



Minnesota Journal

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A publication of the Citizens League

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MAC aims toward 2010 with airport improvements

In 1996, the Minnesota Legislature brought the dual-track airport planning process to a close. This action was the culmination of seven years of study to determine whether the aviation needs of the Twin Cities and state of Minnesota could be served by continued development of Minneapolis-St. Paul International Airport (MSP) or by development of a new replacement airport in Dakota County near Hastings. The legislative action

by Jeff Hamiel

was based on the recommendation of the Metropolitan Airports Commission (MAC) and the Metropolitan Council, the two agencies charged by the Legislature with completing the multiyear airport planning process.

The 1996 legislation held that the most appropriate way to meet the future aviation needs of the com-

munity was to continue to develop the Minneapolis-St. Paul International Airport. The legislation provides that the MAC:

- Cannot acquire land for a new airport or construct a new airport;
- Will implement the 2010 Long-Term Comprehensive Plan for the existing airport;

- Cannot construct a new west terminal at MSP without legislative approval;

- Must enter into contracts with cities potentially affected by a third parallel runway, stating that the runway would not be built without the cities' approval.

2010 plan

The analysis completed as part of the airport planning process indi-
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State should develop long-term economic strategy

by Janna King

In 1996, two independent efforts reached strikingly similar conclusions. The Citizens League study *Competing Globally, Thriving Locally* recommended the establishment of a Metropolitan Economic Strategy Commission proposing the vision for the region's economic future. "The Twin Cities metropolitan area needs an understanding of the region's historic niche in the world economy, a vision for our economic future, and a strategy to move from here to there," the study said.

Strategies for Economic Growth, a collaboration of 25 economic development organizations from

throughout the state, recommended the establishment of an independent Economic Policy Council focused on "developing an economic strategy for long-term economic prosperity, including a diagnosis of opportunities and risks, a vision for the future and actions that are in accord with that vision."

Both efforts recognized key driving forces creating a need for better strategic long-term thinking:

- the accelerating pace of technological change;
- significant demographic change;
- globalization of the economy.

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Better hiring, more sharing can improve 9-1-1 services

by Jody A. Hauer

If you dial 9-1-1, you want immediate telephone access to emergency help. Minnesota is one of 14 states where that is possible statewide.

To process 9-1-1 and other public safety calls, local governments operate public safety answering points, or PSAPs. In March the Legislative Auditor's Office completed a "best practices" review of 9-1-1 dispatching. A survey of the state's PSAPs provided data about PSAP operations, equipment and personnel. The review defines effective and efficient 9-1-1 dispatching, based on public safety standards and guidelines and features PSAPs around Minnesota that

have put best practices related to dispatching into action. It also includes seven recommendations aimed at helping PSAPs offer efficient and effective 9-1-1 service.

9-1-1 dispatching

State law required counties to establish 9-1-1 emergency telephone systems in the mid-1980s. Consequently, each county operates a PSAP (St. Louis County has two), as do 25 cities and other units of government, for a total of 112 statewide. In addition, the State Patrol has 10 communications centers around the state that currently receive 9-1-1 calls from cellular and other wireless telephones, although responsibility for wireless

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Better value in public services: Let's push the agenda

Mayor Stephen Goldsmith of Indianapolis stopped in Minneapolis just a few weeks ago to plug his new book, *The 21st Century City*. Goldsmith is one of a new breed of major-city mayors who are spearheading significant reforms in public services. Last year, *New Republic* magazine profiled a few of these so-called "new progressives" who have made dramatic changes and presumably extracted better value for public expenditures. In almost every case—from Cleveland to Philadelphia to New York City—the reforms arose after a financial or other crisis demanded attention. The reforms varied greatly from community to community, but the communities all had in common a willingness to take on sacred cows and a determination to make public services work better and cost less.

Here in the Twin Cities, we often feel smug that we don't have the awful crises that have plagued other cities. But maybe the lack of a crisis is its own kind of problem. Cities confronted with an economic crisis or a crisis of public confidence or the threat of business retreat *have* to act. As the old saw goes in politics, "People see the light when they feel the heat."

Our 1970s-era Minnesota Miracle and the amendments to it since then annually provide a huge infusion of cash to Minnesota's cities. Some

cities receive \$200 per person in local government aid, for example. Forty-plus percent of the state budget goes to schools, cities or counties. We should be proud of the "equity" floor built into local services in Minnesota, but we should also be aware that there is a downside to the policy. While it might take a crisis to motivate major restructuring of public services, our current system of intergovernmental aid will not allow a crisis to happen. This virtually guarantees that there will be no citizen outcry for reform to counteract bureaucratic inertia and entrenched self-interest.

Do we market-test service cost and quality? Mayor Goldsmith told about one city department—which had historically been well-run and had already adopted productivity improvement efforts, such as total quality management—that showed a 25 percent drop in costs with no damage to quality once that department was faced with competition from other potential vendors. Private companies are eager for the chance to compete for a share of the public's business in services from wastewater treatment to facilities management.

We should move forward to open up these areas to properly structured competition. To date we have not systematically "market-tested" many public services. On the contrary, there are countless requirements that certain tasks—including moving fire hydrants—must be done by city public works, despite costs that are higher than comparable private bidders. The Office of the Legislative Auditor or the Citizens League might take a systematic look at the proportion of public service expenditures that are "competitively tested" in the market.

Do we have the information? "Activity-based costing" allows officials and the public to know how much a particular unit of service really costs. Information about how costs compare for road repair, for example, can be highly motivating when it appears on the front page of the newspaper. With a few exceptions—the Legislative Auditor's best practices reviews, for instance—such systematic analysis is unknown in Minnesota.

