Fare Structure

- o Relationship between price and cost of services (system-wide average of 34 cents per passenger mile).

Table 2
Cost of Service vs. Actual Fares

Passenger Trip Length	Cost of Service	Actual Fare ¹
1 mile	\$.34	\$.75
2 miles	\$.68	\$.75
3 miles	\$1.02	\$.75
5 miles	\$1.70	\$.75
7 miles	\$2.38	\$.90
9 miles	\$3.06	\$1.15 ²
11 miles	\$3.74	\$1.25 ²
13 miles	\$4.42	\$1.25 ²
15 miles	\$5.10	\$1.25 ²

¹ Assumes the trip destination is downtown and peak-period surcharges.

² Assumes express service from zones 3 and 4.

- o Relationship between transit fares and actual auto cost (gas, oil, tires, depreciation, insurance).

Table 3
Automobile Costs vs. Transit Fares

<u>Trip Length</u>	<u>Auto Costs</u>	<u>Transit Fare</u>
1 mile	\$.40	\$.75
3 miles	\$1.20	\$.75
5 miles	\$2.00	\$.75
7 miles	\$2.80	\$.90
9 miles	\$3.60	\$1.15
11 miles	\$4.40	\$1.25
13 miles	\$5.20	\$1.25
15 miles	\$6.00	\$1.25

*New car
10,000 miles / year
5 yrs.
Parking not
included.*

These tables show that the fares for service in excess of 5 miles are significantly underpriced.

- o The peak-hour surcharge and zone fares should be retained and zone charges increased.
- o Express charges should be increased commensurate with distance of trips.
- o Inequities from the property tax should be rectified with adjustments to the property tax levy rather than through the fare structure.

METROPOLITAN TRANSIT COMMISSION

Tax Levy by Municipality Within the Metropolitan Transit Taxing District
for Property Taxes Payable 1980, 1981, 1982, 1983

	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>
<u>ANOKA COUNTY</u>				
Anoka	\$ 134,351	\$ 227,409	\$ 232,499	\$ 293,138
Blaine	205,310	329,380	365,933	465,671
Columbia Heights	169,951	265,758	284,883	365,468
Coon Rapids	276,482	433,031	494,381	654,090
Fridley	362,359	529,757	570,950	698,805
Centerville	4,973	8,403	9,954	13,520
Circle Pines	23,220	36,384	40,313	51,170
Hilltop	5,699	8,620	10,054	10,906
Lexington	12,175	19,570	21,872	26,722
Lino Lakes	33,308	56,979	67,304	87,122
Spring Lake Park	48,132	73,550	79,040	98,777
Subtotal	\$ 1,275,960	\$ 1,988,841	\$ 2,177,183	\$ 2,765,389

Source: Anoka County Auditor
Anoka Exurban Taxes

\$ 52,206

CARVER COUNTY

Chanhassan	\$ 64,418	\$ 115,611	\$ 142,002	\$ 169,259
Chaska	64,433	110,648	135,334	173,760
Victoria	13,707	23,115	—	—
Subtotal	\$ 142,558	\$ 249,374	\$ 277,336	\$ 343,019

Source: Carver County Auditor
Carver Exurban Taxes

\$ 31,928

DAKOTA COUNTY

Apple Valley	\$ 173,622	\$ 280,942	\$ 310,877	\$ 408,419
Burnsville	480,158	747,134	765,122	902,293
Eagan	257,437	413,742	459,805	581,931
Inver Grove	146,392	222,687	239,501	335,591
Lilydale	10,509	16,157	20,447	23,103
Mendota	1,992	3,227	3,224	224,044
Mendota Heights	99,273	192,557	189,599	3,998
Rosemount	58,279	91,893	99,488	128,752
South St. Paul	154,508	237,516	261,248	304,448
Sunfish Lake	6,741	12,083	14,860	17,428
West St. Paul	192,085	295,883	297,437	359,906
Subtotal	*\$ 1,580,998	*\$ 2,513,821	*\$ 2,661,608	\$ 3,289,913

Source: Dakota County Auditor
Dakota Exurban Taxes

\$ 56,320

* Does not include levy on distribution amount of fiscal disparity valuation which is \$52,089 for 1980, \$78,859 for 1981 and \$174,271 for 1982.

	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>
<u>WASHINGTON COUNTY</u>				
Bayport	\$ 24,504	\$ 34,410	\$ 45,089	\$ 50,109
Baytown	8,920	12,896	16,232	18,415
Birchwood	9,936	16,951	20,943	23,666
Cottage Grove	163,621	252,951	294,678	338,164
Dellwood	15,119	28,185	33,109	37,741
Lake Elmo	48,599	78,485	91,747	108,386
Landfall	4,595	6,788	11,362	7,424
Mahtomedi	30,865	50,600	65,251	76,250
Newport	34,759	51,356	61,037	69,721
Oakdale	93,411	134,358	174,811	203,024
Oak Park Heights	83,281	139,981	139,647	142,375
Pine Springs	3,066	5,663	7,442	8,904
St. Paul Park	33,968	55,393	60,634	69,397
Willernie	2,792	5,562	7,025	8,001
Woodbury	131,038	214,040	243,382	282,788
Stillwater	93,435	152,250	188,917	226,909
White Bear Lake	543	1,290	2,186	3,037
Subtotal	\$ 782,452	\$ 1,241,159	\$ 1,463,492	\$ 1,674,311

Source: Washington County Auditor
Washington Exurban Taxes

\$ 47,370

RAMSEY COUNTY

Arden Hills	\$ 110,667	\$ 176,721	\$ 203,123	\$ 268,036
Blaine	363	545	469	655
Falcon Heights	53,069	76,317	83,748	103,184
Gem Lake	7,711	12,069	13,645	17,471
Lauderdale	21,927	31,612	34,927	46,379
Little Canada	75,374	110,243	125,597	165,189
Maplewood	400,658	596,785	637,047	809,768
Mounds View	97,567	145,161	164,882	202,335
New Brighton	229,623	339,085	386,228	483,369
North Oaks	69,839	116,439	121,887	152,535
North St. Paul	94,900	141,042	160,515	202,607
Roseville	531,014	794,631	852,342	1,062,327
St. Anthony	35,566	49,637	56,133	67,358
Shoreview	175,873	276,289	313,169	414,220
Spring Lake Park	1,031	1,512	1,698	2,081
Vadnais Heights	39,974	74,042	100,682	138,870
White Bear Lake	197,339	299,694	334,890	427,162
White Bear Township	52,997	82,678	98,916	129,099
St. Paul	2,615,192	3,927,213	4,373,328	5,482,392
Subtotal	\$ 4,810,684	\$ 7,251,715	\$ 8,063,226	\$10,175,037

Source: Dept. of Property Taxation, Ramsey County

COMMUNITIES ELIGIBLE FOR OPT-OUT

<u>TIER ONE</u>	<u>1982-83 PROPERTY TAX LEVY</u>	
✓ Centerville	\$ 13,520	
✓ Lino Lakes	87,122	
✓ Maple Grove	537,090	
✓ Plymouth	1,100,116	
✓ Tonka Bay	56,847	
✓ Birchwood	23,666	
✓ Pine Springs	8,904	
✓ Willernie	8,001	
✓ North Oaks	152,535	
✓ Vadnais Heights	138,870	
✓ White Bear Twshp	129,099	
✓ Chaska	173,760	
✓ Prior Lake	146,932	
✓ Shakopee	231,603	
✓ Apple Valley	<u>408,419</u>	
TOTAL		\$ 3,216,484

<u>TIER TWO</u>		
✓ Savage	\$ 95,039	
✓ Circle Pines	51,170	
✓ Medicine Lake	12,584	
✓ Shorewood	153,113	
✓ Little Canada	165,189	
✓ Chanhassen	171,241	
✓ Eden Prairie	703,303	
✓ Burnsville	902,293	
✓ Rosemount	<u>128,752</u>	
TOTAL		\$ 2,382,684

<u>TIER THREE</u>		
✓ Lexington	\$ 26,722	
✓ Eagan	<u>581,931</u>	
TOTAL		\$ 608,653

GRAND TOTAL - - - - - \$ 6,207,821

GLA:th
3/31/83

B-2

1-11-84

TRANSIT FARE SUMMARY
Fare Structures in Effect
on October 1, 1983



TRANSIT FARE SUMMARY

Fare Structures as of October 1, 1983

(Changes in fare structures after October 1, 1983 indicated in ☐)

NOTE: Transit systems are listed under the name of the Urbanized Area in which all or the major portion of their service is operated. Systems outside of Urbanized Areas are listed under Urban Place names.

#: Last fare structure submitted for June 1, 1983 Transit Fare Summary.

Systems which did not report for either June 1, 1983 or October 1, 1983 have been deleted from this summary.

UNITED STATES

Location, Transit System	BASIC ADULT FARES						REDUCED FARE CATEGORIES		
	Cash Fare	Transfer Charges	Zone Charges Possible	Pass/ Permit Rate	Tickets/ Tokens/Cards	Senior	Child	Student	
	Effective Date					Amount	Fare/Codes	Fare/Codes	Fare/Codes
Abilene, TX Abilene Transit System	AUG 17 '81	50¢ 75¢ X	Free	No Zones	\$ 4.00 W \$12.00 M \$18.00 MX	---	25¢ L aik	Free L r 35¢ L aik	
Agana, Guam Mass Transit Authority	JAN 01 '83	75¢	None	No Zones	---	---	Free q	Free t ---	
Akron, OH Kent State University Campus Bus Service	AUG 01 '82	55¢	Free	No Zones	\$15.00- \$16.00 M	10 @ \$5.00	25¢ aimp	Free r 20 @ \$7.50 aim	
Akron, OH METRO Regional Transit Authority	JAN 03 '83	50¢ B 60¢ P 80¢ E	5¢	No Zones	\$24.00 M \$32.00 EM	Reg Rate	30¢ L ai 40¢ E ai	Free q 40¢ L aik	
Albany, NY Capital District Transportation Authority	NOV 24 '81	50¢ 70¢ E 60¢ X 25¢ S	Free	10¢/45¢	\$28.00- \$34.00 MY \$36.00- \$42.00 EMY	10 @ \$4.75	25¢ akp	Free r 30¢ amsv	

Location, Transit System	BASIC ADULT FARES						REDUCED FARE CATEGORIES		
	Cash Fare		Transfer Charges	Zone Charges Possible	Pass/ Permit Rate	Tickets/ Tokens/Cards	Senior Citizen Fare/Codes	Child Fare/Codes	Student Fare/Codes
	Effective Date	Amount							
Arcata, CA Arcata and Mad River Transit System	AUG 03 '82	35¢	Free	No Zones	---	10 @ \$ 3.00	Free aips	Free q	25¢ aijnp
Atlanta, GA Metropolitan Atlanta Rapid Transit Authority	JUL 26 '81	60¢ 100¢ X	Free - 5¢	No Zones Special Routes 30¢/165¢	\$ 5.00 W \$21.00 M	---	30¢ B aik Special Routes, Add 15¢ - 30¢	Free t	---
Atlantic City, NJ Atlantic City Transportation Company	SEP 01 '83	75¢	25¢	25¢/100¢	\$28.00- \$45.00 MY	Red Rate	35¢ B chp 40¢ chw	Free s	33.33% adult fare m
Augusta, GA Augusta Transit Department	JUN 08 '81	40¢ 60¢ X	10¢	10¢	None	None	15¢ B af	Free r 25¢ afw	25¢ afqt
Austin, TX Austin Transit System	OCT 04 '81	50¢ 90¢- 100¢ E 60¢ K	5¢	No Zones	\$10.00- \$20.00 LMY \$30.00 MX \$30.00- \$34.00 EMY	Reg Rate KC	25¢ B bis	Free r	25¢ aimq
Bakersfield, CA Golden Empire Transit District	JUL 01 '82	50¢	Free	No Zones	\$20.00 M	---	25¢ aips	Free r 35¢ alpw	None
Baltimore, MD Columbia Transit System	DEC 10 '80	75¢	Free	No Zones	---	10 @ \$6.75	35¢ B aipq 50¢ P aikpq	Free r	---
Baltimore, MD Mass Transit Administration of Maryland	JUN 05 '83	75¢ 90¢ E 105¢ & 175¢ X 50¢ V	10¢	10¢/75¢	\$28.00- \$56.00 LMY \$33.50- \$61.50 EMY \$39.00- \$67.00 MXY	10 @ \$ 7.00	25¢ ahkm	Free r	50¢ L afpqt

