

April 23, 2020



SouthWest Transit Commission

2120 Chestnut Street N
Chaska, MN 55318

Telephone 952-949-2287
Facsimile 952-974-7997
SWTransit.org

SOUTHWEST TRANSIT COMMISSION AGENDA

Thursday, April 23, 2020

Commission Meeting – 6:00 pm, 2nd Floor East Creek Conference Room & Via
Video or Phone

Using a Computer (allows viewing of presentation and guests)

1. Go to www.uberconference.com/sw-transit
2. Enter the pin **96039**
3. Enter your name and click Join with Video or Join with Audio.
4. Confirm your settings and click on Join conference.

Using a Phone (audio only)

1. Call **952-222-4620**
2. Enter the pin **96039**

NOTICE: Governor Walz has declared a peacetime emergency ([Emergency Executive Order 20-01](#)) in response to COVID-19 and the SouthWest Transit Chair has determined it is not practical or prudent to conduct an in-person Commission meeting for reasons stated in the Governor's Emergency Executive Order. Accordingly, Commission members will participate in this meeting via telephone and the Commission meeting will be conducted under Minnesota Statutes section 13D.021 at the location, date, and time stated above. Members of the public may attend the meeting in person or view [online](#). Once you have dialed into the conference, please identify yourself and mute yourself until you would like to comment.

COMMISSION MEMBERS

Brad Aho – City of Eden Prairie
Jerry McDonald – City of Chanhassen
Bob Roepke – City of Chaska
Bethany Tjornhom – City of Chanhassen
Mike Huang – City of Chaska
PG Narayanan – City of Eden Prairie
Jody Bonnevier - At-Large Commissioner
Courtney Johnson – Ex Officio City of Carver

GENERAL COUNSEL

Joshua Dorothy, Attorney

EXECUTIVE STAFF

Len Simich, Chief Executive Officer
Dave Jacobson, Chief Operating Officer
Matt Fyten, Operations and Planning Director
Al Halaas, Director/GM - First Transit
Gary Groen – Acting Administrative Service Director
Tony Kuykendall – Vehicle Maintenance Manager
Souriyong Souriya – Finance Director
Mike Dartt – Facilities Manager, Buildings & Structure
Adam Hegeholz – HR Manager
Jason Kirsch – IT Manager
John Haggenmiller – Public Outreach Manager

AGENDA

Commission Meeting – 6:00 pm

- I. PUBLIC COMMENT
- II. APPROVAL OF AGENDA
- III. PAYMENT OF CLAIMS (Rollcall Vote)
- IV. CONSENT

- A. Approval of Minutes of 3-26-20
- B. Approval of Financial Statements

V. NEW BUSINESS

- A. Audit
- B. COVID-19 Response Plan
- C. SW Village Repairs
- D. TSM Plan
- E. Request for legal action against Joint Ventures (SWLRT Contractor) for damages related to lights located in the SouthWest Station Ramp

VI. UPDATES

- A. Operations Update

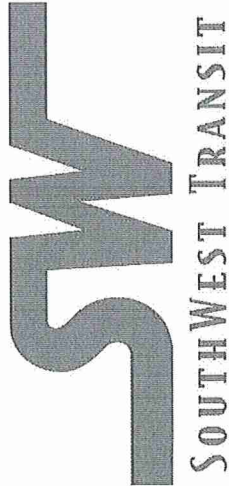
VII. ADJOURNMENT

Payment of Claims

SouthWest Transit				
03/20/2020 Thru 04/15/2020				
Meeting Date: 04/23/2020				
Payment of Claims				
Check Number	Vendor Name	Description	Check Date	Check Amount
5428	ARCPPOINT LABS OF EDEN PRAIRIE	Drug Testing	4/1/20	\$ 96.00
5429	BTR OF MINNESOTA	Vehicle Parts	4/1/20	\$ 420.41
5430	C.H.I. COMPANIES	Natural Gas Delivery	4/1/20	\$ 703.00
5431	CUSTOM COMMUNICATIONS INC.	Alarm System	4/1/20	\$ 1,936.00
5432	HAY DOBBS P.A.	Prof Fee - Garage Expansion	4/1/20	\$ 54,671.13
5433	HEALTHPARTNERS	COBRA Health and Dental Insurance	4/1/20	\$ 931.72
5434	INFINITY PRINTING SUPPLIES	Printing Supplies	4/1/20	\$ 426.62
5435	MATRIX TRUST COMPANY	VEBA Contributions	4/1/20	\$ 3,375.00
5436	MEDIACOM	Internet Bill	4/1/20	\$ 900.81
5437	METRO SALES INC.	Copier Maintenance	4/1/20	\$ 1,821.24
5438	POPP COMMUNICATIONS	Phone Bill	4/1/20	\$ 2,311.11
5439	WALKER CONSULTANTS	Professional Services	4/1/20	\$ 7,770.00
5440	WILLIAMS SCOTSMAN, INC.	Garage Expansion -Rental Trailer	4/1/20	\$ 768.36
5441	XCEL ENERGY	Utilities Payment	4/1/20	\$ 1,425.92
5442	4201, LLP	Bus Parking Lease	4/7/20	\$ 333.33
5443	ABC BUS COMPANIES	Vehicle Parts	4/7/20	\$ 1,225.85
5444	ACE SECURITY TECHNOLOGIES	Facility Supplies	4/7/20	\$ 287.09
5445	ADP, LLC	ADP Payroll Services	4/7/20	\$ 1,815.41
5446	ALLSTATE PETERBILT	Vehicle Parts	4/7/20	\$ 764.81
5447	ATOMIC RECYCLING	Garage Expansion	4/7/20	\$ 306.00
5448	BACHMAN'S CREDIT DEPARTMENT	Building Supplies	4/7/20	\$ 92.94
5449	JASON BERG	Expense Reimb - Mileage	4/7/20	\$ 65.42
5450	BLUETARP FINANCIAL, INC.	Pandemic Cleaning Supplies	4/7/20	\$ 319.98
5451	BOYER FORD TRUCKS-PARTS DIST	Vehicle Parts	4/7/20	\$ 5,852.67
5452	CDW GOVERNMENT	Marketing Software	4/7/20	\$ 2,662.83
5453	CENTERPOINT ENERGY	Heating Payment	4/7/20	\$ 6,778.40
5454	CENTURYLINK	Telephone Payment	4/7/20	\$ 113.73
5455	CENTURYLINK	Telephone Payment	4/7/20	\$ 853.50
5456	CINTAS CORPORATION #470	Uniform Service	4/7/20	\$ 459.22
5457	CITY OF CHASKA UTILITY BILLING	Utilities Payment	4/7/20	\$ 1,910.28
5458	C-THRU WINDOW CLEANING	Facility Supplies	4/7/20	\$ 540.00
5459	DACOTAH PAPER CO.	Vehicle Parts	4/7/20	\$ 953.74
5460	DIESEL COMPONENTS INC.	Vehicle Parts	4/7/20	\$ 938.77
5461	FACTORY MOTOR PARTS COMPANY	Vehicle Parts	4/7/20	\$ 437.84
5462	FAIRCHILD EQUIPMENT	Vehicle Parts	4/7/20	\$ 166.84
5463	FIDELITY SECURITY LIFE INSURANCE CO.	March & April 2020 Insurance Benefit	4/7/20	\$ 277.88
5464	FORKLIFTS OF MINNESOTA, INC.	Vehicle Parts	4/7/20	\$ 3,500.81
5465	GK2 PROMOTIONS	Marketing and Advertising	4/7/20	\$ 4,230.19
5467	GRAINGER	Pandemic Cleaning Supplies	4/7/20	\$ 12,344.36
5468	GREGERSON, ROSOW, JOHNSON & NILAN, LTD	Professional Services Legal fee	4/7/20	\$ 8,217.01
5469	HERITAGE GLASS COMPANY	Vehicle Parts	4/7/20	\$ 758.05
5470	HOGLUND BUS COMPANY	Vehicle Parts	4/7/20	\$ 339.64
5471	IMPERIAL SUPPLIES LLC	Vehicle Parts	4/7/20	\$ 72.38
5472	INTERSTATE POWER SYSTEM, INC.	Vehicle Parts	4/7/20	\$ 4,053.87
5473	I-STATE TRUCK CENTER	Vehicle Parts	4/7/20	\$ 369.21
5474	KLOOS ELECTRIC, INC.	Electric Maintenance	4/7/20	\$ 3,135.54
5475	LANO EQUIPMENT, INC.	Vehicle Parts	4/7/20	\$ 2,540.82
5476	LIFESTYLE PUBLICATIONS, LLC	Marketing and Advertising	4/7/20	\$ 525.00
5477	MENARDS	Pandemic Cleaning Supplies	4/7/20	\$ 567.03
5478	MICRO CENTER	IT Supplies	4/7/20	\$ 129.99
5479	MSRA	Marketing and Advertising	4/7/20	\$ 4,500.00
5480	MY CABLE MART LLC	IT Supplies	4/7/20	\$ 45.66
5481	MYERS TIRE - CHICAGO #12	Vehicle Parts	4/7/20	\$ 244.11

SouthWest Transit				
03/20/2020 Thru 04/15/2020				
Meeting Date: 04/23/2020				
Payment of Claims				
Check Number	Vendor Name	Description	Check Date	Check Amount
Payroll				
	ADP, INC.	Payroll	3/20/20	\$ 90,298.89
	ADP, INC.	Payroll	4/3/20	\$ 88,789.76
		TOTAL		\$ 179,088.65
Monthly Reimbursement included in payroll totals				
	Jon Christenson	Cell Phone Allowance		\$ 50.00
	Mike Dartt	Cell Phone Allowance		\$ 50.00
	Pete Engstrom	Cell Phone Allowance		\$ 50.00
	Matt Fyten	Cell Phone Allowance		\$ 50.00
	Dave Jacobson	Cell Phone Allowance		\$ 50.00
	Dave Jacobson	Car Allowance		\$ 175.00
	Jason Kirsch	Cell Phone Allowance		\$ 50.00
	Tony Kuykendall	Cell Phone Allowance		\$ 50.00
	John Haggemiller	Cell Phone Allowance		\$ 50.00
	Ben Schuler	Cell Phone Allowance		\$ 50.00
	Jason Berg	Cell Phone Allowance		\$ 50.00
	Kory Simich	Cell Phone Allowance		\$ 50.00
	Kyle Jackels	Cell Phone Allowance		\$ 50.00
	Len Simich	Cell Phone Allowance		\$ 85.00
	Len Simich	Car Allowance		\$ 712.00
		TOTAL		\$ 1,572.00
		GRAND TOTAL		\$ 432,227.95

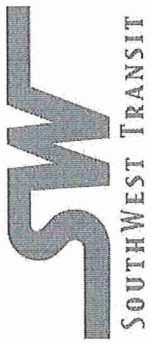
Consent



**Balance Sheet for All Funds
February 2020**

Commission Meeting date 4.23.2020

Balance Sheet Category	Fund Name						Total
	General Fund	Capital & Equipment	SWS-Relocation Capital	Grant Projects	SWS Development	Debt Service	
Assets							
Cash & Investments	\$ 3,738,607	\$ 1,838,800	\$ 5,582,301	\$ (256,210)	\$ 8,296,181	\$ (213,069)	\$ 18,986,610
Accounts Receivable	784,974	4,144	-	256,210	3,484,809	116,412	4,646,549
Other Assets	391,416	-	-	-	-	-	391,416
Total Assets	4,914,997	1,842,944	5,582,301	-	11,780,990	(96,658)	24,024,574
Liabilities							
Accounts Payable	224,080	-	138,684	-	-	-	362,764
Other Liabilities	-	-	-	-	3,432,670	-	3,432,670
Total Liabilities	224,080	-	138,684	-	3,432,670	-	3,795,434
Fund Balances							
Beginning Fund Balance-January 2018	4,378,020	1,842,944	1,759,627	-	8,256,487	26,229	16,263,307
Net Change in Fund Balance	312,897	-	3,683,990	-	91,833	(122,886)	3,965,834
Total Fund Balances	4,690,917	1,842,944	5,443,617	-	8,348,320	(96,657)	20,229,141
Total Liabilities & Fund Balances	\$ 4,914,997	\$ 1,842,944	\$ 5,582,301	\$ -	\$ 11,780,990	\$ (96,657)	\$ 24,024,575

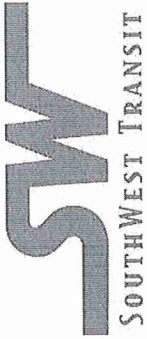


SouthWest Transit
 Revenue and Expenditures for All Funds
 Monthly Financial Report
 YTD February 2020

Commission Meeting date 4.23.2020

Feb=16.7%

General Fund 100	Adopted Budget		Current Month Actual		2020 YTD Actual		2020 YTD Balance		% YTD Budget	
Revenues										
Passenger Fares	\$ 3,035,600	\$	213,682	\$	440,598		(2,595,002)		14.5%	
Contract Revenue	70,000		4,926		10,587		(59,413)		15.1%	
MVST Revenue	7,606,000		483,313		1,097,311		(6,508,689)		14.4%	
RAMVST Revenue	1,406,000		90,233		204,864		(1,201,136)		14.6%	
Investment Income	10,000		2,435		2,435		(7,565)		24.4%	
Other Local Revenues	210,000		1,470		47,223		(162,777)		22.5%	
	12,337,600		796,059		1,803,018		(10,534,582)		14.6%	
Other Sources	-		-		9,398		9,398		-	
Insurance Recoveries	-		-		9,398		9,398		-	
Total Revenue	\$ 12,337,600	\$	796,059	\$	1,812,416	\$	(10,525,184)		14.7%	
Expenditures										
Administration	\$ 1,470,800	\$	112,683	\$	177,815		1,292,985		12.1%	
Operations	7,427,300		591,872		702,457		6,724,843		9.5%	
Vehicle Maintenance	2,189,000		153,174		209,836		1,979,164		9.6%	
Facility Maintenance	1,402,150		117,090		195,457		1,206,693		13.9%	
Total Expenditures	12,489,250		974,819		1,285,565		11,203,685		10.3%	
Capital Cost Of Operating	376,600		41,456		43,954		332,646		11.7%	
Total Expenditures & Capital Cost of Operating	12,865,850		1,016,275		1,329,519		11,536,331		10.3%	
Other Financing Sources										
Transfers In	(170,000)		-		(170,000)		-		100.0%	
Transfers (Out)	(170,000)		-		(170,000)		-		100.0%	
Net Change in Fund Balance	\$ (698,250)	\$	(220,216)	\$	312,897					
Fund Balance, January 1		\$		\$	4,378,020					
Fund Balance, End of Current Period		\$		\$	4,690,917					
Months of Operating Expenditures					4					
Fund Balance as a % of the Expenditure Budget					36.0%					

