

MINNESOTA VALLEY TRANSIT AUTHORITY

Regular Board Meeting
December 5, 2018 – 4:30 p.m.
Burnsville Bus Garage

Board Members Present:

William Droste, Rosemount
Bob Coughlen, Savage
Gary Hansen, Egan
Chris Gerlach, Dakota County
Tom Lovelace, Apple Valley,
for Clint Hooppaw
Lisa Freese, Scott County,
for Jon Ulrich
Joe Widing, Shakopee,
for Jay Whiting
Kevin Burkart, Prior Lake
Dan Kealey, Burnsville

Others Present:

Luther Wynder, MVTA Executive Director
Jim Strommen, Kennedy and Graven
Bob Crawford, Elko New Market
Heidi Scholl, MVTA
Tania Wink, MVTA
Samantha Porter, MVTA
Richard Crawford, MVTA
Steve LaFrance, MVTA
Matthew Rosenbloom-Jones, MVTA
Dawn McGuire, MVTA
Chad Deegan, MVTA
Jen Lehmann, MVTA
Joe Morneau, Dakota County
Nickolas Hendrikson, Met Council

I. Call to Order

The meeting was called to order at 4:34 p.m. by Chair William Droste. A quorum was present.

Oath of Office

Chair William Droste administered the Oath of Office to Joe Widing, who is the new alternate board member of the city of Shakopee.

II. Public Comments

There were no public comments.

III. Approval of Agenda

Richard Crawford, MVTA Public Information Manager, noted that there was a corrected resolution for Item IV. G that was distributed to board members. A Motion by Kevin Burkart and seconded by Bob Coughlen to approve the Agenda. The Agenda was approved unanimously.

IV. Consent Agenda

A Motion by Gary Hansen and seconded by Burkart to approve the Consent Agenda. A roll call vote was taken.

Lovelace – Aye
Hansen – Aye
Kealey – Aye

Widing - Aye
Coughlen – Aye
Burkhart - Aye

Gerlach - Aye
Droste – Aye

V. Old Business

A. Russell Herder Global Branding Update

Richard Crawford, MVTA Public Information Manager, gave a presentation on MVTA refreshed branding the marketing consultant Russell Herder has been preparing. New bus wraps and messaging have started to appear on the MVTA website and additional branding will appear in January on MVTA buses and at MVTA facilities as well as digital channels.

VI. New Business

None

VII. Committee Reports

A. STA Report

Luther Wynder, MVTA Executive Director, said the Suburban Transit Association met Nov. 20 and Joe Marble, Committee Administrator for the Minnesota House of Representatives Transportation Policy and Finance Committee, was identified as a recipient of a Friend of STA award. The STA also continues to work on inclusion of suburban projects in regional solicitation funding. The next meeting for STA is on Dec. 13 and work will continue on the STA's legislative platform for 2019.

B. Management Committee

1. 2019 Budget

1. Operating Budget

Tania Wink, MVTA Finance Manager, gave a presentation on the proposed 2019 Operating Budget that was reviewed by the Management Committee.

The budget would include:

1. \$.75M 2018 General Fund Carryforward balance
2. \$32,285,089 Operating Revenue Budget
3. \$32,205,197 Operating Expenditure Budget
4. \$179,892 Fund Balance Addition

In June 2018, the Board approved an amendment to the 2018 Revenue and Expenditure Operating Budgets decreasing the total revenues by \$2.4M. This decrease in revenue was due to the Metropolitan Council's policy on reduction in Motor Vehicle Sales Tax (MVST) and the Allocated MVST (RAMVST). The decrease in revenue led to approximately \$.4M in expenditure reduction to the 2018 budgeted expenses. This reduction triggered more cost-saving measures throughout the fiscal year, providing a forecasted carryforward balance of \$.75M to end the 2018 fiscal year.

The 2019 Operating Expenditure budget will increase due to various projects moved forward from 2018 to 2019. The increase consist of the following:

- \$700K for Professional Services including:
 - AVTS Modernization Project
 - Route Review
 - Engineering and ADA Assessments

- Transit Oriented Development
- \$500K for Contract Services including:
 - Snow Removal
 - Janitorial Services
 - Lawn Care
 - Maintenance
 - Computer Software & Licenses
- \$150,000 for Special Service (including Vikings games, Final Four, etc.)
- 3.0% COLA

The 2019 Operating Revenue budget will see an increase based on forecasted revenue. The increase in revenue consists of:

- \$.75M Carryforward balance from 2018
- \$200,000 in Fare Box Revenue
- \$400,000 in MVST/RAMVST
- \$565,000 in Grants & Appropriations (including Golden Triangle CMAQ Grant)
- \$15,000 in Contract Revenue

The 2019 Operating Budget results in an increase of \$179,892 in the fund balance assuming the 2018 and 2019 operating results come in as budgeted. This is based on Met Council distributing \$500,000 in additional Allocated MVST to MVTA.

Commissioner Gary Hansen sought additional information concerning costs associated with Transit Oriented Development. Executive Director Luther Wynder said there are no specific plans currently regarding development at transit stations but noted that there have been preliminary discussions about development at Burnsville Transit Station.

Commissioner Chris Gerlach sought confirmation that any contract revenue received by MVTA would not count against the agency. Wynder said state legislation has been put in place so that there are no financial ramifications regarding contract revenue agencies receive.

Gerlach also asked about how the cost of living adjustment of 3 percent was determined. MVTA reviewed adjustments planned by member cities and counties to determine the recommendation.

Commissioner Dan Kealey sought more information regarding the increase in labor costs.

