

METROPOLITAN GOVERNANCE TASK FORCE COMMENTS

The Co-Chairs of the legislatively created Metropolitan Governance Task Force (“Task Force”), at a regularly scheduled meeting on January 10, 2024, determined, in conjunction with Task Force members, that comments from members on the work-to-date of the Task Force, consistent with its Duties (hereinafter defined), should be provided to the Co-Chairs by end-of-business on Monday, January 15, 2024.

Your undersigned will not be in personal attendance at meetings of the Task Force scheduled for January 17, 2024 and January 24, 2024, due to prior commitments. While I may be able to attend one or both of the next two meetings virtually, my schedule is uncertain, so I am therefore making the effort to provide as much information and observation as possible, as the city representative on the Task Force, to my fellow members of the Task Force, though the window in which to provide this information has been very limited in time.

I. BACKGROUND AND GENERAL OBSERVATIONS

In the 2023 Minnesota legislative session, a Metropolitan Task Force (“Task Force”) was created¹ for the following purpose:

A Metropolitan Governance Task Force is established to study and make recommendations to the legislature on reform and governance of the Metropolitan Council.²

The membership of the Task Force was described within that enabling legislation and the Duties of the Task Force were described therein as follows:

Duties.

The task force must study and evaluate options to reform and reconstitute governance of the Metropolitan Council. The study must include an analysis of the costs and benefits of:

- (1) direct election of members to the Metropolitan Council;
- (2) a combination of directly elected and appointed members to the Metropolitan Council;
- (3) a council of governments which would replace the current Metropolitan Council;
- (4) reapportioning responsibilities of the Metropolitan Council to state agencies and local units of government;
- (5) adoption of a home rule charter for governance of the Metropolitan Council; and

¹ Minn. Laws 2023, Ch. 68 (article 4, sec. 123 for Task Force description (see Attachment No. 1)

² Article 4, sec. 123, subd. 1 (see Attachment No. 1)

(6) any other regional governance approaches that are viable alternatives to the current structure of the Metropolitan Council.³

The Task Force began its duties, as charged by the legislature, on August 9, 2023 and has met on a regular schedule with more than a dozen meetings since that date.

Over the last several months, the Task Force has gone about its work with general presentations from the State Auditor⁴, the Metropolitan Council (the “Council”), has had informational presentations on other types of regional governance models, and taken testimony from legislators and members of the public on various perspectives and concerns relating to the existing governance of the region by the Council, all consistent with the legislatively prescribed Duties of the Task Force.

While, during the course of its work, the Task Force has received presentations regarding various governance structures and taken public testimony on alternative governance structures for our metropolitan region, it has not fulfilled all of its legislatively defined responsibilities in that there has not been conducted a cost/benefit analysis of any specific governance models as required in the enabling legislation. The enabling legislation was for the Task Force to study and make recommendations for the governance of our region and specifically prescribed a study of the costs and benefits of various governance models.⁵ As stated above, to date, the Task Force has not conducted this type of analysis.⁶

It is also further suggested that the Task Force has not identified specific problems that would be resolved by a governance change of the existing form of governance for the Metropolitan Council.

Further, while acknowledging that Task Force members and members of the public have articulated individual concerns and disagreements relating to specific decisions made by the Council, and though these concerns are important to the discussion and should be considerations for regional policymaking and operational purposes generally, these criticisms regarding decisions by the Council, in and of themselves, and the outcomes of those decisions, should not be conflated with the notion that those decisions would have been different or not made at all, if we had a different form of regional governance.

As the Task Force has learned, the Metropolitan Council, in its current structure, has defined powers that allow it to plan and operate regional-level infrastructure that includes

³ Article 4, sec. 123, subd. 4 (see Attachment No. 1)

⁴ A 2011 OLA report examined transit governance, and made recommendations for the governance of the Council, but did so without a comprehensive examination of the Council’s full scope of operations and services.

⁵ See Article 4, sec. 123, subd. 4 (see Attachment No. 1).

⁶ There will be no opportunity to complete this critical work of cost/benefit analysis as the report of the Task Force is due to the legislature by February 1, 2024.

wastewater, transit, and parks.⁷ Existing state laws directly tether the Council to the Governor, the Legislature, local officials, and citizens. These laws include gubernatorial appointment of members, concurrent with a gubernatorial term, the screening of candidates via a statutorily defined nominating process methodology with seven members, three of whom must be local elected officials. Senate confirmation of the Chair and Council is required by law, and numerous longstanding and regularly meeting advisory committees that require membership by local officials and citizens, such as the Transportation Advisory Board, also give guidance to the Council. Such requirements were put into place by design to ensure the Council has sufficient authority to effectively operate the region’s infrastructure, while remaining accountable to various perspectives, needs and interests. Finally, while the Council has taxing authority, the Council’s property tax levy is limited by the legislature. It is worthy of note that there has been little to no examination by the Task Force of the structures that importantly underpin the existing governance of the Council.

II. STATUTORY DUTIES OF THE TASK FORCE TO STUDY AND EVALUATE OTHER FORMS OF GOVERNANCE FOR THE METROPOLITAN REGION⁸

The Task Force had presentations from the Denver, Colorado and Portland, Oregon regions on their regional governance models. The Task Force also discussed at its meeting on January 3, 2024, the following governance models: Council of Governments, Elected Model – Home Rule Charter and a variation of our existing metropolitan governance model with staggered terms for its members.

A. A Directly Elected Council Model.

While there are proponents for the direct election of members to the Council, with or without a home rule charter for governance, on balance, your undersigned believes there are more negatives than positives to such a governance model.

An elected Council would establish another layer of elected government, could easily expand the authorities of the Council, would be more costly for taxpayers, could duplicate services provided by local governments, would be subject to influence from special interests, and could parochialize the Council.

An elected Council would be more likely to insert itself into local land use decisions. An elected Council would create a regional “legislature” distinct from the Council’s current structure as a regional entity providing limited regional planning and infrastructure. By law, the Council’s current structure requires it to work closely with local governments (its most numerous constituency), state policymakers and other stakeholders. Statutory and other accountability measures provide for review and recourse of regional decisions by state and local officials and others who have important stakes in those decisions.

⁷ See Attachment No. 2.

⁸ Article 4, sec. 123, subd. 4, subsections (1) through (6).

Studies of the Portland model of governance, for example, have noted the high cost of elections and strong role of the development community in funding those elections to be able to influence those elections.

The Metropolitan Council was created to address a limited scope of issues that could not and cannot be adequately addressed by local governments or the Legislature. It was not created to be a legislative body and its responsibilities do not lend itself to an elected model. In some ways, it functions as a state agency, but it is a local unit of government. This matters for various reasons. Its structure, by design, connects the Council in important ways to both state and local policymakers, and in ways distinct from any state agency, and provides for structured accountability to a wider range of stakeholders. Further, much of the Council's funding comes from regional taxpayers and user fees, not from the state.

B. Council of Governments Model (COG).

This model would have the Council be comprised of locally elected government officials. This governance structure has been proposed in recent years by Anoka, Scott, Dakota, and Carver County officials and is used in other areas of the country. A COG structure was not recommended by the Citizens League, Metropolitan Area League of Women Voters, Metro Cities or the Governor's Blue-Ribbon Panel, all of which have examined and made recommendations for governance, in recent years, the most recent recommendations coming in 2020 from the Blue-Ribbon Panel established by Gov. Tim Walz.

Opposition to this COG model has focused on a variety of potential infirmities, including conflicts of interest due to the nature of the Council's responsibilities that include regulatory powers and the fiduciary duty of local officials to the jurisdiction to which they are elected. Local officials would face "divided loyalties" when making regional level decisions that affect local communities, including their own. City officials have also identified this model as one that would be inherently parochial, not balanced by population, impractical for city officials to serve, creating a myriad of ethical concerns, and "disturbing" the balance with respect to the functions of local governments. City officials have also questioned how this COG model (or an elected model) would improve operational governance in the region. This model of governance also precludes service on the Metropolitan Council by individuals from other sectors (businesses, non-profits, agencies, and other citizen representatives).

Proponents of COGs argue that they are common across the country. However, COGS tend to be limited in their scope of policy and responsibility, usually concentrated in the area of transportation. There is no comparable entity to the Metropolitan Council in its scope of functions and responsibilities in the United States. Proponents have also suggested that local officials on the Council (by default) would provide more accountability and transparency, while, in practice, such a model reduces actual and broader accountability.

A COG structure for the Council, which would include city elected officials, would also mean a very limited pool of applicants for Council seats. Metropolitan Council members spend

between 40-60 hours per month for committee meetings, preparation and briefings, participation in advisory committees and partner events, regular engagement with Council members' district stakeholders, training and attending district meetings and events. Most city officials have full time jobs and other responsibilities, unlike county commissioners, who are full time public servants. There is, accordingly, a barrier of impracticability to local elected officials being involved as there is insufficient time available for a job, volunteer work for a city as an elected official and Council membership, at the same time. This constraint on time availability would therefore limit the pool of applicants in terms of age, diversity, geography, etc.

Metropolitan city officials have also made clear in the past their opposition to a regional government comprised solely of county officials.

C. Other Recent Recommendations on Regional Governance.

Several comprehensive evaluations of the governance of the Council in recent years have been conducted, by a wide range of stakeholders. None have recommended an elected City Council or council of governments structure for the Council. All organizational evaluators have recommended staggered terms and increased transparency on the selection of Council members as "good government" improvements. These include the recommendations of The Citizens League⁹, Metropolitan League of Women Voters¹⁰, the Governor's Blue-Ribbon Commission in 2020¹¹, and the recommendations of Metro Cities.¹²

These evaluations of our existing regional governance model were conducted by a wide range of regional stakeholders, including local officials, academicians, citizens and business representatives. Their respective studies of our region's governance model were smart and in-depth and recommended pragmatic changes to our existing governance model.

What is notable is that these separate studies, conducted over the last decade, are in concurrence on changes that would improve our regional governance, namely four-year staggered terms for members, and specific recommendations that would provide for a more inclusive and transparent processes for appointing members to the Metropolitan Council.

These studies recommended governance modifications that would add political diversity while maintaining a continuity of knowledge on the body appropriate for a long-range planning body, add more voices and transparency to the nominating process, all without upsetting important balances in the governance of the region.

Finally, the legislative focus on governance in recent years has been on models (elected and Council of Governments (COG) model) that would eliminate the existing system of regional

⁹ See Attachment No. 4.

¹⁰ See Attachment No. 5.

¹¹ See Attachment No. 6.

¹² See Attachment No. 7.

government without consideration for potentially significant consequences. The Council, in its present form, is able to act regionally by virtue of its structures, which allows it to fulfill its statutory functions for the orderly and cost-efficient provision of regional level infrastructure.

III. THE ISSUE OF WHETHER THE OPERATIONS OF METRO TRANSIT SHOULD BE SEPARATED FROM THE POLICYMAKING DECISIONS BEING MADE ON TRANSIT OPERATIONS BY THE METROPOLITAN COUNCIL¹³

A. Historical Overview.

- The legislature created both the Met Council and the Metropolitan Transit Commission (MTC) in 1967. At that time, the Met Council members and Chair, along with the MTC chair, were appointed by the governor.
- The 8 MTC commissioners were initially appointed by local governments (2 Minneapolis, 2 St. Paul/Ramsey Co, 2 suburban Hennepin Co, 1 Anoka/Washington counties and 1 Dakota/Scott/Carver counties).
- In the mid-1970s, this appointment process was changed. To improve accountability and strengthen the relationship between the MTC and the Council, each MTC commissioner was appointed by 2 Metropolitan Council members.
- The relationship between MTC and the Council was not always smooth and at one point, a policy dispute about light rail vs busways had to be resolved by the legislature.
- The MTC was seen as non-responsive to regional transit needs and so the legislature created the Metropolitan Transit Demonstration Program in 1981, which was to be administered by MNDOT. This was the precursor to a more permanent Replacement Service (opt out) program.
- Policy disagreements between the Council and the MTC were, in large part, the logical result of a governance structure that relied on two separate policy boards and staffs, with different visions and, to a great extent, different policy agendas and priorities. When those boards did not agree, particularly on major policy issues, tensions between the agencies would appear.
- In several ways described above, the MTC was accountable to the Council but it was always difficult for the MTC board to accept a policy direction different from what they had concluded was the right way to proceed. Moreover, it can also be argued that the lack of Council authority to approve the MTC's annual operating

¹³ The information for this section was provided by Met Council staff at the request of the undersigned Task Force member.

budget severely weakened the Council ability to provide an effective policy direction in pressing operational matters. The Council had a stronger oversight over capital investments but those decisions, with the exception of the "fixed-guideway" policy, were not nearly as relevant as the operational decisions in that time period.