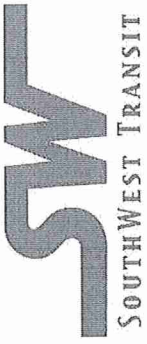


SouthWest Transit
Revenue and Expenditures for All Funds
Monthly Financial Report
YTD February 2020

Commission Meeting date 4.23.2020

Feb=16.7%

All Other Funds	Adopted Budget	Current Month		2020 YTD Actual	2020 YTD Balance	% YTD Budget
		Actual	Actual			
Capital & Equipment Capital Projects Fund 250						
Revenue	\$ 5,000	\$ -	\$ -	\$ -	(5,000)	0.0%
Expenditures	-	-	-	-	-	0.0%
Transfer In (Out)	-	-	-	-	-	0.0%
Net Change in Fund Balance	\$ 5,000	\$ -	\$ -	\$ -		
SWT Capital Cost of Operating Deferred Fund 260						
Revenue	\$ -	\$ -	\$ -	\$ -	-	0.0%
Expenditures	\$ -	\$ -	\$ -	\$ -	-	0.0%
Transfer In (Out)	\$ 170,000	\$ -	\$ -	\$ -	170,000	0.0%
Net Change in Fund Balance	\$ 170,000	\$ -	\$ -	\$ -		
SWS Relocation Capital Projects Fund 338						
Revenue	\$ -	\$ -	\$ -	\$ 4,266,933	4,266,933	0.0%
Expenditures	2,210,000	262,465	306,526	1,903,474	1,903,474	13.9%
Transfer In (Out)	2,210,000	-	-	2,210,000	2,210,000	-
Net Change in Fund Balance	\$ -	\$ (262,465)	\$ 3,960,407			
Grant Projects Fund 336 & 337						
Revenue	\$ -	\$ 33,335	\$ 256,210	\$ 256,210	256,210	0.0%
Expenditures	-	33,335	256,210	(256,210)	(256,210)	0.0%
Net Change in Fund Balance	\$ -	\$ -	\$ -			
SWS Development Fund 360						
Revenue	\$ 338,020	\$ 64,497	\$ 91,833	\$ (246,187)	(246,187)	27.2%
Expenditures	5,000	-	-	5,000	5,000	0.0%
Transfer In (Out)	(2,243,182)	-	-	(2,243,182)	(2,243,182)	0.0%
Net Change in Fund Balance	\$ (1,910,162)	\$ 64,497	\$ 91,833	\$ 91,833		

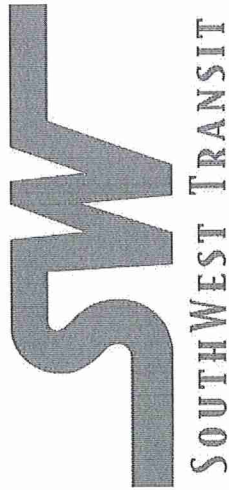


SouthWest Transit
 Revenue and Expenditures for All Funds
 Monthly Financial Report
 YTD February 2020

Commission Meeting date 4.23.2020

Feb=16.7%

	Adopted Budget	Current		2020 YTD Actual	2020 YTD Balance	% YTD Budget
		Month Actual	Actual			
All Other Funds						
Debt Service Fund 407-408						
Revenue	\$ 231,335	\$ -	\$ -	\$ 1,233,067	\$ 1,001,732	533.0%
Expenditures	264,517	-	-	1,355,953	(1,091,436)	512.6%
Transfer In (Out)	33,182	-	-	-	33,182	0.0%
Net Change in Fund Balance	\$ -	\$ -	\$ -	\$ (122,886)		



**Balance Sheet for All Funds
December 2019 - Final Audit**

Commission Meeting date 4.23.2020

Balance Sheet Category	Fund Name						Total
	General Fund	Capital & Equipment	SWS-Relocation Capital	Grant Projects	SWS Development	Debt Service	
Assets							
Cash & Investments	\$ 4,024,106	\$ 1,838,800	\$ 2,033,182	\$ -	\$ 8,204,348	\$ -	\$ 16,100,436
Accounts Receivable	913,161	4,144	-	34,699	3,512,857	116,412	4,581,272
Other Assets	554,736	-	-	-	-	-	554,736
Total Assets	5,492,003	1,842,944	2,033,182	34,699	11,717,205	116,412	21,236,444
Liabilities							
Accounts Payable	1,113,983	-	273,555	34,699	-	-	1,422,237
Other Liabilities	-	-	-	-	3,460,718	90,183	3,550,901
Total Liabilities	1,113,983	-	273,555	34,699	3,460,718	90,183	4,973,138
Fund Balances							
Beginning Fund Balance-January 2018	4,290,610	1,806,610	-	-	11,150,600	310,841	17,558,661
Net Change in Fund Balance	87,410	36,334	1,759,627	-	(2,894,113)	(284,612)	(1,295,354)
Total Fund Balances	4,378,020	1,842,944	1,759,627	-	8,256,487	26,229	16,263,307
Total Liabilities & Fund Balances	\$ 5,492,003	\$ 1,842,944	\$ 2,033,182	\$ 34,699	\$ 11,717,205	\$ 116,412	\$ 21,236,445



SouthWest Transit
 Revenue and Expenditures for All Funds
 Monthly Financial Report
 YTD December 2019 - Final Audit

Commission Meeting date 4.23.2020

December=100.0%

	Final		Current		2019 YTD Actual	2019 YTD Balance	% YTD Budget
	Amended Budget	Month Actual	Month Actual	Actual			
General Fund 100							
Revenues							
Passenger Fares	\$ 2,967,600	\$ 195,890	\$ 2,977,493	9,593	100.3%		
Contract Revenue	70,000	5,686	75,112	5,112	107.3%		
CMAAQ TMA Grant Revenue	-	8,082	46,350	46,350	0.0%		
S2S Grant	-	-	18,000	18,000	0.0%		
MVST Revenue	7,549,733	596,795	7,569,170	19,437	100.3%		
RAMVST Revenue	1,395,708	111,419	1,411,843	16,135	101.2%		
State Appr. GF	141,616	-	141,616	-	100.0%		
Investment Income	10,000	16,929	71,129	61,129	711.3%		
Other Local Revenues	242,000	112,535	381,867	139,867	157.8%		
	12,376,657	1,047,336	12,692,280	315,623	102.6%		
Other Sources							
Insurance Recoveries	-	3,985	60,593	60,593	-		
Total Revenue	\$ 12,376,657	\$ 1,051,321	\$ 12,752,873	\$ 376,216	103.0%		
Expenditures							
Administration	\$ 1,356,320	\$ 218,929	\$ 1,436,835	(80,515)	105.9%		
Operations	6,816,992	991,634	6,791,240	25,752	99.6%		
Vehicle Maintenance	2,039,775	202,588	2,033,522	6,253	99.7%		
Facility Maintenance	1,256,660	133,942	1,225,177	31,483	97.5%		
Total Expenditures	11,469,747	1,547,093	11,486,775	(17,028)	100.1%		
Capital Cost Of Operating	804,835	124,728	723,000	81,835	89.8%		
Total Expenditures & Capital Cost of Operating	12,274,582	1,671,821	12,209,774	64,808	99.5%		
Other Financing Sources							
Transfers In	(455,690)	(455,690)	(455,690)	-	100.0%		
Transfers (Out)	(455,690)	(455,690)	(455,690)	-	100.0%		
Net Change in Fund Balance	\$ (353,615)	\$ (1,076,191)	\$ 87,409				
Fund Balance, January 1		\$ 4,290,610					
Fund Balance, End of Current Period			\$ 4,378,019				
Months of Operating Expenditures			4				
Fund Balance as a % of the Expenditure Budget						34.4%	



SouthWest Transit
 Revenue and Expenditures for All Funds
 Monthly Financial Report
 YTD December 2019 - Final Audit

SOUTHWEST TRANSIT
 Commission Meeting date 4.23.2020

December=100.0%

	Final		Current		2019 YTD	2019	% YTD
	Amended Budget	Month Actual	Month Actual	Actual			
All Other Funds							
Capital & Equipment Capital Projects Fund 250							
Revenue	\$ 5,000	\$ 6,901	\$ 6,901	\$ 36,334	\$ 31,334		726.7%
Expenditures	-	-	-	-	-		0.0%
Transfer In (Out)	-	-	-	-	-		0.0%
Net Change in Fund Balance	\$ 5,000	\$ 6,901	\$ 6,901	\$ 36,334			
SWS Relocation Capital Projects Fund 338							
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -		0.0%
Expenditures	75,000	276,512	1,334,043	3,093,670	(1,259,043)		1778.7%
Transfer In (Out)	3,093,670	3,093,670	3,093,670				-
Net Change in Fund Balance	\$ 3,018,670	\$ 2,817,158	\$ 1,759,627				
Grant Projects Fund 336 & 337							
Revenue	\$ -	\$ 34,699	\$ 179,899	\$ 179,899	\$ 179,899		0.0%
Expenditures	-	34,699	179,899		(179,899)		0.0%
Net Change in Fund Balance	\$ -	\$ -	\$ -	(0)			
SWS Development Fund 360							
Revenue	\$ 1,042,092	\$ 86,025	\$ 856,858	\$ 17,173	(185,234)		82.2%
Expenditures	5,000	-	17,173		(12,173)		343.5%
Transfer In (Out)	(3,733,799)	(3,694,739)	(3,733,799)		-		100.0%
Net Change in Fund Balance	\$ (2,696,707)	\$ (3,608,715)	\$ (2,894,114)				
Debt Service Fund 405-407							
Revenue	\$ 315,458	\$ 116,412	\$ 318,566	\$ 3,108	\$ 3,108		101.0%
Expenditures	1,736,100	-	1,698,997		37,103		97.9%
Transfer In (Out)	1,133,071	951,069	1,095,819		37,252		96.7%
Net Change in Fund Balance	\$ (287,571)	\$ 1,067,481	\$ (284,612)				

SouthWest Transit					
Pledged Securities Accounts - March 2020					
Security Description	Safekeeping Agent	Maturity Date	Pledged Date	Book Value	Pledged Value
Flagship Bank Minnesota					
FHLMC - FED Home Loan Mortgages	United Bankers Bank	11/1/2021	8/12/2015	\$ 375,986.91	\$ 375,986.91
FNMA - FED NATL MTG ASSN	United Bankers Bank	5/1/2020	10/23/2012	\$ 273,976.71	\$ 273,976.71
FNMA - FED NATL MTG ASSN	United Bankers Bank	8/1/2021	10/23/2012	\$ 361,764.87	\$ 372,569.73
Wells Fargo NA	United Bankers Bank	10/17/2022	1/9/2020	\$ 249,000.00	\$ 249,000.00
Enerbank USA	United Bankers Bank	9/13/2024	9/25/2019	\$ 247,397.73	\$ 247,397.73
HSBC BK	United Bankers Bank	11/4/2024	1/9/2020	\$ 247,000.00	\$ 247,000.00
Morgan Stanley	United Bankers Bank	11/14/2024	1/9/2020	\$ 247,000.00	\$ 247,000.00
3RD FED SVGS	United Bankers Bank	11/25/2024	1/9/2020	\$ 247,000.00	\$ 247,000.00
Barclays Bank CD	United Bankers Bank	9/23/2020	6/21/2016	\$ 245,000.00	\$ 245,000.00
Comenity Capital Bank CD	United Bankers Bank	4/26/2021	5/16/2016	\$ 249,000.00	\$ 249,000.00
Bank of India	United Bankers Bank	11/27/2024	1/9/2020	\$ 247,000.00	\$ 247,000.00
Comenity 2	United Bankers Bank	10/5/2020	7/27/2017	\$ 249,000.00	\$ 249,000.00
Natl COOP	United Bankers Bank	10/30/2020	7/24/2017	\$ 247,000.00	\$ 247,000.00
Capital One Bank CD	United Bankers Bank	7/15/2020	4/15/2019	\$ 247,000.00	\$ 247,000.00
Capital One Bank CD	United Bankers Bank	7/15/2020	4/15/2019	\$ 247,000.00	\$ 247,000.00
Discover	United Bankers Bank	7/15/2020	12/14/2018	\$ 247,000.00	\$ 247,000.00
Goldman Sachs Bank USA CD	United Bankers Bank	7/15/2020	12/14/2018	\$ 247,000.00	\$ 247,000.00
Barclays Bank CD	United Bankers Bank	9/16/2020	8/14/2018	\$ 247,000.00	\$ 247,000.00
US Treasury Notes	United Bankers Bank	6/30/2020	1/9/2020	\$ 1,000,411.20	\$ 1,000,411.20
US Treasury Notes	United Bankers Bank	4/30/2020	12/14/2018	\$ 749,551.44	\$ 399,750.00
US Treasury Notes	United Bankers Bank	4/30/2021	10/6/2016	\$ 502,896.95	\$ 502,896.95
US Treasury Notes	United Bankers Bank	7/31/2022	10/6/2016	\$ 749,642.76	\$ 749,642.76
US Treasury Notes	United Bankers Bank	7/31/2020	1/9/2020	\$ 1,000,473.12	\$ 1,000,473.12
US Treasury Notes	United Bankers Bank	8/31/2020	1/9/2020	\$ 999,328.63	\$ 999,328.63
FHLB	United Bankers Bank	6/11/2021	5/25/2018	\$ 501,578.75	\$ 501,578.75
FHLB	United Bankers Bank	6/12/2020	1/5/2018	\$ 499,999.78	\$ 500,265.00
FFCB-FED Credit Bank	United Bankers Bank	9/1/2021	10/6/2016	\$ 501,726.84	\$ 501,726.84
FHLB	United Bankers Bank	9/11/2020	12/14/2018	\$ 508,164.05	\$ 508,164.05
Tax Muni Onamia	United Bankers Bank	2/1/2021	1/10/2020	\$ 236,330.49	\$ 236,330.49
				\$ 11,971,230.23	\$ 11,632,498.87
BankVista					
FDIC	FDIC - State	10/6/2021	6/6/2018	\$ 250,000	\$ 250,000
FDIC	ICS Account	10/6/2021	6/6/2018	\$ 5,378,736	\$ 5,378,736
Tradition Capital Bank					
Fed Farm Credit Bank	BMO Harris Bank N.A	3/14/2022	2/4/2019	\$ 990,850	\$ 990,850
McGregor MN ISD	BMO Harris Bank N.A	2/1/2022	2/4/2019	\$ 208,515	\$ 208,515
Madison Lake MN	BMO Harris Bank N.A	2/1/2025	2/4/2019	\$ 265,864	\$ 265,864
Carver County	BMO Harris Bank N.A	2/1/2026	2/4/2019	\$ 498,907	\$ 498,907
Fed Farm Credit Bank	BMO Harris Bank N.A	2/1/2026	2/4/2019	\$ 990,850	\$ 990,850
Alerus					
FRB Federal Reserve Custody	Bank of North Dakota	9/1/2023	6/22/2016	\$ 631,744	\$ 620,263
Americana Community Bank					
GNMA Pool # MA1119	United Bankers Bank	7/1/2042	8/25/2016	\$ 980,594	\$ 946,966
			Total	\$ 22,167,290	\$ 21,783,450
Summary Total Funds 3/31/2020					
Flagship Bank	\$ 9,436,144				
BankVista	\$ 5,628,736				
Tradition Capital Bank	\$ 2,210,807				
Alerus	\$ 266,109				
Americana Community Bank	\$ 946,966				
Total	\$ 18,488,762				
<i>Difference Extra</i>	\$ 3,294,687.97				

