

MINNESOTA VALLEY TRANSIT AUTHORITY

Regular Board Meeting

September 30, 2020 – 4:30 p.m.

Meeting conducted via video conference

Board Members Present:

Clint Hooppaw, Apple Valley
Kevin Burkart, Prior Lake
Jon Ulrich, Scott County
Chris Gerlach, Dakota County
Jenni Faulkner and Dan Kealey, Burnsville
Gary Hansen, Eagan
Gene Abbott, Savage
Jay Whiting, Shakopee
William Droste, Rosemount

Others Present:

Luther Wynder, MVTA
Heidi Scholl, MVTA
Richard Crawford, MVTA
Samantha Porter, MVTA
Aaron Bartling, MVTA
Tania Wink, MVTA
Tyre Fant, MVTA
Ben Picone, MVTA
Grace Vriezen, MVTA
Nene Israel, MVTA
Dawn McGuire, MVTA
Steve LaFrance, MVTA
Dan Rudiger, MVTA
Susan Borgerson, MVTA
John Miller, MVTA
Connie Massengale, Schmitt and Sons
Bill Forbord, Schmitt and Sons
Jenni Faulkner, City of Burnsville
PeggySue Imihy, City of Shakopee
Joe Morneau, Dakota County
Tom Lovelace, City of Apple Valley
Josh Feldman, City of Eagan
Ben Reber, Wiley Law Office
Deb Barber, Met Council
Wendy Wulff, Met Council
Nick Thompson, Met Council

I. Call to Order

The meeting was called to order at 4:33 p.m. by Chair Clint Hooppaw. A quorum was present.

II. Approval of Agenda

A motion by Kevin Burkart and seconded by Gary Hansen to approve the agenda. The Agenda was approved unanimously.

III. Public Comments

There were no public comments.

IV. Consent Agenda

A Motion by Chris Gerlach and seconded by William Droste to approve the items on the Consent Agenda. A roll call vote was taken.

Hooppaw – Aye	Gerlach – Aye	Abbott – Aye
Burkart – Aye	Faulkner – Aye	Whiting – Aye
Ulrich – Aye	Hansen – Aye	Droste – Aye

V. Old Business

A. Cedar Avenue Red Line Discussion

Luther Wynder, MVTA Chief Executive Officer, introduced the Cedar Avenue Red Line Discussion. He noted that Nick Thompson, director of Metropolitan Transportation Services for the Metropolitan Council, had sent a termination letter regarding Red Line operations on Sept. 4. Wynder said he spoke with Thompson on Sept. 25 and requested that Thompson attend the MVTA Board Meeting to share concerns and reasons for the termination notice.

Nick Thompson reviewed a PowerPoint that he prepared. Thompson explained that the Red Line began in 2013 as the region’s first Bus Rapid Transit (BRT) line. At that time, Red Line had joined the Blue Line light rail route as part of the metro network of transitways, which has grown to include commuter rail and the Green Line light rail.

Thompson said the Red Line was built with Counties Transit Improvement Board (CTIB) funding. In 2017, CTIB dissolved and transferred 100 percent of the Red Line funding to the Met Council. He said as a result of the dissolution, the Met Council would have authority over the budget, service level and provider of the Red Line. He noted the Orange Line would continue to have a cost share with Hennepin County and Dakota County.

Thompson said the current Red Line contract with MVTA required a 90-day termination notice and that the notice was timed with the Dec. 5 Metro Transit pick date.

Thompson reviewed reasoning for the timing of the termination notice. He said there was no specific reason. He said Red Line is an outlier and that it would be more coordinated with the metro network by having it operated by Metro Transit.

Thompson noted that the COVID-19 pandemic has added to fiscal pressure and there would be some fiscal benefits to making the transfer.

Thompson also said the Red Line fleet of Nova buses are at the end of their useful life and have been “problematic.” He said plans are to procure a new fleet this fall and that would provide pooled benefits with other routes.

Thompson said MVTA had requested increased security to be provided and that there would be better security alignment with Metro Transit. As Orange Line expands Thompson said Metro Transit Police service will be better coordinated and that security cameras would get tied in better than we have today.

Thompson said probably since the time Red Line opened, Metro Transit finally has sufficient drivers. He noted that there was a major driver shortage coming into 2020.

