

MINNESOTA VALLEY TRANSIT AUTHORITY  
Regular Board Meeting  
March 25, 2009 – 4:30 p.m.  
Eagan Bus Garage

**Board Members Present:**

Elizabeth Kautz, Burnsville  
Gary Hansen, Eagan  
Ruth Grendahl, Apple Valley  
Will Branning, Dakota County  
Jane Victorey, Savage  
Jon Ulrich, Scott County  
William Droste, Rosemount  
Wally Lyslo, At Large

**Others Present:**

Beverly Miller, Executive Director  
Mike Abegg, Planning Manager  
Jon Hohenstein, Eagan  
Lois Spear, Finance Officer  
Robin Selvig, Customer Relations Manager  
Stefanie Briggs, Sun Current  
Troy Beam, Scott County TWG  
Liz Workman, Dakota County  
Len Simich, SouthWest Transit  
Michael Leek, Shakopee Transit  
Tom Pepper, TWG  
Tom Lovelace, Apple Valley TWG  
Barb Ross, Best & Flanagan  
Margaret Schreiner  
Sam O'Connell, Dakota County  
Laura Adelman, This Week Newspapers

**I. Call to Order**

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

**II. Public Comments**

Meg Tilley addressed the Board regarding the February 25 meeting minutes. It was determined that the minutes would be pulled from the Consent Agenda for additional discussion.

**III. Approval of Agenda**

Wally Lyslo added several items to the agenda: List of at-large and alternate on agenda masthead, receipt of e-mail updates from STA, changes to Cedar Grove redevelopment that might affect MVTA's transit station, and a rider issue regarding the timing of the first southbound Route 442 bus from the Mall of America to Apple Valley for 8 a.m. work start. Motion by Wally Lyslo and seconded by Ruth Grendahl to approve the revised agenda. Motion carried.

Elizabeth Kautz saluted Meg Tilley for her service to the MVTA. She recognized the roles Tilley played on the MVTA and STA Boards and her years of service. She was presented with a small token of recognition.

Elizabeth Kautz administered the Oath of Office to new Board member Gary Hansen, representing Eagan. Hansen was welcomed to the Board and introductions followed.

Given the resignation of Meg Tilley, the Board has a need for a new secretary. Ruth Grendahl nominated Wally Lyslo to be secretary. There were no further nominations and Lyslo was unanimously elected secretary.

**IV. Consent Agenda**

The February Meeting Minutes were pulled from the Consent Agenda. Motion by Jane Victorey and seconded by Jon Ulrich to approve the remainder of the Consent Agenda. Motion carried.

Meg Tilley raised questions about her involvement in the selection of the at-large alternate specifically calling attention to page 17 of the packet, indicating that she had been given direction by her City Council to not participate in this discussion until after the Eagan Council had an opportunity to review the issue. She disputed that she called for action regarding the at-large commissioner and alternate and said she did not approve the appointment. Motion by Ruth Grendahl and seconded by Wally Lyslo to include a dissenting view to represent Tilley's position in the minutes. Jon Ulrich noted that the minutes reflect the actual activities at the Board meeting and accurately reflect his recollection of the meeting. He does not favor a change in the minutes. Will Branning deferred to Liz Workman who attended the February meeting on his behalf and she stated that the published minutes accurately reflect her recollection of the meeting specifically noting the "take action now" language. Grendahl then called the question and a roll-call vote followed:

Liz Workman – Nay	Ruth Grendahl – Aye	Jon Ulrich – Nay
Jane Victorey – Nay	Gary Hansen – Abstain	Chair Elizabeth Kautz – Nay
William Droste – Nay	Wally Lyslo – Aye	

Motion failed. Motion by Jon Ulrich and seconded by Liz Workman to approve the February meeting minutes. Motion carried.