SOUTHWEST TRANSIT COMMISSION MINUTES

Thursday, March 26, 2020

Commission Meeting – 6:00 pm, 2nd Floor East Creek Conference Room & Via Phone
Conference (952-222-4620 Pin: 96039)

COMMISSION MEMBERS

Brad Aho – City of Eden Prairie
Jerry McDonald – City of Chanhassen
Bob Roepke – City of Chaska
Bethany Tjornhom – City of Chanhassen
Mike Huang – City of Chaska
PG Narayanan – City of Eden Prairie
Jody Bonnevier - At-Large Commissioner
Courtney Johnson – Ex Officio City of Carver

GENERAL COUNSEL

Joshua Dorothy, Attorney

EXECUTIVE STAFF

Len Simich, Chief Executive Officer
Dave Jacobson, Chief Operating Officer
Matt Fyten, Operations and Planning Director
Al Halaas, Director/GM - First Transit
Gary Groen – Acting Administrative Service Director
Tony Kuykendall – Vehicle Maintenance Manager
Souriyong Souriya – Finance Director
Mike Dartt – Facilities Manager, Buildings & Structure
Adam Hegeholz – HR Manager
Jason Kirsch – IT Manager
John Haggemiller – Public Outreach Manager

AGENDA

Commission Meeting

I. CALL TO ORDER

The meeting was called to order by Vice Chair Jerry McDonald at 6:05 pm. Turning over the meeting to Chair Brad Aho at 6:07pm.

II. PUBLIC COMMENT

None

III. APPROVAL OF AGENDA

Motion: Huang motioned, seconded by McDonald to approve the agenda. The motion carried 7-0-0. **Roll Call Vote:** Aho, Yes; McDonald, Yes; Roepke, Yes; Tjornhom, Yes; Huang, Yes; Narayanan, Yes. Bonnevier, Yes.

IV. PAYMENT OF CLAIMS

Motion: Huang motioned, seconded by McDonald to approve the Payment of Claims. The motion carried 7-0-0. **Roll Call Vote:** Aho, Yes; McDonald, Yes; Roepke, Yes; Tjornhom, Yes; Huang, Yes; Narayanan, Yes. Bonnevier, Yes.

V. CONSENT

- A. Approval of Financial Statements
- B. Approval of Minutes of 2/27/2020
- C. Approval of Minutes of 3/19/2020
- D. Support for Projects SouthWest Transit Intends to Apply for Under Regional Solicitation Process – Matt Fyten
- E. Construction Contract Awards or Major Change Orders Above \$35K – Kory Simich/Len Simich

Motion: Roepke motioned, seconded by McDonald to approve the Consent items. The motion carried 7-0-0. **Roll Call Vote:** Aho, Yes; McDonald, Yes; Roepke, Yes; Tjornhom, Yes; Huang, Yes; Narayanan, Yes. Bonnevier, Yes.

VI. NEW BUSINESS

A. COVID-19 Response Plan

Motion: Narayanan motioned, seconded by McDonald to approve the Service Plan Reduction. The motion carried 7-0-0. **Roll Call Vote:** Aho, Yes; McDonald, Yes; Roepke, Yes; Tjornhom, Yes; Huang, Yes; Narayanan, Yes. Bonnevier, Yes.

I. ADJOURNMENT

Narayanan motioned, seconded by McDonald to adjourn the meeting. The motion passed 7-0-0. The meeting adjourned at 6:56 pm.

March 30, 2020 SouthWest Transit Commission Minutes Prepared By: Adam Hegeholz

Approved by: _____

Date: _____

New Business



SOUTHWEST TRANSIT

MEMORANDUM

TO: SouthWest Transit Commission

FROM: Len Simich, CEO
Gary Groen, Financial Consultant
Souriyong Souriya, Finance Director

DATE: April 15, 2020

SUBJECT: 2019 Audited Comprehensive Annual Financial Report (CAFR)

REQUESTED ACTION:

The Commission adopt Resolution #20-05 accepting the audited Comprehensive Annual Financial Report for the fiscal year ended December 31, 2020.

BUDGET IMPACT:

Cost to complete the audit was included as part of the 2019 budget.

BACKGROUND:

The SouthWest Transit Commission “2019 Comprehensive Annual Financial Report (CAFR)” has been audited by an external audit firm, BerganKDV, Ltd. The report and unqualified audit opinion are included in the SWT Commission packet. Once accepted, the 2019 CAFR will be posted to the SWT website for the general public, filed with the State of Minnesota, and the National Government Finance Officers Association.

SWT staff prepared the report under the Governmental Accounting Standards Board (GASB) guidelines. The Management’s Discussion and Analysis presents in narrative form highlights and significant items pertaining to the 2019 annual report.

Mr. Steve Wischmann of BerganKDV, Ltd. and members of his staff will be at the Commission meeting on April 23, 2020 to present the audit results and respond to any questions the Commission may have.

RECOMMENDATION:

The Commission adopt Resolution #20-05 accepting the audited Comprehensive Annual Financial Report for the fiscal year ended December 31, 2019.

Attachment: Resolution #20-05



**SOUTHWEST TRANSIT COMMISSION
RESOLUTION #20-05
2019 Comprehensive Annual Financial Report**

WHEREAS, SouthWest Transit (SWT) operates as a Joint Powers entity established by the Cities of Eden Prairie, Chaska and Chanhassen to provide transit services under the laws of the State of Minnesota including Minnesota Statute Sections 473.384, 473.388 and Statute 471.59; and

WHEREAS, SouthWest Transit staff has prepared the comprehensive annual financial report (CAFR) for the agency in accordance with the Governmental Accounting Standards Board guidelines:

WHEREAS, BerganKDV, Ltd., an external audit firm, has audited the CAFR and issued an unqualified opinion;

NOW THEREFORE, BE IT RESOLVED that the Commission hereby approves the SouthWest Transit Comprehensive Annual Financial Report for the fiscal year ended December 31, 2019.

ADOPTED by the Commission of SouthWest Transit on April 23, 2020

Brad Aho, Chairperson

ATTEST:

Len Simich, Chief Executive Officer

**SouthWest Transit
Eden Prairie, Minnesota**

**Reports on Compliance with
Government Auditing Standards
and Minnesota Legal Compliance**

December 31, 2019

**SouthWest Transit
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Minnesota Legal Compliance	3

**Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on an Audit of
Financial Statements Performed in Accordance with
*Government Auditing Standards***

Independent Auditor's Report

Board of Commissioners
SouthWest Transit
Eden Prairie, Minnesota

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of SouthWest Transit ("SWT"), Eden Prairie, Minnesota, as of and for the year ended December 31, 2019, and the related notes to financial statements, which collectively comprise SWT's basic financial statements, and have issued our report thereon dated April 14, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered SWT's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of SWT's internal control. Accordingly, we do not express an opinion on the effectiveness of SWT's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of SWT's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether SWT's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of SWT's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering SWT's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bergan KDV, Ltd.

St. Cloud, Minnesota
April 14, 2020

Minnesota Legal Compliance

Independent Auditor's Report

Board of Commissioners
SouthWest Transit
Eden Prairie, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of SouthWest Transit, Eden Prairie, Minnesota, as of and for the year ended December 31, 2019, and the related notes to financial statements, which collectively comprise SWT's basic financial statements, and have issued our report thereon dated April 14, 2020.

In connection with our audit, nothing came to our attention that caused us to believe that SWT failed to comply with the provisions of the contracting and bidding, deposits and investments, conflicts of interest, claims and disbursements, and miscellaneous provisions sections of the *Minnesota Legal Compliance Audit Guide for other Political Subdivisions*, promulgated by the State Auditor pursuant to *Minnesota Statutes* § 6.65. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding SWT's noncompliance with the above referenced provisions.

This purpose of this report is to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. Accordingly, this communication is not suitable for any other purpose.

Bergan KDV, Ltd.

St. Cloud, Minnesota
April 14, 2020

**Southwest Transit
Eden Prairie, Minnesota**

Communications Letter

December 31, 2019

**Southwest Transit
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Report on Matters Identified as a Result of the Audit of the Financial Statements

Board of Commissioners and Management
SouthWest Transit
Eden Prairie, Minnesota

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of SouthWest Transit (SWT), Eden Prairie, Minnesota, as of and for the year ended December 31, 2019, in accordance with auditing standards generally accepted in the United States of America, we considered SWT's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of SWT's internal control. Accordingly, we do not express an opinion on the effectiveness of SWT's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of SWT's financial statements will not be prevented, or detected and corrected, on a timely basis. A reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

- *Reasonably possible.* The chance of the future event or events occurring is more than remote but less than likely.
- *Probable.* The future event or events are likely to occur.

We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

The accompanying memorandum also includes financial analysis provided as a basis for discussion. The matters discussed herein were considered by us during our audit and they do not modify the opinion expressed in our Independent Auditor's Report dated April 14, 2020, on such statements.

This communication is intended solely for the information and use of management, the Board of Commissioners, others within SWT, and state oversight agencies and is not intended to be, and should not be, used by anyone other than these specified parties.

Bergan KDV, Ltd.

St. Cloud, Minnesota
April 14, 2020

SouthWest Transit Required Communication

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of SWT as of and for the year ended December 31, 2019. Professional standards require that we advise you of the following matters related to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter, our responsibility, as described by professional standards, is to form and express opinions about whether the financial statements prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of SWT's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of SWT solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgement, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Generally accepted accounting principles provide for certain Required Supplementary Information (RSI) to supplement the basic financial statements. Our responsibility with respect to the RSI, which supplements the basic audited financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI was not audited and, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, we do not express an opinion or provide any assurance on the RSI.

Our responsibility for the supplementary information accompanying the financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Our responsibility with respect to the other information in documents containing the audited financial statements and auditor's report does not extend beyond the financial information identified in the report. We have no responsibility for determining whether this other information is properly stated. This other information was not audited and we do not express an opinion or provide any assurance on it.

SouthWest Transit Required Communication

Our Responsibility in Relation to *Government Auditing Standards*

As communicated in our engagement letter, part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of SWT's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the termination of financial statement amounts. However, the objective of our tests was not to provide an opinion on compliance with such provisions.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by SWT is included in the notes to financial statements. There have been no initial selection of accounting policies and no changes to significant accounting policies or their application during 2019. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgements. Those judgements are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgements. The most sensitive estimates affecting the financial statements were:

Depreciation – SWT is currently depreciating its capital assets over their estimated useful lives, as determined by management, using the straight-line method.

Net Pension Liability, Deferred Outflows of Resources Related to Pensions, and Deferred Inflows of Resources Related to Pensions – These balances are based on an allocation by the pension plans using estimates based on contributions.

Total Other Post Employment Benefits (OPEB) Liability, Deferred Outflows of Resources Related to OPEB and Deferred Inflows of Resources Related to OPEB – These balances are based on an actuarial study using the estimates of future obligations of SWT for post employment benefits.

SouthWest Transit Required Communication

Qualitative Aspects of Significant Accounting Practices (Continued)

Significant Accounting Estimates (Continued)

We evaluated the key factors and assumptions used to develop the accounting estimates and determined that they are reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The financial statement disclosures are neutral, consistent, and clear.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For the purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effects of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole.