Thompson said customers would be served by a route with the same times by Metro Transit.

Bill Forbord, Chief Operating Officer for Schmitty and Sons, said his company has contracted with MVTA for 20 years and has had a partnership to provide the best possible

service. He said Schmitt and Sons is an employee-owned company and the Red Line is a key part of its service. He said long-time employees enjoy operating the Red Line and have a great relationship with customers and that demand has always been met and MVTA routes have never been missed.

Wynder presented a PowerPoint for the board. He noted that MVTA staff first heard about potential termination plans at a July 22 meeting regarding regional security. Wynder said staff were informed that the termination could take effect in December of this year or March, 2021.

Wynder said he then called Thompson and initially didn't receive information back. On Aug. 12, Wynder said on a phone call with Thompson the reason given for the termination that Metro Transit had the capacity to take on the service. Wynder said that MVTA intended to continue operating the service because it's in our service area.

On Aug. 31, the MVTA Board sent a letter to Metropolitan Council Chair Charles Zelle seeking more discussion and expressing the intent to continue operating the Red Line. Four days later, Wynder said, the termination notice was received.

Wynder said staff also had heard that the cost allocation plan (CAP) rate was also a factor in the termination decision. Wynder said MVTA submits a CAP plan annually but it hasn't been reviewed and approved by the Met Council since 2017. MVTA staff also reached out to Met Council staff seeking to discuss the CAP rate and were informed that the Red Line decision involved more than the CAP rate.

Wynder said there weren't any discussions with policy-makers prior to the distribution of the termination notice.

Wynder noted that MVTA performance operating the Red Line wasn't identified as an issue and he reviewed MVTA high customer satisfaction rates and operations safety record. He said missed trips were also well below 1 percent even with the maintenance challenges involving the Nova bus fleet.

Wynder said that while the Red Line started as a BRT, the current operations don't meet definitions of BRT and that the Met Council had recently described the route as "station-to-station" service. Wynder also reviewed how MVTA restructured its bus routes in 2013 to accommodate the Red Line.

Wynder said state Statute 473.388 provides the right of MVTA communities to have independent operation of public transit services and he expressed hope that the Met Council would discuss the service with local communities.

Wynder also discussed the CTIB dissolution, which included information about the Met Council funding Red Line through 2025 and a sole source agreement with MVTA.

Wynder said MVTA has proposed potential solutions, including examining financial agreements regarding the Red Line as well as having MVTA absorb the Red Line service after 2025 when the Met Council's funding commitment ends.

Wynder highlighted MVTA's service record and said that local service should have local choice. He highlighted letters the cities of Apple Valley and Eagan had submitted to the Met Council requesting reconsideration of the termination notice.

Chris Gerlach, said the issue was multi-faceted and not performance related. He asked about how many drivers would be affected by a change. Forbord said 15 to 22 drivers currently operate Red Line and Thompson said the amount would be similar for Metro

Transit because the frequency would be the same. Wynder said about 25 percent of the current work force – operators and support staff – would be affected.

Gerlach also asked Thompson about the genesis of the decision and whether it was a staff decision or a decision driven by Met Council members. Thompson said the contract included a process for termination that would be executed by staff and didn't require a Met Council board action. He said policy-makers were kept informed.

Clint Hooppaw asked Thompson how long the termination decision had been considered. Thompson said he's asked about Red Line operations since he joined the Met Council staff more than three years ago. Hooppaw noted that the Red Line is a large piece of MVTA service and the decision-making process seemed to completely disregard the partnership regional transit providers have talked about. Hooppaw said the process didn't feel like a partnership decision but rather a vendor-management relationship. Hooppaw said there was a significant lack of communication and desire to collaborate on a solution.

Thompson agreed for the need for regional collaboration and noted that's why discussions regarding termination started in June. Wynder said the first MVTA staff heard about termination plans was in July. Thompson said he disagreed with the context of discussions that had occurred at the staff level.

Jay Whiting asked what legal avenues were possible regarding Metro Transit operating service in opt-out communities. Wynder said MVTA is exploring next steps.

