

MINNESOTA VALLEY TRANSIT AUTHORITY
Regular Board Meeting
June 24, 2009 – 4:30 p.m.
Eagan Bus Garage

Board Members Present:

Elizabeth Kautz, Burnsville
Will Branning, Dakota County
Gary Hansen, Eagan
Tom Lovelace, Apple Valley
Wally Lyslo, At Large
Jane Victorey, Savage
Eric Zweber, Rosemount
Jon Ulrich, Scott County

Others Present:

Beverley Miller, Executive Director
Michael Abegg, Planning Manager
Shaun Morrell, Planner
Lois Spear, Finance Officer
Robin Selvig, Customer Relations Manager
Robin Selvig, Customer Relations Manager
Samantha Porter, Operations Manager
Tom Bright, Facilities Manager\
Barb Ross, Best & Flanagan
Steve Wischmann, KDV
Arlene McCarthy, Met Council
Liz Workman, Dakota County Alternate
Peter Herlofsky, Farmington\
Connie Massengale, Schmitt & Sons
James Clark, Messerli & Kramer
Troy Beam, Scott County TWG

I. Call to Order

The meeting was called to order at 4:30 p.m. by Chair Elizabeth Kautz.

II. Public Comments

There were no public comments.

III. Approval of Agenda

Motion by Gary Hansen and seconded by Jane Victorey to approve the agenda. Motion carried.

IV. Consent Agenda

Motion by Will Branning and seconded by Gary Hansen to approve the Consent Agenda. Motion carried.

V. Old Business

A. CAD/AVL Update

A memo and presentation regarding the latest status of the MVTA's participation in the regional Automatic Vehicle Locator (AVL) project was distributed. Michael Abegg reviewed some background on the project (where we've been and where we are) and offered several options for proceeding, reviewing risk, cost, benefits, staff time commitment and certainty. Specifics with regard to the recommendations were reviewed. Will Branning noted that he responded to a phone call from Arlene McCarthy at the Metropolitan Council regarding this issue and he recommends that a committee of Board members move quickly to meet and review the products being proposed.

In a Motion by Will Branning and seconded by Gary Hansen, the Board authorized that a committee of the Board act on the Board's behalf regarding the regional AVL project. Motion

carried. Motion by Jane Victorey and seconded by Jon Ulrich naming Will Branning, Wally Lyslo and William Droste to the committee, with one alternate (could be Tom Lovelace depending on meeting timing). Further, the Executive Director was to select staff to participate on this committee. Motion carried. The meeting is currently schedule to take place on Monday, June 29 at a time yet to be determined.

VI. New Business

A. Award Bid for Technology Bus Wraps

A revised memo was distributed regarding the wrapping of 10 buses as part of the MVTA's participation in the driver assist technology project in conjunction with the University of Minnesota and funded by the Urban Partnership Agreement. Three wraps were designed to give the buses a unique look and featuring the technology. The design was approved by Metro Transit (required for the UPA funding) and went out for bid in May with bids opened on June 12. DBE reviews were completed by the Metropolitan Council on the three low bidders and the Board was asked to award the bid to Visual Image Systems in the amount of \$49,581.59. Motion by Will Branning and seconded by Wally Lyslo to approve awarding of a contract to Visual Image Systems. Motion carried. Board members expressed interested in viewing the wrap designs and a short time later Michael Abegg brought them up on the screen for members to view.

B. SRF Contract Amendment

Lois Spear discussed the request from SRF to amend their contract. She indicated that given that this was a federal, fixed-price contract there was a process that the MVTA is required to follow and there will be a meeting with the Metropolitan Council regarding the requirements. In the mean time, Bonestroo was hired to provide an independent cost estimate of the proposed changes to the contract. A copy of the Bonestroo memo was provided to the Board. The Board expressed concern about amendments to the contract and suggested that everything be carefully scrutinized. Motion by Wally Lyslo and seconded by Jon Ulrich to authorize the Executive Director to negotiate cost changes to the SRF design contract for both the Apple Valley Transit Station and the 140/147th St. Station stops. Contracts would be amended in accordance with federal and state regulations. The item would be before the Board at its August meeting for ratification. Motion carried.

C. TKDA Contract Amendment

Lois Spear then reviewed the request from TKDA for a contract amendment and distributed by independent cost estimate produced by Bonestroo. The Board again expressed concern about amendments to the contract and suggested that everything be carefully scrutinized. Barb Ross also provided some background regarding title work that needed to be done at the last minute because it was not done by the consultant early on in the project. Just recently, it was determined that the City actually owned a parcel that MnDOT thought they owned. Motion by Gary Hansen and seconded by Wally Lyslo to authorize the Executive Director to negotiate cost changes to the TKDA design contract for the Cedar Grove Transit Station. Contracts would be amended in accordance with federal and state regulations. The item would be before the Board at its August meeting for ratification. Motion carried.

VII. Committee Reports

A. Finance Committee

Jane Victorey introduced the MVTA Auditor, Steve Wischmann, who reviewed the MVTA's financial statements and Management Letter. He noted that KDV offered a clean, unqualified opinion, the highest that can be made. He recommended that Board members read the Management Discussion and Analysis prepared by the MVTA staff as it provided a good summary of the year's operations. He indicated that the MVTA was in good financial condition

despite declining revenues. Costs were also down and total debt decreased, so the fund balance grew. Wischmann noted that KDV also did the single audit required of federal projects and it offered a clean, unqualified opinion with no material weaknesses and one significant deficiency regarding segregation of duties.

Wischmann then reviewed the Management Letter, indicating that there were no material weaknesses and only one significant deficiency – he complimented the MVTA on its good internal controls. He noted some policy issues (deposit/investment policy and capital asset policy) that are in process. He reviewed a number of the graphics which pictorially display the MVTA’s financial status. He reviewed the cash/fund balances and said that the MVTA “is good stewards of their dollars” and that based on this audit, the MVTA has adequate financial reserves. Motion by Jon Ulrich and seconded by Will Branning to accept the report and Financial Statements. Motion carried.

B. STA

James Clark of Messerli & Kramer briefly reviewed the 2009 Legislative Session, noting that the session started on a sober note with a \$6.4 billion shortfall and that it ended on a disappointing note resulting in the Governor’s unallotment plan. He commented on the success of the Apple Valley Transit Station ownership item, despite strong opposition from Rep. Alice Hausman. Rep. Hausman is expected to hold interim hearings on her idea of a Minnesota Transit Authority (which would replace regional rail authorities). Clark said that a document has been professionally prepared to focus on some of the innovation and advantages of the suburban transit providers. He praised the efforts of Senators John Doll and Jim Carlson and noted that they, along with several others, will be named the STA Legislators of the Year at an event in August. He mentioned the passing of the public finance and bonding bills. Finally, Clark stated that Kurt Zeller of Maple Grove (a suburban transit provider) was elected minority leader in the House of Representatives (replacing Rep. Marty Seifert).

C. Personnel

The Personnel Committee will schedule a meeting date in July to address outstanding issues.

VIII. Staff Reports / Update

None

IX. Adjournment

The meeting was adjourned at 6:28 p.m.

Minutes Prepared By: Robin L. Selvig

Next Regular Meeting Scheduled: August 26, 2009, 4:30 p.m. Egan Bus Garage, 3600 Blackhawk Road, Egan.

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: _____