

MINNESOTA VALLEY TRANSIT AUTHORITY  
Regular Board Meeting  
September 26, 2006 – 4:30 p.m.  
Eagan Bus Garage

**Board Members Present:**

William Droste, Rosemount  
Elizabeth Kautz, Burnsville  
Will Branning, Dakota County  
Margaret Schreiner, At Large  
Meg Tilley, Eagan  
Jane Victorey, Savage

**Others Present:**

Beverley Miller, Executive Director  
Michael Abegg, Planner  
Dam Krom, Dakota County TWG  
Wally Lyslo, At Large Alternate  
Tom Pepper, Eagan TWG  
Barb Ross, Best & Flanagan  
Samantha Porter, Operations Manager  
Lois Spear, Finance Officer  
Robin Selvig, Customer Service Manager  
Tom Bright, Facilities Manager  
David Selinsky, LSA  
Tom Knier, Laidlaw Transit  
Connie Massengale, Schmitt & Sons  
Arlene McCarthy, Met Council  
Lori Peterson, City of Eagan  
Rick Schuster, Think-Graphics  
Troy Beam, Scott County TWG

**I. Call to Order**

The meeting was called to order at 4:36 p.m. by Chair William Droste.

**II. Public Comments**

There were no comments from the public.

**III. Approval of Agenda**

Item VI. A (New Business, Bus Disposal) was removed from the agenda. Motion by Elizabeth Kautz and seconded by Margaret Schreiner to approve the agenda as revised. Motion carried.

**IV. Consent Agenda**

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

**V. Committee Reports**

*A. Personnel*

Elizabeth Kautz provided some background regarding the work of the Personnel Committee, and then introduced Lori Peterson of the City of Eagan, who is serving as the staff liaison to the committee. Ms. Kautz noted that Ms. Peterson brought fresh insights into policy-related issues and how information could be used to help set Board policy.

Ms. Peterson reviewed information included in the packet she distributed, including Exhibits A, B, and C which reviewed compensation for directors/general managers in comparable-sized systems nationwide, regionally and in peer cities. Data was based on the American Public Transportation Association's (APTA's) *Transit Management Compensation Report*. She also presented Exhibits 1a, 2b and 3c, also including quartile reporting of the minimum, maximum and mid-point salary. Exhibit D was a copy of the MVTA's current compensation Philosophy and Pay for Performance Plan.

She then offered the revised Executive Director Evaluation Form, tying it more closely to the Strategic Plan adopted by the Board, and streamlining the number of questions. Motion by Meg Tilley and seconded by Jane Victorey to adopt the new Executive Director evaluation form. Motion carried. Ms. Peterson then offered suggestions for some policy areas that the Board may wish to consider (Exhibit F). Motion by Elizabeth Kautz and seconded by Meg Tilley authorizing the Personnel Committee to begin the Executive Director review immediately, and develop a recommendation and timetable for the other policy recommendations for review at a future MVTA Board meeting. Motion carried.

#### *B. Marketing*

Elizabeth Kautz initiated the introduction of the Marketing Committee's work in the area of logo redesign. She asked Robin Selvig to introduce the consultant, Rick Schuster, who recently formed his own graphics consulting firm, but who has a long background in the field of graphics. Mr. Schuster reviewed the objectives of the project and highlighted some of the thoughts about what the MVTA logo should represent. He then unveiled the new logo design, discussing the equity of the color orange, being carried into the new logo, and the strength of the letters with the softening by use of a "swoosh." Margaret Schreiner also indicated that the green could also symbolize use of clean fuels, environmentally sound energy strategies and the like. It was also noted that the orange is one of the colors currently used on MVTA buses as reflective materials. Motion by Meg Tilley and seconded by Jane Victorey adopting the revised MVTA logo. Motion carried.

#### *C. Finance*

In the absence of Ruth Grendahl, Tom Pepper stepped in to address the MVTA 2007 operating and capital budgets. Elizabeth Kautz expressed concern because the budget dips into the fund balance, bringing it below the suggested minimum of the state auditor and the MVTA auditor, although it is within the MVTA guideline of 10 percent. Mr. Pepper pointed out that various scenarios were reviewed, including a scenario for if the MVST amendment passes (which results in a \$700,000 shortfall, possibly covered by use of fund balance) and if the MVST amendment does not pass (which results in a \$1.5 million shortfall). It was also noted that the 2007 operating budget uses \$900,000 in NTD funds, typically used for capital. This would be a one-time fix. There was some confusion between operating funds and capital funds with regard to the purchase of buses. Michael Abegg explained that bus purchases are included in the capital budget and not part of the operating budget. Staff was asked to bring back recommendations to the Board regarding plans for if the referendum passes or does not pass. Further, it was asked that staff gather some figures from other transit agencies in the area to get an understanding of the magnitude of the problem. Ms. Kautz indicated that she appreciated the effort spent by staff and the

Committee on this budget, but noted that unless solutions are determined, there will be no funds for operating service in 2008 and beyond. Motion by Margaret Schreiner and seconded by Meg Tilley to approve the operating budget. Motion carried.