## V. **Old Business**

### A. *Discussion of STA Consulting Contract*

Beverly Miller briefly reviewed the memo and materials included in the packet regarding the process used to select the STA consultant. Michael Leek of Shakopee Transit and Len Simich of SouthWest Transit were in attendance to provide their perspectives on the process and answer questions from the Board. Leek began by reviewing the process timeline and the result. He stated that there was a meeting in June to determine whether or not a Request for Qualifications (RFQ) should be distributed. Given that Messerli & Kramer (M&K) had been the lobbyist since the establishment of STA it was decided that it was prudent to conduct an RFQ. A document was drafted and distributed in early September. Responses and quotes were received from three law firms and one individual. All were brought in for interviews in mid-October and following the discussion there was a lot of exchange about who the top candidates were. It was decided that additional information was needed from Leonard Street & Deinard and Jim Alan, and those interviews followed a regular STA meeting on Oct. 31.

A special meeting was called for in writing for Nov. 14, 2008 prior to the regular STA meeting. The only agenda item was to select a consultant. After discussion, it was determined that this was not the year to change consultants and Messerli & Kramer was selected to represent STA. Len Simich concurred with Michael Leek's statements and said that the key reason that M&K was re-appointed as the consultant was that this was a critical year and there was not time for another firm to get up to speed. Simich also commented that "you know what you are getting" if you stay with M&K. Both Leek and Simich believe that the process followed was thorough and fair although perhaps not everyone was happy with the end result. In response to a question about the qualifications of the candidates, it was stated by Simich and Leek that all of the candidates were determined to be qualified, but that there was more support for the law firms than for the individual.

Ruth Grendahl raised questions regarding a letter to M&K outlining some performance concerns. Michael Leek, who drafted the letter, stated it was included in the background as information only and was to be an effort to improve communications between the consultant and STA members; it was not intended to be a listing of failings of the consultant. Len Simich commented

that there was a lot of discussion and that his Commission was very supportive of retaining M&K. Margaret Schreiner said that she was confused because she believed that Simich had shared frustration with Beverley Miller regarding the consultant's performance. Simich said that as a staff person, he felt he and Miller sometimes had to take the lead, but that his Commission did not share that frustration and was satisfied with the performance of M&K.

Ruth Grendahl commented that obviously the MVTA Board was not going to pursue an independent review of the process. Elizabeth Kautz stated that she was not opposed to an independent review, but that it would have to be determined how the process would work, who would do the review and who would pay for it. Jon Ulrich said that as best he can tell from the packet materials and information provided by Michael Leek and Len Simich the process included proper notice, discussions, a vote and through documentation. The process was proper. He said that if there is ongoing dissatisfaction with M&K that is a separate issue. He said he thought the whole thing was a "cheap shot." Ruth Grendahl took exception to the comment and asked if Apple Valley could withdraw from STA.

Will Branning stated that he observed in the interview and the final decision-making that the process was appropriately followed and nothing was done improperly. Bill Droste noted that often the MVTA has different people at STA meetings from year-to-year and meeting-to-meeting which could cause some confusion on part of MVTA Board members. Jane Victorey stated that she thought an appropriate process was followed and the Board should move on. Droste also noted that the ultimate performance measurement is the amount of gap funding received by the MVTA and in the past three years that has been significant for the MVTA. Elizabeth Kautz noted that she raised the MVTA Board's concern about the process and an independent review at the Feb. 26 STA meeting, but there was not support by STA to do such a review.

Jon Ulrich stated that perhaps a city of county attorney could do this review and it would take a couple of hours. Margaret Schreiner offered several options for someone to conduct the review, including Legislative Auditor James Noble and retired city/county attorneys and/or judges. Motion by Jon Ulrich and seconded by Will Branning (for discussion purposes) to do research regarding a process for an independent review, who would do it and how much it would cost. Branning stated that he felt it was inappropriate for the MVTA to do an independent review and was not sure what it would accomplish. There was discussion of scenarios regarding if an impropriety was discovered, how it would be handled. The majority of the MVTA Board had indicated that they thought the process was appropriate. After further discussion, Branning withdrew his second and the motion died for lack of second. Ruth Grendahl left the meeting during the discussion and was replaced at the table by her alternate, Tom Lovelace.

