

**PROCEEDINGS OF THE  
MPO FINANCE COMMITTEE OF THE  
GRAND FORKS/EAST GRAND FORKS  
METROPOLITAN PLANNING ORGANIZATION  
Friday, February 6, 2004 – 12:00 p.m.  
Grand Forks City Hall MPO/Planning Conference Room**

Dick Grassel, Chairman, called the meeting to order with the following members present: Doug Christensen and Curt Kreun. Staff present were: Earl Haugen, GF/EGF MPO Executive Director, Ryan Brooks, GF/EGF MPO Senior Planner and Todd Feland, GF Public Works Director.

A quorum was present.

APPROVAL OF MINUTES

*Moved by Kreun, seconded by Grassel, to approve the December 10, 2003, minutes. Motion carried unanimously.*

MATTER OF TRANSIT PLAN UPDATE

Haugen reported that the reason for today's meeting was because staff had put together some recommendations for the Transit Plan and wanted some feedback from the members of the MPO Finance Committee. Christensen asked if East Grand Forks was going to continue with the Senior Rider Program. Grassel stated that East Grand Forks feels that the current service of DAR is adequate for those individuals. Grassel asked Brooks to provide some background. Brooks stated that East Grand Forks was asked to help fund the system. EGF at that time declined since the current service was adequate. However, the Senior Rider continued in East Grand Forks at no cost to the City of East Grand Forks.

Haugen stated that the cost of the program would be \$8,000-\$12,000 for the City of East Grand Forks, and the recommendation is that East Grand Forks pay this cost or the service would no longer be provided to them. If the City chooses not to provide the funds, then the Senior Rider will have some extra time to provide rides in the City of Grand Forks.

Christensen asked what the issues that will cause controversy. Feland started with why this plan is being discussed. Originally the revenues and expenses were going in the wrong direction. So money had to be saved somewhere. In addition we were looking at expansion of the service to serve 42<sup>nd</sup> St. He also stated that additional federal funds are now expected with the new transportation bill.

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Grassel asked for a breakdown of the recommendations. Feland started with the fares on the Senior Rider. The fares are currently \$1. The recommendation is for those to go to \$2. The equivalent service of Senior Rider is DAR which costs \$3. The \$2 recommendation is still less than what a disabled person pays.

The next recommendation is to ask EGF to pay their share of the Senior Rider Program, which comes to \$8,000 - \$12,000. Christensen asked how many people currently take this service in EGF. Brooks responded that 1,000 rides are currently running in EGF at some point in their trip. Haugen explained that the Cost Per Trip in 2002 for the Senior Rider is \$11.48. He then provided some background on the financial breakdown since the City took over the system.

A breakdown of each service was provided. The cost of the fixed route is \$3.99 with a 11.5% farebox recovery. The Senior Rider is \$11.48 cost per trip with a 9.57% farebox recovery. Dial-A-Ride is \$7.61 cost per trip with a 27.31% farebox recovery. Feland covered the equity issue between DAR and Senior Rider where a patron on DAR pays 27.31% of the cost of the trip, and the Senior Rider covers only 9.57%. Brooks stated that some DAR patrons are also subsidized by NDAD who will reimburse the individual cost for DAR riders. Haugen provided additional background on the cost for multiple loads on DAR. Haugen stated that most seniors could ride either DAR or Senior Rider.

Christensen asked what the subsidy was for the transit system. Haugen provided the information that a little over 4 mills is provided for fixed route plus one mill for DAR. Haugen provided additional information on the differences between 1998 and 2003. He also stated how Senior Rider affected the distribution of federal money.

Discussion ensued.

Haugen provided what the costs of each transit system is both fully allocated and incrementally. The incremental cost does not include building and admin costs so it is a better indication of what the city would likely save if that particular system were cut.

Haugen stated the recommendation is to drop the school trippers and to increase the fares for the H-Tripper. The increased H-Tripper fares would have to be done by making the service a "special service". This allows the fares to be different than the fixed route system, like the senior rider is. This tripper is provided to Agassiz Enterprises. The fares would increase from \$0.50 to \$2, the same as the recommendation of the Senior Rider. Christensen asked how many people use the H-Tripper. Haugen stated that 11 people use the service for a total of 22 trips a day. The service is a curb-to-curb.

The school trippers that would be dropped currently service Kelly, Schroeder and Valley schools. Haugen stated that Dietrich provides bus service for all schools in town, even the schools that the City does, so they will likely pick up the service if the City were to drop it.