- Policy differences between the Council and MTC and between the MTC and local communities were also exacerbated by financial difficulties to expand and even maintain transit services throughout the region. There seemed to be an almost constant need to search for new operating funding sources to supplement passenger fares which were decreasing rapidly as a percentage of total expenditures.
- Because of concerns about the governance structure, the lack of MTC responsiveness to community needs, and the serious financial problems experienced by the regional transit system, the Legislature created a special 10-member Legislative Commission on Metropolitan Transit in 1983. The recommendations of the Commission lead to the creation of a new agency, the Regional Transit Board (RTB), during the 1984 legislative session.
- The creation of the RTB responded to several legislative objectives, including:
 - To separate operations from planning, limiting the role of the MTC primarily to operational functions and giving the RTB approval over both the MTC's operating and capital budgets
- The RTB had very strong oversight authority over the MTC. The authority to approve the MTC operating budget was a significant departure from the more limited role the Council had had previously. The 8 members of the newly created RTB were appointed by the Metropolitan Council and the chair was appointed by the Governor.
- The 3 members of the revamped MTC appointed by the RTB elected their own chair among themselves.
- This "cascading" appointment procedure raised serious accountability questions because of the further separation of successive boards from elected officials. Furthermore, the addition of a new agency between the Council and the MTC, with clear authority over transit operations, resulted in even more serious policy conflicts than those that had occurred under the previous governance structure. The relationship between the RTB and the MTC became increasingly strained as time went by and those conflicts were further magnified by the presence of new transit players (i.e. RRA's and Suburban Transit Systems) with significant policy differences with the RTB.

- 1994 Metropolitan Reorganization Act
 - The new law eliminated three metropolitan agencies (the RTB, the MTC and the Metropolitan Waste Control Commission (MWCC)) and consolidated all their powers and responsibilities in a new Metropolitan Council. Under the new structure, all transit services were consolidated under the Council, with the exception of the Suburban Transit Providers which maintained a certain level of autonomy with their independent individual boards and staff.
 - The new Council combined the old council's long-range range transportation planning responsibilities and all RTB planning and programming responsibilities under a new Metropolitan Transportation Services (MTS) division of the Council and all the former MTC operational responsibilities under the Council's Metro Transit division.
- In April 2008, Anoka, Dakota, Hennepin, Ramsey and Washington counties voted to impose a sales tax authorized by the Legislature and constituted a new Counties Transit Improvement Board (CTIB) to allocate the new sales tax revenues through a grant application process. Individual counties had a weighted vote on the CTIB, based on population and tax revenues, ranging from 47 percent for Hennepin County to 7 percent for Washington County. The Metropolitan Council was also represented on the CTIB with a 5 percent weighted vote. Scott and Carver counties were ex-officio members with no vote.
- Financial constraints and potential funding shortfalls added to the complexity of the transit governance structure. Both boards (CTIB and the Council) wanted to advance the transit agenda but funding constraints complicated the decision making process and there were legitimate questions about what was more important: developing new transitways or preserving the existing system?
- CTIB dissolved in 2017 following disputes among its members for the distribution of pooled resources, and due to lack of available state funding to advance transitway projects in the region. Counties in CTIB were limited to a 0.25 percent local option sales tax for transportation, whereas the state's other 82 counties could pass a 0.5 percent transportation sales tax. Dissolving CTIB was a path to increase transportation funding and to provide flexibility to counties to pursue their individual priorities. This change again had the effect of fragmenting transit governance. Instead of a combined board representing five counties, the Council worked with counties individually for transit operating and capital funding decisions.
- This new model enabled projects to proceed (SWLRT was able to advance into construction thanks to Hennepin County's increased revenue), but also yielded continued disagreement and fragmented funding decisions.

- For example, Anoka County disputed its share of NorthStar operating funding and withheld payment to the Council that other funding partners provided.
- The counties and Council also did not agree on responsibilities for long-term replacement and capital maintenance costs.
- In 2023 the Legislature placed responsibility for operations, maintenance, and long-term capital maintenance and replacement on the Council, with new sales tax funds as the expected revenue source for these new obligations.

B. Issues of Concern Regarding Separation of Policymaking From Operations.

- It isn't clear how a separate Metro Transit would address concerns about transitway capital projects and transit operations. There is still a need to determine what the problem is that the task force is trying to solve.
- It is difficult to speculate on the benefits or drawbacks of this change without knowing more specifics of how each board is governed and what responsibilities would change. It is unclear what assumptions are being made as part of this conversation. Key questions that would need to be addressed include:
 - Would contracted routes also be separated out from Met Council Transportation Services (MTS) and leave the Council alongside Metro Transit?
 - Who would manage and operate Metro Mobility (given that Metro Mobility service area is dependent on regular route service)? How does this connection between regular route transit service and Metro Mobility service work if the transit provider were to have its own governing board?
 - How would federal formula dollars for transit be distributed – through MTS/Met Council as the MPO? Would Metro Transit be a designated recipient for federal funds?
 - Would replacement service providers (“opt outs”) continue as-is, or would transit providers merge in this new structure?
- Separating Metro Transit from the Met Council would be a complex process that could add an additional level of governance and bureaucracy to the already complex spiderweb of the Met Council, MTS, Counties, Opt-Outs, etc.
- There is organic collaboration between Metro Transit and the divisions within Met Council and there are benefits to having other regional services and policies (such as housing) discussed along transit service. Coordinating these critical public services yields a better region.

- There are organizational and financial benefits to having key services such as HR and IT centralized and shared between Metro Transit and other divisions of the Met Council.
- Previous iterations of a separate transit governance structure, Metropolitan Transit Commission (MTC), the Regional Transit Board (RTB), and the Counties Task Improvement Board (CTIB), led to complicated governance structures and policy conflicts between those entities and the Met Council. Past changes to revise or improve governance models have often yielded different, new conflicts or struggles. More information is below in the historical overview section of this document.
- The Council has taken a big step recently with the adoption of the Transitway Advancement Policy, which informs an updated approach to building a transitway vision based on a local vision for transit service. The policy requires evaluation of project and system risks, and assignment or mitigation of risks in phased agreements with local partners. This ensures both the benefits and risks of projects are considered and discussed at each incremental step, and that the Council and its partners are aware of (and accountable to) project decisions throughout implementation.

C. Other Regions

Regarding the issue of potentially separating policymaking and operating powers, this Task Force may be well served by looking to the governance models of other peer regions around the country. In that endeavor, the Task Force will find it is not uncommon for regions with populations equivalent or greater than our own to vest policymaking and operating powers in their MPOS; these include Atlanta, Boston, Chicago, Denver, Portland and Seattle.¹⁴

IV. OBSERVATIONS ON OTHER ISSUES OF EXPRESSED CONCERN

A. 2011 Report on Transit Operations by the Office of the Legislative Auditor (“OLA”)

The 2011 Report of the OLA examined transit governance by the Council, and transit governance only. There was no comprehensive examination of the Council’s full scope of operations and services.

Since the issuance of that report by OLA, the Council has been the recipient of the following awards:

¹⁴ See Attachment No. 8 (p. 9 of History and Background of the Met Council by Taylor Koehler, September 23, 2023).

Innovative Transportation Solutions Award, WTS Minnesota, Metro Transit Micro (2023)
2025 Plan Leadership Award, from the Minneapolis Downtown Council for the METRO C Line (2018)
Better Government Award, from the State of Minnesota for the Metro Transit Technician Training Program (2018)
Certificate of Merit, APTA Bus Safety & Security Excellence Awards (2018)
Management Innovation Award, from the Minnesota Public Transit Association for the Metro Transit app (2017)
Gold Award for Safety, APTA (2017)
Innovative Transportation Solutions Award, WTS Minnesota, for the METRO A Line (2017)
Model Program Award, from the National Transit Institute, for the Metro Transit Technician Training Program (2017)
System of the Year, APTA (2016)
Gold Standard, TSA (2016)
Management Innovation Awards, Minnesota Public Transit Association, Student Pass (2015)
Partner of the Year, Visit Saint Paul. For efforts to support and enhance the tourism industry in St. Paul (2015)
Employer of the Year, WTS Minnesota (2015)
Progress Minnesota, Finance & Commerce. For the METRO Green Line's impact on the regional economy (2015)
Gold Level, American Public Transit Association (APTA) Sustainability Program (2014)
Gold Award, Bus Safety Excellence, APTA (2013)
Gold Standard, Transportation Security Administration (2013)¹⁵

The Council is operating an effective and efficient transit system under its existing form of governance, and indeed one of the best in the country.

B. Cost Overruns on SW LRT¹⁶

Southwest Light Rail Transit line is the third line of light rail transit in our metropolitan region overseen by the Council. The route for the 14 mile SW LRT Corridor was selected by the Hennepin County Rail Authority. It was always a known factor that going through the narrow Kenilworth Corridor would be an engineering challenge. SW LRT, the largest public works project in Minnesota history, has indeed had cost overruns and numerous revised projections on costs, but so have so many other large public works projects in other parts of the country. For example, the following are illustrative:

Big Dig – Boston: Initial Budget \$3B, Financial Cost \$22B
Maryland Purple Line LRT: Initial Budget \$5.6B, Current Budget \$9.4B

¹⁵ Information provided by Council staff at the request of the undersigned.

¹⁶ Information on cost overruns was requested by the undersigned Task Force member and supplied by the Council.

Hawaii LRT: Initial Budget \$5.12B, Current Budget \$12.07B

In our region, cost overruns are unusual. For example:

- A, C & D ABRT, Red and Orange Highway BRT, Green and Blue LRT, and Northstar all were completed under budget.
- Gold Line is highly likely to be completed under budget.
- Green Line Extension is the first transitway that will exceed budget. Blue Line Extension will have a higher budget than the current FTA approved budget because of a new alignment and the fact it will be built 10 years later than the timeline the budget is based upon.

It has been suggested that the Council is not a good project manager and MnDOT would be better at project management. For MnDOT, there would be case studies for major bridges (St. Croix, 494-Wakota, Hwy 53-Hibbing, Winona Hwy 43) that are relevant examples of regional major investments that had significant cost increases over initial budget. So, the conclusion that MnDOT would be a better project manager is not necessarily warranted. Public works projects are large, expensive, take longer than anticipated and cost more than originally anticipated. One cannot conflate project management with the form of governance.

C. **Metropolitan Council Role as the Metropolitan Planning Organization (“MPO”)**

The Metropolitan Planning Area (“MPA”) is the area of MPO jurisdiction for planning and programming the use of federal funds. Each MPO defines/selects boundaries for its metropolitan planning area.

The Metropolitan Council serves as the MPO for the Twin Cities region. The Council was first designated as the MPO in 1973 by Gov. Wendell Anderson and the Council’s status as the MPO has been reaffirmed by US DOT on four occasions (see Attachment No. 9 for description of MPO functions of the Council).

What is critically important for the Task Force to consider, and, indeed, even the legislature, is the fact that under federal law (23 U.S.C. § 134(d)), a MPO may only be redesignated by agreement between the Governor and units of general purpose local government that together represent at least 75% of the existing planning area population (including the largest incorporated city). This is a key procedural consideration in the process of thinking about potentially changing the form of governance of the Council. Its role as an MPO is presently well established and approval to change the MPO by redesignation is a distinct risk.

Cities, in particular, the Council’s key constituency from a volume standpoint, are not asking for and do not support the types of changes proposed (i.e., a COG or directly elected officials) by some in the legislature. Cities are responsible for implementing most regional decisions and policies and what cities recommend is a far less dramatic and does not disturb the Council’s role as the federally designated MPO. Securing support from local governments that

represent 75% of the existing planning area, population may be difficult, if not impossible, to achieve.

D. Suburban Transit Providers alleged to be at a Competitive Disadvantage With Metro Transit.¹⁷

Suburban transit providers have opined in some of the public sessions they are at a competitive disadvantage with Metro Transit when competing for regional transit dollars.

In the 2022 Regional Solicitation, all but one suburban transit project was funded. Funding for transit in the 2022 solicitation was as follows:

- Transit Expansion – two Metro Transit, two MVTA, one Southwest Transit and one Washington County project were funded (one SW Transit not funded)
- Transit Modernization – two Metro Transit, two MVTA, and one Minneapolis project were funded (City of Apple Valley project not funded)
- TDM – three Metro Transit, one MVTA, two non-profits were funded
- ARBT – Metro Transit (funded)

For the 2024 Solicitation, transit requests received from all applicants total \$59,407,622. The funding range is \$63M - \$88M. If TAB funds every project requested, plus the TDM set aside for 2026, it would be the \$64M minimum of the funding range.

