

SOUTHWEST TRANSIT COMMISSION MINUTES

August 21, 2013
Chaska Garage
4201 Norex Drive, Chaska

COMMISSION MEMBERS

Jerry McDonald – *arrived at 6:20 pm*
Nancy Tyra-Lukens
Brad Aho
Bob Roepke
Dan Wilczek

EXECUTIVE STAFF

Len Simich, Chief Executive Officer
Dave Jacobson, Chief Operating Officer
Steve LaFrance, Maintenance & Facilities Director
Matt Fyten, Senior Transit Planner
Dave Simoneau, Director of Driver Services &
Emergency Management

GUESTS

Jim Lasher, LSA Design
George Gmach, Trusight
Gary Groen, AEM Financial Solutions

I. CALL TO ORDER

The meeting was called to order by Vice Chair Tyra-Lukens at 6:00 p.m.

II. APPROVAL OF AGENDA

Chief Executive Officer Simich requested that under New Business SouthWest Station Common Area Fees be added as Item J.

Motion: Roepke motioned, seconded by Wilczek to approve the agenda as amended. The motion carried 4-0-0.

III. PAYMENT OF CLAIMS (motion and roll call vote)

Motion: Aho motioned, seconded by Wilczek to approve the payment of claims. Roll Call Vote: Tyra-Lukens, yes; Aho, yes; Wilczek, yes; Roepke, yes. The motion carried 4-0-0.

IV. CONSENT

- A. Approve Minutes of 7/10/13 Meeting
- B. Accept Current Financial Statements
- C. Accept Ridership Report
- D. Accept East Creek Change Order #005

Motion: Roepke motioned, seconded by Wilczek to approve the Consent items. The motion carried 4-0-0.

V. NEW BUSINESS

A. Tour East Creek station; Review Issues & Schedule

Commission members and SWT staff toured East Creek Station. CEO Simich stated that East Creek Station is now scheduled to open for service Monday September 23.

No motion required.

B. Update on MVST & RAMVST Request to Metropolitan Council

CEO Simich stated that Regional Transit Operating Revenue Allocation procedures called for suburban transit providers to provide information to the Council in May so that Council staff can develop a revenue allocation model to calculate and distribute RAMVST (Regionally Allocated MVST) among transit entities to preserve existing transit operations levels.

Simich presented proposed report to Commission for their review and stated that preliminary operating budget will be presented at upcoming Commission meeting.

No motion required

C. Review & Approve Updated Pay Ranges & Merit/Performance Pay for 2014

CEO Simich stated that the Office of Management and Budget had informed SWT that it did not meet certain pay-equity requirements resulting in a non-compliance ruling.

Simich introduced George Gmach, consultant from Trusight. Gmach explained MMB report, reviewed proposed changes to current SWT salary ranges, and stated that staff is reviewing current job descriptions to ensure they match work being performed.

Motion: Wilczek motioned, seconded by Aho to

- Approve the Proposed Adjustments to the current salary ranges as presented (effective January 1, 2014) and
- Approve the reinstatement of the performance pay program for 2014.

The motion carried 5-0-0.

D. Approve Carpet Replacement for SouthWest Station

Maintenance & Facilities Director LaFrance stated that the carpet in SW Station upper and lower levels is original to building. Some carpet was replaced 2009, but now has reached a point where it needs to be completely replaced.

St. Paul Linoleum and Carpet Company is a selected vendor from Cooperative Purchasing Venture (CPV) program, also referred to as the State Contract. CPV program has completed competitive processing allowing SWT to work directly from that contract.

Motion: Roepke motioned, seconded to by Wilczek to adopt Resolution 13-33 authorizing its Chief Executive Officer to execute an agreement with St. Paul Linoleum and Carpet Company in the amount of \$35,956 for SouthWest Station Carpet Replacement. The motion carried 5-0-0.

E. Respond to Flagship Bank's Request to Change Collateral

AEM Financial Solutions Finance Consultant Gary Groen stated that in February 2013 SW Transit completed a request for proposal (RFP) for banking services. In April 2013 Commission selected Flagship Bank to provide banking services to SWT.