Management did not identify and we did not notify them of any uncorrected financial statement misstatements.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to SWT's financial statements or the auditor's report. No such disagreements arose during the course of our audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the management representation letter.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management has informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with SWT, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating conditions affecting SWT, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as SWT's auditor.

**SouthWest Transit
Required Communication**

Other Information in Documents Containing Audited Financial Statements

We applied certain limited procedures to the RSI that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

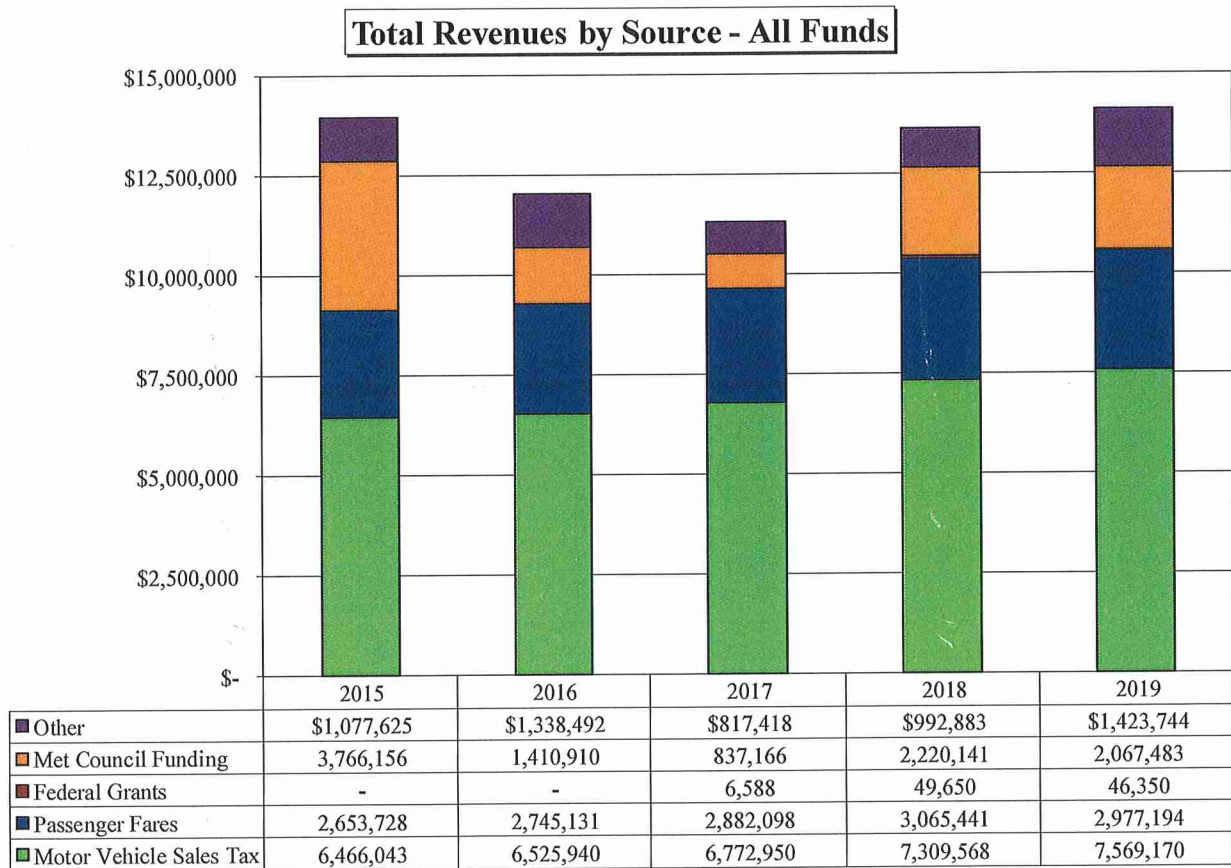
With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the other information accompanying the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

SouthWest Transit Financial Analysis

The following pages provide graphic representation of select data pertaining to the financial position and operations of SWT for the past five years. The graphs are included to facilitate discussion of past operating results and related trends for future years' operations of SWT. Our analysis of each graph is presented to provide a basis for discussion of past performance and how implementing certain changes may enhance future performance. We suggest you view each graph and document if our analysis is consistent with yours. A subsequent discussion of this information should be useful for planning purposes.

TOTAL REVENUES BY SOURCE – ALL FUNDS



**SouthWest Transit
Financial Analysis**

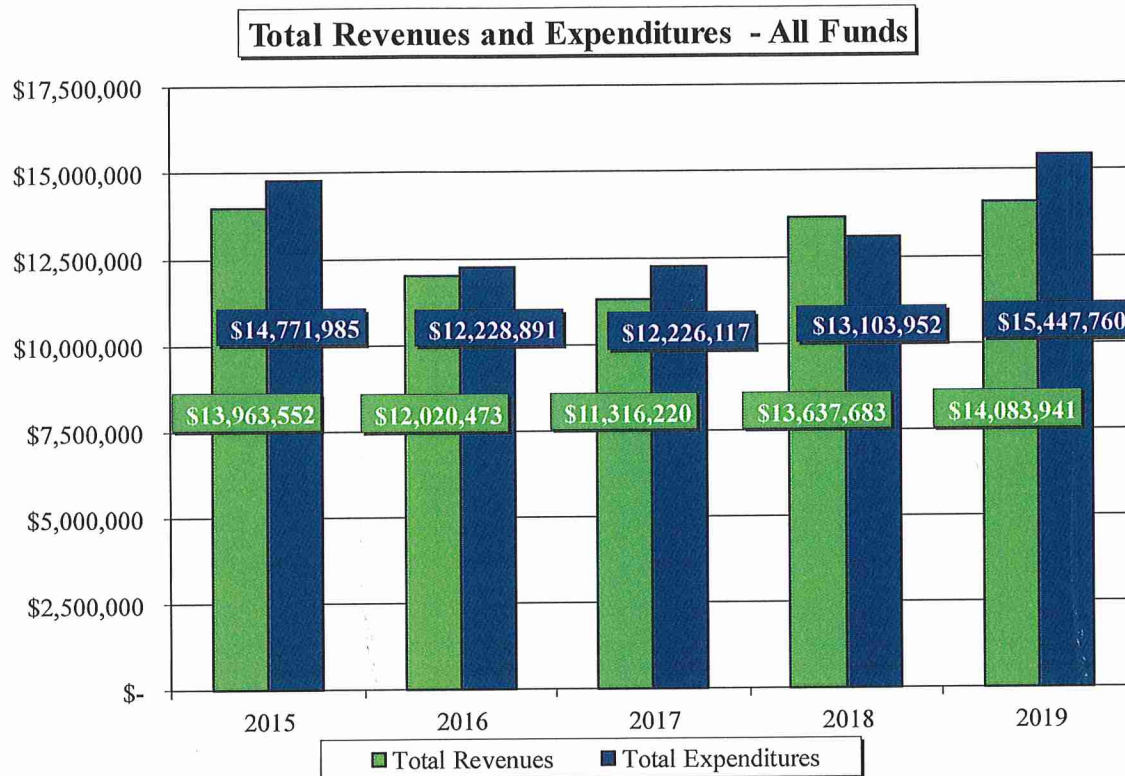
TOTAL REVENUES BY SOURCE – ALL FUNDS (CONTINUED)

Revenue increased \$446,258 in 2019 compared to 2018.

- Met Council revenue decreased \$152,658
 - SWT received a state appropriation in 2018 in the amount of approximately \$406,000, which expired in June of 2019 and a lesser amount of approximately \$141,000 was received in 2019
 - SWT received an approximately \$76,000 grant for an East Creek Station generator in 2018, which similar funding was not received in 2019
 - The previous decreases were offset by increases in funding of approximately \$146,000 related to ramp repairs and approximately \$33,000 for fleet rehabilitation
- Motor vehicle sales tax increased \$259,602
 - This revenue is determined by a state allocation of vehicle sales tax in Minnesota and fluctuates each year based on vehicle sales in Minnesota
- Passenger fares decreased \$88,247 as a result of a 5.6% decrease in ridership
- Other revenue increased \$430,681 due primarily to increases in investment income and the sale of land previously held for resale

SouthWest Transit Financial Analysis

TOTAL REVENUES AND EXPENDITURES – ALL FUNDS

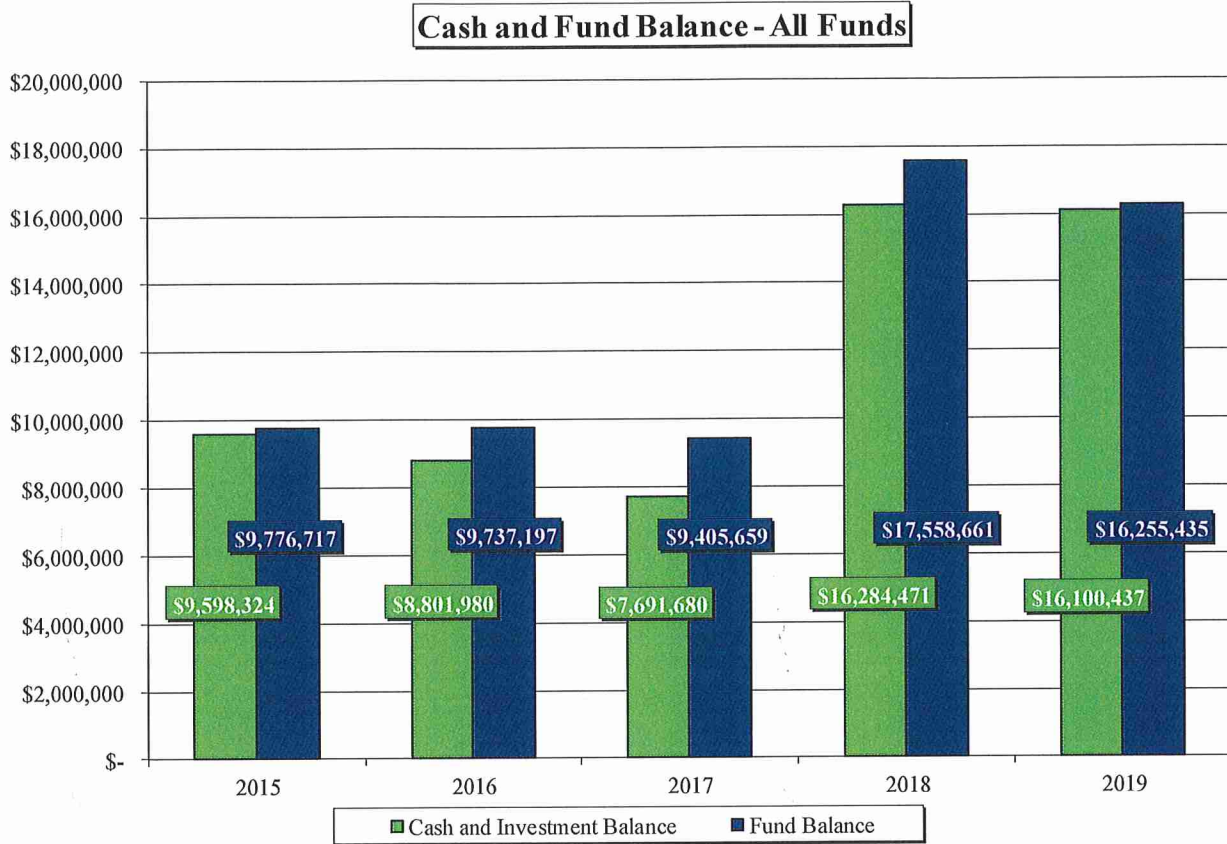


Total expenditures exceeded total revenues in four of the last five years, which was by design to bring fund balance levels in line with Met Council's policies. In 2019, expenditures exceeded revenues by \$1,363,819. Total revenues increased \$446,258, as mentioned on the previous page, while expenditures increased \$2,343,808. There were some changes in expenditures by program:

- Debt service principal retirement expenditures increased \$1,224,593.
 - Result of early payoff of \$644,402 in principal for the Government Leasing-Energy Savings Performance Project and \$650,000 in principal for the SouthWest Village Parking Ramp Certificates of Participation.
- Buildings and grounds capital outlay expenditures increased \$983,280.
 - Primarily the result of construction at the Eden Prairie garage related to the relocation of offices.
- Operations and vehicle maintenance capital outlay expenditures increased \$163,143.
 - Purchased five new vehicles for use in Prime service.
 - Costs for fleet rehabilitation of four MCI coaches.