	Apps Submitted	Reg. Sol. Amount Requested	
Transit Expansion	5	\$17,956,079	
Transit Modernization	4	\$16,451,543	
ABRT	1	\$25,000,000	\$59,407,622
Travel Demand Management	5	\$2,077,799	\$1,200,000 Set aside in 2022
2026 TDM set aside		\$4,200,000	

Additionally, the new sales tax for transit will assist all transit providers in the region. There will also be new micro transit opportunities for all providers that will be funded with that new money. The recent data tends to show suburban transit providers have not been competitively disadvantaged.

¹⁷ Source: TAB Coordinator, Transportation Advisory Board to the Council.

E. Outreach and Communications.

The Metropolitan Council can and should continue to improve its outreach with local officials, state lawmakers, members of the public, and the region's business and non-profit sectors, which discussions by this Task Force and the listening sessions, have well reflected. At the same time, the Council must retain the independence required to make difficult decisions that are important to achieving outcomes that advance our region on behalf of its current and future citizens. The need for more effective outreach and communications may or may not be more effective under a different regional governance model.

V. CITY RECOMMENDATIONS ON FORM OF REGIONAL GOVERNANCE

A. Staggered Terms

The idea of staggered terms may seem like a *de minimus* reform suggestion to some on the Task Force, but let me suggest how staggered terms address certain concerns that have been raised relative to the existing Council governance model:

Perception that members are overly/only accountable to the Governor:

Staggered terms reduce ideological shifts in the make-up of the Council, which would be appropriate for the long-range functions and planning the Council is responsible for

Perception that Met Council is too staff driven:

Staggered terms allow for knowledge and experience continuity of Council members

Need for higher level of engagement by local officials and community members in the selection process for members of the Council:

Increase required number of members on the statutory nominating committee

Increase the number of local elected officials on the committee

To increase transparency in how members are selected (right now there is no required public comment period or requirement to make the Governor's nominees public):

Require that names of nominees be made public and that there be a public comment period before nominees are finalized and appointed – this would allow for

B. Selection Process

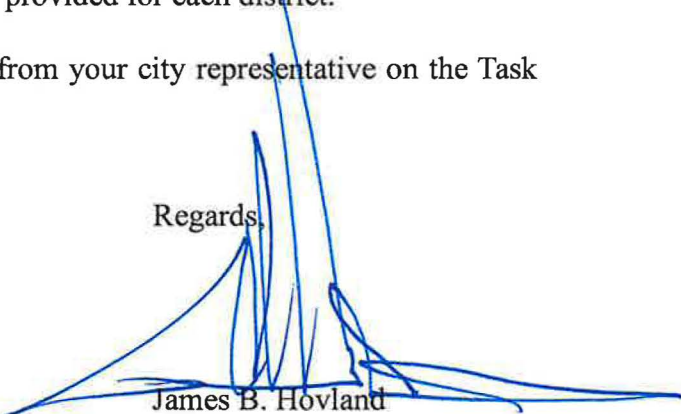
The existing selection process could use refinement to assure that the Nominating Committee for each District is properly composed and that the candidates advanced from each district reflect the interests of that District. The Governor should also be required to select a candidate of each district based upon the slate advanced by the Nominating Committee. This is how that process would and could work.

VI. CONCLUSION

Cities support common sense and careful changes to the Council's existing form of governance as described above.¹⁸ The suggested changes include four year staggered terms, for the reasons expressed herein, and a larger nominating committee of fifteen (15) members, the majority of whom would be locally elected officials such as 4 city elected officials, three county commissioners, and one township representative. Three names for each district should be advanced to the Governor for appointment consideration and the sitting Governor should be required to select an appointee from the list of finalists provided for each district.

Those are the careful and prudent suggestions from your city representative on the Task Force.

Regards,



James B. Hovland
Mayor of Edina

¹⁸ See also Attachment No. 10.

ATTACHMENT 1

Chapter 68

Sec. 123.

METROPOLITAN GOVERNANCE TASK FORCE.

Subdivision 1.

Established.

A Metropolitan Governance Task Force is established to study and make recommendations to the legislature on reform and governance of the Metropolitan Council.

Subd. 2.

Membership.

(a) The task force consists of the following members:

(1) four members of the senate, with two appointed by the senate majority leader and two appointed by the senate minority leader;

(2) four members of the house of representatives, with two appointed by the speaker of the house and two appointed by the minority leader of the house of representatives;

(3) one person representing cities in the metropolitan area, appointed by the Association of Metropolitan Municipalities;

(4) one county commissioner representing counties in the metropolitan area, appointed by the Association of Minnesota Counties;

(5) one person representing townships in the metropolitan area, appointed by the Minnesota Association of Townships;

(6) one person representing an employee collective bargaining unit of the Metropolitan Council, appointed by the Minnesota AFL-CIO;

(7) one person appointed by the governor;

(8) one person representing transit, appointed by Move Minnesota;

(9) one person representing institutions of higher education, appointed by the Office of Higher Education; and

(10) two members of the public, appointed by the Legislative Coordinating Commission.

(b) The appointing authorities under paragraph (a) must make the appointments by July 15, 2023.

Subd. 3.

Chair; other officers.

The task force must elect from among its legislative members a chair and vice-chair and any other officers that the task force determines would be necessary or convenient.

Subd. 4.

Duties.

The task force must study and evaluate options to reform and reconstitute governance of the Metropolitan Council. The study must include an analysis of the costs and benefits of:

(1) direct election of members to the Metropolitan Council;

(2) a combination of directly elected and appointed members to the Metropolitan Council;

(3) a council of governments which would replace the current Metropolitan Council;

(4) reapportioning responsibilities of the Metropolitan Council to state agencies and local units of government;

(5) adoption of a home rule charter for governance of the Metropolitan Council;
and

(6) any other regional governance approaches that are viable alternatives to the current structure of the Metropolitan Council.

Subd. 5.

State; metropolitan agencies must cooperate; subcommittees.

The Metropolitan Council and state and metropolitan agencies must cooperate with the task force and provide information requested in a timely fashion. The task force may establish subcommittees and invite other stakeholders to participate in the task force's study and development of recommendations.

Subd. 6.

Compensation.

Member compensation and reimbursement for expenses are governed by Minnesota Statutes, section 15.059, subdivision 3.

Subd. 7.

Grants.

The task force may accept grant funds from any federal, state, local, or nongovernmental source to support its work and offset any costs, provided accepting the money does not create a conflict of interest for the task force or its members. The Legislative Coordinating Commission may administer any grant money given to the task force.

Subd. 8.

Administrative support; staff.

The Legislative Coordinating Commission must provide meeting space, administrative support, and staff support for the task force. The task force may hold meetings in any publicly accessible location in the Capitol Complex that is equipped with technology that can facilitate remote testimony.

Subd. 9.

Open meeting law.

Meetings of the task force are subject to Minnesota Statutes, chapter 13D.

Subd. 10.

Report.

The task force shall report its findings and recommendations to the chairs and ranking minority members of the legislative committees with responsibility for or jurisdiction over the Metropolitan Council and metropolitan agencies. The report is due by February 1, 2024.

Subd. 11.

Expiration.

The task force expires on June 30, 2024.

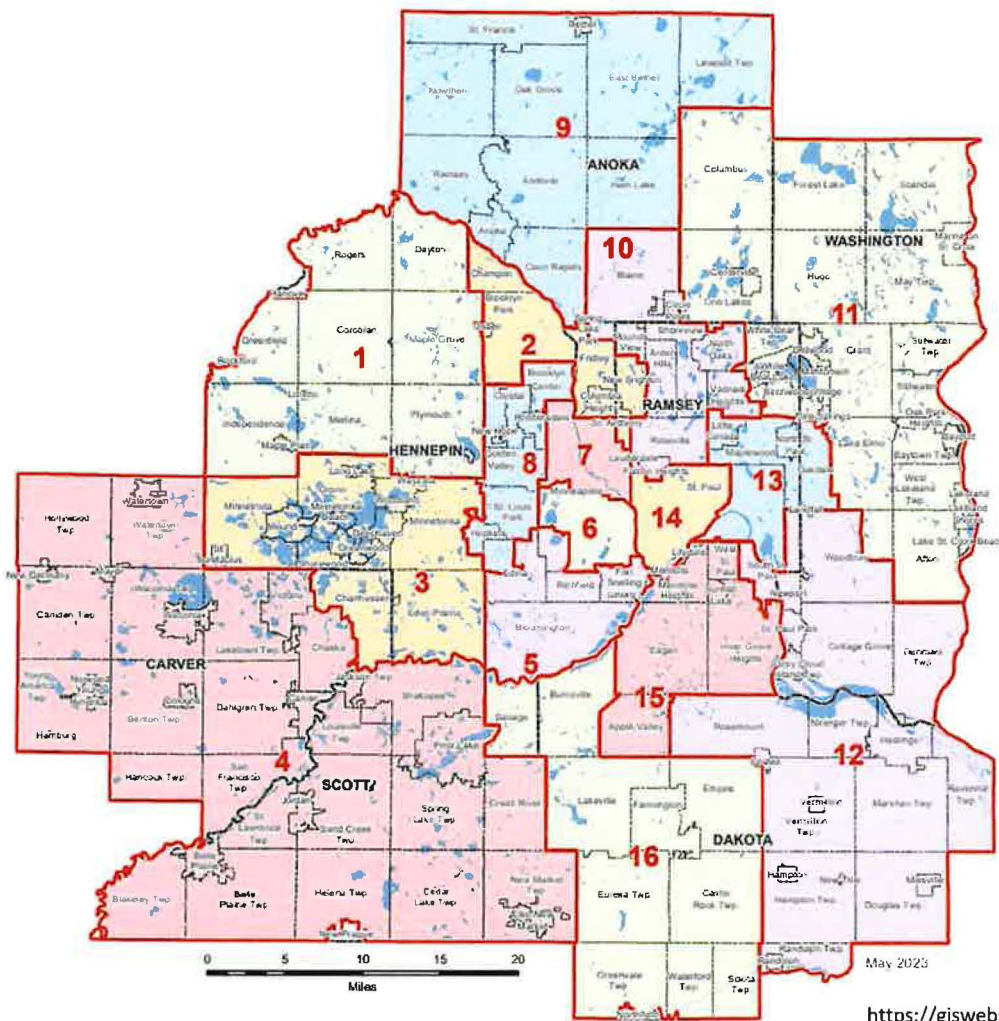
EFFECTIVE DATE; EXPIRATION; APPLICATION.

This section is effective the day following final enactment. Subdivision 5 applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

ATTACHMENT 2

Current Structure of Metropolitan Council





https://giswebsite.metc.state.mn.us/mapgallery/pdfs/Council_Districts_8x11.pdf

Council Members

- Minn. Stat. § 473.123
- Must live in district
- Appointed by governor
- Terms coterminous with governor
 - Redistricting impact



<https://metrocouncil.org/About-Us/Who-We-Are/CouncilMembers.aspx>

Council Members

- Must reflect demographic, political, and other metro area interests
- Must know about urban and metro affairs



<https://metrocouncil.org/About-Us/Who-We-Are/CouncilMembers.aspx>

Chair

- At large
- Duties:
 - Preside meetings
 - Principal legislative liaison
 - Present to governor/legislature
 - Principal spokesperson for council



Charlie Zelle

<https://metro council.org/About-Us/Who-We-Are/CouncilMembers/Chair-Charles-Zelle.aspx>

ATTACHMENT 3



Metropolitan Council

Overview of Transit, Transportation, and
Metropolitan Planning Organization roles



October 25, 2023



Contents

Our impact	2
Agency structure and domains	4
Metro Transit	7
METRO Projects	10
Metropolitan Transportation Services	19

Metropolitan Council

Our impact

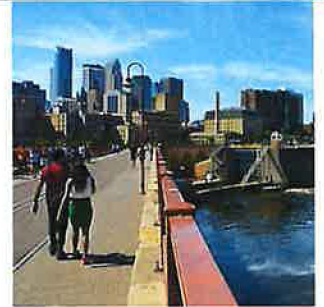
Creating the foundation for a thriving region



No one community can do it alone

Every single person and community makes up the fabric and essence of this region.