Location, Transit System	BASIC ADULT FARES						REDUCED FARE CATEGORIES		
	Cash Fare		Transfer Charges	Zone Charges Possible	Pass/ Permit Rate	Tickets/ Tokens/Cards	Senior	Child	Student
	Effective Date	Amount					Citizen Fare/Codes	Child Fare/Codes	Student Fare/Codes
Boone, NC Watauga County Transportation Authority	MAR -- '82	25¢	---	25¢/75¢	\$ 2.00- \$ 8.25 W \$ 4.25- \$16.50 I \$ 9.00- \$36.50 M \$11.00- \$44.00 M	Reg Rate	---	---	Free j
Boston, MA Massachusetts Bay Transporta- tion Authority (Bus)	AUG 01 '81	50¢ 100¢ E	None	25¢/125¢ 25¢/50¢ E	\$18.00- \$56.00 MY	Reg Rate 10 @ \$14.00 P	10¢ L dhps 50¢ E dhps	Free s 25¢ L dhw 50¢ E dhw	25¢ L dhkpst 50¢ E dhkpst
Boston, MA Massachusetts Bay Transporta- tion Authority (Rapid Transit)	MAY 01 '82	60¢	None	20¢/60¢	\$22.00- \$56.00 MY	Reg Rate	10¢ dhps	Free s 30¢ dhw	30¢ dhkpst
Boston, MA Massachusetts Bay Transporta- tion Authority (Streetcar)	MAY 01 '82	60¢	None	60¢ T	\$22.00- \$56.00 MY	Reg Rate 10 @ \$14.00 P	10¢ dhps	Free s 30¢ dhw	30¢ dhkpst
Bridgeport, CT Greater Bridgeport Transit District	AUG 23 '83	75¢ 90¢ E	Free	No Zones	\$25.00 M \$17.00 M \$20.00 EM	10 @ \$7.00	35¢ ais 65¢ E ai	Free r 60¢ aiw	None
Brockton, MA Brockton Area Transit Authority	AUG 01 '81	50¢ 25¢ V	Free	25¢/50¢	\$15.00 M	12 @ \$10.00 P	25¢ ahpq 10¢ V ahpq	Free s 25¢ ahw 10¢ V ahw	---
#Bryan, TX Brazos Transit System	APR 01 '82	50¢- 200¢ Y	None	No Zones	None	---	Free qv	---	---

Location, Transit System	BASIC ADULT FARES						REDUCED FARE CATEGORIES		
	Cash Fare		Transfer	Zone	Pass/ Permit	Tickets/ Tokens/Cards	Senior Citizen	Child	Student
	Effective Date	Amount							
			Charges	Charges Possible	Rate		Fare/Codes	Fare/Codes	Fare/Codes
Chicago, IL-Northwestern IN Chicago Transit Authority	JUL 06 '81	90¢	10¢	No Zones (20¢ Z)	\$ 1.20 RZ	---	40¢ kp	Free q	40¢ pqt
		110¢ E			\$ 1.40 S	---	60¢ E kp	40¢ ksw	60¢ E pqt
		60¢ V			\$23.00 MZ		55¢ X kp	60¢ E ksw	55¢ X pqt
		100¢ X			\$40.00 M			55¢ X ksw	
Chicago, IL-Northwestern IN Gary Public Transportation Corporation	JAN 01 '82	75¢	10¢	No Zones	\$30.00 M	---	35¢ ci	Free q	50¢ bit
Chicago, IL-Northwestern IN Greater Naperville Area Transportation System	OCT 06 '81	60¢	Free L 40¢ E	No Zones	\$23.00 M \$23.00- \$40.00 EM	Reg Rate	25¢ a-c, 1kps	Free q 25¢ a-c,w	25¢ a-c, 1kqsv
Chicago, IL-Northwestern IN North Suburban Mass Transit District	OCT 01 '81	60¢ L	40¢ L	---	\$23.00 M	Reg Rate	25¢ cikp	Free q	25¢ bikp
		225¢ E	10¢ E&X		\$40.00 MX		105¢ E bikp		105¢ E bikp
		90¢ X					40¢ X bikp		40¢ X bikp
Chicago, IL-Northwestern IN Regional Transportation Authority	OCT 01 '81	60¢	40¢	No Zones	\$23.00 M		25¢ L aik	Free q	25¢ L aik
		135¢-			\$40.00 MX		60¢ BE ai		40¢ E ai
		225¢ E					105¢ EP aik		60¢ &
		90¢ X							105¢ X aik
Chicago, IL-Northwestern IN Village of Schaumburg Dial-A-Ride Transportation System	JAN 01 '81	100¢	10¢	---	\$40.00 M	Reg Rate	50¢ bi	Free q	50¢ bikv
Cincinnati, OH-KY Southwest Ohio Regional Transit Authority (Queen City Metro)	JUL 01 '83	60¢ BL	Free	10¢/70¢	\$24.00-	---	35¢ ag	---	---
	OCT 01 '83	70¢ LP			\$40.00 LY		45¢ E		
	Thru	70¢ BE			\$28.00-				
	DEC 31 '83	80¢ EP			\$56.00 EY				
	for R&S	25¢ R&S							

CAPITAL AND LOWER CASE CODE LETTERS DEFINED ON PAGE 42

Location, Transit System	BASIC ADULT FARES						REDUCED FARE CATEGORIES		
	Cash Fare Effective Date	Amount	Transfer Charges	Zone Charges Possible	Pass/ Permit Rate	Tickets/ Tokens/Cards	Senior Citizen Fare/Codes	Child Fare/Codes	Student Fare/Codes
Davenport-Rock Island-Moline, IA-IL Davenport Department of Municipal Transportation	APR 01 '82	50¢	Free	No Zones	\$20.00 M	Reg Rate	25¢ aipq	Free s 35¢ aiw	\$15.00 M aims
Davenport-Rock Island-Moline, IA-IL Rock Island County Metropolitan Mass Transit District	MAY 01 '81	50¢	Free	No Zones	---	11 @ \$5.00	25¢ ainps	Free s	25¢ ainqr
Davis, CA University Transport System	OCT 02 '80	25¢	Free	No Zones	\$ 6.00- \$ 8.00 (5W)	10 @ \$2.00	Free aim	Free r	\$6.00 M aimj
Dayton, OH Miami Valley Regional Transit Authority	JUL 04 '82	60¢ 75¢ E	Free	No Zones	\$20.00 LM \$25.00 EM	---	30¢ L ainps	Free r	40¢ L aik
Decatur, IL Decatur Public Transit System	MAY 03 '82	50¢	Free	No Zones	---	Reg Rate	25¢ aik	Free s	30¢ aiksv
Dennis, MA Cape Code Regional Transit Authority (Van Service)	JUN 01 '81	100¢ GF	None	GF	\$30.00 Q	None	2000¢ Q mq 75¢ q	None	None
Dennis, MA Cape Code Regional Transit Authority (Van Service)	FEB 01 '84	135¢ GF	None	GF	\$35.00 Q	None	2200¢ Q mq 85¢ q	None	None
Denver, CO Regional Transportation District	JUN 01 '81	35¢ BL 35¢ PV 70¢ LP 105¢ E 175¢ X	Free	No Zones	\$12.00 MV \$24.00 LM \$36.00 EM \$60.00 MX	Reg Rate	5¢ B aikps \$ 8.00 MV \$16.00 LM \$24.00 EM \$40.00 MX	Free r \$ 8.00 MV kw \$16.00 LM kw \$24.00 EM kw \$40.00 MX kw	---

CAPITAL AND LOWER CASE CODES LETTERS DEFINED ON PAGE 42

Location, Transit System	BASIC ADULT FARES						REDUCED FARE CATEGORIES		
	Cash Fare		Transfer Charges	Zone Charges Possible	Pass/ Permit Rate	Tickets/ Tokens/Cards	Senior Citizen Fare/Codes	Child Fare/Codes	Student Fare/Codes
	Effective Date	Amount							
Durham, NC Duke Power Company Durham Transit	AUG 01 '81	50¢	10¢	No Zones	\$ 5.00 C \$ 6.00 C	11 @ \$5.00 C 20 @ \$6.00 BC	35¢ ainps	Free u 25¢ aiw	35¢ ainq
Elmira, NY Chemung County Transit System	JAN 01 '82	50¢ 65¢ E	None	No Zones	\$17.00 M	---	25¢ B dip 30¢ BE dip	Free r	---
El Paso, TX Public Transit Administration- City of El Paso	MAR 01 '82	50¢ 100¢ E	20¢	No Zones	\$10.00- \$14.00 C \$20.00 CE \$20.00- \$40.00 M	Reg Rate	15¢ L cikps	Free r 25¢ ciw	25¢ L bij m or pq
Erie, PA Erie Metropolitan Transit Authority	JUN 01 '82	60¢ B 75¢ P	10¢	No Zones	---	Reg Rate	Free B ais	Free r	55¢ B jnpv 50¢ P jkp v
Eugene, OR Lane Transit District	FEB 27 '83	55¢	Free	30¢/110¢	\$20.00- \$60.00 MY	5 @ \$2.50	25¢ afk	Free s 25¢ ahkw	\$4000¢- 4400¢ per 3 mos. mu
Fairfield, CA Fairfield Transit System	JUL 01 '82	50¢	Free	No Zones	---	10 @ \$4.50	25¢ aip	Free q	25¢ aikpq
Flint, MI Mass Transportation Authority	APR 01 '82	50¢ 100¢ X	Free	No Zones	---	---	25¢ aips 50¢ X	Free s	35¢ aqu
Florence, SC Pee Dee Regional Transit Authority	JUL 01 '82	50¢	Free	No Zones	None	None	None	None	None
Fort Collins, CO Transfort	JUN 06 '83	50¢	Free	No Zones	\$15.00 M \$ 4.00 C	10 @ \$4.00 C	25¢ B aikq	Free r	Free jpu

Location, Transit System	BASIC ADULT FARES						REDUCED FARE CATEGORIES		
	Cash Fare		Transfer Charges	Zone Charges Possible	Pass/ Permit Rate	Tickets/ Tokens/Cards	Senior Citizen Fare/Codes	Child Fare/Codes	Student Fare/Codes
	Effective Date	Amount							
#Harrisburg, PA Cumberland-Dauphin-Harrisburg Transit Authority	JUL 01 '82	50¢ 55¢ E	5¢	15¢/45¢	\$ 20.00- \$ 38.00 MY	Reg Rate	Free B	Free r	---
Hartford, CT Connecticut Transit Hartford Division	AUG 20 '83	75¢	Free	40¢/150¢	\$ 29.00- \$ 86.00 MY	10 @ \$ 7.00& 10 @ \$11.00 Y	35¢ ahps	Free t	50¢ ahpq
Hartford, CT Greater Hartford Transit District	---		Para transit service, no charge to patrons who are elderly or handicapped (not included on summary tables at end of report)						
High Point, NC High Point Transit System	JUL 01 '81	40¢	20¢	No Zones	\$ 5.00 C	11 @ \$5.00 C	30¢ B m	Free r	30¢ B m
Hilo, HI Hawaii County Transit System	APR 01 '82	50¢	Free	50¢/400¢	\$ 18.00- \$162.00 M	180 @ \$72.00	25¢ ahkp	Free t	---
Honolulu, HI City and County of Honolulu Department of Transportation Services	NOV 01 '79	50¢ 100¢ X	Free	No Zones	\$ 15.00 M	---	Free L&E aims	Free r	25¢ L&E aikq
Houston, TX Metropolitan Transit Authority of Harris County	OCT 20 '75	40¢ 65¢ X	Free	10¢/20¢ 25¢/100¢ E 25¢/125¢ X	\$ 17.00- \$ 25.00 MY \$ 25.00- \$ 45.00 EMY \$ 25.00- \$ 75.00 MXY	Reg Rate	20¢ am	Free r 10¢ aw	10¢ am