SouthWest Transit Financial Analysis

CASH AND FUND BALANCE – ALL FUNDS



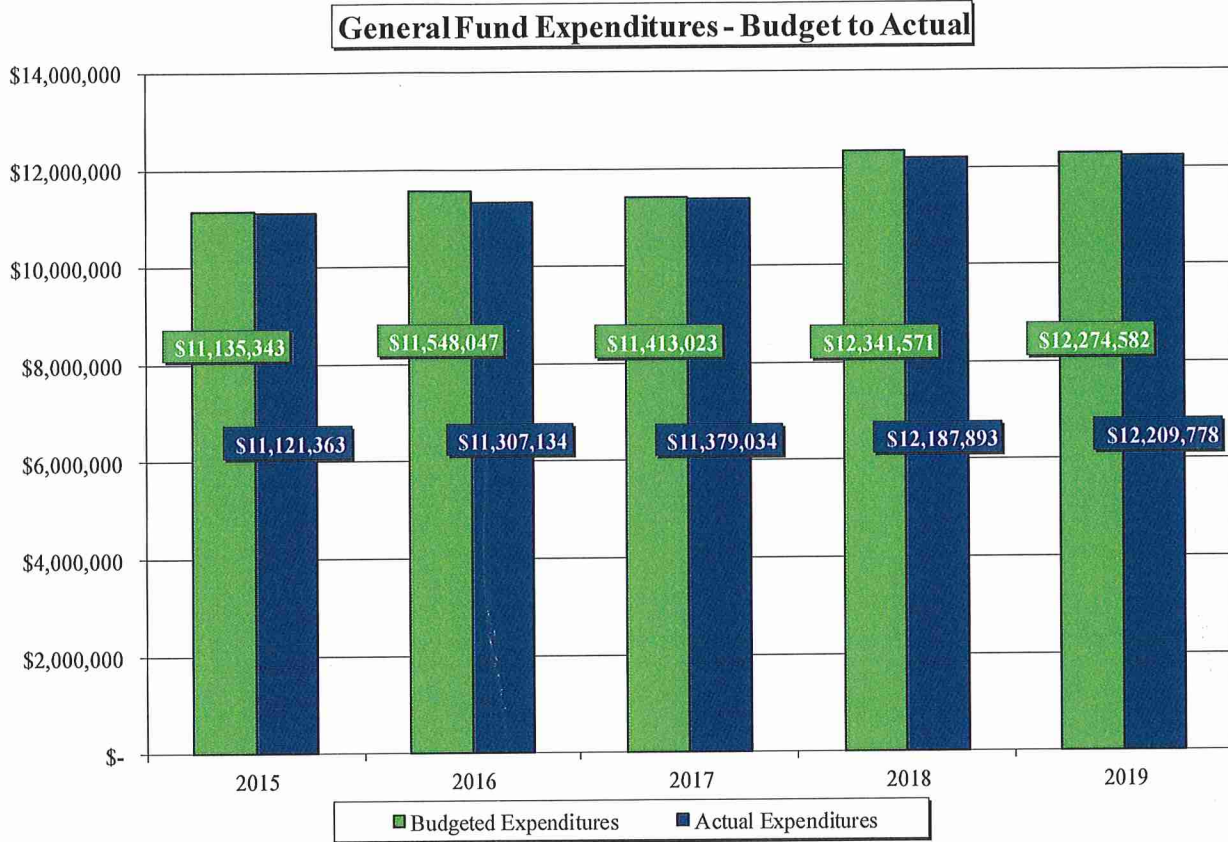
The cash and investment balance was lower than fund balance in all five years presented. Cash and investments decreased \$184,034 while fund balance decreased \$1,303,226 from 2018 to 2019.

The fund balance decreased due in large part to the significant expenditures associated with the construction at the Eden Prairie garage related to the relocation of offices, the early payoff of debt, and the other increases in expenditures as discussed on the previous page.

The General Fund balance increased \$87,409 to \$4,378,019 in 2019 due to revenues from operations and grants coming in over expenditures and transfers to other funds. The unassigned fund balance in the General Fund as of December 31, 2019, is \$3,914,830, which represents approximately 34%, or four months of expenditures, based on 2019 budgeted operating expenditure levels.

**SouthWest Transit
Financial Analysis**

GENERAL FUND EXPENDITURES – BUDGET TO ACTUAL



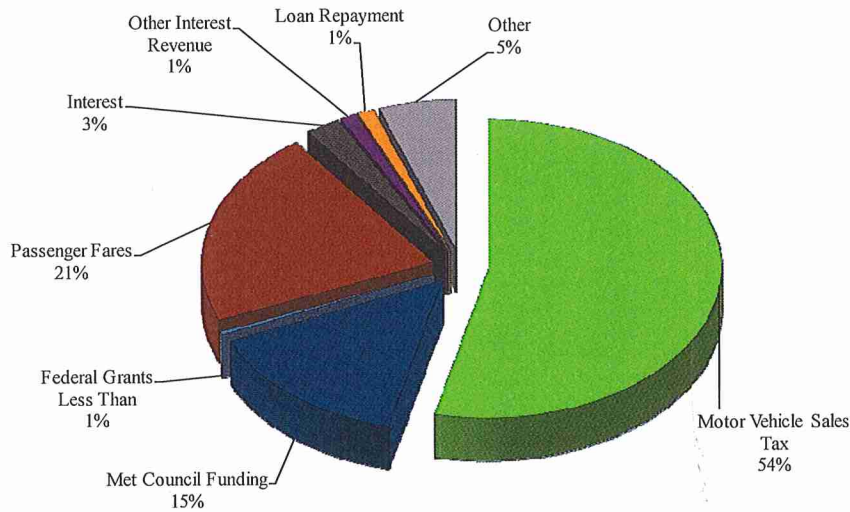
General Fund budgeted expenditures exceeded actual expenditures in all five years presented. Expenditures were under budget by \$64,804 in 2019. The largest variance was in operations and vehicle maintenance capital expenditures, which were \$35,268 under budget. Nearly all of the categories were under budget with the exception of general government current expenditures, which was over budget by \$80,515.

SouthWest Transit Financial Analysis

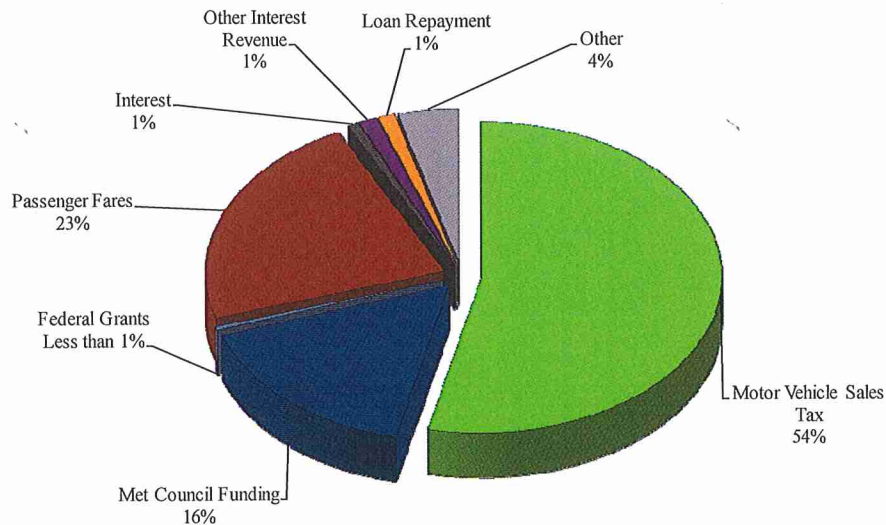
OPERATING REVENUES

The following pie charts show the allocation of revenue by source for all funds in 2019 and 2018. As illustrated below, revenue sources stayed relatively consistent from year to year.

Operating Revenues by Source for 2019 - All Funds



Operating Revenues by Source for 2018 - All Funds



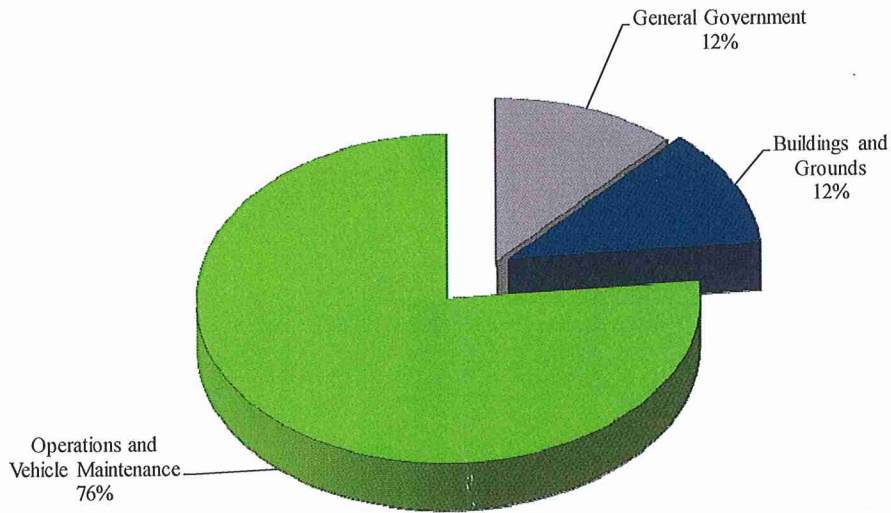
In the General Fund, the regional target for passenger farebox recovery revenue percentage in relation to operating expenditures is 28%. During 2019, SWT's passenger fare revenue as a percentage of operating expenditures was 25.92%, while it was 26.10% in 2018.

SouthWest Transit Financial Analysis

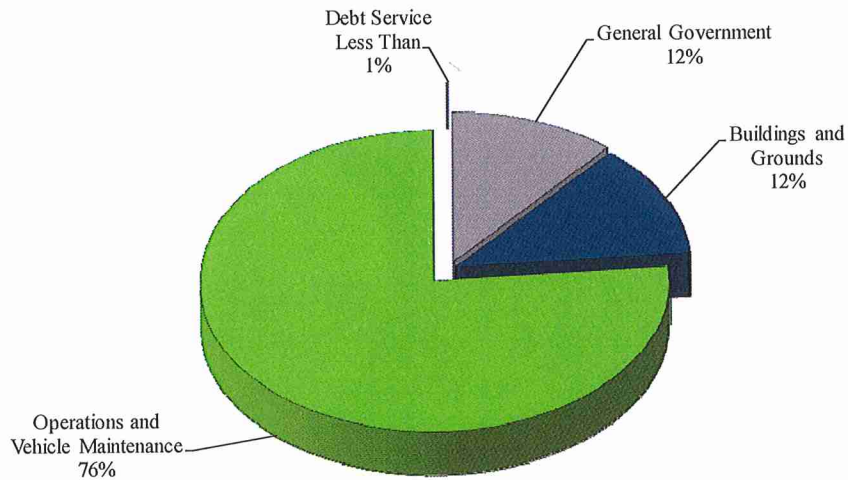
OPERATING EXPENDITURES

The following pie charts show the allocation of expenditures by program for the General Fund in 2019 and 2018. The allocation is fairly consistent with 2018.

Operating Expenditures by Department for 2019 - General Fund



Operating Expenditures by Department for 2018 - General Fund



SouthWest Transit Emerging Issue

Executive Summary

The following is an executive summary of financial and business related updates to assist you in staying current on emerging issues in accounting and finance. This summary will give you a preview of the new standards that have been recently issued and what is on the horizon for the near future. The most recent and significant update includes:

- **Accounting Standard Update – GASB Statement No. 87 – Leases** – GASB has issued GASB Statement No. 87 relating to accounting and financial reporting for leases. This new statement establishes a single model for lease accounting based on the principle that leases are financing of the right to use an underlying asset.

The following is an extensive summary of the current update. As your continued business partner, we are committed to keeping you informed of new and emerging issues. We are happy to discuss these issues with you further and their applicability to your organization.

ACCOUNTING STANDARD UPDATE – GASB STATEMENT NO. 87 – LEASES

The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of nonfinancial assets include buildings, land, vehicles, and equipment. Any contract that meets this definition should be accounted for under the leases guidance, unless specifically excluded in this Statement.

A short-term lease is defined as a lease that, at the commencement of the lease term, has a maximum possible term under the lease contract of 12 months (or less), including any options to extend, regardless of their probability of being exercised. Lessees and lessors should recognize short-term lease payments as outflows of resources or inflows of resources, respectively, based on the payment provisions of the lease contract.

**SouthWest Transit
Emerging Issue**

**ACCOUNTING STANDARD UPDATE – GASB STATEMENT NO. 87 – *LEASES*
(CONTINUED)**

A lessee should recognize a lease liability and a lease asset at the commencement of the lease term, unless the lease is a short-term lease or it transfers ownership of the underlying asset. The lease liability should be measured at the present value of payments expected to be made during the lease term (less any lease incentives). The lease asset should be measured at the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. A lessee should reduce the lease liability as payments are made and recognize an outflow of resources (for example, expense) for interest on the liability. The lessee should amortize the lease asset in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset. The notes to financial statements should include a description of leasing arrangements, the amount of lease assets recognized, and a schedule of future lease payments to be made.

A lessor should recognize a lease receivable and a deferred inflow of resources at the commencement of the lease term, with certain exceptions for leases of assets held as investments, certain regulated leases, short-term leases, and leases that transfer ownership of the underlying asset. A lessor should not derecognize the asset underlying the lease. The lease receivable should be measured at the present value of lease payments expected to be received during the lease term. The deferred inflow of resources should be measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relate to future periods. A lessor should recognize interest revenue on the lease receivable and an inflow of resources (for example, revenue) from the deferred inflows of resources in a systematic and rational manner over the term of the lease. The notes to financial statements should include a description of leasing arrangements and the total amount of inflows of resources recognized from leases.

GASB Statement No. 87 is effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged.

Information provided above was obtained from www.gasb.org.



SOUTHWEST TRANSIT

To: SouthWest Transit Commission
From: Len Simich, CEO
Date: April 16, 2020
Subject: COVID-19 Response Plan

REQUESTED ACTION:

No action requested at this time. Staff would like the Commission to weigh-in on the direction it is proposing once riders begin to come back to the system.

This plan will be adjusted as needed as information becomes clearer.

BUDGET IMPACT:

An estimated \$2,418,747 reduction in revenue from the approved budget.

With Scenario #2, the estimated reduction in expenses from the approved budget is \$1,991,639.

Projected current deficit \$697,108.

BACKGROUND:

Attached are the actions taken to date; and the future service plans options related to SouthWest Transit's response to COVID-19.

No formal budget amendment is being requested until we have better information to base future decision upon.

RECOMMENDATION:

That the Commission approve the proposed service plan Scenario #2.