- **3,189,756 people** in 7 counties
- **3,120,266 people** in 141 cities
- **69,447 people** in 40 townships
- **430 residents** in Fort Snelling Unorganized Territory
- Native people from 11 federally recognized Minnesota tribes and many other tribal communities
- Growing diversity representing wide-ranging racial identities and ethnicities, with about 300 languages spoken at home





Agency structure and domains

Partnering on a shared vision

Making a strong system possible through planning, coordination, and operations



Long-range planning

Supporting cities and townships for the prosperity of the region



Environmental protection

Protecting public waterways and parklands to sustain our environment



Transportation services

Connecting people to places and keeping the economy moving

Metropolitan Council

Community Development

Housing, Development, and Contamination Clean Up Grants
MN 473.25-255

Regional Land Use Planning
MN 473.145, 473.861-867

Housing Services
MN 473.195

Regional Parks and Open Space planning and funding; MN 473.301-351

Wastewater
MN 473.511

Surface Water Quality
MN 473.157

Water Supply Planning
MN 473.1565

Environmental Services

Regional Transportation Planning
MN 473.146

Transitway Development
MN 473.399

Transit Services
MN 473.385

Transportation



Metro Transit

Metro Transit Overview



A division of the Metropolitan Council

- Operates bus, light rail, and commuter rail
- Serves over 70 communities
- Ridership at about 55% of pre-COVID ridership, providing an average of ~120-140K rides per weekday
- Current service about 75% of 2019 service levels

Metro Transit Overview - continued



- More than 2,700 employees
- 2023 operating budget: \$530.3M
- 2023-2028 capital program: \$6.75B
- Current initiatives include (examples)
 - Safety & Security Action Plan
 - Network Now
 - Speed & Reliability Program
 - Zero Emissions Bus Transition Plan
 - Ongoing workforce recruitment and development
 - Metro Transit Forward – creating a strategic vision to guide Metro Transit operations
- Ridership and crime data available online:
www.metrotransit.org/performance



METRO Projects for Metro Transit

METRO Projects Division

A new division of the Met Council

- Lead development of large new transitway projects
- Tasks include project development, engineering, construction
- Currently includes two LRT, two Dedicated BRT, and Arterial BRT
- Staffing includes partner agencies (MnDOT and County) and Consultants



METRO Projects

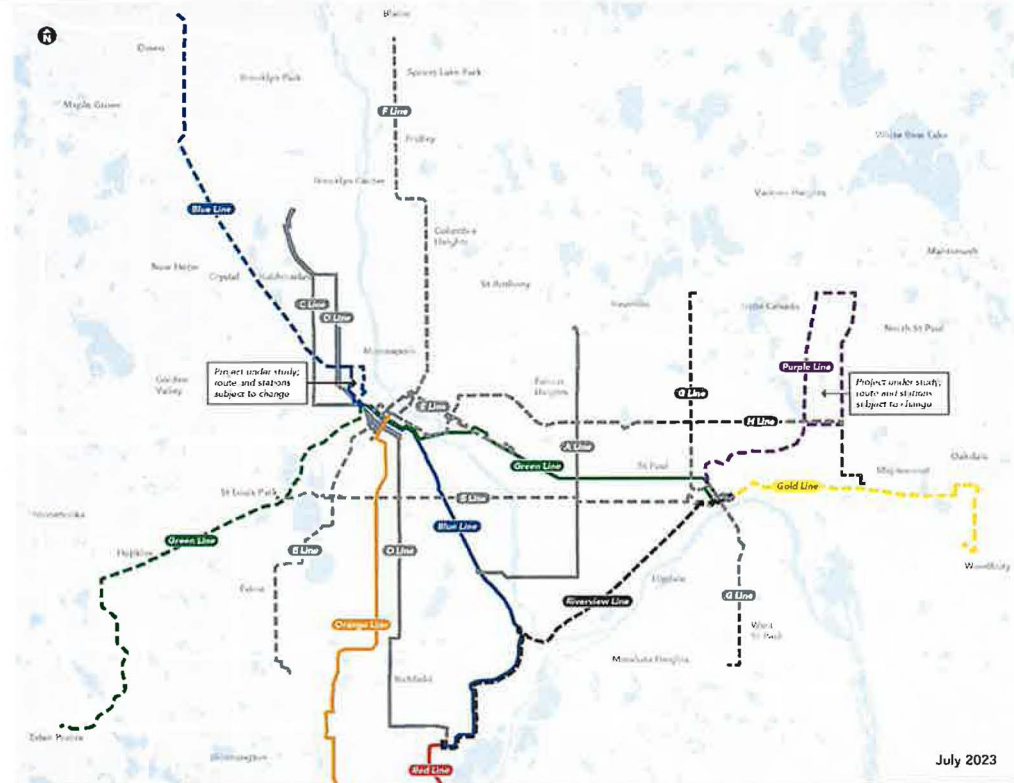


Legislative Direction

- **Guideways and Busways; Construction and Operations**
(MN Statute 473.4051)
- **Capital Maintenance**
(MN Statute 473.4051 subd 2a)
- **Light Rail Transit Municipal Consent**
(MN Statute 473.3994)
- **Corridor Management Committee**
(MN Statute 473.3994 subd 10)

Building the regional transit network

METRO line	Opened/Opening
Blue Line	2004
Red Line	2013
Green Line	2014
A Line	2016
C Line	2019
Orange	2021
D Line	2022
B Line	2025
E Line	2025
Gold Line	2025
F Line	2026
G Line	2027
H Line	2028
Green Line Extension	2027
Blue Line Extension	2030



METRO Transitways



Investments in Transitways

- **Completed Transitways**
 - Blue, Green, Red, Orange, A, C, D (+ NorthStar)
- **Transitways Under Construction**
 - Green Line Extension, Gold, B
- **Future Transitways**
 - Blue Line Extension, Purple, E, F, G, H, J, K, L, Riverview

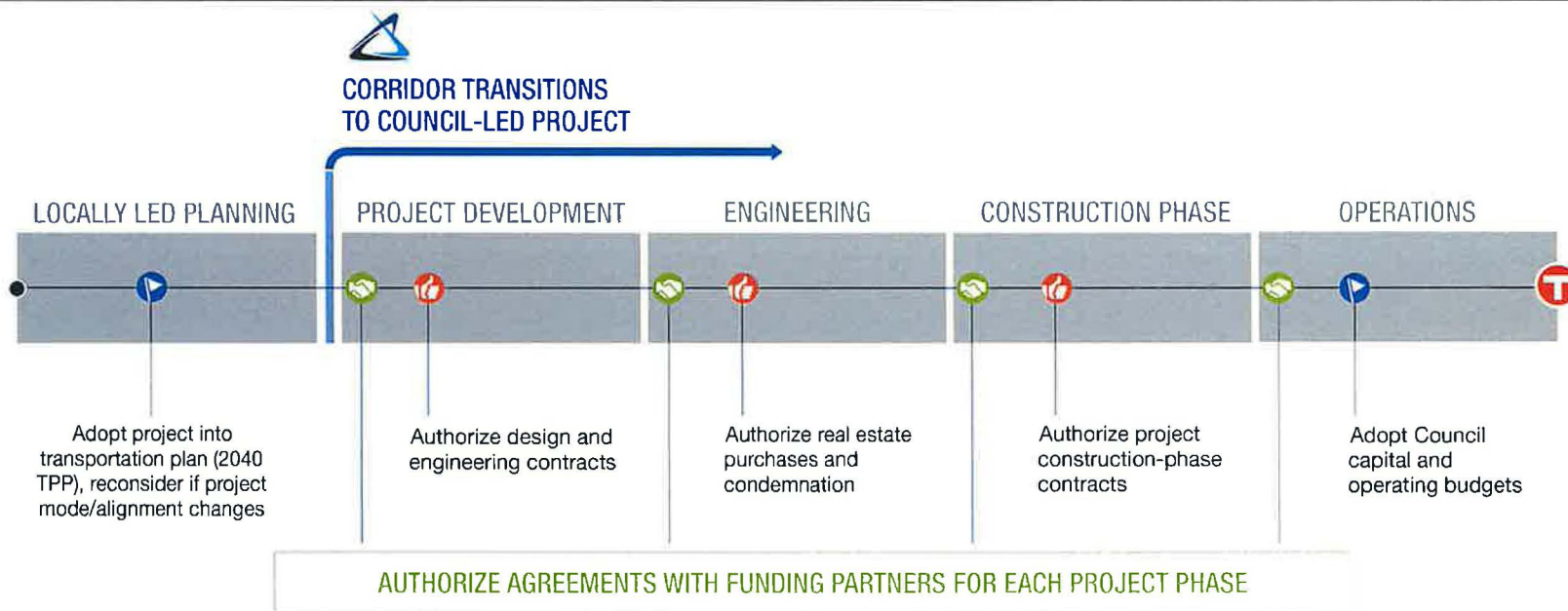
METRO Projects - Roles



Roles Depend on Mode

- **LRT/Dedicated BRT**
 - County leads planning and provides local share of development
 - METRO Projects leads project development, engineering, and construction
- **Highway BRT**
 - County leads planning and provides local share of development
 - METRO Projects leads project development, engineering
 - MnDOT and Metro Transit lead construction
- **Arterial BRT**
 - METRO Projects leads planning, engineering
 - City, County, MnDOT and/or Metro Transit lead construction depending on project

METRO Projects Development Process



Funding by Phase

100% County	100% County	50+% County Up to 50% Federal	50+% County Up to 50% Federal	100% Metro Transit
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Local involvement in METRO Projects



Advisory and Approval

- **Advisory Committee**
- **Corridor Management Committee**
 - LRT: 473.3994 Subd 10
 - BRT : Not required but utilized as standard of practice
- Advise and approve alignment, station locations, scope
- Approvals
- **Municipal Consent**
 - LRT: 473.2994
 - BRT: Not required but practice is to seek approval at municipal level of locally preferred alternative and pre-liminary plans

Public Engagement in METRO Projects



Functions and structure

On-going

- All Phases of the Project
- Focus of engagement changes based on the questions or needs of the project phase
- Issue tracking & resolution
- Considers stakeholder needs & relationship building

Advisory

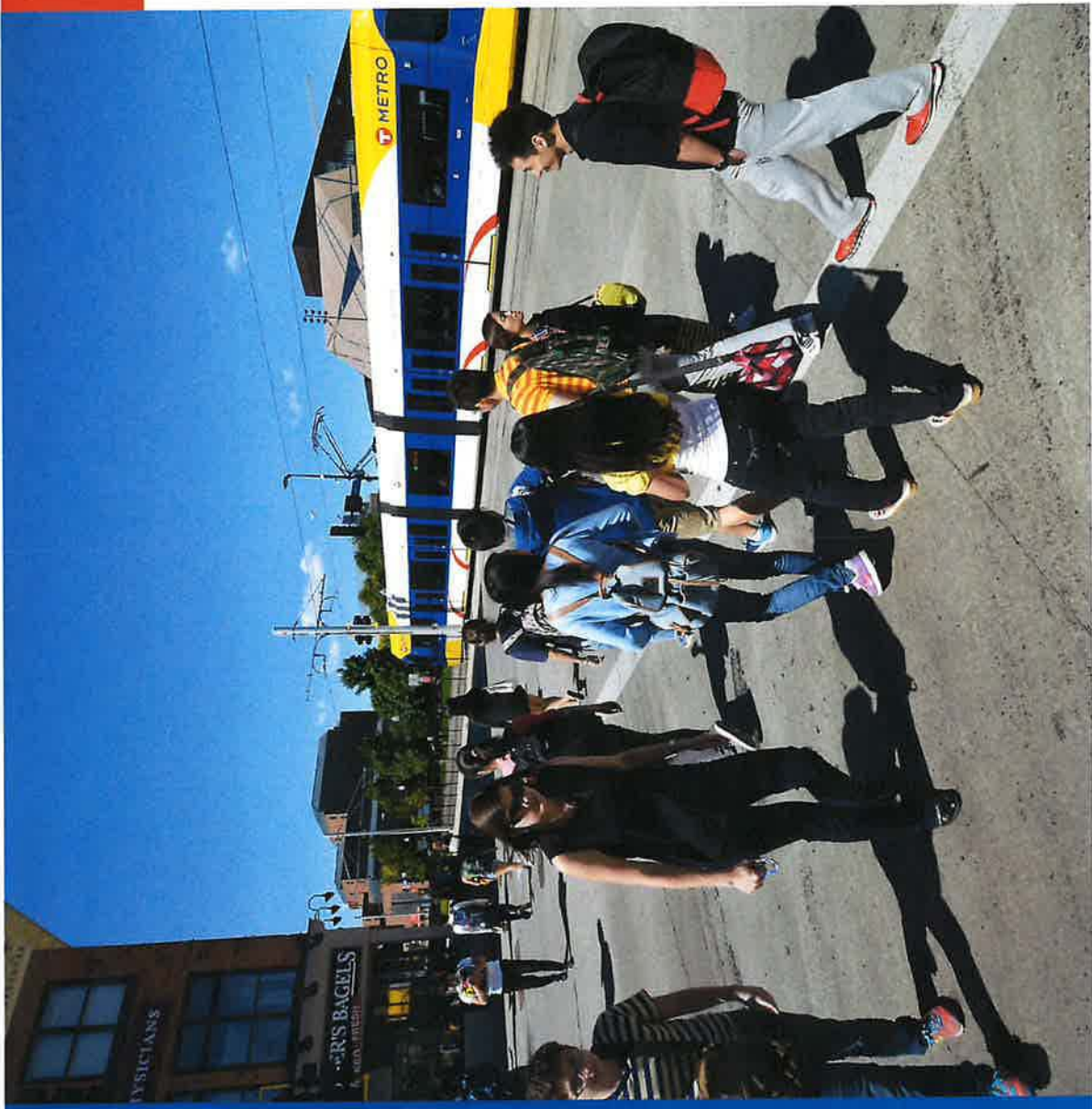
- Business and Community Advisory Committees
- Boards and Organizations