Flagship Bank has proposed substituting Letter of Credit (LOC) for \$3,000,000 of current collateral assigned to SWT by Flagship Bank. Groen stated that in its RFP, SW Transit specifically requested that Federal Securities be assigned as collateral to secure its deposits. Groen and staff recommend that Commission reject said proposal.

Motion: Wilczek motioned, seconded by McDonald to reject Flagship Bank's request to substitute a Letter of Credit (LOC) for \$3,000,000 of current collateral assigned to SWT by the Bank. The motion carried 5-0-0.

F. Approve Additional Depositories

AEM Financial Solutions Finance Consultant Gary Groen stated that Resolution 12-35 designated Flagship Bank, RBC Wealth Management and LMC 4M Fund as SW Transit depositories for 2013. Currently all SW Transit deposits are at Flagship Bank.

Staff recommends adding depositories currently used by cities of Eden Prairie, Chanhassen and Chaska.

Motion: McDonald motioned, seconded by Aho to adopt Resolution 13-31 designating following additional depositories and broker dealers (in addition to RBC) for SWT to utilize for its deposits and investments:

- Klein Bank
- Wells Fargo
- Ehlers Investment Partners
- Northland Securities
- UBS Financial Service
- U S Bank

The motion carried 5-0-0.

G. Respond to Metropolitan Council & FTA Request to Designate Metropolitan Council as Direct Recipient for Federal Funding in Metro Area

CEO Simich stated that Metropolitan Council has asked all suburban transit providers to sign letter designating Metropolitan Council as direct recipient of federal formula funds for Twin Cities region. Simich stated that staff has concerns they would like stated to Metropolitan Council.

Commission requested Simich to draft letter listing concerns and forward to Commission members for review before sending to Metropolitan Council.

Motion: Tyra-Lukens motioned, seconded by Aho to sign requested letter but outline SWT concerns to FTA. The motion carried 5-0-0.

H. Discuss State Fair Service & Staffing Plan

COO Jacobson informed Commission of plans and procedures in place for twelve days of State Fair service.

No motion required.

I. Present Update on Resolution Process with Founding Cities

CEO Simich stated that Commission had requested that cities of Chanhassen, Chaska and Eden Prairie, as well as Carver County provide SW Transit with their input as well as pass resolution of support regarding future BRT in SWT service area as well as allowing any LRT access into SouthWest Station. Letters have been sent to each.

No motion required.

J. Common Area

CEO Simich stated that in 1999 an agreement was entered into with owners of Pickled Parrot restaurant (Sherman & White Development LLC) calling for SW Transit to provide maintenance and upkeep of all common areas outside the restaurant/building and to construct a plaza estimated to cost \$1.8 million. In 2009 Sherman & White sold the building to Santorini (Tony Nicklow) who assumed remainder of debt.

As all common areas have been constructed, SWT staff feels that with payment of 2013 receivable, total amount paid by Lot 2, Block 1 (Sherman & White; now Nicklow) covers their share of costs related to constructing common areas.

Motion: Aho motioned, seconded by Tyra-Lukens that after collection of 2013 common area build-out/maintenance fee of \$5,560 due to SouthWest Transit by Santorini restaurant, the remaining unpaid balance of \$22,300 due under agreement entered into with the Sherman & White Development, LLC on April 7, 2004 be waived. The motion carried 5-0-0.

K. Tour Norex Garage

No motion required.

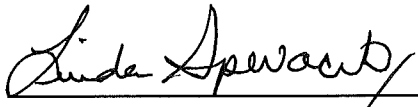
VI. UPDATES

VII. COMMISSION AND CITY COMMENTS

VIII. ADJOURNMENT

Motion: Tyra-Lukens motioned, seconded by Aho to adjourn. The motion carried 5-0-0. The meeting was adjourned at 7:10 p.m.

August 21, 2013 SouthWest Transit Commission Minutes Prepared By: Linda Spevacek

Approved by: 
recording secretary ⁴

Date: 9/16/13