SouthWest Transit's Response to COVID-19 (Updated April 17, 2020)

Phase 1: Initial Reactions/Associated Impacts March & April

- Prior to US outbreak (when spread of the Coronavirus seemed eminent) SWT began assembling an initial 6-8-week supply of sanitizer, disinfectant, air filters, etc.). Note: Staff continues to work with suppliers to replenish its supplies and to obtain PPE but to date we have not been able to secure either.
- A Planning/Response Team was formed which includes the delegation of duties/authority, and a line of succession.
- Management monitors the COVID-19 situation daily through the Centers for Disease Control and Prevention (CDC), Minnesota Department of Health (MDH), and Carver County Public Health.
- Employees were instructed not to come to work if feeling ill. Should any of the COVID-19 symptoms be present fever; cough or sore throat; shortness of breath; runny or stuffy nose; headache; muscle aches; chills; Fatigue; nausea, vomiting or diarrhea) we have instructed staff to contact with their doctor, and to only come back to work after they have been tested (if recommended by their doctor) or when all symptoms have cleared for a minimum 48 hours.
- To assist in keeping sick people from coming to work SouthWest allowed its staff and its contract staff (First Transit Drivers) to go negative in their PTO (SouthWest Transit Employees), and Sick Leave (First Transit Employees) balances. The maximum amount of time an individual can go negative is currently capped at 80 hours, but that will be reevaluated should a shutdown/work stoppage occur. SWT began monitoring plans being developed on both the state and federal level to see how emergency pay and/or unemployment benefits may fit into those plans.
- All staff members had their work area separated from other staff. Individuals were assigned separate offices including working from off-site locations (SW Village, East Creek).
- Back-up plans were developed for banking, payroll, and IT services.
- Facility Staff began working diligently to keep facilities clean using hospital-grade disinfectants approved by the Environmental Protection Agency (EPA); Expanding cleaning protocols for both vehicles and stations including cleaning twice per day focusing on high frequency touch points such as handrails, cupholders, fareboxes, armrests, seats, windows, and benches. A vehicle schedule/log was developed to ensure all vehicles were cleaned as planned. An additional 15 minutes was also added to the driver's post-trip for an additional vehicle cleaning to occur. Vehicle were fogged daily with high-grade disinfectant.
- Every bus was equipped with the state-of-the-art air filter capturing unhealthy particles. Changing-out vehicle air filters increased from the general PM cycle to once per month. This same approach was taken with the air filters used at the garage and in our stations.
- Hand sanitizer was also placed/installed throughout every station as well as on every bus.

- Antimicrobial soap was installed in every restroom, and throw-away paper towels have replaced hand air-drying units.
- Vehicles were also stocked with absorbent paper towels for passenger use should they have a cough or are sneezing.
- Sofas were removed from the driver lounge, and lounge chairs were placed to meet the recommended 6' spacing distance.
- All print materials (schedules, magazines, papers, etc.) were removed from the stations and garage lounge areas.
- In addition to our normal daily cleaning practices, staff and riders were educated regarding respiratory hygiene/cough etiquette such as: Wash hands frequently with soap and water for at least 20 seconds; Avoid touching eyes, nose, and mouth with unwashed hands; Clean and disinfect frequently touched objects and surfaces; Avoid close contact with people who are sick; If soap and water are not readily available, use a hand sanitizer; Always wash hands with soap and water if hands are visibly dirty.
- Service plans were developed to reduce service in the event drivers were unable to report to work and/or if service levels dropped significantly (which they did. 97% reduction in passengers). The first phase went into effect on March 23 with 34 drivers and three SWT staff furloughed. Subsequent reductions took place on March 30 (17 drivers furloughed) and April 6 (8 drivers furloughed). All furloughed staff (SWT and First) were provided with two weeks' pay, and 60 days paid health insurance.
- With the March 30th service reduction, buses were scheduled to accommodate social distancing (i.e. no more than 20 passengers per 45' vehicle, and only one schedule passenger/or trip per Prime run). Passengers were also prohibited from sitting in the first two rows behind the driver and instructed to space themselves out on the bus as much as possible.
- Vehicles with the lowest cost per mile were the buses kept in operation. Others were parked. With some vehicles being "parked", our bus wrap advertising agency (AllOver Media) was contacted and future considerations will be made regarding those wrapped vehicles not operating during the service reduction period.
- The Governor issued a "Shelter-in Place/Stay Home Order effective March 27 at 11:59pm. 2nd service reduction plan was put into place on Monday, March 30.
- All nonessential staff (i.e. not directly involved with the day to day activity of providing transit service) except for the CEO, were directed to begin working from home.
- To keep furloughed employees and employees working from home connected, an employee blog was developed with updates provided throughout the week.
- Vehicle Maintenance and Facility staff members were split into two separate shifts, eliminating overlap and reducing the exposure from one another.
- SWT reached out to contractors that may be impacted by the Stay Home Order or service reduction. One construction contractor was directed to return to work since they were considered essential and the activity they were scheduled to perform was critical in keeping the garage project moving.
- SWT began delivering food in a partnership with the Bountiful Basket Food Shelf in Chaska, and PROP in Eden Prairie.

- The Commission approved/authorized action under the Cities/Counties Emergency Declarations.
- Fares were relaxed/eliminated on Prime from the period April 6 - April 17. Discounted fares (\$3) were put into place through the Stay at Home extension (April 20-May 1).
- It was suggested both drivers and passengers should wear masks. This was later changed mandating drivers wear masks when customers were on-board. Masks were provided to all drivers and any SWT staff wishing to wear one.
- The Federal CARES Act was signed into law on March 27. A total of \$226,499,058 has been made available for metro area transit. SWT is eligible for \$2,525,156. Staff is still seeking clarification related to the eligible expenses CARE Act funding can be used for. Currently it does not appear any Cares Act funding will be available until late June or early July.
- A \$1 per hour was added to the pay of any SWT or First Transit employee who worked on site during the pay period March 30 – April 24, the period most of the administrative staff worked from home. The added pay was provided to thank the frontline staff for coming in each day, exposing themselves to additional/potential hazards.
- The CEO has joined with many other transit CEO's across the county requesting front line transit workers be considered for any extended disability benefit provided to public safety and/or health care employee permanently impacted by COVID-19 while performing their duty.
- On April 13, eight furloughed drivers and one SWT facility staff member were reinstated to help reduce operator's exposure and to assist in cleaning vehicles and facilities. Drivers were put into two pools with eleven drivers changing out every day. Besides reducing driver's exposure, the 11 additional drivers assist with the cleaning/disinfecting of vehicles, and provide for the opportunity to respond quickly when adding vehicles should passengers begin to come back while we still need to maintain a safe social distance.
- Vehicle Maintenance is pursuing an option to provide a protective barrier between the driver and customers boarding the bus.

Phase 2: Cost Containment and Begin to Reestablish Service (Recovery Begins). May-December

- Until a vaccine is developed or a way to contain the virus is found, maintaining the health of our employees and customers will continue to be our highest priority. Passenger loads of no more than 50% of the capacity of a bus will be planned.
- Maintain capacity as we re-emerge - staff/drivers, resources/revenue, and supplies. Note: depending on how long drivers are furloughed, some may not hold out for a possible return causing both a negative financial impact (\$6,000 training cost per new driver) and causing a potential shortage. Also, supply chains could be disrupted.
- Develop service options that utilizes all available funding source and critical staffing levels. MVST revenue and passenger revenue are projected to decline. How much and how long with the trend last is still unpredictable.

- Develop service plan options that build gradually upon returning passengers (again as the budget allows). Note, some jobs will be slow to come back (if at all), and schools (U of M, local) may not reopen prior to the end of the year.
- Stigma of crowding will continue to be a challenge.
- Determine communication and marketing strategies that encourage customers to begin riding again.

Phase 3: Post-Pandemic – Recovery. SWT may face new expectations and need to adjust accordingly.

- Timing and duration are unknown variables. Decisions will have to be made without certainty on when or if services will return to normal, and how long resources will need to last.
- Schools may be slow to reopen, and University attendance could be down. Some may never return to their previous job, and many may find themselves working at least part time from home.
- New definitions for success will need to be determined. Filling a vehicle to capacity may no longer be the optimal success mark.
- We will need to prepare for a long period of financial strain, possibly not re-emerging until 2022. Fares and State revenue will be negatively impacted.
- Need to protect reserves for our use.
- Future conditions may include high unemployment, social/emotional trauma, lingering fear of another pandemic, reduced revenues, and financial challenges. Service plans and staff complements will need to address.
- Emergency preparedness will become even a higher priority.
- Less reliance on just-in-time deliveries. Additional inventory will be on hand at all time.
- Should a vaccination be developed, need to ensure transit workers are made a priority to receive.

Optional Service Plans Developed for:

- Scenario #1 Revised Increasing Service September-December
- Scenario #2 Reduced April and May Service Levels
- Scenario #2 Revised but still Reduced June-August
- Scenario # 2 Revised but Reduced through the end of the year June-December
- Original/Budgeted Service Plan September-December (Scenario #3)

Service Plans

Scenario #1

Revised September-December Service

- Service built with capacity to handle 50% of “regular” ridership (using fall 2019 ridership averages)
- Service built to allow for a maximum of 25 passengers on any given trip
- Slimmed down version of “regular” service (before pandemic started)
 - Service Hours: 5:30am – 9:30pm
 - Routes 690, 695, 697, 698, 699 Re-introduced
 - Between 7 and 15-minute frequencies during peak hours depending on route and projected demand.
 - Service resumes at Carver Station & Chanhassen Station
 - 1-hour Midday service between all three 212 station and Downtown/U of M
 - Reverse commute service increase to 2 AM trips and 2 PM trips
- No Normandale/Best Buy Express services, but Prime shuttles to Normandale will be provided
- 8 spares (4 AM & 4 PM)
- 10 Prime vehicles

Budget Scenario #1: \$2,537,387

- April: April Service - \$139,969
- May: May Service - \$148,431
- June-Aug.: June Service - \$760,649
- Sept.-Dec.: September Service - \$1,488,338

Scenario #2

April Service – Service offered today

- 30-minute AM/PM peak service between all three 212 stations (EC-SWV-SWS) and Downtown/U of M (Routes 690V & Route 698A)
- 2-hour Midday service between all three 212 stations and Downtown/U of M
- Reverse Commute Service – 1 AM and 1 PM trip
- 6 Prime Vehicles

May Service

- Same as April service, but with added spares (4 AM and 4 PM) to handle all loads over 20

June – December

- 15-minute AM/PM peak service between all three 212 stations (EC-SWV-SWS) and Downtown (Routes 690V & Route 698A)
 - In AM trips service all three 212 stations before heading Downtown.

- In PM: 15-frequency service to SWS only (Route 690) & 15-frequency service to SWV + EC (Route 699)
- 30-minute frequency to the U of M in both AM and PM peaks (Routes 698A, 690U, 699U).
- 2-hour Midday service between all three 212 stations and Downtown/U of M
- Reverse Commute Service – 1 AM and 1 PM trip
- 11 spares (6 AM & 5 PM + First Transit Manager)
- 6 Prime Vehicles

Budget Scenario #2: \$1,907,495

- April: April Service - \$139,969
- May: May Service - \$148,431
- June-Dec.: June Service - \$1,619,095

Scenario #3

Regular/Budgeted Service

- Service levels the same as service pre-pandemic

Budget Scenario #3: \$3,163,165

- April: April Service - \$139,969
- May: May Service - \$148,431
- June-Aug.: June Service - \$760,649
- Sept.-Dec.: Regular Service - \$2,114,116

Recommended: Scenario #2 with possible modifications related to actual ridership and revenue versus projected

Phase 2: Cost Containment and Begin to Reestablish Service (Recovery Begins) May-December

Anticipated Revenue

50% of MVST (Jan-March actual; Apr.- Dec. projected 50%)	\$4,410,808
RAMVST (Jan-March actual; Apr.- Dec. projected 50%)	\$823,480
CARES Act funding	\$2,525,156
45% of fare box revenue	\$1,006,659
Investment Income	\$10,000
Other Revenue	\$125,000
Base 5307 (for debt)	\$200,000
Base NTD for remaining projects	\$230,000
Capital Reserve Transfer for debt	\$167,000
<u>Operating Reserves</u>	<u>\$1,119,000</u>
Total Funding	\$10,617,103

Anticipated Expenditures Budget Scenario #2 (limited service through the Dec)

Admin Jan. – Mar.	\$301,658
Admin Apr. – Dec.	\$1,116,142
Operations Jan. – Mar.	\$1,598,981
Operations April - May	\$949,483
Operations May –December	\$2,713,497
Remaining Debt Payment	\$366,252
5307/NTD Projects	\$230,000
Vehicle Maintenance (full year)	\$2,149,000
Facility Maintenance (full year)	\$1,342,598
<u>Capital Cost of Operating (full year – non 5307)</u>	<u>\$546,600</u>
Total Expenditures	\$11,314,211

Current Projected deficit \$697,108

****Notes****

- Adopted 2020 Revenue = \$13,035,850
- Adopted 2020 Expenditure was \$13,305,850
- No more than 50% passenger capacity per vehicle is planned from May-Dec.
- No State Fair service planned, at least zero deficit planned from the service operation.
- No service currently budgeted/planned under scenario #2 from CTS or Carver (Carver could possibly be added since its revenue neutral. Vehicle timing needs to occur to hit desired frequency targets).
- 2020 revenue is an assumption. MVST, RAMVST, and farebox revenue unknown.
- When riders will come back is unknown, especially until a vaccine is developed.

- Eligible expenses under the CARES Act and when we will see that funding, is unknown. One current concern is if our third party contract meets all federal requirement for funding.
- Service options will continue to change as we gain better insight regarding ridership, budgets, and expenses. Plans are structured to address growth as it happens utilizing spares to meet capacity and maintain social distancing.
- Besides funding and ridership concerns, the risk of losing drivers during the furlough period could slow any service rebound and could be costly (\$6,000 to get new driver through training and on their own).
- For now, plan is to continue April service into May except for having two additional spares available in the morning and afternoon to ensure social distancing on buses. Service in June is currently planned to improve/increase to 15-minute frequency during the peak, but everything stays the same as it is in April and May. This will be reevaluated as we get closer to June.
- Other cost cutting measures are being explored to ensure a balanced budget.



SOUTHWEST TRANSIT

MEMORANDUM

To: SouthWest Transit (SWT) Commission
From: Mike Dartt, Facility Maintenance Manager
Date: April 16 ,2020
Subject: SouthWest Village (SWV) Bridge Construction Repairs

REQUESTED ACTION

That the SWT Commission authorize its Chief Executive Officer to execute agreements related to the repair of the pedestrian bridge running from the 2nd level of the parking ramp into the station.