Motion by Bill Droste and seconded by Jane Victorey that based on the information provided in the packet and the discussion at the Board meeting, there be no further consideration of an independent review of the STA consultant selection process. A roll-call vote followed:

Will Branning – Aye	Tom Lovelace – Abstain	Jon Ulrich – Aye
Jane Victorey – Aye	Gary Hansen – Aye	Chair Elizabeth Kautz – Aye
William Droste – Aye	Wally Lyslo – Nay	

Motion carried. Liz Workman then raised a question about how the Apple Valley representative could abstain on a vote of an issue raised by that City.

**VI. New Business**

*A. BBG Renovation*

Beverley Miller noted that with the installation of the training simulator at the Burnsville Bus Garage, MVTA staff will be disrupted by the noise and commotion associated with the simulator. Motion by Will Branning and seconded by William Droste to approve an agreement with Bonestroo for schematic design, cost estimating, final design and construction management for renovation of the second floor of the Burnsville Bus Garage at a cost not to exceed \$35,600. Motion carried.

**VII. Committee Reports**

*A. STA*

Margaret Schreiner stated that she had previously requested and it was approved for all Board members and alternates to receive the weekly updates prepared by Messerli & Kramer. Robin Selvig noted that some names were removed by the list at the request of Board members themselves, but she would send a notice to Patrick Murray at Messerli asking that all Board members and alternates receive the weekly updates from M&K. There is an STA Legislative Committee meeting tomorrow.

*B. Finance Committee*

Lois Spear provided some background regarding the request for approval of a consultant for the conceptual design of a Rosemount Park & Ride. Motion by Will Branning and seconded by Wally Lyslo to approve an agreement with URS to develop a conceptual design plan for the Rosemount Park & Ride at a cost not to exceed \$10,690. Motion carried.

Jane Victorey provided a brief update on the Finance Committee's budget discussion regarding scenarios. She stated that with a 25 percent revenue reduction, the Board would still have sufficient reserves this year, but may need to revisit in future years. Lois Spear indicated that in a presentation to the Legislature, Peter Bell of the Metropolitan Council noted that the opt-out transit agencies would share in a \$7 million cut for the biennium (about \$3 million for MVTA) and that would be slightly more than the 25 percent scenario included in the packet.

**VIII. Staff Reports / Update**

*A. Burnsville Center*

Beverley Miller noted that the issues at the Burnsville Center were resolved satisfactorily. Elizabeth Kautz expressed her pleasure about the satisfactory resolution of this issue.

Beverley then stated there was a request by the City of Rosemount for the Board to take action regarding service plans and pursuit of a park & ride in Rosemount. Michael Abegg noted that initially, there was thought that changes could be made for Rosemount in conjunction with the June pick. A virtual public meeting was conducted on the MVTA web-site and some 45-50 rider comments were received. Abegg continued that given the fluid budget situation and time constraints, it would be difficult to implement a service change in June but that the MVTA would have something for the September service change. Elizabeth Kautz asked Commissioner Droste how the City was feeling about the process of discussions with the City of Rosemount and he indicated that he was pleased. Abegg stated that the City staff agreed with the MVTA recommendation at a recent meeting. Motion by Will Branning and seconded by William Droste directing staff to proceed with implementation, as part of the fall pick, of service changes that are recognized by all parties as improving service quality in the City of Rosemount, including trips that run non-stop between Rosemount Community Center Park & Ride and downtown Minneapolis. A roll-call vote followed:

Will Branning – Aye      Tom Lovelace – Aye      Jon Ulrich – Aye  
Jane Victorey – Aye      Gary Hansen – Aye      Chair Elizabeth Kautz – Aye  
William Droste – Aye      Wally Lyslo – Aye  
Motion carried.