Location, Transit System	BASIC ADULT FARES						REDUCED FARE CATEGORIES		
	Cash Fare		Transfer Charges	Zone Charges Possible	Pass/ Permit Rate	Tickets/ Tokens/Cards	Senior	Child	Student
	Effective Date	Amount					Citizen Fare/Codes	Child Fare/Codes	Student Fare/Codes
#Johnsonburg, PA Area Transportation Authority of North Central Pennsylvania	---	65¢ GF (fixed route)	---	No Zones	---	---	Free B ips	Free s	25¢ or 25% adult fare
Johnstown, PA Cambria County Transit Authority	MAY 31 '81	60¢	10¢	No Zones	---	Reg Rate	Free B ps	Free q	40¢ K dikpq
Kalamazoo, MI City of Kalamazoo - Metro Transit System	FEB 11 '82	50¢	Free	No Zones	\$11.00 & \$22.50 C	1 @ \$.45 22 @ \$11.00 C 50 @ \$22.50 C	25¢ aim Free B Wed & Fri m 100¢ K di	Free q	35¢ aikq
Kansas City, MO Kansas City Area Transportation Authority	JAN 03 '83	60¢ 70¢ E	Free	10¢/30¢	\$23.00 \$34.00 M \$26.00- \$38.00 EM	Reg Rate	30¢ ahms 35¢ E ahms	Free r 30¢ ahmw 35¢ E ahmw	---
Knoxville, TN Knoxville Transportation Authority (K-Trans)	MAR 30 '81	60¢ 130¢ E	5¢	No Zones	---	20 @ \$11.50 20 @ \$26.00 E	30¢ aik 65¢ E aik	Free r	45¢ L aikp rt
Lafayette, IN Greater Lafayette Public Transportation Corporation	DEC 01 '81	50¢	15¢	No Zones	\$21.00 M	20 @ \$ 9.00	15¢ bikps	Free r	---
Lancaster, PA Red Rose Transit Authority	JUL 01 '82	65¢	5¢	15¢/90¢	\$ 6.00- \$14.00 CY \$18.00- \$42.00 MY	10 @ \$ 6.00- \$14.00 CY	Free B af	Free r	50¢ bg

Location, Transit System	BASIC ADULT FARES						REDUCED FARE CATEGORIES		
	Cash Fare		Transfer Charges	Zone Charges Possible	Pass/ Permit Rate	Tickets/ Tokens/Cards	Senior	Child	Student
	Effective Date	Amount					Citizen Fare/Codes	Fare/Codes	Fare/Codes
Los Angeles-Long Beach, CA Orange County Transit District	JUN 01 '81	60¢ B	Free	1.25 each BK 1.50 each KP	\$1.25 each BK \$1.50 each	\$25.50 LM \$80.00 EM 40 @ \$27.00 LM, KM, or X 20 @ \$40.00 E	Free B aikps 35¢ P aikps 50¢ K ahkps	Free q 75¢ X diw	\$22.50 M mp j&q
		75¢ P							
		200¢ E							
		150¢ X							
		125¢ BK							
		150¢ KP							
Los Angeles-Long Beach, CA Santa Monica Municipal Bus Lines	JUL 03 '83	50¢	Free 10¢ J	No Zones	---	10 @ \$4.50	20¢ aip 40¢ E aip	Free s	---
		80¢ E							
Los Angeles-Long Beach, CA Southern California Rapid Transit District	JUL 01 '82	50¢	10¢	25¢/125¢ E	\$20.00 M \$27.00- \$55.00 EMY	Reg Rate	20¢ bkr	Free s	20¢ bkqj
		75¢-							
		175¢ E							
		125¢-							
		305¢ X							
		10¢-							
		25¢ V							
Louisville, KY Transit Authority of River City	SEP 01 '80	35¢ B	Free	15¢/25¢	---	10 @ \$5.00 P	25¢ amp	Free r	25¢ agpq
		60¢ P							
		10¢ V							
Lowell, MA Lowell Regional Transit Authority	MAY 01 '83	50¢ B	10¢	No Zones	\$15.00 M	3 @ \$1.25	25¢ ciq	Free r 25¢ ciw	1000¢ cimqt 1300¢ jm
Lubbock, TX Citibus	JUN 01 '82	75¢	Free	No Zones	\$ 6.00 C \$12.00 C	10 @ \$6.00 C	35¢ aip	Free q 50¢ aiw	45¢ aimu
Lynchburg, VA Greater Lynchburg Transit Co.	JUL 01 '83	60¢	Free	No Zones	\$10.00 W	22 @ \$11.00 20 @ \$16.00 E	30¢ B aip	Free s	40¢ aipsu
		80¢ E							

Location, Transit System	BASIC ADULT FARES						REDUCED FARE CATEGORIES		
	Cash Fare		Transfer Charges	Zone Charges Possible	Pass/ Permit Rate	Tickets/ Tokens/Cards	Senior Citizen Fare/Codes	Child Fare/Codes	Student Fare/Codes
	Effective Date	Amount							
Miami, FL Metropolitan Dade County Transportation Administration/ Metrobus	JAN 01 '81	75¢ 100¢ E	25¢	No Zones	\$40.00 M \$50.00 EM	---	35¢ B aik 50¢ BE aik	Free v	35¢ aikq or pq 50¢ E or pq
Middletown, OH City of Middletown Transit	JAN 17 '81	35¢	Free	No Zones	Reg Rate	---	2 @ 35¢ aims	Free u	---
Midland, TX Midland Transit System	NOV 01 '83	200¢ K	Free	---	---	---	Free	Free s 75¢ aw	---
Milwaukee, WI Milwaukee County Transit System	JAN 01 '83	80¢ 100¢ X	Free	No Zones	\$ 7.75 W	10 @ \$ 7.75 10 @ \$ 9.75 X	40¢ B ai 60¢ BX	Free r	500¢ ½A aimt
Minneapolis-St. Paul, MN Metropolitan Transit Commission	JUN 01 '82	60¢ BL 70¢ BE 75¢ LP 85¢ EP	Free	15¢/40¢	\$24.00- \$46.00 MY \$28.00- \$50.00 EMY	Reg Rate 10 @ \$ 7.00- 10 @ \$12.50 CY	10¢ B af	Free q	20¢ B ag 30¢ BE ag
Mobile, AL Mobile Transit Authority	JUN 01 '81	60¢	10¢	No Zones	---	---	30¢ is	Free s	30¢ pq
Monroe, MI Lake Erie Transit	APR 01 '81	60¢ 120¢ K	Free	20¢/140¢	---	Reg Rate	30¢ aikq 60¢ K ahkq	Free r 30¢ aikq 60¢ K ahkq	---
#Monroe, PA Monroe County Transportation Authority	---	50¢	10¢	25¢/75¢	---	---	Free B aiks	---	---

Location, Transit System	BASIC ADULT FARES						REDUCED FARE CATEGORIES		
	Cash Fare		Transfer Charges	Zone Charges Possible	Pass/ Permit Rate	Tickets/ Tokens/Cards	Senior Citizen Fare/Codes	Child Fare/Codes	Student Fare/Codes
	Effective Date	Amount							
New Orleans, LA New Orleans Regional Transit Authority	MAY 30 '82	60¢ 75¢ E 30¢ V	5¢	No Zones	---	Reg Rate 22¢ E cpr	20¢ B cpr 10¢ V dpr	Free u	---
New Orleans, LA Westside Transit Lines	MAY 15 '83	60¢	30¢	No Zones	---	---	30¢ ci 25¢ BE di	Free u	---
Newport News-Hampton, VA Peninsula Transportation District Commission	JUL 01 '80	50¢ 75¢ & 100¢ X	10¢	25¢	\$ 9.00 W	40¢ B	25¢ B ch	Free s 25¢ w	25¢ bhp
New York, NY-Northeastern NJ Jamaica Buses, Inc.	JUL 26 '81	75¢ 250¢ E	Free	No Zones	---	---	35¢ P	---	5¢ u
New York, NY-Northeastern NJ Manhattan and Bronx Surface Transit Operating Authority	JUL 03 '81	75¢ 250¢ E	Free	No Zones	---	---	35¢	---	Free- 35¢ Y
New York, NY-Northeastern NJ Metropolitan Suburban Bus Authority	JUL 03 '81	75¢ 60¢ X	Free 15¢ X	15¢	\$ 3.75 W \$15.00 M (Bus/Rail)	---	35¢ ahi 30¢ X chi	Free s	65¢ L ahiq stv
New York, NY-Northeastern NJ New Jersey Transit Corporation (Bus)	SEP 01 '83	75¢ L 80¢ E	25¢	25¢/ 150¢ L 45¢/ 910¢ E	\$ 28.00- \$ 84.00 LMY \$ 40.00- \$279.00 EMY	10 @ 10% Discount	35¢ BL ch 40¢ BE ch	Free r 35¢ L chw 40¢ E chw	50¢ L bhk 53¢ E bhk
New York, NY-Northeastern NJ New Jersey Transit Corporation (Rail)	SEP 01 '83	110¢	---	55¢/ 710¢	\$ 9.25- \$ 61.00 WY \$ 31.00- \$203.00 MY	10 @ 5% Discount	55¢ B hs & 2 yrs	Free r 55¢ hw	55¢ hp

Location, Transit System	BASIC ADULT FARES						REDUCED FARE CATEGORIES		
	Cash Fare		Transfer Charges	Zone Charges Possible	Pass/ Permit Rate	Tickets/ Tokens/Cards	Senior Citizen Fare/Codes	Child Fare/Codes	Student Fare/Codes
	Effective Date	Amount							
Olympia, WA Intercity Transit	JAN 01 '82	35¢	Free	No Zones	\$.75 D \$14.00 M	---	10¢ aik	Free air 25¢ aikw	---
Oneonta, NY Greater Oneonta Bus Service	---	65¢ K 50¢ E	Free	No Zones	Red Rate C	5 @ \$2.15 C 10 @ \$4.25 C	25¢ ai	Free r	35¢ ai
Orlando, FL Orange-Seminole-Osceola Transportation Authority	NOV 15 '81	60¢ 75¢ E 100¢ X	5¢	No Zones	---	10 @ \$5.75 10 @ \$7.00 E 10 @ \$8.00 X	30¢ i 50¢ X i	Free r	None
Oshkosh, WI Oshkosh Transit System	JAN 01 '82	35¢	Free	No Zones	\$12.00 M	20 @ \$6.00	25¢ B ai	Free s 15¢ aiw	---
Owensboro, KY Owensboro Transit System	OCT 06 '80	50¢	Free	No Zones	\$10.00- \$20.00 M	---	20¢ k	25¢	25¢
Oxnard-Ventura-Thousand Oaks, CA South Coast Area Transit (SCAT)	JUL -- '82	75¢	Free	No Zones	---	Reg Rate	30¢ aikps Free aipt	Free s	60¢ aikpq
Peoria, IL Greater Peoria Mass Transit District	JAN 01 '83	60¢	Free	No Zones	\$15.00 C	Reg Rate	30¢ aim	Free s	35¢ aik
Philadelphia, PA-NJ Port Authority Transit Corporation of Pennsylvania and New Jersey (Rail)	MAR 30 '83	75¢ & 85¢	110¢ X Round trip J	45¢/85¢	---	Reg Rate	35¢ B hms	Free s	---

Location, Transit System	BASIC ADULT FARES						REDUCED FARE CATEGORIES		
	Cash Fare		Transfer Charges	Zone Charges Possible	Pass/ Permit Rate	Tickets/ Tokens/Cards	Senior Citizen Fare/Codes	Child Fare/Codes	Student Fare/Codes
	Effective Date	Amount							
Port Angeles, WA Clallam Transit System	SEP 06 '83	25¢ B 50¢ P	Free	No Zones	\$18.00 M \$ 1.00 D \$.50 D for HRS	None	\$9.00 M ai mq	Free r \$9.00 M aimw	None
Port Arthur, TX Port Arthur Transit System	FEB 01 '82	50¢	Free	No Zones	---	---	25¢ aiq	Free s	25¢ aiq
Port Huron, MI Blue Water Area Transportation Commission	JUL 01 '81	60¢	Free	No Zones	\$20.00 M	Reg Rate	30¢ ai	Free r	50¢ ai
Portland, OR-WA Tri-County Metropolitan Transportation District of Oregon	SEP 05 '82	75¢ 100¢ J	Free	25¢/150¢	\$23.00- \$40.00 MY \$35.00- \$42.00 JMY \$50.00 C	10 @ \$ 5.00- \$11.50 Y 40 @ \$50.00 CE	25¢ B gk 10¢ BJ Free JR	Free q 45¢ J w	50¢ agk
Portland, OR-WA Clark County Public Transportation Benefit Area	JUL 06 '81	50¢	Free	25¢/75¢ Includes J	\$18.00- \$40.00 MY &J	---	25¢ B ahkpr	Free q 35¢ B ahkpw	---
#Port Townsend, PA Jefferson Transit Authority	---	50¢	Free	No Zones	\$16.00 M	Reg Rate	25¢ ai	Free r	25¢ aik
Poughkeepsie, NY Poughkeepsie Bus Trans- portation	FEB 02 '81	50¢	10¢	No Zones	---	---	25¢ a	Free r	25¢ abtv
Providence-Pawtucket-Warwick, RI-MA Rhode Island Public Transit Authority	MAR 01 '81	50¢ 100¢ E	10¢	30¢/100¢	---	---	Free B bf	Free r	35¢ I bhk