Wink said the proposed budget includes adding to full-time positions in July of 2019. Wynder said the proposed positions would be an additional transit director to monitor safety and security issues and a scheduler to assist with the new CAD/AVL system. Kealey said MVTA has a history of being an efficient organization and it is important to keep an eye on labor costs.

Burkart agreed with the importance of keeping staff costs under control and being fiscally prudent and credited staff for only recommending two staff positions although seven positions had been requested by department heads.

Wynder described the agency as a lean organization and said the two planned employee positions in 2019 should put the organization in a good position moving forward.

A Motion by Burkart and seconded by Kealey to approve the 2019 Operating Budget.

A roll call vote was taken.

Lovelace – Aye	Kealey - Aye	Burkart - Aye
Freese – Aye	Widing – Aye	Gerlach - Aye
Hansen – Aye	Coughlen – Aye	Droste - Aye

2. 2019 – 2023 Capital Budget

Tania Wink, MVTA Finance Manager, gave a report on MVTA’s Capital Improvement Plan (CIP) for 2019-2023. The funding for capital budget in 2019 is \$10,635,785.

The Federal Highway Administration (FHWA) through the Minnesota Department of Transportation (MnDOT) is responsible for 54 percent of 2019 funding.

The Metropolitan Council is responsible for 35% of the funding for the FY 2019 capital budget with National Transit Database (NTD) and Federal Transit Administration (FTA) grants.

For the five-year capital improvement plan, the total budget is \$17,053,358 with the Metropolitan Council as the primary funding agency.

MVTA plans to allocate the capital funding in the following ways:

- \$1.025M to Technology and Equipment, funding the AVL Regional Compatibility and CAD/AVL Upgrades.
- \$2.62M to Support Facilities
- \$3.23M to Transportation Projects supporting various projects in Public Facilities and Customer Amenities.
- \$8.67M to the AVTS Modernization Project
- \$1.01M for MRTS to BTS Service Route 495
- \$321K for Scott County 169 Connector
- \$160K for Non-Revenue Vehicle
- \$60K for the CH21 Downtown Prior Lake Recon

Lisa Freese noted that funding from Scott County for capital projects is only scheduled through 2022 and MVTA may be forced to trim costs or service if additional funding is not identified. Kealey asked where additional funding would come to maintain Route 495. Wynder said the route has been shown to be successful and MVTA would reallocate resources if necessary to maintain the service.

A Motion by Gerlach and seconded by Lovelace to approve the 2019 – 2023 Capital Budget. A roll call vote was taken.

Lovelace – Aye	Kealey - Aye	Burkart - Aye
Freese – Aye	Widing – Aye	Gerlach - Aye
Hansen – Aye	Coughlen – Aye	Droste - Aye

2. 2019 Employee Benefit Review

1. Cost of Living

Heidi Scholl, MVTA Procurement and Contract Manager, reviewed proposed 2019 employee cost of living increases and Cafeteria Plan allotment.

In a comparison of member cities and counties to determine trends, the average suggested 2019 COLA percentage increase was 2.82 percent.

2. Employer Paid Expenses

A review of employee benefit contributions by member cities was also conducted. The average increase for member agencies was 3.35 percent. Based upon the review and past practice, the recommended increase for employer paid benefits was 5.71 percent.

A 3 percent cost of living adjustment and a 5.71 percent increase in the Cafeteria Plan allotment aligns MVTA with partner cities and counties.

A Motion by Burkart and seconded by Kealey to approve 2019 Cost of Living and Employer Paid Expenses. A roll call vote was taken.

Lovelace – Aye	Kealey - Aye	Burkart - Aye
Freese – Aye	Widing – Aye	Gerlach - Aye
Hansen – Aye	Coughlen – Aye	Droste - Aye

3. Board Nominations

Richard Crawford, MVTA Public Information Manager, informed the board that the chair, vice chair and secretary/treasurer would be elected for 2019 at the January Board Meeting. The three existing office holders are eligible to serve an additional year.

Board members interested in serving in a leadership position were encouraged to notify Crawford.

Board members who would like to serve on or adjust committee assignments in 2019 were also encouraged to notify Crawford.

4. Executive Director Performance Review

Heidi Scholl, MVTA Procurement and Contract Manager, reviewed the timeline drafted for the Executive Director’s performance review.

C. Partnership Committee

1. Rosemount Legion Parking Update – Richard Crawford indicated an agreement was being finalized with Rosemount Legion for shared parking at times of high capacity at the transit station and at the Legion.

2. Stuff the Bus – Richard Crawford provided an update on the first week of the Stuff the Bus, a food and cash collection benefitting Dakota and Scott county food shelves.

VIII. Board and Staff Reports

- Luther Wynder gave a report on a staff trip on an express bus to downtown Minneapolis that highlighted some of the transportation challenges serving the downtown corridor. Droste said it would take leadership from the city of Minneapolis to mitigate traffic congestion issues.

- Droste announced that the meeting would be the last for Bob Crawford serving as an ex-officio member of the board for Elko New Market. Droste thanked Crawford for his years of support for transit.

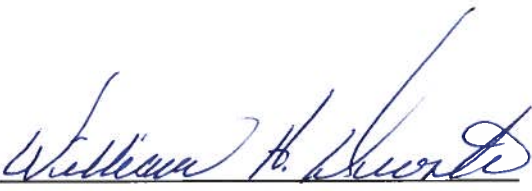
IX. Adjournment

A Motion was made by Kealey and seconded by Hansen to adjourn the meeting at 5:53 p.m. Motion carried unanimously.

Minutes Prepared by: Richard Crawford

Next Regular Meeting Scheduled Wednesday, January 23, 4:30 p.m., at Burnsville Bus Garage, 11550 Rupp Drive, Burnsville.

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: 1/23/19