Required

- Public Hearings
- Public Comment

Green Line Extension
2,350 events since 2012
54,000 participants engaged

Blue Line Extension
720 events since 2020
27,000 participants engaged



Metropolitan Transportation Services

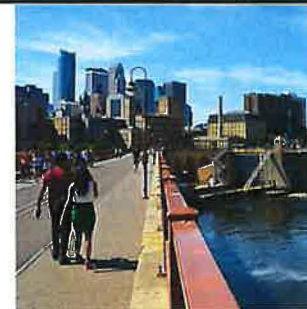
Transportation

Planning

- Designated as the region's Metropolitan Planning Organization (MPO) under 23 USC §134
 - "3C" Process
 - Long-range transportation plan
 - Transportation Improvement Program
 - Unified Planning Work Program
- Designate short-term federal funds programming in coordination with the Transportation Advisory Board (Regional Solicitation)

Transit Services

- Contract and coordinate metropolitan transit operations
 - Contracted fixed-route bus
 - Metro Mobility
 - Transit Link
 - Vanpool program
- Provide financial assistance to replacement service providers



Metropolitan Transportation Services



Legislative Direction- Transit Services

- **Contracted Transit Services**
(MN Statute 473.375)
- **Special Transportation Service (Metro Mobility)**
(MN Statute 473.386)
- **Replacement Service Provider Assistance**
(MN Statute 473.388)
- **Capital Improvement Plan**
(MN Statute 473.39)
- **Transportation Accessibility Advisory Committee**
(MN Statute 473.375)

Metropolitan Transportation Services

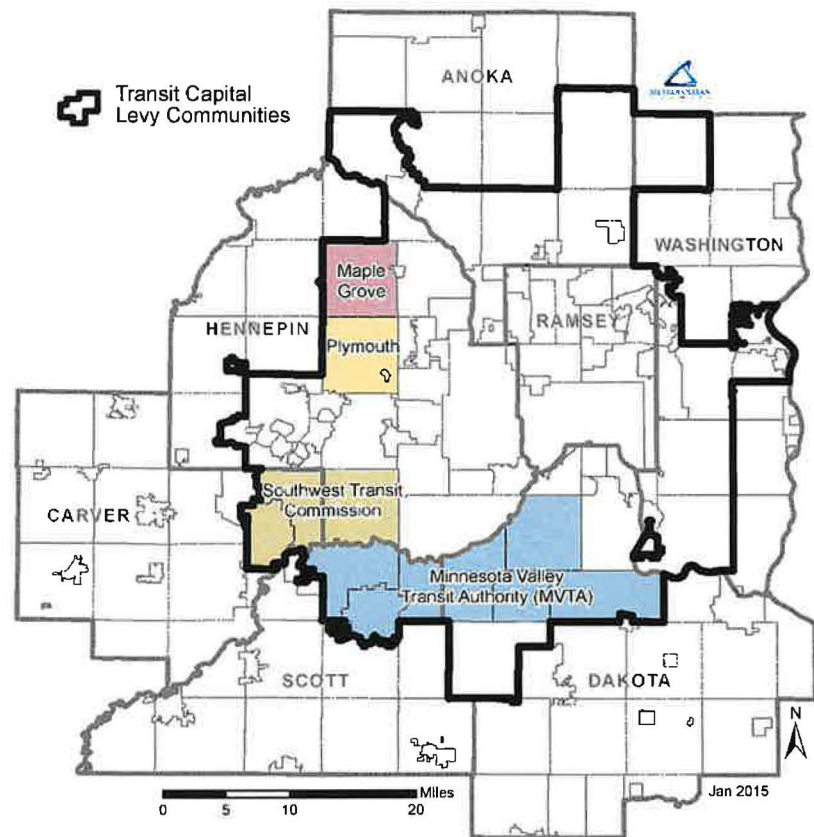
Contracted transit operations

- **Fixed route** – backbone of public transit
- **Metro Mobility**
 - A shared ride, public transportation service for certified riders who are unable to use regular fixed-route buses due to a disability or health condition.
 - Federal and State: Service guaranteed as a civil right under the Americans with Disabilities Act (ADA); additional state requirements in 473.386
- **Transit Link** – Shared-ride public transport where regular route transit is infrequent or unavailable
- **Metro Transit micro** – On-demand dial-a-ride service, 2022-2024 pilot project
- **Metro Vanpool** – Vanpools have five to 15 people sharing the ride to and from work an average of three or more days a week.
- **Regional Services** – includes fleet, technology, grants management, regional policy and provider performance reporting.



Replacement Service Providers

- 473.388 Replacement Service Providers
 - Minnesota Valley Transit Authority
 - SouthWest Transit
 - Maple Grove Transit
 - Plymouth Metrolink
 - University of Minnesota
- Met Council coordinates regional transit policy (473.371), fare system (473.408)
- Met Council funds, purchases, owns, and replaces over 300 vehicles and fare equipment used by replacement service providers
- Met Council passes through MVST funding under statutory and regional policy
- Met Council provides grants for transit providers including as federal match





Metropolitan Planning Organization

Transportation planning

Functions

- Highway Planning
- Transit Planning
- Airport Planning
- Freight Planning
- Travel Forecasting
- Corridor Studies
- Review transportation elements of local comprehensive plans



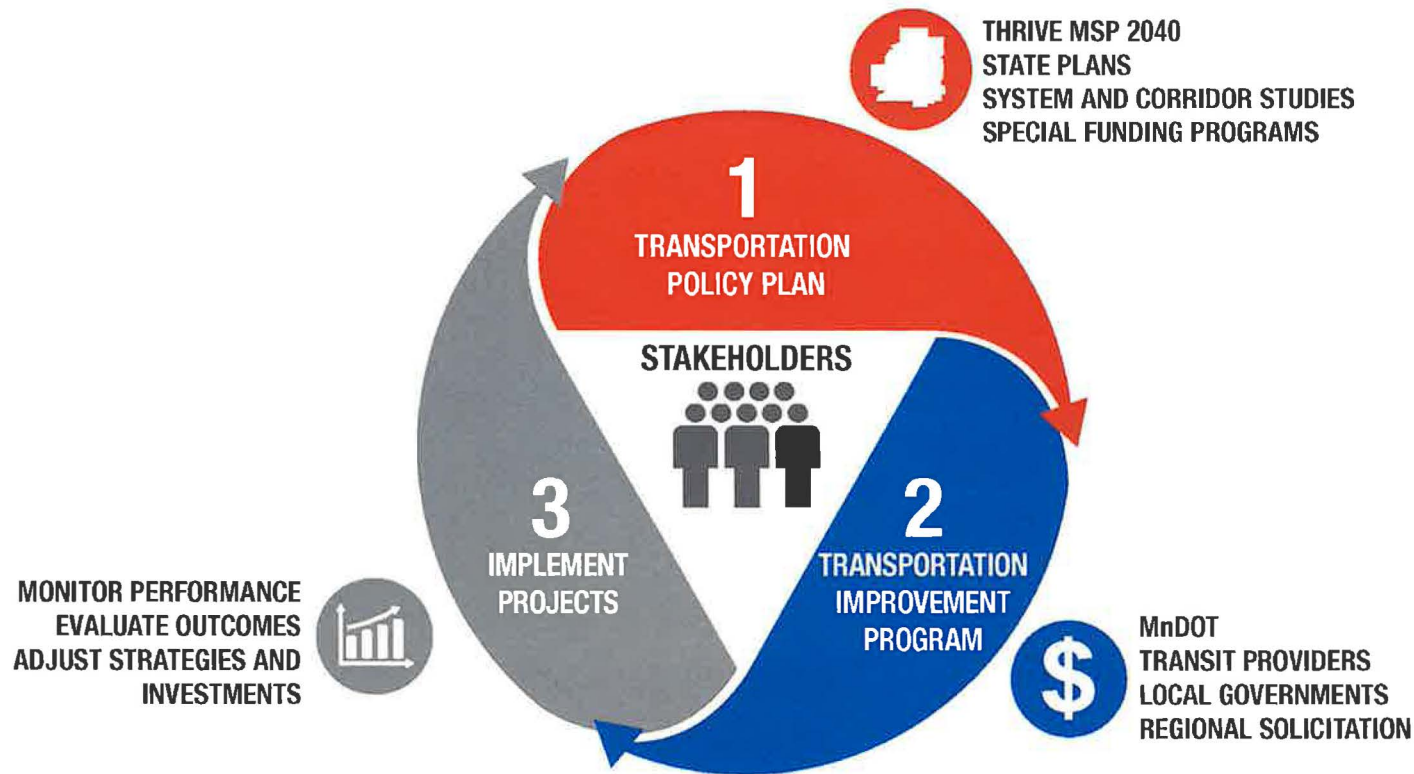
Metropolitan Planning Organization



Legislative Direction – Transportation Planning

- **Designated Agency for Transportation Planning**
(MN Statute 473.146)
- **Evaluate Transportation System Performance**
(MN Statute 473.1466)
- **Administer ROW Acquisition Loan Program**
(MN Statute 473.167)
- **Highway Controlled Access Approval**
(MN Statute 473.166)
- **Review Comprehensive Plans and Matters of Metropolitan Significance**
(MN Statute 473.175, 473.173)

Metropolitan Planning Organization



Transportation Advisory Board



34-member board

- Created through state statute to advise Council's completion of MPO responsibilities
- 18 elected officials
 - 10 elected officials appointed by Metro Cities
 - 7 county board members
 - 1 Suburban Transit Association
- 4 agency members
 - Met Council, MnDOT, MPCA, MAC,
- 8 citizen members
- 4 transportation mode members
 - 2 transit, 1 freight, 1 non-motorized

**State Statute 473.146
Subd. 4. Transportation planning**

Transportation Advisory Board



Functions

- Provides forum for state, regional and local officials, transportation providers and community members
- Reviews and comments on regional and statewide plans
- Solicits, evaluates and recommends local and regional projects to receive federal transportation funding
- Recommends the region's Transportation Improvement Program
 - Includes all regional projects that have federal transportation funds being spent over the next four years
- New: Selects uses for active transportation funding from regional transportation sales tax (5% of 83%; ~\$25M/year)