Location, Transit System	BASIC ADULT FARES						REDUCED FARE CATEGORIES		
	Cash Fare		Transfer Charges	Zone Charges Possible	Pass/ Permit Rate	Tickets/ Tokens/Cards	Senior	Child	Student
	Effective Date	Amount					Citizen Fare/Codes	Fare/Codes	Fare/Codes
Sacramento, CA Sacramento Regional Transit District	JUL 01 '83	60¢ B 75¢ P	None	75¢ T	\$ 1.50- \$ 2.25 D \$30.00- \$45.00 MY	Reg Rate	30¢ B dgkpr 45¢ P dgkpr	Free r	\$20.00- \$35.00 MY m
Saginaw, MI Saginaw Transit Service	JAN 02 '82	50¢	Free	No Zones	\$18.00 M	---	25¢ ais	Free v	40¢ aikv
Saint Cloud, MN Saint Cloud Metropolitan Transit Commission	OCT 01 '80	25¢	25¢	No Zones	\$14.00 M	---	10¢ B ci	Free r	---
#Saint Joseph, MO Saint Joseph Light and Power Company	JUN 21 '81	50¢	Free	No Zones	---	---	25¢ aips	Free s	---
Saint Louis, MO Bi-State Development Agency	APR 05 '82	75¢ 100¢ E 100¢ & 150¢ X	10¢	10¢/20¢	\$10.00 W	None	35¢ afp 50¢ X afp & 100¢ X dip	Free s 35¢ bgw 50¢ E bgw 50¢ X diw & 100¢ X diw	10 @ \$3.75 C, L&E afmqrt
Saint Petersburg, FL Pinellas Suncoast Transit Authority	OCT 01 '81	50¢ 60¢ E	10¢	No Zones	---	Reg Rate	25¢ B ci	Free q	25¢ dip
Saint Petersburg, FL St. Petersburg Municipal Transit System	NOV 09 '80	50¢	10¢	50¢/60¢	\$ 5.00 W \$20.00 M \$ 4.50 C	10 @ \$4.50 C	25¢ B chps	Free r 25¢ kw	25¢ chp
Salem, OR Salem Area Mass Transit District	AUG 01 '82	50¢	Free	No Zones	\$14.00 M	Reg Rate	25¢ B aikr	Free r	35¢ aikq

Location, Transit System	BASIC ADULT FARES						REDUCED FARE CATEGORIES		
	Cash Fare		Transfer Charges	Zone Charges Possible	Pass/ Permit Rate	Tickets/ Tokens/Cards	Senior	Child	Student
	Effective Date	Amount					Citizen Fare/Codes	Fare/Codes	Fare/Codes
San Francisco-Oakland, CA Central Contra Costa Transit Authority	JUN 07 '82	60¢	Free & 25¢ J	No Zones	\$20.00 M \$15.00 MP	---	25¢ bikp	Free r	25¢ bikq
San Francisco-Oakland, CA Golden Gate Transit (Bus)	JUL 01 '83	100¢	Free & Worth 10¢ as J	75¢/230¢	---	20 @ 90% adult fare P	50% adult fare kps	Free r 75% adult fare kw	75% adult fare jkpq L
San Francisco-Oakland, CA Golden Gate Transit (Ferry Boat)	JUL 01 '82	210¢ & 250¢	Free/25¢ T (charge to feeder bus)	None	---	20 @ 90% adult fare P	50% adult fare kps	Free r 75% adult fare kw	75% adult fare jkpq L
San Francisco-Oakland, CA Marin County Transit District	JUL 01 '82	85¢	Free	No Zones	---	---	40¢ aips 100¢ K dipr	Free s	50¢ aimpq
San Francisco-Oakland, CA San Francisco Bay Area Rapid Transit District (Heavy Rail)	SEP 08 '82	60¢ 215¢ GF	60¢ J	GF	None	Red Rate	10% of Reg Fare	Free s 10% of Reg Fare K w	---
San Francisco-Oakland, CA San Francisco Municipal Railway (Bus, Light Rail, Trolley Coach)	APR 01 '82	60¢ 300¢ X, (round trip)	Free/ 40¢ to Cable Car	No Zones	\$24.00 M	Reg Rate	5¢ aikns or 250¢ M aims or 2500 ¢ A aims 100¢ X ikns	Free s 25¢ aiknw 200¢ X iknw, (round trip)	---
San Francisco-Oakland, CA San Mateo County Transit District	JUL 01 '82	35¢ 195¢ X	Free	15¢/140¢	\$ 5.00 M \$70.00 ME	1 @ \$.25 44 @ \$1.55 E	15¢ ahs	Free q 20¢ ahw	---

Location, Transit System	BASIC ADULT FARES						REDUCED FARE CATEGORIES		
	Cash Fare		Transfer Charges	Zone Charges Possible	Pass/ Permit Rate	Tickets/ Tokens/Cards	Senior	Child	Student
	Effective Date	Amount					Citizen Fare/Codes	Child Fare/Codes	Student Fare/Codes
Seattle-Everett, WA Community Transit	SEP 01 '81	30¢	Free	30¢/60¢	---	---	15¢ ah	Free r	15¢ ah
Seattle-Everett, WA Everett Transit System	JUL 01 '83	30¢	Free	No Zones	---	44 @ \$12.50	15¢ B aipr	Free u	---
Seattle-Everett, WA Municipality of Metropolitan Seattle	FEB 01 '82	50¢ B 75¢ P 105¢- 200¢ X	Free	10¢/60¢ B 15¢/90¢ P	\$ 16.25- \$ 19.50 (1Y) \$ 24.50- \$ 29.25 (2Y) \$178.75- \$321.75 Y \$ 33.00- \$ 63.00 X	Reg Rate	15¢ ahk	Free s 100% adult fare (no zone charge after zone 1) aw	---
#Sedalia, MO Citizens Low-Cost Intra-City Carrier	APR -- '81	50¢	Free	No Zones	\$ 30.00 M	---	---	25¢ aiw	---
Shreveport, LA Shreveport Transit System	SEP 01 '81	50¢ 100¢ K	10¢	No Zones	\$ 5.00 C \$ 18.00 C	Reg Rate C 40 @ \$18.00 C	20¢ cipr	Free u 30¢ ciw	30¢ cipq
Simi Valley, CA Simi Valley Transit System	DEC 12 '81	40¢ & 50¢	20¢	No Zones	---	Reg Rate	15¢ bip	Free r	35¢ mq
Sioux Falls, SD Sioux Falls Transit	AUG 06 '79	50¢	Free	No Zones	---	---	25¢ m	10¢	---
South Bend, IN South Bend Public Transpor- tation Corporation	JAN 01 '83	50¢ 100¢ X	Free	No Zones	\$ 20.00 M	Reg Rate	25¢ ais	Free r	25¢ aikq

Location, Transit System	BASIC ADULT FARES						REDUCED FARE CATEGORIES		
	Cash Fare		Transfer Charges	Zone Charges Possible	Pass/ Permit Rate	Tickets/ Tokens/Cards	Senior Citizen Fare/Codes	Child Fare/Codes	Student Fare/Codes
	Effective Date	Amount							
#Stevens Point, WI Stevens Point Transit System	JAN 01 '83	50¢	Free	No Zones	\$18.00 M \$ 5.00 W	---	25¢	25¢ aik	25¢ aij
Stockton, CA Stockton Metropolitan Transit District	JAN 02 '82	50¢ 55¢ E 100¢ X	5¢	No Zones	\$.45 C \$.50 CE	Red Rate C	10¢ bi	Free r	40¢ bi
Syracuse, NY CNY Regional Transportation Authority	FEB -- '80	50¢	Free	15¢	---	---	25¢ B ahps 25¢ ahw	Free 25¢ ahw	--- m
Tacoma, WA Pierce Transit	JAN 01 '82	25¢ B 50¢ P 75¢ X	Free	No Zones	\$20.00 M	23¢ B	\$10.00 aims	Free r	1500¢ aimq
Tacoma, WA Pierce Transit	JAN 01 '84	35¢ B 60¢ P 75¢ X	Free	No Zones	\$18.00 M	30¢ B	25¢ B aik	Free r	1500¢ aimq
Tallahassee, FL TALTRAN	AUG 01 '83	50¢	Free	No Zones	\$12.00 M \$18.00 M	10 @ \$4.00	25¢ aim 15¢ aiw	Free o 15¢ aiw	25¢ aim
Toledo, OH Toledo Area Regional Transit Authority	JAN 01 '83	65¢	10¢	No Zones	\$ 6.50 W	25 @ \$15.00	15¢ B bips 30¢ P bips	Free r	35¢ bipq
#Topeka, KS Topeka Metropolitan Transit Authority	JUL 01 '81	60¢	Free	No Zones	\$10.00 C	---	30¢ B	---	---

Location, Transit System	BASIC ADULT FARES						REDUCED FARE CATEGORIES		
	Cash Fare		Transfer	Zone	Pass/ Permit	Tickets/ Tokens/Cards	Senior	Child	Student
	Effective	Amount					Citizen	Child	Student
	Date		Charges	Possible	Rate		Fare/Codes	Fare/Codes	Fare/Codes
Washington, DC-MD-VA Washington Metropolitan Area Transit Authority (Bus)	APR 16 '83	70¢ B, 75¢P(DC); 75¢ BP (MD&VA); 60¢ V; 25¢ - 50¢ X P (add this surcharge to regular fare for special routes)	Bus to Bus Free; None to Rail	35¢/100¢ B (interstate) 30¢/80¢ P (VA) 60¢/155¢ P (interstate)	\$14.00 (DC) I \$12.00 (MD) I \$20.00 (DC, MD) I \$15.00 (VA), I \$20.00, \$26.00, \$31.00, (DC, MD, VA), IY	Reg Rate 20 @ \$14.25	25¢ (DC, MD) hps 35¢ (VA) hps	Free s	25¢ (DC) m
Washington, DC-MD-VA Washington Metropolitan Area Transit Authority (Heavy Rail)	DEC 05 '81	75¢ B 75¢- 250¢ GF,P	Free Rail to Rail (BP); Free to Bus (DC); 50¢ to bus B or P (MD); 50¢ to bus (VA) B; 30¢/90¢ B (interstate); 50¢/130¢ P (VA); 60¢/205¢ P (interstate)	GF	---	Reg Rate \$10.50 Value for \$10.00	50% adult fare, not to exceed 75¢	---	---
West Palm Beach, FL Palm Beach County Transportation Authority	JUN 01 '82	75¢	Free	No Zones	\$27.00 M	---	35¢ aip	Free t 35¢ aiw	35¢ aip

Location, Transit System	BASIC ADULT FARES						REDUCED FARE CATEGORIES		
	Cash Fare		Transfer Charges	Zone Charges Possible	Pass/ Permit Rate	Tickets/ Tokens/Cards	Senior	Child	Student
	Effective Date	Amount					Citizen Fare/Codes	Child Fare/Codes	Student Fare/Codes
Canada									
Calgary, Alberta Calgary Transit	JAN 01 '83	90¢ 100¢ E	Free	No Zones	\$31.00 M	11 @ \$ 9.50	1000¢ A aims 10¢ E aims	Free r 65¢ aikw 75¢ aikw	65¢ ainpqt 75¢ ainpqt
Dartmouth, Nova Scotia Metropolitan Transit Commission	FEB 15 '82	60¢ 85¢ E	Free	60¢ 65¢ E	---	---	30¢ ah	30¢ 40¢ E ah	---
Dartmouth, Nova Scotia Metropolitan Transit Commission	JAN 01 '84	65¢	Free	60¢ 65¢ E	---	---	30¢ ah	30¢ 40¢ E ah	---
Edmonton, Alberta Edmonton Transit	JAN 01 '83	85¢	Free	No Zones	\$31.00 M	Reg Rate	\$5.00/ Life aip	Free q	\$ 9.00 aim sv & \$112.00 jm
#Mississauga, Ontario Mississauga Transit	JAN 01 '81	75¢	Free	No Zones	---	---	\$5.00 A	Free r	.65 ai
Montreal, Quebec Montreal Urban Community Transit Commission	JAN 01 '83	80¢	Free	No Zones	\$22.50 M	14 @ \$ 9.00	25¢ aik	Free r	25¢ aikpq
Ottawa, Ontario Ottawa-Carleton Regional Transit Commission	APR 01 '83	85¢ 115¢ E&K	Free	No Zones	\$28.00 M \$34.00 EM or KM	Reg Rate	45¢ aikps 75¢ E&K aikps	Free r	45¢ aikpq 75¢ E&K aikpq
#Thunder Bay, Ontario Thunder Bay Transit	MAY 01 '83	75¢ 30¢ X	Free	No Zones	\$14.25	20 @ \$14.25	25¢ ainp	Free o 40¢ ainw	50¢ ainq

SUMMARY TABLE

TRANSIT FARES as of October 1, 1983.