To complete this project when ramp use is down, and construction pricing is favorable, SouthWest staff with assistance from Walker Parking Consultants will be acting as the General Contractor for the project.

Except for the removal and installation of precast panels, all work elements will be under the \$25,000 threshold the CEO can issue without prior action.

The total cost of the construction is estimated to be \$82,500. We are still gathering price quotes from the precast companies. Staff intends to bring those quotes forward for action at the April 23 Commission meeting.

Bids and/or price quotes for work under \$25,000 will follow SWT's Procurement Policy and be brought to the Commission for their review at a future date.

BUDGET IMPACT

Funding for the project will come out of the agency budget and/or capital reserves.

Estimated costs are as follows:

- Manufacturing, removal, and installation of precast - \$45,000.
- Removal upper columns, install of new bridge Ballard, curbs, new traffic membrane and new expansion joint and sealants as needed - \$20,000
- Installation of floor drains and run-off - \$3,000
- Installation of metal railing - \$7,000
- Contingency - \$7,500

Last month the Commission authorized a contract with Walker Consultants to design, create construction documents, oversee the construction administration, and conduct the final inspection of the project. Walker's fee for the project is \$23,000. This brings the grand total of the project to \$105,000.

BACKGROUND

The SouthWest Village was built in 2007. An inspection recently conducted by Walker Consultants concluded that substantial repairs are needed to the pedestrian bridge connecting the ramp to the station.

Over the years water has penetrated the walls to the bridge, causing the structure to crack and break during the freeze/thaw cycle.

The Request for quote (RFQ) was issued by Walker Consultants to three concrete precast contractors. The results from the three contractors are as follows:

Wells Concrete	\$45,000
Enterprise Precast	\$ Still Waiting
Gage Brothers Concrete Products	\$ Still Waiting

RECOMMENDATION

That the SWT Commission authorize its Chief Executive Officer to execute an agreement with _____ for a cost not to exceed \$_____ the purpose of manufacturing new precast panels, remove existing precast, and installing new panels related to the repair of the pedestrian bridge at the SouthWest Village Ramp.

It is also recommended that the Commission authorize its CEO to enter contracts \$25,000 or under that provide the "lowest responsible bidder."

Total for the entire construction project shall not to exceed \$82,500.

Note: All bids and/or price quotes for work under \$25,000 will follow SWT's Procurement Policy and be brought to the Commission for review at a future Commission meeting.



SOUTHWEST TRANSIT

MEMORANDUM

TO: SouthWest Transit Commission
FROM: Matt Fyten, Operations Director
DATE: April 14, 2020
SUBJECT: SWT Transit Systems Management Plan

REQUESTED ACTION:

That the SouthWest Transit (SWT) Commission adopt the SWT Transit Systems Management Plan.

BUDGET IMPACT:

None at this time.

BACKGROUND:

SouthWest Transit (SWT) is continuously seeking ways to improve services and in doing so improve its riders' experiences while interacting with those services. In attempting to achieve this goal, the purpose of the attached SWT Transit Systems Management Plan is to identify ways in which SWT services interact with external transportation systems and how those interactions can be improved. The overall goal of the document is to identify such improvements that will result in improved reliability, mobility, safety, and efficiency of SWT's services.

This plan primarily focuses on the interactions between SWT services and externally-controlled intelligent transportation systems (ITS), roadway networks, and regionally-controlled transit assets that do or could impact SWT services now and/or into the future. Some examples of such interactions identified in the document include signalized intersection improvements (Transit System Priority/Pre-emption), roadway improvements such as slip ramps, curb cuts, and exit improvements, and improvements that can be made by gaining better access to regional technologies not currently offered to SWT (gate entry systems that allow access to major transit stations such as MOA Station, AVL system connectivity improvements, farebox modernization, and ticket vending machines). Finally, the document provides estimated costs for each proposed system improvement to help guide future capital decision making should such funds become available.

The draft plan attached to this memo was sent out for comment to stakeholders that have influence over the externally-controlled systems identified in the plan. At the time of this memo the document was still out for comment. Staff will provide a summary of comments received and any proposed edits based on those comments to the Commission during its meeting.

RECOMMENDATION:

That the SouthWest Transit (SWT) Commission adopt the SWT Transit Systems Management Plan.



Transit Systems Management Plan



Adopted by the SouthWest Transit Commission

April 23, 2020

Purpose

SouthWest Transit (SWT) is continuously seeking ways to improve services and in doing so improve its riders' experiences while interacting with those services. In attempting to achieve this goal, the purpose of this document is to identify ways in which SWT services interact with external transportation systems and how those interactions can be improved.

This plan will primarily focus on the interactions between SWT services, externally-controlled intelligent transportation systems (ITS), roadway networks, and regionally-controlled transit assets that do or could impact SWT services now and/or into the future, and how those interactions can be improved with the overall goal of improving the reliability, mobility, and efficiency of SWT's services.

The intent is that this plan will be a living document that will anticipate and react to roadway maintenance and improvement, as well as to changes in externally-controlled transportation systems.

SWT understands that for the identified strategies and associated actions to come to fruition such an effort cannot be conceived, planned, and implemented by SWT alone. Therefore, prior to the adoption of, and any subsequent updates to this plan, SWT will engage various governmental and community stakeholders to review this document in order to ensure that a broad coalition of support exists for the implementation of the identified actions contained in this document. Stakeholders that are asked to review these projects may include, but are not limited to, City governments, County governments, Regional and State transportation agencies, Metropolitan Planning Organizations (MPOs) and community organizations.

Goals and Objectives

This plan has the following goal and objectives:

Goal: Improve the Reliability, Mobility, Safety, and Efficiency of SWT services.

Objectives:

- Reduce congestion on roadways in and around the SWT service area (Eden Prairie, Chanhassen, Chaska).
- Provide and promote alternatives to single occupant vehicle travel.
- Reduce transit system delays to passengers.
- Improve the timings and accuracy of SWT services.
- Make SWT services more accessible to the public.
- Make SWT services easier to understand and navigate.
- Make SWT services more cost effective.
- Improve the ways by which the public can learn about and interact with SWT services.
- Work with stakeholders on improving roadway safety.

Strategies for Transit System Improvements

This section identifies the current issues and associated strategies/actions that SWT can implement in coordination with external stakeholders in meeting the goal and objectives identified above.

Transit Signal Priority/Pre-emption

Transit Signal Priority (TSP) is a general term for a set of operational improvements that use technology to reduce dwell time at traffic signals for transit vehicles by holding green lights longer or shortening red lights. TSP may be implemented at individual intersections or across corridors or entire street systems. The distinction between Transit Signal Priority and signal pre-emption is an important one because signal priority modifies the normal signal operation process to better accommodate transit vehicles, while transit signal pre-emption interrupts

the normal process of signals for special events¹ – in this case a bus arriving at a single or set of signalized intersections.

TSP systems require four main components: a detection system aboard each transit vehicle accessing the system; a priority request generator which can be aboard the vehicle or at a centralized management location; a strategy for prioritizing requests; and an overall TSP management system.² Therefore, it is essential that for SWT to implement a TSP system within its services it needs to work closely with external stakeholders in managing any potential TSP system that SWT may adopt.

In Table 1, SWT has identified the intersections that have proven to be problem areas for SWT operations. Often, as a bus travels the length of its entire route, elongated signal delays can result in the overall trip being up to 10 minutes late due to the signal wait times at these intersections. If given signal priority and/or pre-emption capabilities at these identified intersections, SWT will have the means to ensure timely departures for the majority of its riders.

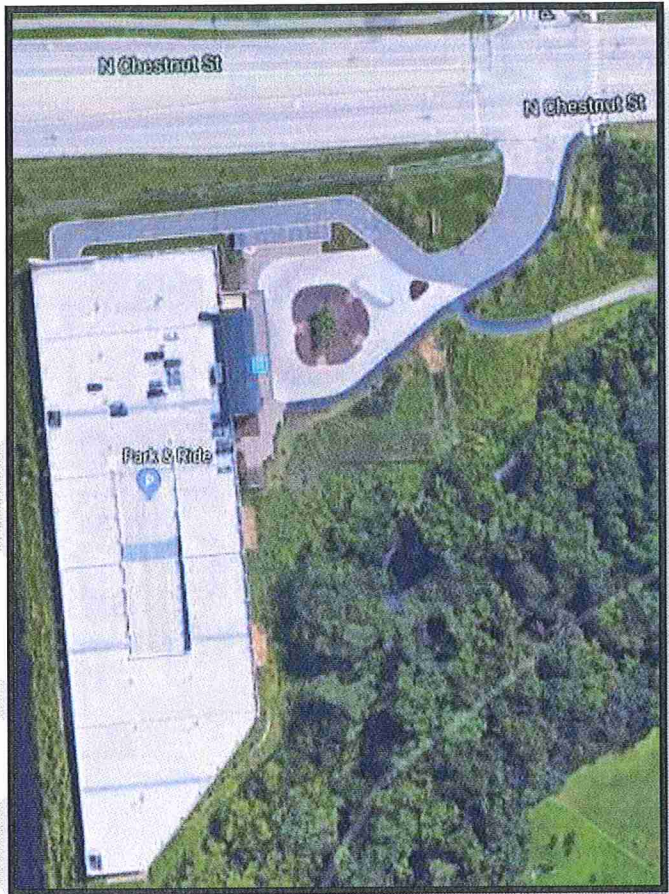
¹ Federal Transit Administration TSP Planning and Implementation Handbook

² Federal Transit Administration TSP Planning and Implementation Handbook

Table 1: SWT Signalized Intersection Problem Areas

Movement	Travel Street	To/Cross Street	City
Left Turn	SWT East Creek P&R Exit	MN-41 North	Chaska
Left Turn	US-212 West	MN 41 South	Chaska
Left Turn	MN-41 North	US-212 West	Chaska
Thru Arrow	MN-41 North & South	US-212 (East and West Intersections)	Chaska
Left Turn	MN-5 East	Great Plains Blvd. North	Chanhassen
Left Turn	US-212 West	MN-101 South	Chanhassen
Left Turn	MN-101 South	US-212 East	Chanhassen
Thru Arrow	MN-101 South	US-212 West	Chanhassen
Left Turn	MN-5 West	MN-101 South	Chanhassen
Thru Arrow	Crossroads Blvd East	US-212 East	Chanhassen
Left Turn	US-212 East	MN-101 South	Chanhassen
Left Turn	Technology Drive East	Prairie Center Drive North	Eden Prairie
Thru Arrow	Prairie Center Drive North and South	Technology Drive West/US-212 East	Eden Prairie

One intersection that significantly hinders SWT operations is the left turn from its East Creek Transit Station to northbound MN-41. SWT has over 60 trips each day that utilize East Creek Transit Station. A consistent struggle with operations is the amount of time allotted to north-south traffic on MN-41 vs. the amount of time the east-west signal is given. Often SWT buses wait 3-5 minutes to exit the station, which causes timing issues further on down the route. Furthermore, in peak times the backup caused by the length of the light results in a line of buses and cars leading from the intersection to inside the ramp - leading to a potential safety hazard. A transit signal pre-emption system is the preferred system to solve this issue, but other systems such as TSP or flashing yellow left turn arrows are also options SWT would be open to considering to solve signal delays at this intersection, as well as the other intersections identified in Table 1.



East Creek Transit Station

Roadway Improvements

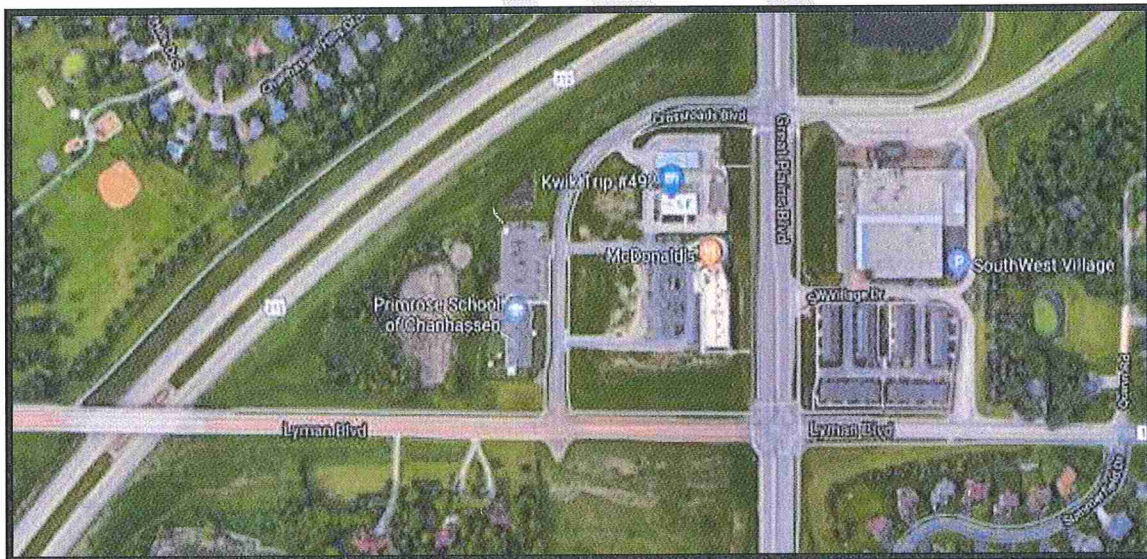
As is the case in any transportation system, there are always improvements that can be made to roadways that can help improve the safety and efficiency of travel on these systems.

From a transit perspective, SWT has identified the following roadway improvements within its service area that would significantly assist in meeting the goal of increasing the reliability, mobility, and efficiency of SWT's services:

Slip ramp from Hwy 212 East to Lyman Blvd.