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Haugen also noted that the costs discussed only include operating dollars and that we also have capital dollars that go into this system. If we were to drop the school trippers it would bring the entire city fleet into compliance with paratransit requirements. The City could then get into a replacement program for its current fleet of vehicles. Haugen also noted that if the school trippers were dropped some students could still take the fixed route system to get to school. Christensen asked when this elimination was recommended to be implemented. Haugen stated that he recommends that the school trippers being eliminated in the fall of 2004. Feland provided the breakdown in fare cost differences between the city and Dietrich.

Kreun stated that we are duplicating services with the trippers. But we are providing a door-to-door service for some individuals. If we are going to provide this premium service the City should be asking for additional money. Christensen stated that he would like staff to talk with some of these entities so that these recommendations are not dropped on them at a Council meeting. Grassel stated that East Grand Forks has already heard from seniors regarding the Senior Rider in his city.

Brooks stated that these recommendations are a matter of equity. First, the increase in fares for the Senior Rider brings that system to closer to the DAR. Second, EGF should have to pay if the rides are going to continue. Third, the H-Trippers are basically a DAR but we are not charging them like other DAR customers. Fourth, with the School Trippers we are actually providing a service that a private company is doing.

Christensen asked about the last recommendation of the DAR costs. Haugen stated that the current DAR system is based on the taxi fare. He said that we should propose that the taxi companies give the city a volume discount of \$1 per ride, this would be about a 12% discount. Christensen asked if we can just do this, or do we have to ask. Feland stated that the City had looked at bidding this out in the past, which would get the two companies to bid against each other. This wasn't done since it would cause some angst since the city provides the majority of the company's rides. It may put one company out of business. Christensen asked what the fall back would be if one company did go out of business. Brooks stated that in terms of capacity, one company could provide all the rides since this was done from 1998 to 1999. Christensen asked what would happen if they said no. What is their profit margin? Brooks stated that we do not get this information. The total money costs in one year is \$384,000. Feland discussed how UND has gotten these same discounts with their Cab Crawler. Haugen added that currently our night DAR is a per hour cost instead of a per trip cost. Brooks stated that this might force the taxi companies to do more multiple load trips instead of sending out individual taxis for each trip.

Feland stated that the reasons that we are bringing this forward to this committee is that we know these are sensitive issues. We don't want to fill the Council Chambers with upset people who were uninformed, and didn't know what the changes were. We wanted to take this slow and

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bring it to a committee so that you could see this and provide some input before we bring it forward.

Christensen asked what we achieve but these savings. Haugen stated that in a few years we are suggesting that these savings could be used on a new route to cover the southwest part of the community. These savings would provide the local match that we would need for these expansions. Feland again stated that the reason we are looking at this is because our expenses and revenues were not matching in the coming years. We also needed to increase our local revenue.

Christensen stated that we could continue to look at these issues at this level before we take it to the full executive board. Kreun asked when a decision had to be made. Haugen stated that we needed a decision by July to keep our plan in place. He stated that we could just extend the current plan. June and July would be the latest to do the public hearings.

Discussion ensued on the recommendations.

Christensen stated that he would like to take some time to think about these recommendations. He would like staff to meet with some of these different entities that these plans would affect like the Agassiz people. He feels that the Schools will be taken care of by Dietrich. He stated that this is part of a bigger policy decision, in terms of the mills and subsidies provided on these transit systems.

Haugen stated that an additional question would be what additional committees do we need to present to. Kreun stated that we might not need to go to the Service/Safety committee. Grassel stated that he would check on the EGF side, where to take this to.

Haugen stated he would also like to discuss some capital issues. He provided an outlook of transit money, which could be available with some of the bills that are out there in Washington. He stated that we could improve some of the shelters throughout the community now. Instead of a smoke-glass shelter we could have better shelters connected to buildings and are heated. He suggested we could work with Grand Cities Mall, Wal-Mart and other businesses as they remodel so the costs could be wrapped in with construction and the business provides the local match. In turn they have some federal dollars for a transit shelter that will bring in some additional traffic.

Christensen questioned whether these increased federal dollars would really come. Haugen stated that we are trying to get the ability of the cities to "flex" some of the transit dollars to highway dollars. Christensen stated that we need to get in contact with Sen. Dorgan's office to allow this "flexing" of transit dollars to occur. Haugen stated that it has been passed along to Peter Haga in the Mayor's office.

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It was decided that we would continue discussion at the next meeting on this item.

**ADJOURNMENT**

*Moved by Mr. Kreun, seconded by Mr. Christensen, to adjourn the meeting. Motion carried unanimously.*

Respectfully submitted by,

Ryan Brooks  
MPO Senior Planner