	<u>UNITED STATES</u>		<u>CANADA</u>	
	<u>Number of Reporting Systems</u>	<u>Percent</u>	<u>Number of Reporting Systems</u>	<u>Percent</u>
Number in Sample with Fares of:				
0¢	0	0.0%	---	---
10¢	1	0.4%	---	---
15¢	0	0.0%	---	---
20¢	0	0.0%	---	---
25¢	10	4.0%	---	---
30¢	2	0.8%	---	---
35¢	11	4.4%	---	---
40¢	15	6.0%	---	---
45¢	1	0.4%	---	---
50¢	90	36.3%	---	---
55¢	6	2.4%	---	---
60¢	53	21.4%	1	10.0%
65¢	13	5.2%	---	---
70¢	4	1.6%	1	10.0%
75¢	27	10.9%	3	30.0%
80¢	5	2.0%	1	10.0%
85¢	4	1.6%	3	30.0%
90¢	1	0.4%	1	10.0%
95¢	0	0.0%	---	---
100¢	<u>5</u>	<u>2.0%</u>	<u>---</u>	<u>---</u>
Total	248	100.0%	10	100.0%

COLUMN HEADING DEFINITIONS

<u>Basic Adult Fares:</u>	Fares paid by passengers not entitled to reduced fares.
<u>Cash Fare:</u>	The amount of the fare paid for a single ride at the "basic adult fare" rate when the fare is paid with money.
<u>Effective Date:</u>	The date the reported "cash fare" became effective.
<u>Amount:</u>	The amount of money paid for one "cash fare."
<u>Transfer Charges:</u>	The amount charged for a transfer if required to make a continuous trip.
<u>Zone Charges Possible:</u>	The amount charged for an extended trip across zone boundaries in addition to the basic fare. The first amount is the minimum zone charge if a zone boundary is crossed, the second amount is the maximum charge for crossing all zone boundaries possible on a single trip.
<u>Pass/Permit Rate:</u>	The amount charged for a multiple ride, prepaid pass that allows a passenger otherwise required to pay an "adult cash fare" to ride transit vehicles for no fare or a prepaid permit that allows a passenger otherwise required to pay an "adult cash fare" to ride transit vehicles for a reduced fare. Permit rates are <u>underlined</u> .
<u>Tickets/Tokens:</u>	Amount paid for multiple purchases of tickets, tokens, or punch cards that can be used in lieu of paying a cash fare. Tickets, tokens, or punch cards sold at the full regular adult rate of fare for convenience are designated "Reg Rate". Tickets, tokens, or punch cards sold at a reduced rate are indicated by the number of rides for a given price by "rides @ dollars" if the price is reported, or "Red Rate" for a reduced rate when the price is not reported.
<u>Reduced Fare Categories:</u>	Fares lower in amount than "adult cash fares" charged to specific groups of passengers.
<u>Senior Citizen:</u>	Amount of fare charged to senior citizens for single rides. Conditions applicable to senior citizen fares are shown by code letters.
<u>Child:</u>	Amount of fare charged to children for single rides. Conditions applicable to child fares are shown by code letters.
<u>Student:</u>	Amount of fare charged to eligible students for single rides. Conditions applicable to student fares are shown by code letters.

	<u>Senior Citizen</u>	<u>Child</u>	<u>Student</u>
h	Reduced zone charge	Reduced zone charge	Reduced zone charge
i	No zones	No zones	No zones
j	---	---	College students or college students included
k	Prepayment* available but not necessarily required	Prepayment* available but not necessarily required	Prepayment* available but not necessarily required
m	Prepayment* required	Prepayment* required	Prepayment* required
n	Prepayment* at more reduced rate available but not required	Prepayment* at more reduced rate available but not required	Prepayment* at more reduced rate available but not required
o	---	One year or less or baby in arms	---
p	Identification required	Identification required	Identification required
q	60 years or older	6 years or younger	By grade or age
r	62 years or older	5 years or younger	Weekdays only
s	65 years or older	4 years or younger	School days only
t	75 years or older	3 years or younger	School hours or other time restrictions
u	70 years or older	2 years or younger	Other related restrictions
v	Restricted by trip purpose	Restricted by height	To and from school only
w	---	Paid child fare restricted by age or height (often referred to as youth fare)	---

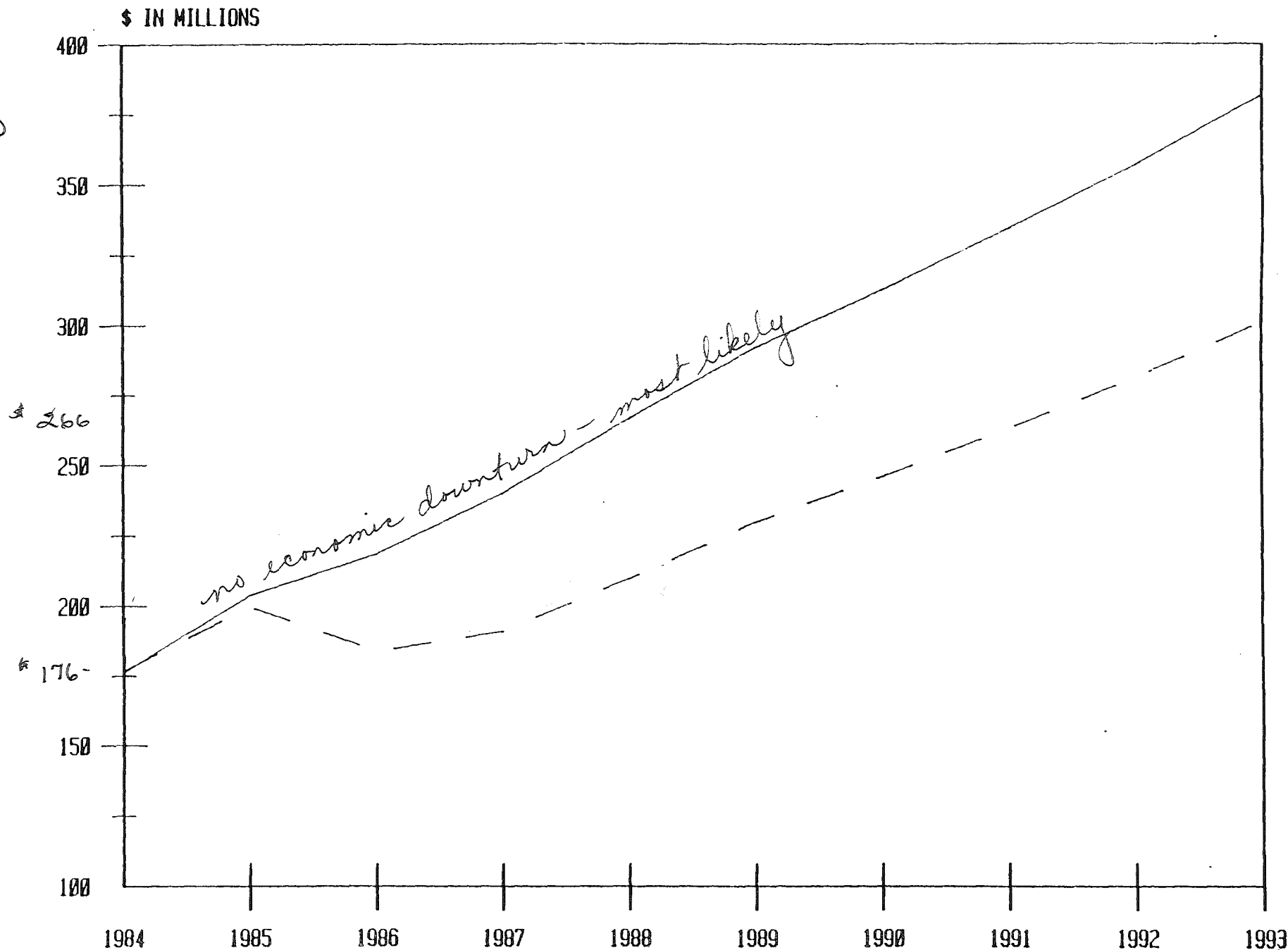
*Pass, permit, ticket, token, or punch card.

VII/84
Economic Analysis Unit
not official - for planning purposes

TOTAL MOTOR VEHICLE EXCISE TAX REVENUE

B-13
7-11-84

BUDGET PLANNING ESTIMATES

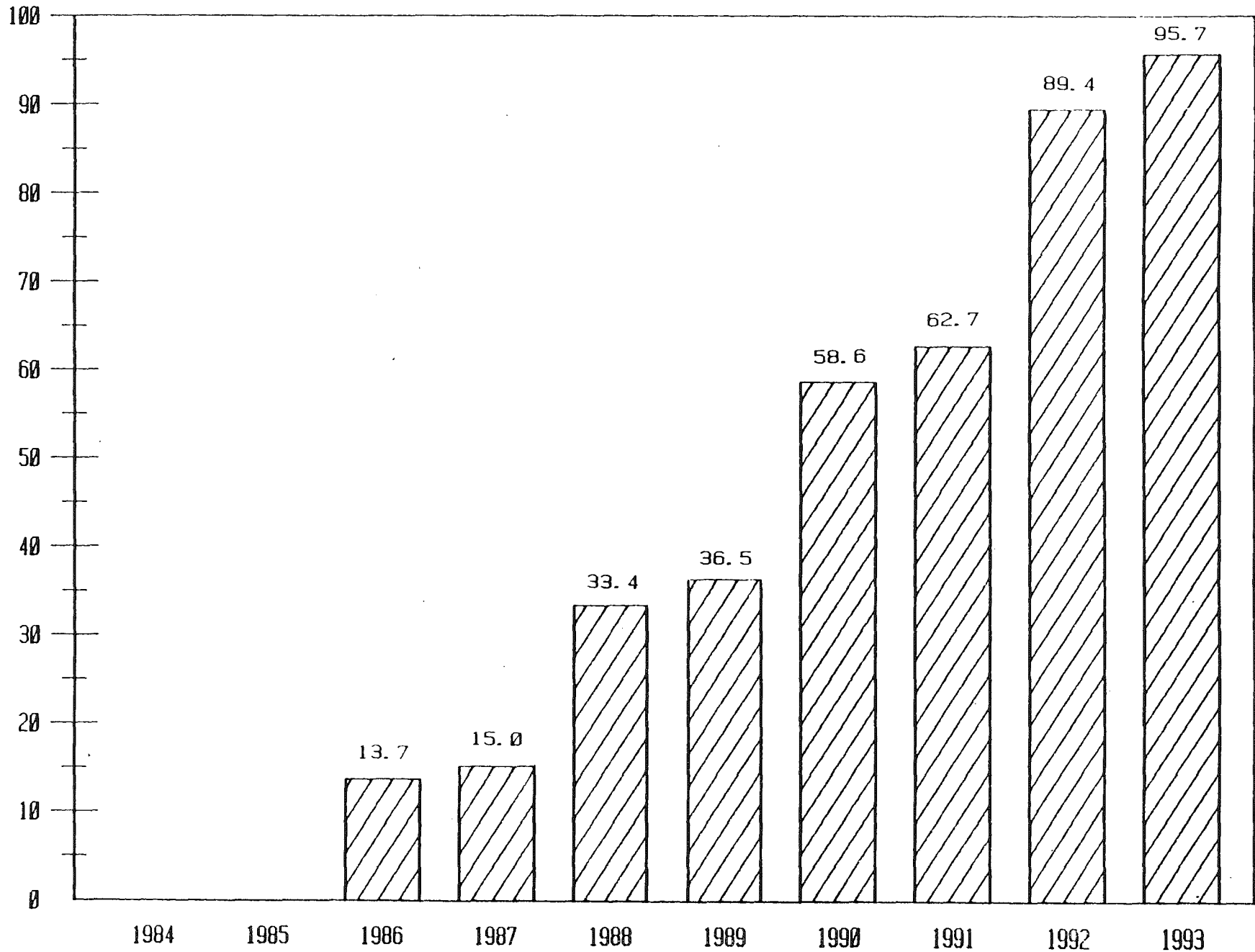
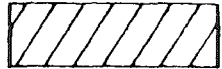