Motion by Wally Lyslo and seconded by William Droste directing MVTA staff to continue work toward a permanent Rosemount Park & Ride including facility scoping/feasibility and preparation of grant applications for CMAQ and other funding sources. A roll-call vote followed:

Will Branning – Aye      Tom Lovelace – Aye      Jon Ulrich – Aye  
Jane Victorey – Aye      Gary Hansen – Aye      Chair Elizabeth Kautz – Aye  
William Droste – Aye      Wally Lyslo – Aye  
Motion carried.

B. Correspondence re: Joint Powers Agreement

Elizabeth Kautz noted the correspondence included in the Board packet regarding review of the MVTA’s governance and that the City of Apple Valley supported no changes to the Joint Powers Agreement, the City of Eagan had further questions and the City of Savage and Burnsville thought a review of the documents was prudent. Jane Victorey noted that the Savage City Attorney reviewed the JPA and Bylaws and found no conflict between the two. Bill Droste suggested that the Board set aside a 3-4 hour block of time to thoroughly review these documents and the MVTA’s governance structure. Jane Victorey said that given the City of Apple Valley’s position, there is not a lot of incentive to do anything. Wally Lyslo questioned the interpretation of the bylaws where it states that there is a term limit of four one-year terms for the at-large commissioner but it is a “lifetime” commitment for the number of years the Board chair can serve.

Jon Ulrich indicated that the Board needed to spend more time on visioning and follow-up on the work done last year with Teresa Daly such as how the Board will accomplish its mission. Elizabeth Kautz indicated she agreed the Board should review its governance structure this summer so that it could fulfill its mission. Margaret Schreiner questioned what the desired outcome of such a review was. William Droste suggested that a working group be established to look at possibilities for changes to the JPA and bylaws and the ramifications of such changes. Elizabeth Kautz appointed Gary Hansen, Jane Victorey and Jon Ulrich to the committee. It was suggested that the committee should also include a representative from Apple Valley to better understand the reasons for their position and if it included changes to the Bylaws or just the Joint Powers Agreement.

C. Miscellaneous (administrative masthead, Cedar Grove Changes, Reverse Commute on Route 442)

Wally Lyslo raised questions about recent news articles in the Pioneer Press regarding the Cedar Grove redevelopment and how it might affect the transit station and service to be part of the project. Gary Hansen stated that Cedar Grove is moving forward with a preliminary concept plan but this is only phase one, which is what the market can support at this time. Jon Hohenstein, Community Development Director for the City of Eagan stated that there were some misconceptions regarding the articles in the newspaper, but that the MVTA portion of the project should be unaffected.

Wally Lyslo raised a question on behalf of a reverse commute rider from south Minneapolis, indicating that the Route 442 schedule did not arrive in Apple Valley early enough for an 8 a.m. work start. Elizabeth Kautz suggested that if there are questions such as this, it should be

presented to MVTA staff ahead of time so an answer is available at the Board meeting. Lyslo indicated the question had come up only the previous day. MVTA staff will research the issue and respond to Lyslo and copy in the entire Board.

Will Branning and Liz Workman raised an issue brought to the County Board this week by the Metropolitan Council regarding the Council's interest in turning dial-a-ride services over to the County. In answer to the question of how dial-a-ride is funded, Troy Beam, Scott County TWG noted that it is federal dollars. Metro Mobility is funded by the State of Minnesota. Branning indicated the County has a task force looking at this issue as the Council wants a quick answer (April 30). Branning said the County will not deliver service, so would be looking to service providers in the area to partner with. More to come.

**IX. Adjournment**

Motion by Jon Ulrich, seconded by Gary Hansen to adjourn the meeting at 6:40 p.m.

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

**Next Regular Meeting Scheduled: April 22, 2009, 4:30 p.m. Eagan Bus Garage, 3600 Blackhawk Road, Eagan. This meeting was subsequently canceled. Next meeting set for May 20, 2009, 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: \_\_\_\_\_