Transportation Planning Process

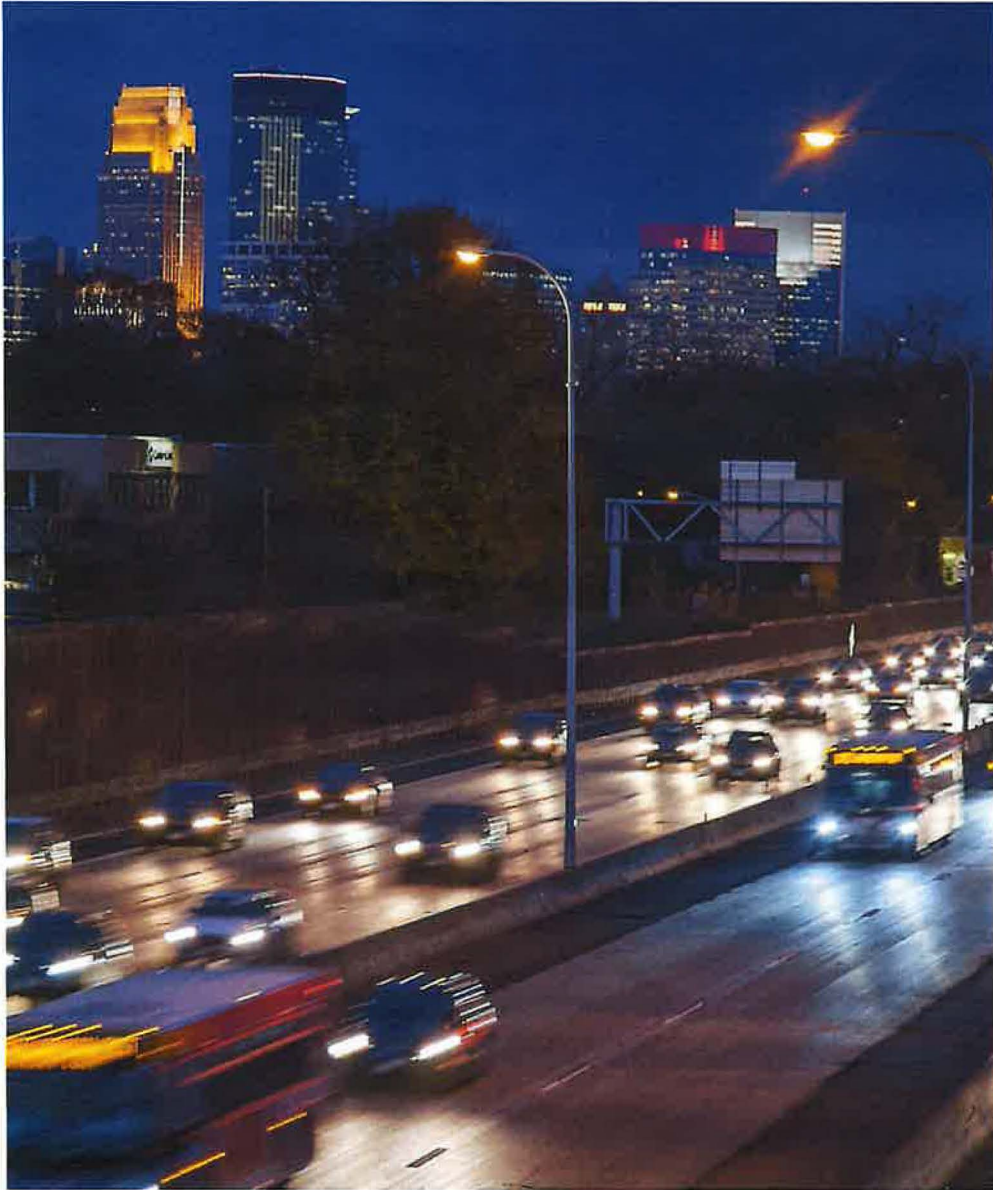
TRANSPORTATION PLANNING AND PROGRAMMING GUIDE

FOR THE TWIN CITIES METROPOLITAN AREA JANUARY 2020



Defining roles and responsibilities

- Transportation [Planning and Programming Guide](#)
 - Describes roles of transportation partners in planning and programming processes
 - Summarizes state and regional planning documents
 - Establishes processes for funding and programming
- [Memorandum of Understanding](#) between MnDOT and the Metropolitan Council; executed 2018
 - Documents *Continuing, Cooperative, and Comprehensive* (3C) planning process roles and responsibilities
 - Defines and delineates the TAB's role in project selection and planning processes
 - Includes federal certification of MPO role and concurrence of transit funding recipient designation



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ATTACHMENT 4

1. Overview and Purpose

- Citizens League's unique history with the Met Council
- Why a Citizens League Task Force in 2015, and who was a part of it?
- What was the scope, what did we learn, and what did we recommend?

2. Key Findings

- Met Council continues to be an important regional advocate.
- The current governance structure inhibits the Met Council's ability to effectively plan for the long-term and act as an independent advocate for the region.
- Challenges in the region have expanded and will continue to evolve due to changing demographics and the growth in poverty in the region.

3. Key Findings

- There are questions and concerns related to transportation governance including accountability and transparency, efficiency and effectiveness, and equity.
- Water quality and supply becoming regional concern with overlapping responsibilities with local and state government and Council's planning authority.

4. Recommendations

- Four-year, staggered terms for Council members. All appointed by the Governor. Chair appointed by and serves at the pleasure of the Governor.
- Strengthen the member selection process.
- Fully exercise the Council's current authority in statute to reduce concentrations of poverty and foster increased connections to social and economic opportunities.



ATTACHMENT 5

Council of Metropolitan Area Leagues of Women Voters

Testimony to the Governor's Blue Ribbon Committee on the Metropolitan Council

October 26, 2020

The Council of Metropolitan Area Leagues of Women Voters (CMAL) is an Inter-League Organization established under the auspices of the League of Women Voters of the United States. CMAL was established in 1962 with the purpose of increasing the knowledge of its members and the public with respect to regional government issues.

CMAL is a membership organization comprised of 19 local League of Women Voters chapters in the seven-county metro area, with approximately 1200 members.

Like all League of Women Voters entities, CMAL is political but strictly non-partisan. We do not support or endorse any candidate or political party.

From August 2018 to January 2019, CMAL engaged in a study of Metropolitan Council governance. A committee of eight League members from five of the seven metro area counties led it.

The study committee (1) conducted interviews with stakeholders, including Pat Nauman (Metro Cities), Alene Tchourumoff (Metropolitan Council), Pahoua Yang Hoffman (Citizens League) and Kathleen Salzman (Metropolitan Governance Transparency Initiative) (see p28 of report for complete list) (2) hosted a public forum for League members and the general public, (panel members were Deb Dyson (House Research), Keith Carlson (Minnesota Inter-County Association), Charlie Vander Aarde (Metro Cities) , and C. Terrence Anderson (University of Minnesota Center for Urban and Regional Affairs)), (3) reviewed the available literature, including the 2016 report from the Citizens League , the 2011 Legislative Auditor Report, historical reports from the Metropolitan Council library, and articles in the press, and, (4) with the help of 30 other League members, carried out interviews of over 50 local elected and appointed officials (mayors, county commissioners, city managers, county administrators, city community development and planning directors) (pg. 28-30) to gather their opinions of and interactions with the Metropolitan Council, utilizing a standardized questionnaire (pg. 33-36).

Based upon all of the above, the committee issued its report, Metropolitan Council Governance, to members in January 2019. The report included the results of the interviews with local officials (pg. 19-25), as well as, information regarding the pros and cons regarding Metropolitan Council governance issues (pg. 14-19).

In the interview process, we learned that interviewees felt the Metropolitan Council is working effectively with respect to the sewer system, transit/transportation (transit, BRT, LRT), livable communities grants, environmental cleanup grants, research, forecasting and planning assistance. The Metropolitan Council was seen as less effective with respect to communication, interaction with cities, public perception, transit in some cities or within cities, Comprehensive Planning (an onerous process every 10 years) that is harder on smaller cities with small staffs, and "one-size-fits-all" with little flexibility (pg. 20-21). We also learned that elected officials have a different relationship with the Metropolitan Council than do their city or county staff, who stated their appreciation of the technical assistance from the Metropolitan Council staff. We urge you to review the report in its entirety.

In January and February 2019, the 19 LWV local chapters held meetings to discuss the governance issues and to vote on the consensus questions presented in the report. In March 2019 the CMAL Board tallied the votes taken at these meetings and adopted its position on Metropolitan Council governance. Each of the following positions had the support of more than 80% of those participating.

- The Governor should appoint members of the Metropolitan Council.
- Members of the Metropolitan Council should be appointed to fixed, staggered terms, and should be removable only for cause.
- Metropolitan Council members should be required to have a regional perspective, knowledge of regional issues, demographic diversity, and the ability to meet the time requirements for serving in the office.
- Metropolitan Council members should not be local elected officials or be directly elected to the office of Metropolitan council member.
- A nominating committee should recommend a slate of Metropolitan Council nominees to the Governor.

Respectfully Submitted,

Karen Schaffer

Chair, Council of Metropolitan Area Leagues of Women Voters (CMAL)

1. **C.M.A.L.**
 - Inter-League Organization under auspices of LWVUS and LWVMN
 - Membership Organization
 - Political but Nonpartisan
 - Focus on Government Issues of the Metropolitan Area
2. **Study of Metropolitan Council Governance**
 - August – December 2018
 - Held Public Forum
 - Conducted a Literature Review
 - Coordinated Interview Teams
 - Conducted Interviews of Relevant Stakeholders
3. **LWV Positions are based on Consensus**
 - Consensus means...
4. **Report to Members in January 2019**
 - 19 Local Chapters held Consensus Meetings
 - The Pros & Cons of the Proposed Positions on the Governance Structure of the Metropolitan Council were discussed by the Membership
 - Members Voted on Positions Statements
 - Members' Votes were Tallied
 - Positions Statements were Adopted
5. **Through Consensus the C.M.A.L. Members Overwhelmingly Supported the following Positions:**
6. **Metropolitan Governance Positions**
 - Metropolitan Council Members should be appointed by the Governor
 - Members should be appointed to fixed, staggered terms and removed only for cause
 - Members should have a regional perspective, knowledge of regional issues, demographic diversity and the ability to meet the time requirements of service
 - Members should not be local elected officials
 - Members should not be directly elected to the Metropolitan Council
 - A Nominating Committee should recommend a slate of candidates for the Metropolitan Council to the Governor

Press Release

The Council of Metropolitan Area Leagues of Women Voters (CMAL) announces its updated position on governance of the Metropolitan Council.

Based upon the report of its study committee, members of all local leagues across the metropolitan area overwhelmingly voted to support the following:

- Appointment of Metropolitan Council members and its Chair by the Governor,
- Fixed staggered terms for Metropolitan Council members with removal only for cause, and
- Metropolitan Council members should have a regional perspective, knowledge of regional issues, reflect demographic diversity and be able to meet the time requirements to serve effectively.

Members of all 19 chapters of the League of Women Voters in the 7-county metropolitan area participated in the voting process in January and February 2019.

In 2018, League members interviewed over 50 municipal and county elected officials and staff across the metropolitan area, asking a series of questions regarding their satisfaction with the Metropolitan Council. The respondents expressed high levels of satisfaction with the sewer system, transit and transportation, planning resources and technical expertise. The areas cited most often for improvement are its communication and interaction with cities and need to streamline the comprehensive planning process.

The CMAL committee launched its study after last spring's legislative bill to replace the appointment of citizens by the governor with the appointment of local elected city and county officials to the regional agency. CMAL in its 50+ year history had not addressed the issue of whether local elected officials could or should be appointed to serve on the Metropolitan Council. There was little support among participants for the appointment of local elected city and county officials to the Metropolitan Council.

March 19, 2019

ATTACHMENT 6

Executive Summary

On August 28, 2020, Governor Tim Walz issued Executive Order 20-88, establishing the Blue Ribbon Committee on the Metropolitan Council's Structure and Services (Committee) to review three identified issues: the role of elected versus appointed Metropolitan Council Members, the Metropolitan Council's role as a Metropolitan Planning Organization (MPO), and the effectiveness of the delivery of regional transit service. The Committee included a panel of civic, business, and academic leaders to provide for a broad range of input and expertise.

The Committee met over a three-month period, collecting a broad range of input through open (virtual) meetings. Information and testimony were received from state legislative staff, state agency representatives, Metropolitan Council staff, local government officials, and interested advocacy groups and civic organizations.

This report reflects the Committee's findings and consensus recommendations regarding the three issues that the Committee was directed to review in Executive Order 20-88.

- *The role of elected versus appointed Metropolitan Council members*

The Committee recommends that Metropolitan Council Members should be appointed by the governor and should not be directly elected to the Council. Metropolitan Council Members should not be sitting local elected officials. The Committee recommends a change in current law to establish four-year staggered terms for Council Members, and an expansion of the nominating committee to include a majority of local elected officials.

- *The Metropolitan Council's role as a Metropolitan Planning Organization ("MPO") and identify and evaluate the ways this federal designation may complement and conflict with the Council's responsibilities under Minnesota law*

The Committee finds that the U.S. Department of Transportation has determined that the Metropolitan Council is the properly designated MPO for the Twin Cities metropolitan area under federal law. Federal agencies have recognized the legal status of the Council as the region's MPO directly, through certification of the planning process and plan approval, and award of federal transportation funds.

- *The effectiveness of the delivery of regional transit service*

The Committee finds that the current regional transit model allows for conflicting priorities for investment, but also provides value in opportunities for local input. The Committee recognizes that stable and long-term funding have been a challenge for the regional transit system, and that there is a great deal of uncertainty moving forward as budget deficits loom and ridership trends were severely disrupted by the COVID-19 pandemic.