MOTOR VEHICLE EXCISE TAX TRANSFER

TRANSIT DEDICATED - TRENDLONG

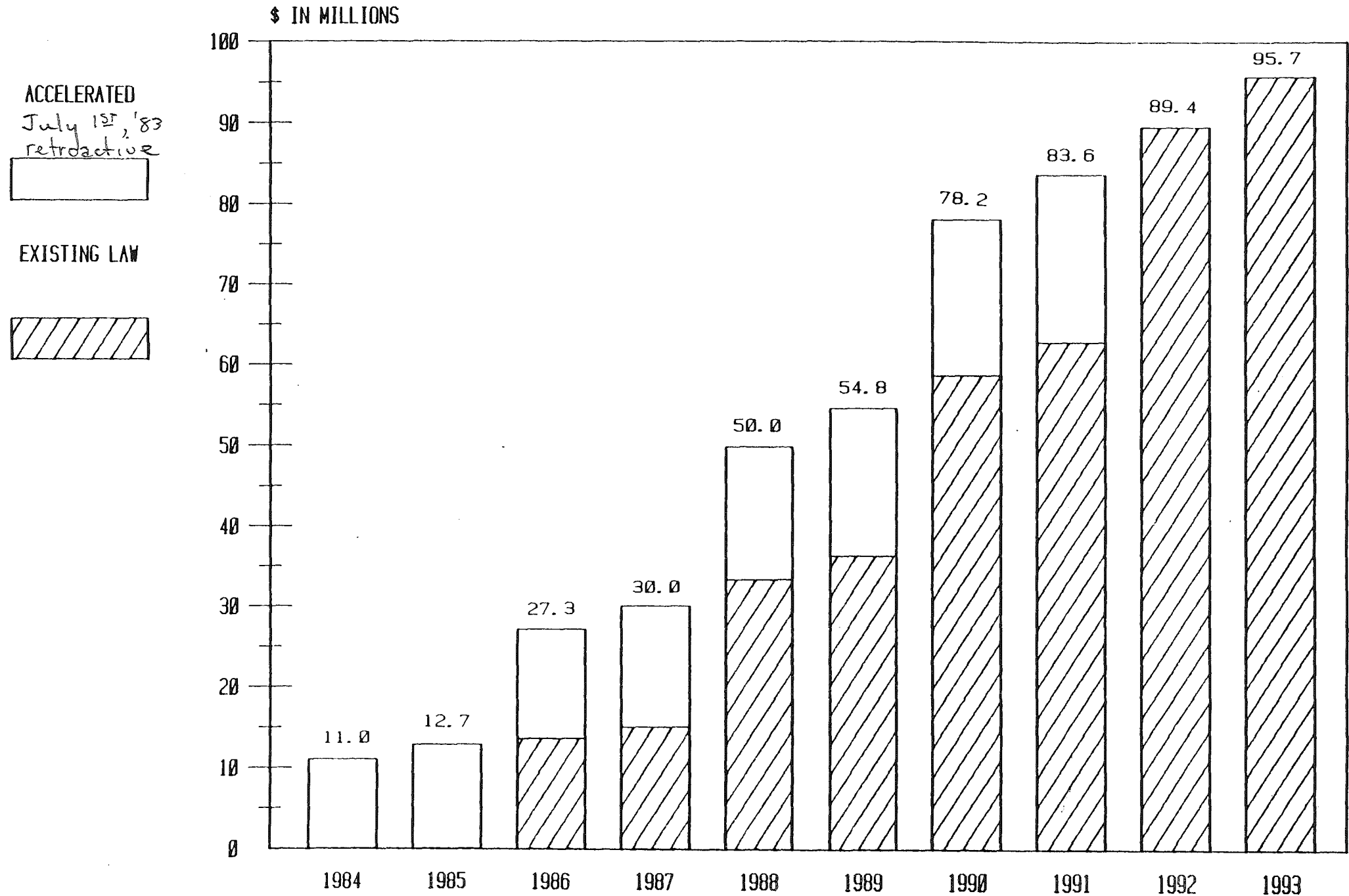
\$ IN MILLIONS

EXISTING LAW



MOTOR VEHICLE EXCISE TAX TRANSFER

TRANSIT DEDICATED - TRENDLONG



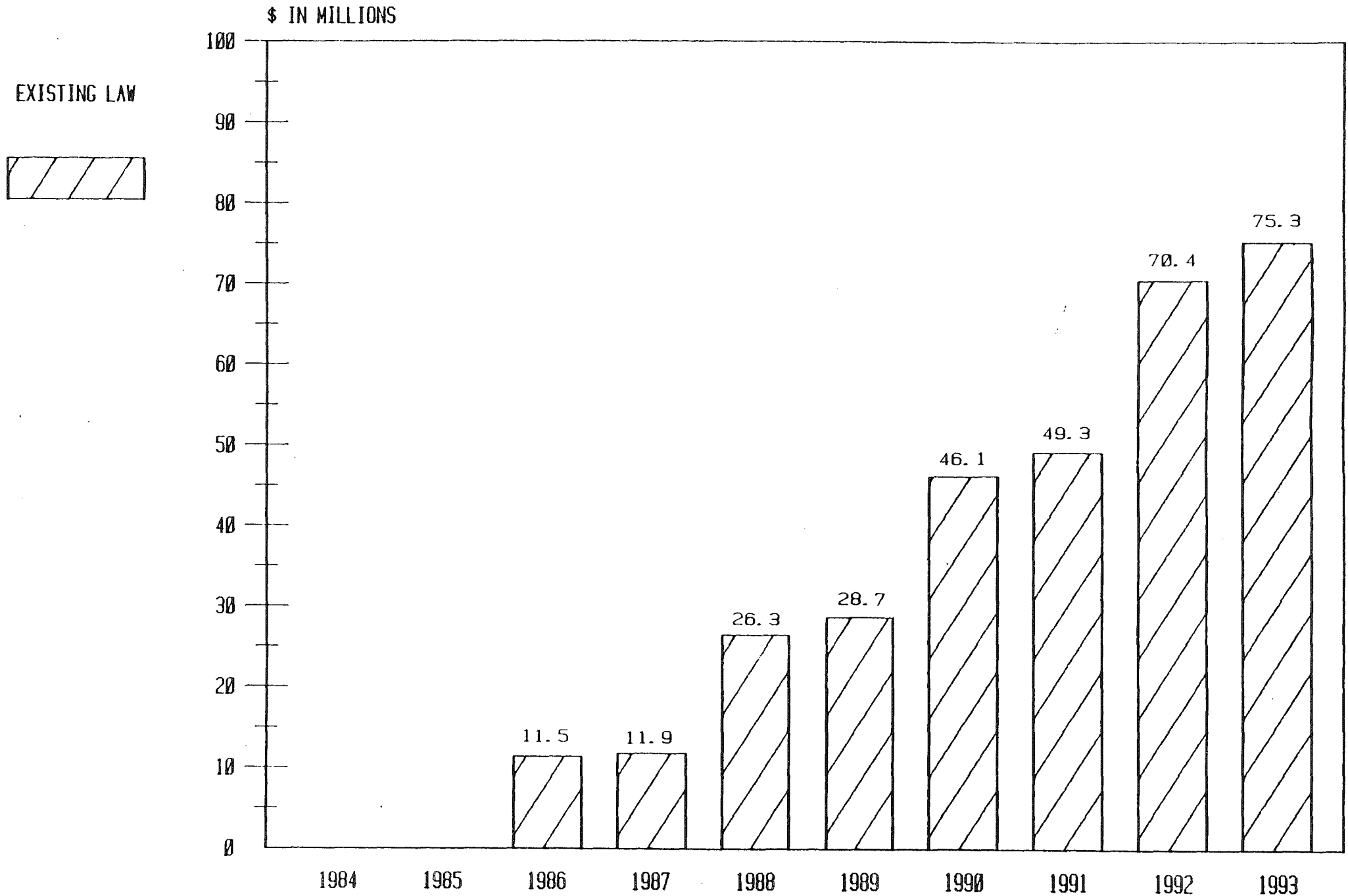
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Int. Services Division

FISCAL YEAR

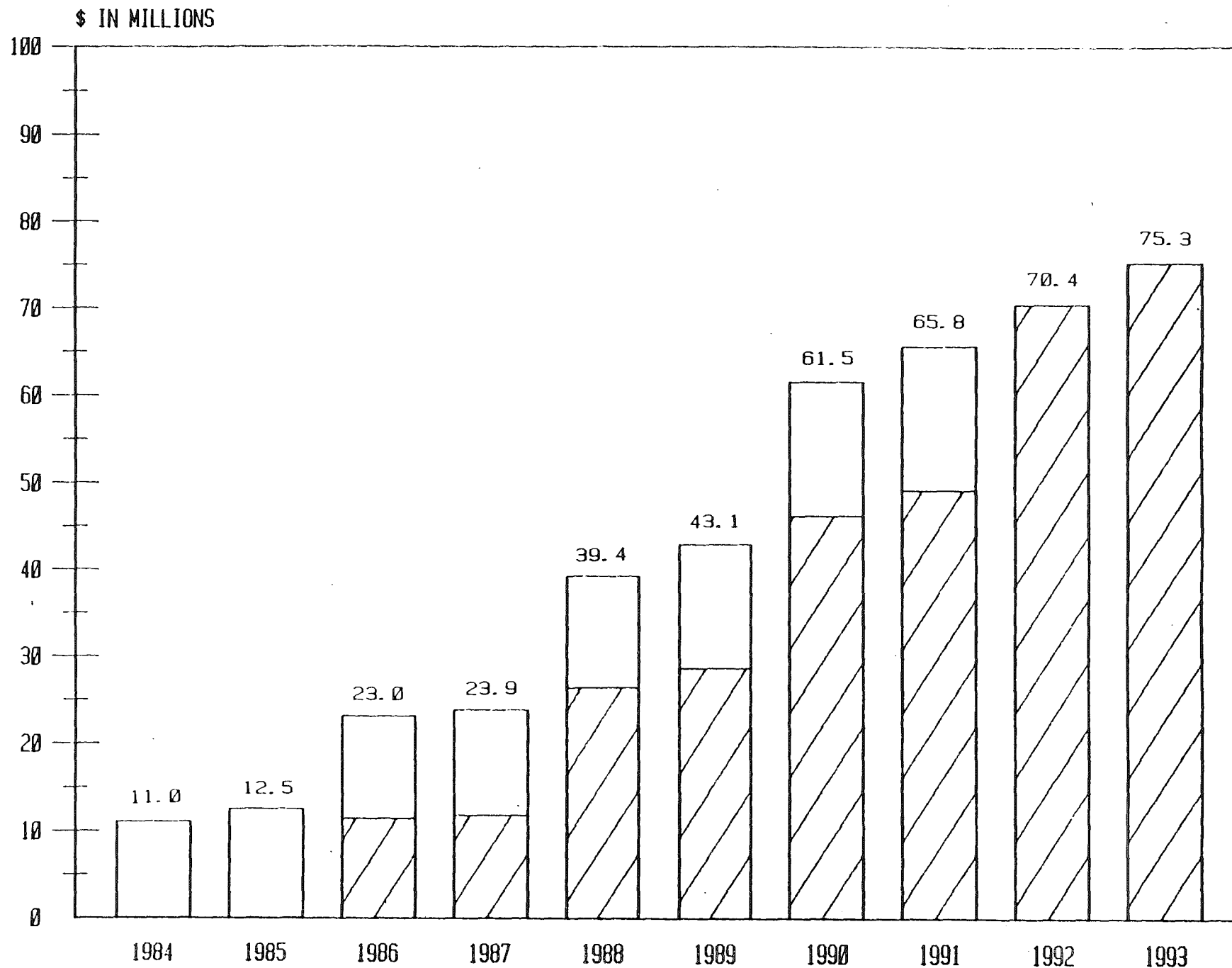
MOTOR VEHICLE EXCISE TAX TRANSFER

TRANSIT DEDICATED - TROUBLE 85



MOTOR VEHICLE EXCISE TAX TRANSFER

TRANSIT DEDICATED - TROUBLE 85



B-14
1-25-84

**REGIONAL SERVICE AND FINANCE STUDY
ON TRANSIT**

**Summary Report
to the
Legislative Study Commission
on Metropolitan Transit**



January 1984

REGIONAL SERVICE AND FINANCE STUDY
ON TRANSIT

Summary Report
to the
Legislative Study Commission
on Metropolitan Transit

January 1984

Metropolitan Council of the Twin Cities Area
300 Metro Square Building, 7th and Robert Streets
St. Paul, Minnesota 55101
Tel. 612 291-6359

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INTRODUCTION

The regional service and finance study by the Council was precipitated in early 1982 by a serious deficit in operating funds projected by the Metropolitan Transit Commission for the 1983-85 biennium. The Council formed a task force in June 1982 to consider revenue alternatives to the property tax for regional services (including transit). The task force, chaired by Council Chairman Charles Weaver, had 26 members, including elected local officials, Commission members, legislators, labor representative, league of women voters, Humphrey Institute, Citizens League and Council members. The task force held eight meetings and adopted recommendations to the Council on November 10, 1982. The task force recommendations included the Council review of existing service delivery and service options; consistency of service with regional plans and policies; the need for the service; reasonableness of cost and efficiency of operation; equity of amount and structure of service delivery and fares; study of sources of regional revenue; and report of findings to the 1984 legislature.