With regard to the Capital Budget, it was noted that the funding sources are typically the Met Council bonding funds, along with federal funds. Will Branning suggested that the MVTA consider working with STA to determine how to implement a transit tax that can be levied by a city. Beverley Miller was asked about how much of the MVTA's CIP is funded on an annual basis. She noted that it has been up and down, given the bonding level sought by the Met Council along with the unfunded year. Capital funding is very volatile. Elizabeth Kautz noted that the MVTA will need to focus on core service.

There were questions about the Cedar BRT project, and how it impacts the MVTA's operating and capital budgets. Additionally, there were questions about the I-35W BRT, as there has been no contact with Mayor Kautz since the MnDOT event at the Burnsville Transit Station several years ago. Motion by Elizabeth Kautz and seconded by Margaret Schreiner to adopt the MVTA's Capital Budget.

**VI. New Business**

There was no New business.

**VII. Old Business**

Beverley Miller reviewed the bids for construction and renovation at the Burnsville Transit Station. Although the low bid came in from CM construction, the bid was not complete and CM eventually withdrew its bid. Therefore, the MVTA recommends awarding the bid to GA Construction in the amount of \$136,700. Motion by Margaret Schreiner and seconded by Elizabeth Kautz accepting the bid from GA Construction. Motion carried.

**VIII. Staff Reports / Update**

*A. Met Council Presentation*

Arlene McCarthy of the Met Council provided an overview of the Long-range plan (to 2020) assuming passage of the MVST amendment that is on the ballot this fall. One of the unknowns mentioned by Ms. McCarthy is the Metro/rural transit funding split. Margaret Schreiner noted that she is more interested in the Metro/metro transit funding split. In all scenarios, it was noted, that the bus system will continue to be the core of the service offerings. Key is keeping service on the street. She said that early in the implementation of the MVST dollars (assuming the amendment passes) funds will be spent on capital – especially the Central Corridor. However, eventually, funds will be shifted to operations. Even in a positive scenario, a break-even point is reached in about 2016 and by 2018, additional funding will be needed to maintain the system. It was also noted, in response to comments from chair Bill Droste, that Rosemount is slated for transit improvements in 2011.

Questions were raised about the I-35W BRT schedule, and Ms. McCarthy offered to provide additional information about the phasing for this project, which, she stated, is behind schedule. She noted that the project schedule will be tied to MnDOT work in the corridor. Margaret Schreiner referenced a recent e-mail regarding new staff positions at

the Met Council, and asked who the key contact was for the Suburban Transit Association Providers. Ms. McCarthy noted that John Harper is the contact on the operations side and she would be the contact regarding policy issues.

*B. 157<sup>th</sup> St. Station Lease*

A meeting of policy makers has been called for Oct. 10 to resolve the 157<sup>th</sup> St. Station lease. Beverley Miller and Bill Droste will be attending on behalf of the MVTA. When asked what parameters the Board wished to provide the MVTA delegation, the Board responded with a negotiation of between \$0 and \$1 in return for the deed and a permanent easement assigned to the MVTA for the site. Will Branning indicated that he has not been invited to the meeting, nor did he believe legal counsel was going to attend. He suggested, however, that Barb Ross be available by telephone, if needed.

*C. ADA Policy Letter*

Beverley Miller brought the Board's attention to correspondence that has been sent out recently, specifically regarding the ADA policy letter sent to Peter Bell. She noted she has traded calls back and forth with Arlene McCarthy regarding what the MVTA would like to see in this area. Barb Ross also noted that she was called by legal counsel for the Met Council regarding the MVTA's policy concerns for an internal meeting that was to take place. Staff was advised to keep this item before the Board and report back with any information provided by the Met Council in response to the letter sent.

**IX. Adjournment**

Motion by William Droste and seconded by Elizabeth Kautz to adjourn the meeting at 7:02 p.m. Motion carried.

**Minutes Prepared By: Robin L. Selvig**

**Next Regular Meeting Scheduled: Oct. 25, 2006, 4:30 p.m. Eagan Bus Garage**

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

Approved by: \_\_\_\_\_ Date: \_\_\_\_\_