Thompson said the Red Line isn't unique regarding the state statute. He said the SouthWest light rail line and the Orange Line are two other services that will terminate in suburban transit provider areas. Wynder disagreed and said the Southwest project is light rail, not bus service, and the Orange Line primarily will provide service outside MVTA's service area. The bulk of the Red Line serves the MVTA service area.

Gerlach asked Thompson whether the Met Council staff would be open to any of the solutions proposed by MVTA. Thompson said it was the first he had seen those proposals but indicated that there was a lot of work to do prior to the changeover and that drivers had to pick routes on Nov. 1 and that plans were moving forward.

William Droste asked Met Council representatives Deb Barber and Wendy Wulff for their perspectives on the decision and Kevin Burkart asked what they knew and when they knew it.

Barber said she is chair of the Transportation Committee and that Thompson has been keeping her informed. She said the budget pressures are scary and the Met Council has been pushing for cost savings and efficiencies. Barber said the change could also help with better integration of security cameras and services. Wulff said she had found out about the Red Line plans later than Barber. She said as a Metropolitan Council Member she said her role was to set policy and allow staff to handle contracts. Barber said unless she was directed by the Met Council chair to do something different she didn't feel she could overrule staff on something outside her purview.

Wynder said the Met Council has access to MVTA security cameras but they haven't chosen to access it. Wynder also said MVTA should push to understand actual cost savings that Met Council staff expect to realize. Thompson indicated he would follow up on costs.

Dan Kealey said MVTA and the Met Council staff have different interpretations of state Statute 473.388. If Red Line is a local, station-to-station service taken over by Metro

Transit, that would jeopardize all routes operated by suburban transportation providers and may require a legal decision.

Whiting asked Thompson if he had sought legal advice regarding the termination. Thompson said he had but hadn't received an opinion back.

VII. New Business

A. Systemwide Study Update

Aaron Bartling, MVTA Planning Manager, gave an update on plans for a systemwide study. MVTA, in collaboration with SouthWest Transit, is in the initial stages of completing a systemwide study of transit service in the south/southwest metro. Staff will be seeking a consultant to complete this review.

The primary purpose of this study is to provide a comprehensive review of current transit service operated by both MVTA and SouthWest Transit. The study will examine unmet needs and opportunities for additional routes or service coordination. It will also include evaluations and recommendations regarding: expanded and enhanced operations/service design, funding models for various scenarios for expanded and enhanced service, partnership opportunities for interconnections or expanded service, and marketing opportunities. The study will address internal and external factors influencing use of public transit, including parking supply and policy, schedules, route design, amenities, marketing, land use, COVID-19, etc. Staff will be encouraging the selected consultant to be bold and investigate how the system can grow and become a more viable transportation mode within the southern metro.

A request for proposals (RFP) is expected to be released this fall, with a consultant coming on board by year-end.

VII. Committee Reports

A. STA

Luther Wynder, MVTA Chief Executive Officer, provided an update on the September Suburban Transit Association Meeting. STA is preparing a presentation for the Governor's Blue-Ribbon Committee on Metropolitan Council Governance. The STA is expected to participate in an Oct. 26 meeting with the committee.

VIII. Board and Staff Reports

A. Metropolitan Council Update

- Deb Barber noted that ridership continued to remain down due to COVID-19.
- She said a Network Next service study also had been pushed out to 2021 due to COVID-19.
- Orange Line planning remains on schedule and on budget.

B. Selfie Mask Campaign

MVTA Public Information Manager Richard Crawford gave an update on #MaskUpMVTA, a new initiative to promote face coverings and passenger health and safety. MVTA has been encouraging face mask use from the onset of COVID-19 and implementing the governor's executive order.

Customers are being encouraged to wear face coverings and share their photos on MVTA digital channels. MVTA will select participants and thank them with free rides. The promotion is designed to put a positive spin on mask wearing to continue to support healthy practices on our buses.

IX. Adjournment

A Motion was made by Kealey and seconded by Whiting to adjourn the meeting at 6:11 p.m. The motion passed unanimously.

Minutes Prepared by: Richard Crawford

Next Regular Meeting Scheduled Wednesday, Oct. 28, 4:30 p.m., at Burnsville Bus Garage, 11550 Rupp Drive, Burnsville, MN. 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: _____