ATTACHMENT 7

Metro Cities' 2021 Legislative Policies (DRAFT) **Regional Governance, Transportation Advisory Board, and Regional Transit Systems (policies will receive final adoption on 11-19-20)**

Goals and Principles for Regional Governance

The Twin Cities metropolitan region is home to a majority of the state's population and businesses and is poised for significant growth in the next two decades. At the same time, the region faces significant challenges and opportunities. The responses to these opportunities and challenges will determine the future success of the region and its competitiveness in the state, national and world economies.

The Metropolitan Council was created to manage the growth of the metropolitan region, and cities are responsible for adhering to regional plans as they plan for local growth and service delivery.

The region's cities are the Metropolitan Council's primary constituency, with regional and local growth being primarily managed through city comprehensive planning and implementation, and the delivery of a wide range of public services. To function successfully, the Metropolitan Council must be accountable to and work in collaboration with city governments.

The role of the Metropolitan Council is to set broad regional goals and to provide cities with technical assistance and incentives to achieve those goals. City governments are responsible and best suited to provide local zoning, land use planning, development and service delivery. Any additional roles or responsibilities for the Metropolitan Council should be limited to specific statutory assignments or grants or authorization and should not usurp or conflict with local roles or processes, unless such changes have the consent of the region's cities.

Metro Cities supports an economically strong and vibrant region, and the effective, efficient and equitable provision of regional infrastructure, services and planning throughout the metropolitan area. Metro Cities supports the provision of approved regional systems and planning that can be provided more effectively, efficiently or equitably on a regional level than at the local level by individual local units of government.

The Metropolitan Council must involve cities in the delivery of regional services and planning and be responsive to local perspectives on regional issues and be required to provide opportunities for city participation on Council advisory committees and task forces.

The Metropolitan Council must involve cities at all steps of planning, review and implementation around the regional development guide, policy plans, systems statements, and local comprehensive plan requirements to ensure transparency, balance and Council adherence to its core mission and functions. These processes should allow for stakeholder input before policies and plans are released for comment and finalized. Any additional functions for the Council should not be undertaken unless authorized specifically by state law.

Regional Governance Structure

Metro Cities supports the appointment of Metropolitan Council members by the Governor with four-year, staggered terms for members to stabilize ideological shifts and provide for continuity of knowledge on the Council, which is appropriate for a long-range planning body. The appointment of the Metropolitan Council Chair should coincide with the term of the Governor.

Metro Cities supports a nominating committee process that maximizes participation and input by local officials. Metro Cities supports expanding the nominating committee from seven to 13 members, with a majority of a 13-member committee being local elected officials. Of the local officials appointed to a nominating committee, two thirds should be elected city officials, appointed by Metro Cities.

Consideration should be given to the creation of four separate nominating committees, with committee representation from each quadrant of the region.

Metro Cities supports having the names of recommended nominees or other individuals under consideration for appointment to the Council by the Governor to be made public at least 21 days prior to final selection by the Governor, and a formal public comment period before members are appointed to the Council.

Metro Cities supports the appointment of Metropolitan Council members who have demonstrated the ability to work with cities in a collaborative manner, commit to meet with local government officials regularly and who are responsive to the circumstances and concerns of cities in the district that they represent on the Council. Council members should understand the diversity and the commonalities of the region, and the long-term implications of regional decision-making. A detailed position description outlining the required skills, time commitment and understanding of regional and local issues and concerns should be clearly articulated and posted in advance of the call for nominees. **Metro Cities supports opportunities for local officials to provide input during the decennial legislative redistricting process for the Metropolitan Council and supports transparency in the redistricting process.**

Transportation Planning Process: Elected Officials' Role

The Transportation Advisory Board (TAB) was developed to meet federal requirements, designating the Metropolitan Council as the organization that is responsible for a continuous, comprehensive and cooperative (3C) transportation planning process to allocate federal funds among metropolitan area projects. Input by local officials into the planning and prioritization of transportation investments in the region is a vital component of these processes.

Metro Cities supports continuation of the TAB with a majority of locally elected municipal officials as members and participating in the process.

Regional Transit System

The Twin Cities Metropolitan Area needs a multi-modal regional transit system as part of a comprehensive transportation strategy that serves all users, including commuters and the transit dependent. The transit system should be composed of a mix of high occupancy vehicle (HOV) lanes, high occupancy toll (HOT) lanes, a network of bike and pedestrian trails, bus rapid transit, express and regular route bus service, exclusive transit ways, light rail transit, streetcars, and commuter rail corridors designed to connect residential, employment, retail and entertainment centers. The system should be regularly monitored and adjusted to ensure that routes of service correspond to the region's changing travel patterns.

Current congestion levels and forecasted population growth require a stable, reliable and growing source of revenue for transit construction and operations so that our metropolitan region can meet its

transportation needs to remain economically competitive. **Metro Cities supports an effective, efficient and comprehensive regional transit system as an invaluable component in meeting the multimodal transportation needs of the metropolitan region and to the region's economic vibrancy and quality of life.** Metro Cities recognizes that transit service connects residents to jobs, schools, healthcare and activity centers. Transit access and service frequency levels should recognize the role of public transit in addressing equity, including but not limited to racial and economic disparities, people with disabilities and the elderly. **Metro Cities supports strategic expansion of the regional transit system.**

Metro Cities supports a regional governance structure that can ensure a measurably reliable and efficient system that recognizes the diverse transit needs of our region and addresses the funding needs for all components of the system. These regional governance structures must work with and be responsive to the needs of the communities they serve.

Metro Cities recognizes the need for flexibility in transit systems for cities that border the edges of the seven-county metropolitan area to ensure users can get to destinations outside of the seven-county area. Metro Cities encourages the Metropolitan Council to coordinate with collar counties so that riders can get to and from destinations beyond the boundaries of the region.

Metro Cities opposes statutory changes restricting the use of local funds for planning or construction of transit projects. Restricting local planning and funding limits the ability of cities to participate in transit corridor planning and development. State and regional policymakers must coordinate with local units of government as decisions are made at the state level on transit projects that also involve municipal planning, funding and policy decisions.

Metro Cities is opposed to legislative or Metropolitan Council directives that constrain the ability of metropolitan transit providers to provide a full range of transit services, including reverse commute routes, suburb-to-suburb routes, transit hub feeder services or new, experimental services that may show a low rate of operating cost recovery from the fare box.

In the interest of including all potential options in the pursuit of a regionally balanced transit system, Metro Cities supports the repeal of the gag order on the Dan Patch Commuter Rail Line and opposes the imposition of legislative moratoriums on the study, planning, design, or construction of specific transit projects.

In the interest of safety and traffic management, Metro Cities supports further study of rail safety issues relating to water quality protections, public safety concerns relating to derailments, traffic implications from longer and more frequent trains and the sensitive balance between rail commerce and the quality of life impacts on the communities through which they pass.

The COVID-19 crisis has had dramatic effects on public transit service, including changing business practices that are likely to substantially reduce transit demand for the foreseeable future. Adverse economic effects threaten revenues available to fund transit operations. Suburban transit providers are concerned that funding challenges may be used to attempt to justify a repeal of their authorizing legislation and to consolidate transit services into a single regional entity. This would result in reverting to conditions existing nearly 40 years ago when inadequate service caused twelve suburbs to elect not to be part of the traditional transit system.

Metro Cities strongly supports the autonomy of suburban transit providers to conduct operations to meet demonstrated and unique needs in their designated service areas independent from the operations of other regional transit providers.

ATTACHMENT 8

Regional Governance Approaches

Area of Responsibility

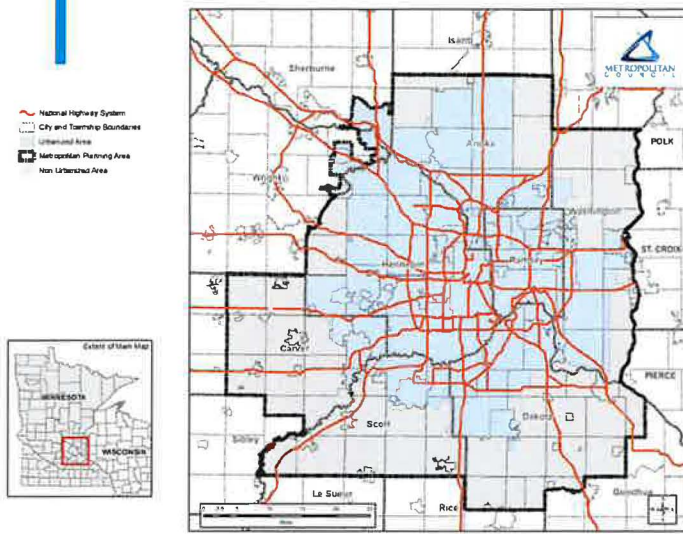
September 2008

Agency	Structure	Area of Responsibility	Notes	Estimated Population (most recent available)
Atlanta Area Regional Commission (AARC)	COG/AARC membership based	Transportation Growth Management / Land Use Housing Wastewater Transit Parks Solid Waste Environment/Water Resources Arts/Culture/Agri/ Other	16-member Board: County commission chair from each member county, mayor and 1 council member from Atlanta, one mayor from each member county and 2 mayors from Fulton county, one member from the GA Dept of Community Affairs, 15 other members selected by the Board's elected officials	~4.6 million
Illinois Metropolitan Area Planning Council (IMAPC)	Regional Planning Agency (Illinois Region IMAPC is the IMPO for the region, created in state law)		Board and Council - 101 municipal representatives on the Council, 21 gubernatorial appointees, 9 state officials, and 3 City of Boston officials.	~4.5 million
Chicago Metropolitan Agency for Planning (CMAP)	Regional planning agency (formal subsidiary with an IMPO with the IMPO. Created by the IL legislature in 2004.		15 voting members distributed among the counties (formal subsidiary); appointed by the Mayor and Chair elected official of the county; 3 members appointed by the Mayor of Chicago; 2 non-voting gubernatorial appointees; Exec. Director from City IMPO.	~2.8 million
Greater Metropolitan Council of Governments (GMCOG)	IMPO & Regional Planning Association; voluntary non-profit organization		One elected representative from each member jurisdiction in the Council; 26 Jurisdictional members; 3 gubernatorial non-voting appointees; and 1 non-voting member representing the Regional Transportation District (to state agency)	~3 million
Metropolitan	Regional Planning Agency & IMPO, created in state law		Based across the region, represent geographic districts that do not coincide with political/judicial district boundaries; 6 councilors and 1 president serve 4-year terms; Metro Auditor is also elected and conducts performance audits of Metro's programs and oversight of annual financial statements.	~2.5 million
Sanjour Sound Regional Council (SRC)	Regional planning agency and IMPO, inter-jurisdictional agreement.		General Assembly comprised of more than 80 local governments and agencies, including 4 counties, cities and towns, ports, states and local transportation agencies, and tribal governments within the region. Elected officials of the General Assembly elect a 21-member Executive Board who is empowered to make decisions.	~2 million
Central Piedmont Regional Council	Regional planning agency & IMPO, created in state law		16 member representing geographic districts, plus a Chair at large - all gubernatorial appointees	~1.3 million

= replaces policy making & operating powers

ATTACHMENT 9

3. MPO Area Boundary



4. MPO Area Boundary

- After each census, federal government defines “urbanized areas” (UZA) based upon population density and contiguous development
- The Metropolitan Planning Area (MPA) is the area of MPO jurisdiction for planning and programming of federal transportation funds
 - Each MPO defines/selects boundaries for its metropolitan planning area
 - MPA must include the area federally defined as Urbanized (UZA)
 - MPA must include areas projected to become urbanized within next 20 years
 - MPA boundary may extend beyond areas expected to become urbanized
- Council boundaries set as 7 counties which includes urbanized areas, areas expected to urbanize and rural areas
- After 2010 census, portions of Wright and Sherburne area (Albertville, St. Michael, Hanover, Elk River, Otsego, Big Lake township) and Houlton WI defined as urbanized and required to be added to MPO

5. 3-C Planning Process

Backbone of federal law is the requirement for a 3C Planning Process:

- Cooperative – Include local governments, federal and state agencies, transportation providers, public
- Comprehensive – All surface transportation modes
 - Highways, transit, bicycle, pedestrian, freight
 - State law added airport planning to Council responsibilities; not an MPO requirement
- Continuing – On-going, evolving, evaluative planning process