In December, 1982, the Council directed staff to perform a regional service and finance study of all metropolitan commissions in 1983. This report addresses the transit portion of the overall study, which was accelerated to provide input to the Legislative Study Commission on Metropolitan Transit. This report was adopted at a special meeting of the Metropolitan Council on January 19, 1984.

SUMMARY OF FINDINGS AND RECOMMENDATIONS

At its January 19, 1984 meeting, the Metropolitan Council adopted the following findings and recommendations of the Regional Service and Finance Study - Transit Report:

INSTITUTIONAL ACCOUNTABILITY

The Institutional Accountability section of the Regional Service and Finance Study concludes that better management of the region's fiscal resources can be achieved by fully employing all the statutory authority already available to the Council. Three major areas could be improved immediately without changing the present institutional structures: (1) improvements to the development program-capital funding process, (2) expanded reporting to the Legislature on areas where the Legislature has final authority, and (3) better relations between the Council and metropolitan commissions. These types of changes would provide greater accountability in the regional service delivery system and greater consistency, comprehensiveness, and coordination among regional services. Although the recommendations below are stated in terms of how they would apply to the Metropolitan Transit Commission (MTC), the changes recommended in the Institutional Accountability section of the study would apply to the other Metropolitan Commissions, as well.

Recommendations

That the Council institute the following changes to the metropolitan agency review process pertaining to transit as provided by existing legislative authority, or until such time there are changes to that authority:

- 1) The MTC should be required to submit a Transportation Development Program (TDP) to the Council on January 1 of even numbered years. Guidelines for the content, scheduling, and time frame of development programs should be prepared by the Council in revising the Metropolitan Investment Framework, including extending the time frame of the TDP to the year 2000 so that it will be consistent with the Council's Development Framework and Transportation Policy Plan and submitting sufficient information about operations so that the Council can act on capital investment proposals with knowledge of their operating implications.

The term TDP is used in this report as defined by the Metropolitan Reorganization Act (See Attachment A). The purpose of preparing the above guidelines is to help the Council and the MTC interpret the broad statutory language. The intent of reviewing information about operations is to provide the Council with a complete picture of the implications of proposed capital improvements which the Council approves. The type of information intended may include annual operating and maintenance costs, socio-economic effects, and similar matters which would help the Council understand the relationship of the capital improvements to its plans and policies. "Information about operations" should not be construed to mean the MTC's operating budget.

- 2) The transit capital improvement program (CIP) should be expanded to include 10-year projections of revenues and expenditures, and the operating budget should be expanded to include four-year revenue and expenditure

projections. Transit CIP's should also address the short- and long-range effects of proposed capital projects on the operations of the MTC and on future capital needs.

- 3) No projects contained in the transit capital budget should be approved by the Council unless they are also included in an updated, approved TDP and CIP.
- 4) The Council should develop guidelines in the Metropolitan Investment Framework and Transportation Policy Plan that would ensure that both capital and operating budgets for transit would address the relationship between the service proposed and regional objectives, the target population or area to be served, how the delivery of the service will be evaluated, and the service alternatives that were considered and why they were rejected. The purpose of these guidelines would be to give the MTC clear direction about the content of a program budget format and to enable the Council to more easily evaluate how well MTC plans and programs support the Council's long-range plans and policies.
- 5) The Council should provide comments to the Legislature, as part of the annual report of the Council, on the equity, efficiency and regional and local impact of any proposed changes to MTC revenue sources. The Council should also provide comments on the relationship of the MTC operating budget to regional objectives.
- 6) The MTC Chairman should be requested to participate as a member of the proposed Regional Executive Council to discuss regional issues of common interest and to share information on agency debt plans. The proposed Regional Executive Council would be headed by the Council Chair and have as members the Chairs of each of the Metropolitan Commissions.

TRANSIT

The transit portion of the Regional Service and Finance Study addresses six major points:

1. MTC services are more cost-effective in the two central cities and the first ring of suburbs than in the second and third ring suburbs.
2. The MTC should continue to assess the applicability of new service options in the outer suburbs.
3. Transit fares should not be increased more often than every two years and the increase should be related to inflation and other economic indicators.
4. The MTC system relies too heavily on property taxes; property tax payments made by some outlying communities are disproportionate to the service provided to them.
5. The property tax structure should be adjusted to better reflect the service provided; potential revenue losses for the MTC should be compensated with motor vehicle excise tax funds.
6. Changes to the existing institutional structure are necessary to address transit needs throughout the area.

The four issues discussed in the report can be summarized as follows:

ISSUE #1

"What is the cost-effectiveness of the transit services provided in the Metropolitan Area?"

Findings

The Role of Transit

1. Transit is an essential regional service.
 - As a social tool to provide mobility to those that cannot drive or as an alternative for those that choose not to drive;
 - As an economic tool to make jobs accessible to a larger work force and to help maintain two viable downtowns;
 - As a transportation tool to relieve congestion and to reduce the need for additional roadway capacity in specific corridors;
2. Conventional transit riders and individuals traveling as passengers in automobile account for more than 25 percent of all trips in the Metro Area.
3. The demand for transit services should be met in a flexible manner by a combination of service delivery techniques, service providers and pricing policies.
4. The transit service area has become more difficult to serve from 1970 to 1983 because of the decentralization of jobs and residences, as well as higher car ownership and income levels.
5. The MTC provides the bulk of the regular route service, implements the regional ride sharing services and provides some of the special services for disabled people.
6. Non-MTC providers play a limited but efficient role in the provision of regular route services. They play a very important role in the provision of special services for seniors and disabled individuals, as well as community centered services.
7. The cost of MTC transit operations has escalated at a much faster pace than inflation because of fuel and labor costs and the implementation of more expensive services.
8. The MTC services provided in the Fully Developed Area are cost-effective because they fulfill most of the travel needs of the transit dependent at a reasonable cost.
9. The MTC services provided in the outlying suburbs offer limited opportunities to the potential users and are more expensive to provide. They are less cost-effective services than those provided in the inner area.

10. Cost-effectiveness on a system wide basis can be improved by:

- Pursuing additional cost containment measures;
 - o Using high capacity vehicle on heavily traveled routes (articulated buses, LRT, etc.....)
 - o Strongly promoting ride sharing services
- Increasing the attractiveness and quality of the service provided;

11. Cost-effectiveness can be improved by considering alternative service delivery methods, particularly for peak-hour only service to the second and third ring suburbs.

ISSUE #2

"What alternative service delivery methods should be considered?"

Findings

1. Several service options, such as contracting out, making special labor arrangements, using ride sharing services and reorienting existing routes around special transfer facilities could enhance the cost-effectiveness of transit service.

Recommendations

That the MTC include an analysis of the applicability of the service options identified above as well as any other promising options in the preparation of the Transportation Development Program.

ISSUE #3

"Is the financing of transit services equitable and adequate?"

Findings

Fares

1. The ability of fare revenues to support the transit system is limited by the sensitivity of the riders to increases and the risk of significant ridership losses.
- 2A. A distance-based fare structure is more equitable than a flat-fare scheme.
- B. A premium fare for express service is justified not only on the basis of a high level of service (i.e., high speed) but also on the basis of the cost differential of the service.
- C. A fare differential between peak and off-peak periods is justified on the basis of the difference in costs.
3. Too frequent fare increases or fare increases that do not keep in line with overall inflation rate and the cost of competing transportation modes negatively impact ridership levels.

Subsidies

4. A regional tax is justified on basis of the regional benefits generated by the transit system.
5. The property tax contribution to the total operating cost of the transit system has raised disproportionately in the past three years.
6. Property tax payments made by residents of some outlying suburbs have become disproportionate to the service provided.
7. Even though other regional taxes (i.e. sales tax, payroll tax,...) present some advantages over the property tax,, they appear difficult to implement.
8. The regional tax for transit should be stable in terms of fluctuations in the economy of the region.
9. The motor vehicle excise tax has some of the advantages of the sales tax and the gas tax and has been already identified for transit purposes.

Recommendations

Fares

1. That fare revenues should account, at least, for 35-40 percent of the MTC total operating cost.
2. That future fare increases be considered every two years as part of the preparation of the TDP and if needed, included in the budget for the following biennium.
3. That future fare increases be related to inflation, the cost of providing the service, and the cost of competitive modes of transportation.
4. That a distance-based fare structure, including express service and peak-hour surcharges be maintained.

Subsidies

5. That the following allocation of MTC operating costs by sources of revenue be recommended:

Fares	35-40%
Property Tax	30-35%
State*	20%
Federal	10%

*State participation would be a combination of motor vehicle excise tax and/or general fund revenues (to be determined) and social fares reimbursement.

6. That the property tax structure be adjusted to reflect the levels of services provided, according to the following ranges:

Limited peak-hour service	up to 1.25 mills
Peak-hour and limited off-peak service	up to 1.50 mills
Full range of service	2.00 mills

7. That new service options that reduce operating costs be implemented.
8. That potential MTC revenue losses from the property tax adjustment be compensated with motor vehicle excise tax funds.
9. That existing and new non-MTC statewide transit programs that are cost-effective and cost-efficient be strengthened and promoted with motor vehicle excise tax funds.

ISSUE #4 (INSTITUTIONAL STRUCTURE)

The roles and responsibilities of the MTC, Council and Mn/DOT in the planning, programming and delivery of transit service in the Metropolitan Area.

Findings

1. There is no comprehensive short-range transit service plan and program that addresses the overall transit (including paratransit) needs of the metropolitan area.
2. There has not been a review of the MTC operating budget to ensure consistency with metropolitan policies and plans, either before or after legislative action.
3. Since 1981, Minnesota statutes (Sec. 174.23, Subd. 2 and 174.24, Subd. 3a) provide for Council review and approval of the MTC contract with Mn/DOT for financial assistance. This review has not taken place.
4. It is difficult for the MTC to objectively plan for service needs in areas unsuited for MTC service or for providers that would compete with MTC service.
5. MTC is most proficient at providing regular-route service in built-up areas with relatively high population density.
6. Legislative appropriations to the MTC are not based upon overall transit needs in the metropolitan area, and a service plan and program to address those needs.

Recommendations

That the Metropolitan Council:

1. Request the Commission to prepare, as part of its Transportation Development Program (TDP) a comprehensive service plan and program that addresses the transit (including paratransit) needs of the entire metropolitan area in cooperation with the service providers and Mn/DOT; hold a formal public hearing; and submit the TDP to the Council by January of even-numbered years.

2. Notify the Commission as to what additional information should be in its submission of proposed contracts (and amendments) for state financial assistance to Mn/DOT. (This information will be the basis for Council review and approval of the proposed contract).
3. Submit to the Minnesota Legislative Study Commission on Metropolitan Transit, the Regional Service and Finance Study - Transit Report, and the revised January 17 memorandum on "Response to Legislative Staff Working Paper on Alternative Institutional Models" (Attachment B).
4. Actively support the acceleration of the scheduled transfer of the Motor Vehicle Excise Tax from the general fund to the Highway user Tax Distribution Fund and the Transit Assistance Fund, in the 1984 legislative session.
5. Establish transit as a high priority item for the 1984 Council Work Program with special emphasis upon improving relationships with the Legislature and the Metropolitan Transit Commission.

JM633A
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473.161 Development programs of metropolitan commissions

Subdivision 1. Preparation of development programs. Each metropolitan commission shall prepare a development program covering the detailed technical planning, engineering, financing, scheduling and other information necessary to the development of the program elements to be performed by the commission in implementing the policy plan adopted by the council pursuant to section 473.146. The program may include such other technical information as the metropolitan commission deems necessary. The program shall prescribe and delineate the functions to be performed and activities to be undertaken by the metropolitan commission and shall cover at least the five year period commencing with the first calendar year beginning after its approval or such longer period as the council may prescribe. The program shall describe all capital improvements to be undertaken in such period and with respect to each improvement shall include the following:

(a) A description of the improvement, its location, function and estimated cost;

(b) The proposed manner of financing the capital costs of the improvement, and the sources of revenue available for payment of such costs;

(c) A schedule showing on a yearly basis the timing of land acquisition, construction and capital expenditures for the improvements;

(d) A review and description of the public need for the improvement, alternatives to the improvement, (including alternatives not involving capital expenditures), the environmental and social effects of the improvement and all actions and steps theretofore taken by the commission with respect to the improvement;

(e) An estimate of the probable impact of the improvement on the responsibilities of the other metropolitan commissions;

(f) An estimate of the annual operating costs of the improvement and the sources of revenue available for payment of such costs;

(g) An evaluation of the relative priority of the improvement taking into consideration other capital improvements described in the program;

(h) Each program shall include such additional information as the council or commission may deem appropriate.