The SouthWest Village Park and Ride is located at the southeastern corner of MN-101 and Hwy 212. Currently, SWT services heading eastbound on US-212 access MN-101 via the MN-101 exit ramp, take a left onto MN-101, a right onto Lyman Blvd., a right onto Crossroads Blvd., and then enter the Southwest Village Park and Ride after crossing over MN-101 again. Operationally, this is an inefficient maneuver that requires interacting with the same signalized intersection not once, but twice, and can add an additional two to three minutes of travel time for passengers already on buses. Furthermore, the added maneuvers increase the possibility of an accident occurring while making such a roundabout maneuver.

The construction of a buses-only slip ramp from US-212 to eastbound Lyman Blvd. would greatly improve SWT's reliability and efficiency, while also improving safety in the area by allowing a much simpler movement for buses – Lyman Blvd. east, left on MN-101 north, and right into the SouthWest Village Park and Ride.



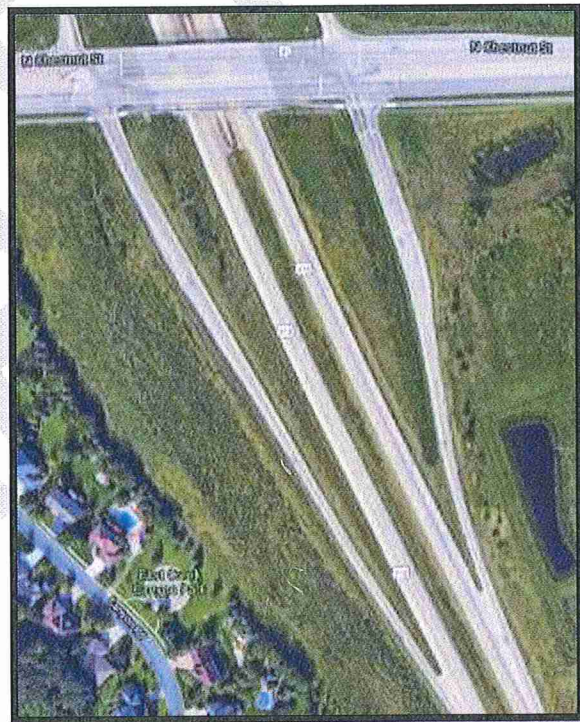
SouthWest Village P&R and Surrounding Area

Left Turn from MN-101 onto SW Village Drive

SW Village Drive is the roadway that is utilized by general traffic in order to access the SouthWest Village Park & Ride site, as well as the adjacent townhomes to the south of the park and ride. As it stands today, SW Village Drive is accessible both eastbound and westbound off Lyman Blvd, and only northbound off MN-101. Allowing a left turn from southbound MN-101 onto SW Village Drive will further increase accessibility to the site for both SouthWest Transit patrons, as well as to residents and their guests living in the townhomes adjacent to the SouthWest Village Park and Ride.

US-212 West Exit to MN-41 Improvements

One of the most dangerous traffic conditions facing both SWT services and general traffic in the SWT service area is taking place during afternoon peak traffic times on the US-212 west offramp to MN-41. The current exit ramp consists of one left turn only lane, one left turn/thru lane, and one right turn only lane. As the city of Chaska has continued to grow to the north, and with the addition of major businesses off MN-41 north of US-212, the amount of vehicles taking right turns has increased significantly over the last decade to over 7,800 average daily vehicles.³ This increase in right turn activity in combination with increased traffic flows heading northbound on MN-41 has created backups in right turn traffic on the exit ramp that during peak times in the afternoon can extend all the way out onto US-212 westbound. Such backups pose significant safety hazards to both SWT vehicles and general traffic as vehicles are



US-212 & MN-41

³ Source: MnDOT

forced to stop, sometimes suddenly on the highway, due to ramp traffic backing up onto the highway lanes.

In order to address this safety issue, as well as improve the efficiency and reliability of SWT services, SWT advocates for one or a combination of the following improvements at this problem intersection:

- Use existing right-of-way to construct a second right turn lane onto US-41 northbound.
- Use existing right-of-way to construct an exit only lane on US-212 westbound leading up to the MN-41 exit.
- Change the current left turn/thru lane to a right turn/thru lane.
- Add a new exit to/from US-212 between the current exits at Powers Blvd. and MN-41 in order to lessen demand for the MN-41 exit. The most logical locations would be the construction of an exit at either Audubon Road or Bluff Creek Drive.

Access to Regional Technology

Currently, SWT and its fellow suburban providers do not receive the full amount of local funding (State Motor Vehicle Sales Tax (MVST)) due to them. This is intentional because in the early 2000s there was an agreement between the suburban providers and the regional MPO – the Met Council – that a portion of the suburban providers owed MVST funding would stay with the Met Council as a form of payment by the suburban providers to the region in order to have access to what was understood to be regional services (Metro Transit Police, AVL systems, regional marketing of transit services, farebox technology, etc.). However, there are several examples of regional technology that are currently only available to Metro Transit that SWT is seeking to have access to in the future and believes fall under the original agreement described above. The following technology items are critical to SWT as a provider and will significantly aid in improving the quality, accessibility, reliability, and efficiency of SWT services.

Emtrac Transponders

SWT services currently do not have the capability to access certain transit centers within the region because its buses are not equipped with Emtrac transponders – devices that trigger the opening of gates at secured transit stations, as well as trigger signals as part of Transit Signal Priority/Pre-emption systems. SWT has

requested the installation of Emtrac transponders on its vehicles numerous times from the regional MPO so that its vehicles would be able to access stations such as the Mall of America Transit Center and the 46th St. Station on I-35W, as well as have the capability to interact with Transit Signal Priority/Pre-emption systems. To date, those requests have not been granted. SWT views this technology as essential in ensuring it and its customers are able to fully access the regional transit system both now and into the future.

Cellular Data Connection for Automatic Vehicle Locator (AVL) systems

The AVL system currently uses old two-way data radios to transmit location and vehicle data from vehicles to SWT computer systems. This data is monitored constantly and is used to make operational decisions. With the use of the two-way radio, data is being received every 30 seconds to one minute. For better location accuracy, a cellular data modem would provide updates at five-second intervals. In this scenario bus location data will be more reliable and would be especially useful when quick decisions must be made by SWT Dispatchers. Such a system improvement would not only improve the ability for SWT dispatchers to better monitor SWT vehicles in real-time, but it would improve the reliability and accuracy of SWT services to the public by making real-time passenger information systems, such as NexTrip, more reliable and trustworthy.

Improved Farebox Technology

The current farebox technology that the region uses is from the late 1980's. As a result, it is only able to take cash and tickets for fare payment. SWT would like the ability to bring its fare collection equipment into the 21st century and equip its fleet with the latest technology that would allow the user multiple forms of payment including GO-TO payment cards, credit cards, and tap to pay featured on today's latest smart phones.

Currently, regional fare policy does not allow SWT to order and maintain fareboxes that are different from the fare equipment being used by other providers in the region. History has shown that when transit providers in the Twin Cities region are allowed to experiment and innovate (coach buses, Wi-Fi on buses, Transit-Oriented Development, Microtransit) the whole region ends up learning

from and benefiting from such pilot projects. SWT believes that implementing updated and advanced fare collection equipment is long overdue and allowing SWT to pilot such technology would only serve to benefit the region as a whole.

Dead Reckoning

Dead reckoning is a device that assists the Automatic Vehicle Locator (AVL) system on vehicles when a GPS signal is not available. For example, this device would be used when a vehicle is driving in Downtown Minneapolis where tall buildings block the GPS signal. Having this device to ensure accurate vehicle location data would be critical to several areas of SWT operations:

- Supplying Dispatchers with accurate information to make fast paced decisions.
- Providing accurate data for automated stop announcements.
- Providing accurate data and system reliability for customer consumption ranging from NexTrip monitors to vehicle tracking on swtransit.org and the SWT App.

Ticket Vending Machines

Currently, if a SWT customer wishes to purchase a GoTo card or refill the balance on their card they must speak with an in-person customer service representative who will then assist them. SWT is seeking access to the same ticket vending machines that have been available in the Twin Cities region for over a decade, yet the region has not allowed SWT to receive any such technology. Instead, SWT is only provided the bare minimum of on-board fare systems noted above.

Implementing ticket vending machines at SWT facilities would not only allow SWT customers to better access and manage their GoTo card and purchase same day tickets, but it would greatly increase accessibility to SWT



Metro Transit Ticket Vending Machine

services by allowing customers access to multiple fare payment media at all times of day when a given station is not staffed by a customer service attendant. Finally, customers who speak English as a second language would also be able to choose which language the machine displays, further increasing accessibility to SWT services and improving overall mobility throughout the SWT service area.

DRAFT

Appendix: Estimated Costs for Transit System Improvement Strategies

Strategy	Cost Description	Est. Per Unit Cost (2020\$)	Est. Total Cost (2020\$)
Transit Signal Priority/Pre-emption	Install a Transit Signal Priority/Pre-emption systems at intersections identified in Table 1.	-\$15K/ Intersection -\$160K for TSP Management System	\$355K
Slip Ramp (US-212 E to Lyman Blvd. E)	Add a bus-only slip ramp from US-212 E to Lyman Blvd. E.	N/A	\$1M
Exit Ramp Improvements (MN-41 Exit from US-212 W)	Add an additional lane on the exit ramp to allow for more right turns onto MN-41 N and alleviate right turn ques from spilling onto US-212 W.	N/A	\$500K-\$10M
New Left Turn (MN-101 S to SW Village Drive)	Cut out part of a center median to allow general traffic to turn left from MN-101 on SW Village Drive (SW Village P&R).	N/A	\$80K
Emtrac Transponders	Install Emtrac Transponders on all SWT Express Buses.	\$2,500/Bus	\$212K
Cellular AVL Data Connections	Install Cellular Data Connections on all SWT Express Buses.	\$2,500/Express Bus	\$167,500
Improved Farebox Technology	Install new advanced technology fareboxes on all SWT Express Buses and 8 Demand Response Buses.	\$16K/Bus	\$1.2M
Dead Reckoning System	Install Dead Reckoning systems on all SWT Express Buses.	\$2,500/Express Bus	\$167,500
Automated Ticket Vending Machines	Add machines at Carver Station, East Creek Station, SouthWest Village, & Chanhassen Station.	\$100K	\$400K

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SOUTHWEST TRANSIT

MEMORANDUM

TO: SouthWest Transit Commission

FROM: Dave Jacobson, COO

DATE: April 16, 2020

SUBJECT: LED Lights at SouthWest Station

REQUESTED ACTION:

That the SWT Commission authorize its CEO to, at a time selected in the CEO's discretion, bring a lawsuit against the SouthWest Light Rail Transit's contractor (a Joint Venture of Lunda Construction and McCrossan Construction) for damages to LED light fixtures at SouthWest Station park and ride ramp.

BUDGET IMPACT:

The current number of lights that are out is approximately 84 that either do not work or glow (minimal brightness). The estimated cost of each fixture is \$400 for a total cost of \$33,600 plus labor to take down the out of order fixtures and replace with new fixtures.

BACKGROUND:

In 2015 the SouthWest Transit (SWT) Commission approved and entered into an Energy Savings Performance contract with Ameresco. As part of this contract, Ameresco purchased LED light fixtures and Kloos Electric installed them for SWT. Below is a time frame of events that happened since the 2015 light fixture install:

- Summer of 2019, pilings were being hammered into the ground by the LRT/Joint Ventures group causing vibrations on the north side of the SouthWest parking ramp.
- November 2019, the SWT facility crew noticed there were almost 60 LED fixtures that failed, obviously beyond the warranty period.
- Mid-February SWT staff and Ameresco met about the lights. Ameresco did an analysis and found that some lights had crimp nuts failing and some had driver failures.
- February 26, 2020, SWT made a claim, through the SWLRT Claim Reporting Form and process for Lunda/CS McCrossan Joint Ventures.
- April 3, a request for an onsite inspection by Keith Nygaard of Envista Forensics under contract to the Joint Venture's insurer.
- April 7, an inspection occurred with SWT staff, Kloos Electric and Mr. Nygaard where Mr. Nygaard took two lights for analysis.
- April 9, Mr. Nygaard requests two more fixtures for analysis.
- April 13, Mr. Nygaard collects the two additional fixtures for analysis.

- April 16, no results have been provided coupled with the loss of additional fixtures has now exceeded 80.

Based on this timeline the issue begins when pilings were being placed next to the 212 off ramp to the intersection of Technology Drive and Prairie Center Drive, Eden Prairie. The issue was aggravated when it took the Joint Venture over a month to respond to the SWT complaint. SWT feels that the Joint Venture did not exercise enough care while driving the pilings to minimize vibrations. Thus SWT is seeking compensation for the non-performing lights and the labor to take down non-functioning and replace with function lights. Finally, the same light fixtures from Ameresco were installed by the same electricians, Kloos, at SWT's SouthWest Village site, Chanhassen, without any ill effects to date.

RECOMMENDATION:

That the SWT Commission authorize its CEO to, at a time selected in the CEO's discretion, bring a lawsuit against the SouthWest Light Rail Transit's contractor (a Joint Venture of Lunda Construction and McCrossan Construction) for damages to LED light fixtures at SouthWest Station park and ride ramp.

Updates

Operations, Planning, IT, Vehicle and Facility Maintenance Updates, April 2020

Delivering food with our Prime service has begun and it has been very successful. Prop and Bountiful Basket are easy partners and it could not have gone any better. Working with Bountiful Basket to try and expand what we are doing a bit. Additionally, Bountiful Basket is pursuing grant dollars to expand its service.

Agency Server Replacement is nearing completion. Our old hardware has been powered down and there are a few loose ends to migrate to the latest version of software.

Lobby **Nextrip** monitors are in the process of a refresh. Hardware and software updates as well as new programming will help bring some pop to the schedule monitors in the lobbies.

CMAQ Grants are being feverishly worked on as the deadline for submission is less than one month away.