6. Our regional partners

- Council and its Transportation Committee
- Transportation Advisory Board and its Technical Committees
- Minnesota Department of Transportation
- Counties, Cities, Townships
- Tribal governments
- State and federal agencies (DNR, Pollution Control, Public Safety)
- Metro Transit and Suburban Transit Providers
- Metropolitan Airports Commission (MAC)
- Public participation

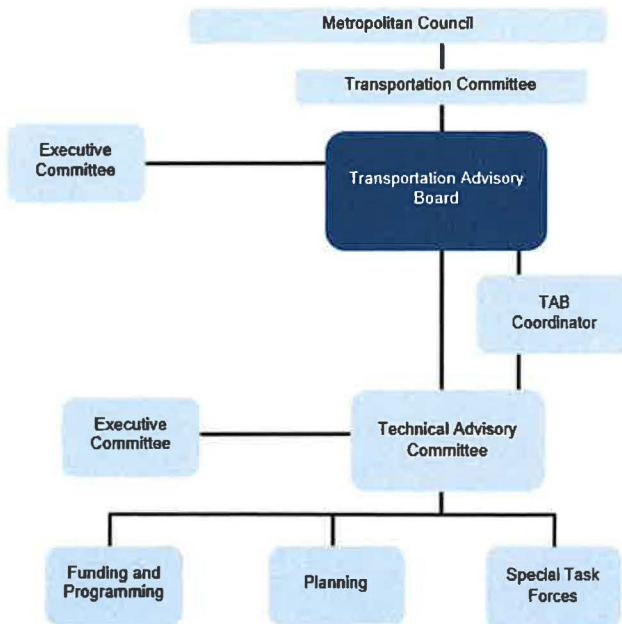
7. Transportation Advisory Board

- State law establishes an advisory body, Transportation Advisory Board (TAB), comprised of 34 members:
 - Elected officials: 7 county, 10 city, 1 Suburban Transit Provider
 - Agency representatives (4): MnDOT, MAC, MPCA, Council
 - Citizens appointed by Council (8)
 - Modal representatives (4): 1 freight, 2 transit, 1 bicycle/pedestrian
- Local elected officials participate in selecting and approving federally-funded projects through Regional Solicitation and TIP
- TAB recommends program of projects for federal funding, Council concurs/denies program
- Provides comment and review of planning products

8. TAB Structure

MnDOT Participation:

- MnDOT Metro District Engineer
- Freight Rep Designated by MnDOT
- MnDOT staff also on technical sub-committees



9. Technical Advisory Committee (TAC)

- Advises the Transportation Advisory Board
- Includes staff from each of the 7 counties, 12 cities, 11 agencies, and one from Wright/ Sherburne area
- Provides technical support in development of Regional Solicitation application criteria, measures and scoring
- Provides recommendations on project scope changes
- Provides technical review and recommendations on multimodal planning products

10. Metropolitan Council serves as the MPO for the Twin Cities region

- Designated as the MPO in 1973 by Governor Wendell Andersen, MS 473.146
- 1991 federal ISTEA Act which included MPO membership requirements “grand-fathered in” non-conforming MPOs
- Status as the MPO reaffirmed by USDOT on four occasions, Jan. 2011, Aug. 2015, Feb. 2016, Aug. 2018
- Federal certification reviews of planning process completed every four years (upcoming Dec. 2020, last review & certification 2016) products

11. MPO Redesignation

23 USC 134 (d)

A metropolitan planning organization may be redesignated by agreement between the Governor and units of general purpose local government that together represent at least 75 percent of the existing planning area population (including the largest incorporated city (based on population) as determined by the Bureau of the Census) as appropriate to carry out this section.

- Upon a redesignation, the MPO Membership must include:
 - (A) local elected officials;
 - (B) officials of public agencies that administer or operate major modes of transportation in the metropolitan area, including representation by providers of public transportation; and
 - (C) appropriate State officials.

12. MPOs and Federal Funding

- MPOs annually receive federal Consolidated Planning Grant funds through MnDOT to fund on-going staff and operations
 - About \$4.1 M annually for Met Council MPO functions, Council matches minimum 20%(\$1.1 M), typically provides overmatch for planning activities and major studies
- Federal law specifies that urban areas receive a sub-allocation of 55% of a state's Surface Transportation Block Grant (STBG) allocation based on their relative share of the total State 2010 Census population
 - Allocated approximately \$60M in STBG funds annually for Regional Solicitation
- CMAQ funds allocated to states for non-attainment and maintenance areas
 - Allocated approximately \$32 M in CMAQ funds annually for Regional Solicitation

13. Overall transportation planning process

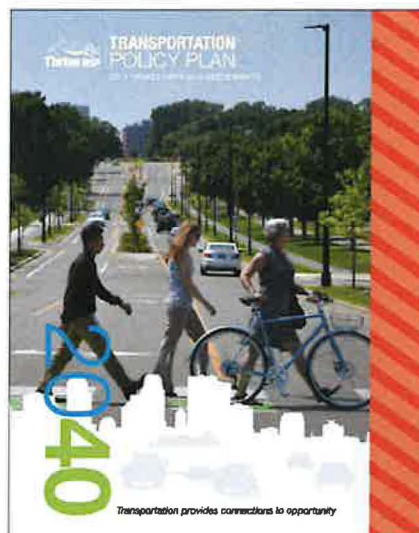
- Identifies transportation needs, goals, strategies, and investment priorities within the region
- Decides how limited funding is allocated
- Establishes framework for future transportation system
- Identifies major investments
- Leads to project development
- Provides public input opportunities

14. Our Region's Planning Process

- Adopted MOU between Council and MnDOT (updated every 4 years)
- Process described and identified in the regional Planning and Programming Guide, last updated Jan. 2020
- 2014 MOU with Wright and Sherburne counties

15. Federally Required Planning Products

- Transportation Policy Plan (TPP)
 - Long-range 20-year system and investment plan
 - Now on 5-year required update schedule
- Transportation Improvement Program (TIP)
 - Short-range, 4-year program of federally funded projects
 - Must be incorporated with no changes into MnDOT STIP
- Unified Planning Work Program (UPWP)
 - Annual work plan of planning activities
- Public Participation Plan
 - Specifies how planning partners and public will be provided opportunities for involvement



16. Transportation Policy Plan

Covers all modes:

- Highway
- Transit
- Bicycle
- Pedestrian
- Aviation
- Freight

17. TPP focus level

- Plan provides strategic investment direction, performance outcomes and major investments for the regional transportation systems:
 - Principal arterial highways (freeways and expressways primarily MnDOT)
 - Minor arterial highways (MnDOT, county and city owned)
 - Rail and bus transitways
 - Bus system design guidelines (not specific routes)
 - Metropolitan Airports (state law only)
- Minimum 20-year analysis of expected revenues and expenditures
- Must identify and include all regionally significant projects
- Regionally significant project =
 - Any capacity addition on a Principal arterial
 - A capacity addition >1 mile on Minor arterials
 - All rail and bus transitways on exclusive right of way
 - Arterial Bus Rapid Transit lines

18. Regional Investments Identification

System level investment studies

- MnPASS studies
- Principal Arterial Intersection Conversion study
- Metro Highway Truck Corridors study
- Highway Transitways Corridor study
- Arterial BRT Study

Investment studies lead to corridor studies

- I-494 MnPASS
- B Line ABRT study
- Highway 169 MnPASS & bus rapid transit study

Studies lead to regional projects in TPP

- Competitive processes prioritize and fund projects from regional studies

19. Council Project Reviews and Approvals

- Regionally significant projects identified in Transportation Policy Plan (federal law)
- All federally funded projects and regionally significant projects in the TIP (federal law)
- Participate, review and comment on environmental reviews and documents (federal and state law)
- Controlled Access Facility approval for expansion projects on freeways (state law)
- Local comprehensive plans and amendments review for conformity with regional transportation system (state law)
- Interchange Approval Process for new or modified interchanges (federal and state rules and processes)

ATTACHMENT 10



Chair Frank Hornstein
House Transportation Committee

March 13, 2023

Dear Chair Hornstein and Members of the House Transportation Committee,

The Metropolitan Council was created 50 years ago to solve significant problems – the entire region faced sewage, development and transit crises and some communities were unable to provide essential services to their residents – challenges that local officials were unable to solve on their own. Legislators understood the need to create a regional governance structure to manage issues that transcended local boundaries. In establishing the new Metropolitan Council, the legislature provided for appointed citizen members who could focus on addressing regional concerns. The Council's governance was established specifically – and even brilliantly – to give it important limited authority but with statutory accountability to the Governor, Legislature, local officials and the region's citizens and businesses. The creation of the Metropolitan Council put Minnesota on the map for its innovative metropolitan problem-solving strategy and to this day it is the envy of metropolitan regions across the country. The Council continues to serve as a national model of regional governance and local coordination of services.

Today, the Council's responsibilities cover transit, waste and wastewater management systems, regional parks and park reserves, regional trail systems, assistance to local governments on development of comprehensive plans, regional water supply, and other functions. In 2015, the Council adopted a new housing plan, the first in 30 years, to assist local communities in creating housing options for people of all incomes and at all stages of life.

Our region's Metropolitan Council is again receiving attention at the Legislature, with legislation that would overthrow the current structure for a model that would require the Council to be elected.

Many of us involved in local government believe this legislation would threaten the effectiveness of our regional government and its mission to provide comprehensive regional planning, infrastructure, and services in a coordinated and efficient fashion. This is not to say there is not room to refine what works well. However, an elected Metropolitan Council would essentially “throw the baby out with the bathwater.”

Here are several reasons I believe the proposed governance change in HF 2092-Hornstein is problematic and ill-advised:

State law gives the Metropolitan Council responsibility to coordinate and provide regional planning and infrastructure, including wastewater, transit, and the allocation of federal highway funds for improvement of our regional transportation system. The need for coordination among the Council and other governmental units is essential and is generally effectively accomplished on a partnership basis. There are occasions where there may be tensions among regional and local officials when regional and local interests conflict, and in such cases, Council members need the space and governance structure that allow it act on behalf of the region. Under an elected Council, the Council's regional function and purpose would be sacrificed to parochial approaches and conflicts that are inherent in an elected model. The work of the Council does not lend itself to this model of governance.

In its regional transportation and transit function, the Metropolitan Council has been approved by the federal government as a Metropolitan Planning Organization (“MPO”). The Transportation Advisory Board (TAB), acting in its advisory capacity to the Council, serves this function as an approved MPO. Federal funding in excess of \$200 million bi-annually is presently effectively and fairly channeled through the TAB planning process and its 34 members, composed of elected

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officials, agency representatives, and citizens, who recommend the use of federal funds for the benefit of the entire region. A governance change of the magnitude proposed by this legislation would trigger the need for a re-designation of the MPO and by law would require the support of 75% of the cities in the MPO district and other significant approvals. This process would likely take several years, and in the process, could compromise federal funding for projects planned and approved across the region.

When regional governance changes are proposed, they are often done under the assertion that the Metropolitan Council lacks transparency and accountability. While I would dispute this assertion, there are, nonetheless, after 50 years, some changes that can be made to our regional governance model that would improve its channels of accountability while maintaining the integrity of our known and viable regional structure. Staggering the terms of Metropolitan Council members would be a significant improvement and often doesn't get its due consideration in terms of its importance to the improvement of our already well functioning regional governance model. Staggered terms allow for phasing the appointment of members and the expiration and promote regional stability and focus, minimizing the effect of politics on the body and allowing new members to learn the intricacies of regional governance before the eventual departure of the more experienced members. Staggered terms also allow for more diverse viewpoints and would help inoculate the Council from mission creep or the potential for sharp lurches in policy direction. Staggered terms are in place for many governmental bodies and they have broad support.

Improvements could also be made to add transparency to the process for nominating and appointing members and such changes should be made. Such refinements to the regional governance model would a good model even more effective and efficient, as opposed to a wholesale overhaul that creates an uncertain course and structure for the future.

Our regional government is a true and distinct regional governance model, free of the clashes of partisan loyalties, party politics, and parochialism. Let's support common sense improvements that would serve the Council and all its stakeholder communities, improvements that allow the Council to do what it is designed to do – coordinate and provide for regionwide public policy, planning and provide the services that benefit the economic prosperity of our region and our state. That pathway is not through an elected Metropolitan Council, but instead a refinement of what we have.

Sincerely,

A handwritten signature in black ink, appearing to read "James B. Hovland", written over a horizontal line.

James B. Hovland
Mayor, City of Edina
Chair, Transportation Advisory Board
jhovland@hovlandrasmus.com

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