Upon a request from any local governmental unit, the commission shall hold a public hearing for the purpose of receiving testimony from local governmental units and the public prior to submission to the council as provided in subdivision 2.

Subd. 2. Submission to and approval by council. The development program prepared by the metropolitan commission shall be submitted to the council for review and approval or disapproval. The council shall complete its review within 90 days after receipt of the proposed development program. If the council determines that the program is consistent with the policy plan it shall approve the program as submitted. If it determines that the program is inconsistent with the policy plan, it shall disapprove it and return it to the submitting commission with comments and the commission shall make appropriate revisions.

§ 473.161 METROPOLITAN GOVERNMENT

sions in the program and resubmit it to the council for review and approval or disapproval. Before approving a program or returning it to the submitting commission, the council shall hold a public hearing for the purpose of considering the program and the council's comments thereon, if requested to do so by the affected commission. The council may approve or disapprove a development program in whole or in part. Within two years of the approval of its first development program by the council and at least biennially thereafter each commission shall review the program, make such revisions as are necessary, including an updating of the five year capital improvement program, and submit the program to the council for its review and approval or disapproval as herein provided.

Subd. 3. Effect of development program. After approval by the council of a development program the commission shall implement the program. No capital improvements shall be undertaken by the metropolitan commission unless authorized by the program or specifically approved by the council. The council shall not approve any improvement not in substantial conformance with the appropriate policy plan.

473.411. Transportation development program

Subdivision 1. Development program. The commission shall prepare and submit in the manner provided in and satisfying the requirements of section 473.161, a development program, providing for the implementation of the policy plan adopted by the council. In preparing the program, the commission shall consult with counties and municipalities in the metropolitan area, the state transportation department and the commissioner of energy, planning and development, and for that purpose may create such advisory committees as may be necessary.

The program shall provide for coordination of routes and operations of all publicly and privately owned transit and paratransit facilities within the transit area to the end that combined efficient and rapid transit and paratransit may be provided for the use of the public in the entire area. The commission may designate a segment of the system planned as a pilot or demonstration transit or paratransit project using, without limitation, new technology including airborne systems, or traditional systems of evolved or modern form. The development program shall include the general alignment and profile, approximate points of access, facility classification, approximate cost, relation to other existing and planned transit and paratransit routes and facilities, and a statement of the expected general effect on present and future use of the property within the corridor. The program shall be accompanied with a statement of need for the proposed construction or improvement, a description of alternate routes which were considered, and an explanation of the advantages and disadvantages in the selection of any route considered. The development program shall also contain a description of the type of right-of-way or routes required; the type of transit service to be provided in each portion of the system; designation of transit mode; and appropriate general operating criteria. The program shall also contain an operational improvement program which shall at least describe performance objectives and standards which the commission proposes to achieve in satisfying policies, purposes, and goals established by the legislature and the council; identify performance indicators by which to monitor and assess progress in achieving the objectives and standards; and establish a route deficit limit as provided in section 174.28, subdivision 5. The program may include such other information as the council or the commission deems necessary.

Attachment B

M E T R O P O L I T A N C O U N C I L
Suite 300 Metro Square Building, St. Paul, Minnesota 55101

M E M O R A N D U M

DATE: January 17, 1984 - REVISED January 19, 1984

TO: Committee on Metropolitan Commissions

FROM: Transportation Staff (Lawrence Dallam)

SUBJECT: Response to Legislative Staff Working Paper on
Alternative Institutional Models

INTRODUCTION

The purpose of this memo is to develop a Council response for the Legislative Study Commission on Metropolitan Transit on their staff's working paper on "The Assignment of Governmental Function and Responsibilities," January 11, 1984. The response is predicated on the findings and recommendations of the "regional Service and Finance Study - Transit Report," prepared by staff in December, 1983.

The major institutional-related problems identified in the Council staff report, in the terms of the legislative staff working paper (pp. 8,9) are as follows:

1. Mid-Range Implementation Planning -- the absence of a comprehensive short-range transit service plan and program for the metro area. The service provided by the MTC in the low-density suburbs is neither cost-effective nor responsive to suburban transit needs.
2. Establishing Annual Funding Level -- the absence of a public policy on the annual funding level and mix of revenue sources on fares, taxes and state assistance for all transit services in the metropolitan area.
3. Annual Distribution of Funds -- the absence of agency and public review of the annual allocation of public funds for the provision of transit services in the metropolitan area.

DISCUSSION

Model I - Emphasizing Decision-Making at the State Level

This model is responsive to the problems identified in the Regional Service and Finance (RSF) Transit Report. A major concern is concentrating ultimate decision-making on metropolitan goals, policies, plans, programs and delivery of service at the state level -- without a forum for local public input and without representatives of the metropolitan area participating in the final decision. Current state law provides Mn/DOT with the authority to require consistency of metropolitan planning with matters of statewide significance as specified in the Mn/DOT Statewide Plan. This law appropriately identifies the role and responsibility of Mn/DOT. Statewide matters should reside in a state agency -- metropolitan matters in a metropolitan agency(s) -- and local matters in local bodies.

Model II - Emphasizing Decision-Making at the Metropolitan Council

The model is also responsive to the RSF Transit Report in that the Council would be responsible for the mid-range plan, the distribution of funds and the arranging of services. The Council would share this responsibility, in part, with a newly constituted advisory board on transit. If this were done, the new board should be staffed by the Council (as per the Health Board, the Parks and Open Space Commission and the Metropolitan Rideshare Board), which would ensure commitment to, and implementation of, the long-range policy plan. Additional staff resources are estimated at two-to-three full-time planners. The responsibility for allocating funds and arranging services would reside primarily with the new board and would provide an open forum for input and involvement by local units of government and the several providers of transit services.

Model III - Emphasizing Decision-Making in a Regional Transit Agency

This model is also generally responsive to the Council staff findings and recommendations in the RSF Transit Report because it would clearly separate planning/coordinating from operations. A major concern is the shifting of long-range transit planning responsibility to the regional transit agency from the Council. This would have the Council do long-range transportation planning for all modes except transit and have the new agency's transit plan "jig-sawed" into the Council's plan. Since transit is one of the metro systems, it would also confuse and complicate the administration and implementation of the Land Planning Act.

Model IV - Emphasizing Sharing of Decision-Making Between Regional Agencies and Local Units

This model is also responsive to the RSF Transit Report for the same reasons as Model II. A semi-independent transit advisory board would be established and the mid-range planning responsibility would be shared between MTC and local units of government. The MTC would plan and operate service within the fully developed area -- and could bid on services planned by local units outside the fully developed area. The prime advantage of this model is that services would be tailored to the needs of the area served -- and those needs and services would be determined by those subregional areas.

CONCLUSIONS

1. The selection of a new institutional-structure model should be guided by the following principles:
 - a. clear separation of metropolitan-wide responsibilities for mid-range planning from operations (service delivery)
 - b. the type of service (regular-route, paratransit, ...) should be the most cost-effective for the area to be served.
 - c. local units of government should have a strong voice in the planning and implementation of service for their area.
 - d. providers of service should be involved in the planning and funding of transit service.

- e. clear definition of roles and responsibilities of the agencies involved in the process of planning, financing and providing for transit service in the metropolitan area.
 - f. state agencies should be responsible for matters of statewide significance -- metropolitan for metropolitan -- and local for local.
2. Each of the models are consistent with some of the principles stated in Conclusion I and no model is consistent with all of them. The following model would be more responsive to the principles:

A. Institutional

Mn/DOT and the Council would be unchanged as far as composition and overall role.

The MTC would be changed such that the planning, programming and policy roles for the Metro Area would be unmistakeably separated from the ownership, management and operation of services. This could be accomplished by establishing a new agency (with a new name) and having the MTC become the board of the bus company. The bus company (MTC) would be responsible for service delivery in the fully developed area.

An advisory body to the new transit agency would be established with membership including service providers, consumers and local elected officials.

B. Roles and Responsibilities

long-range policy planning--responsibility of the Council; the plan must be consistent with the Mn/DOT plan.

mid-range planning and programming--responsibility of new transit agency with advice of new advisory body. The service plan and implementation program would be approved by the Council.

establishing annual funding level--responsibility of the Council with review by the new transit agency and its advisory body.

annual distribution of funds--joint responsibility of new transit agency and advisory body, similar to arrangement of the Council and Transportation Advisory Board on the distribution of Federal Aid Urban (FAU) funds.

arranging services--responsibility of new transit agency.

The above model is shown circled on the attached chart.

PART C. AGENCY RESPONSIBILITIES

AGENCY	EXISTING STRUCTURE	MODEL I	MODEL II	MODEL III	MODEL IV
LEGISLATURE	<ul style="list-style-type: none"> - Establishes annual funding level - Decides annual distribution of funds 	<ul style="list-style-type: none"> - Evaluates long-range policy plan; evaluates mid-range implementation plan - Approves/evaluates funding level - Evaluates distribution of funds - Appropriates funds to MnDOT 	<ul style="list-style-type: none"> - Evaluates long-range policy plan - Appropriates state subsidy (block grant) 	<ul style="list-style-type: none"> - Evaluates the long-range policy plan - Appropriates state subsidy (block grant) 	<ul style="list-style-type: none"> - Evaluates long-range policy plan - Appropriates state subsidy (block grant)
MN DOT	<ul style="list-style-type: none"> - Establishes annual funding level - Decides annual distribution of funds - Arranges service 	<ul style="list-style-type: none"> - Approves long-range policy plan - Approves mid-range implementation plan - Establishes annual funding levels - Decides annual distribution of funds - Decides/approves service arrangements - Evaluates provision of service 	<ul style="list-style-type: none"> - Reviews long-range plan for consistency with state transportation plan 	<ul style="list-style-type: none"> - Reviews the long-range plan for consistency with state transportation plan 	<ul style="list-style-type: none"> - Reviews long-range policy plan for consistency with state transportation plan
MET COUNCIL	<ul style="list-style-type: none"> - Does long-range policy plan - approves mid-range implementation plan 	<ul style="list-style-type: none"> - Does long-range policy plan - Does mid-range implementation plan 	<ul style="list-style-type: none"> - Does long-range policy plan - Does mid-range implementation plan - Establishes annual funding level - Decides/approves annual distribution of funds - Evaluates/approves/decides service arrangements - Evaluates provision of service 	<ul style="list-style-type: none"> - Approves long-range policy plan - Approves mid-range implementation plan - Approves annual funding level - Approves annual distribution of funds - Evaluates arrangements for services 	<ul style="list-style-type: none"> - Does long-range policy plan - Approves/evaluates mid-range implementation plan - Decides annual funding levels - Decides annual distribution of funds; approves annual distribution of funds by subregional districts - Does service arrangements; evaluates service arrangements done by sub-regional districts and local units - Evaluates provision of service
TRANSIT AGENCY (With Advisory Body)				<u>REGIONAL</u> <ul style="list-style-type: none"> - Does long-range policy plan - Does mid-range implementation plan - Establishes annual funding level - Decides annual distribution of funds - Monitors performance of service providers 	<u>SUBREGIONAL</u> <ul style="list-style-type: none"> - Does mid-range implementation plan for the district - Decides annual distribution of funds in the district - Does service arrangements in the district; approves service arrangements done by local units in the district - Evaluates provision of service in the district
LOCAL UNITS	<ul style="list-style-type: none"> - Arranges service - Provides service 	<ul style="list-style-type: none"> - Arranges service - Provides service 	<ul style="list-style-type: none"> - Arranges service - Provides service 	<ul style="list-style-type: none"> - Arranges services - Provides service 	<ul style="list-style-type: none"> - Does mid-range implementation plan - Arranges service - Provides service
MTC	<ul style="list-style-type: none"> - Does mid-range implementation plan - Establishes annual funding level - Decides annual distribution of funds - Arranges service - Provides service 	<ul style="list-style-type: none"> - Provides service 	<ul style="list-style-type: none"> - Provides service 	<ul style="list-style-type: none"> - Provides service 	<ul style="list-style-type: none"> - Does mid-range implementation plan for MTC service area - Provides service in MTC service area or by arrangement
OTHER PROVIDERS	<ul style="list-style-type: none"> - Provides service 	<ul style="list-style-type: none"> - Provides service 	<ul style="list-style-type: none"> - Provides service 	<ul style="list-style-type: none"> - Provides service 	<ul style="list-style-type: none"> - Provides service