Do we provide state aid to fund local government services in the best way? The Ladd Commission reported to the Legislature a num-

ber of years ago that we could design a system of aid to local government that would virtually halve the cost, while filling the gap between capacity to raise money and the need for services. Needless to say, this provoked immediate opposition. Our current system of funding local governments is, in effect, random. Targeting aid that supports efficiency and effectiveness is a complex task, but one that is overdue and doable.

The Legislature's recent requirement that local governments measure the effectiveness of their public services is a good step, but we must also push for more competitive pressure in services and better information for decision-makers and the public. Is it that unreasonable to insist on disclosure of the costs of the services provided with public money?

We should not allow the lack of a crisis to lull us into becoming complacent about the cost and effectiveness of public services. Instead, we should use the massive aid from state government as a lever to nudge local governments to provide better value for our citizens' public services. The time to begin is now.

Lyle Wray is executive director of the Citizens League.

Viewpoint

by Lyle Wray

Editors see feedlot dangers, but wary of moratorium

On Balance

*"There is no odor so bad as that which arises from goodness tainted."
—H.D. Thoreau*

Red Wing Republican Eagle said (Mar. 16) legislative conferees should endorse a study on the environmental impact of the state's ag industry, but should oppose a moratorium on feedlots. It said enforcement of feedlot regulations should be the first priority of lawmakers and state agencies. **Star Tribune** said (Mar. 11) the Legislature should fund the proposed three-year, \$1.2 million study of feedlots' impact on Minnesota's economy and environment and should reject a ban on the biggest feedlots. "Lawmakers shouldn't substitute their judgment for that of the farmers who are taking the economic risks and the regulators who understand water protection best." It said the Legislature should double the number of feedlot inspectors and the state should adopt a tough federal permitting process for big feedlots. **St. Cloud Times** said (Mar. 20) a farmer hoping to establish a 2,000 hog feedlot in Stearns County should work with a township task force to assure public safety and environmental quality until Stearns County and state rules for large feedlots are revised.

Duluth News-Tribune said (Mar. 7) a one-year feedlot study should be enough and a three-year moratorium suggests state interference in the marketplace to "protect smaller farm operations from competition from so-called corporate farms." **Fergus Falls Daily Journal** said (Mar. 10) a moratorium "would simply appease one

group of citizens—neighbors and environmentalists—while crippling the farm industry...[I]f the state Legislature is willing to maintain industries such as gambling and nuclear power for the sake of economic development, agriculture, one of our most important industries, deserves the same effort." **Willmar Tribune** said (Mar. 10) a feedlot moratorium "doesn't get at the real problem—finding ways to resolve conflicts between rural economic growth and rural quality of life on an ongoing basis." It said instead, the Legislature should make sure the Minnesota Pollution Control Agency (MPCA) is doing what it's supposed to do. "Perhaps if all owners of large feedlots were to live on site, they'd find ways to cope with the odor." **Rochester Post-Bulletin** said (Mar. 10), "[I]t is impossible to justify the conditions created by the largest feedlots." It said the MPCA is part of the problem and that if it had effectively monitored feedlots in the past, "the public would have more confidence in its ability to deal fairly with the issue now." It said a moratorium is justified to allow time for better regulation, more consistent enforcement, use of new technology and stricter rules.

Star Tribune said (Mar. 5) while light rail "may indeed be the only thing sexy enough to trigger significant transit investment...it also

remains true that for the cost of one light-rail line along Hiawatha Avenue, the region could probably satisfy transit needs in several transit corridors with busways." It said (Mar. 20) the issue in the transit debate isn't buses vs. light rail, but "whether improvements to transit service in one corridor will be made at the expense of transit service throughout the rest of the Twin Cities region." **Fergus Falls Daily Journal** said (Mar. 19) all of Minnesota will benefit if the Twin Cities builds a light-rail transit system. There would be less pollution and perhaps it would spark renewed rail transport outstate. **St. Cloud Times** said (Mar. 26) to prevent further traffic congestion people need to begin to establish alternatives to riding alone in our cars. It said the area's Rideshare program needs to expand to include more people who commute to and from St. Cloud.

Post-Bulletin said (Mar. 7) University of Minnesota President Mark Yudof's \$249 million proposals for "U" improvements "are necessary steps for development of the university." **St. Cloud Times** said (Mar. 9) Reps. Joe Opatz (DFL-St. Cloud) and Jim Knoblach (R-St. Cloud) should establish a core of legislators committed to the U of M. They could start by championing the improvement plan proposed by Yudof and Gov. Arne Carlson. **Duluth News-Tribune**

said (Mar. 20) the Legislature should endorse Yudof's plan for improving the "U's" journalism school. **Star Tribune** said (Mar. 6) Yudof's request should be funded nearly in its entirety. "Denying any major part of the request would diminish Minnesota's future."

Republican Eagle said (Mar. 18) the state surplus "has more than enough money to deliver business tax relief" through lowering tax rates on businesses and apartments, as promised in the 1997 tax legislation. It called legislative actions backing away from the 1997 promises "mind-boggling." **Duluth News-Tribune** said (Mar. 10) legislators can afford to reduce the tax rate on business property to 3.5 percent, rather than phasing it in, as promised in 1997. But it opposed a plan to have all property pay at the same rate for future tax hikes. "That's tax simplification—but not tax fairness...The fact most states have a single-class system only proves residents and legislators in them don't see the unfairness." **Post-Bulletin** said (Mar. 5) part of the surplus should be used to reduce the disparities of property taxes on commercial-industrial property in Minnesota versus surrounding states, without shifting the burden to residential property. **Star Tribune** said (Mar. 13) Gov. Carlson should use his strong public approval to "wrest a fairer property tax system from a reluctant DFL-controlled Legislature." **Mankato Free Press** said (Mar. 14) the Legislature should "stay on track" with the plan passed last year to further reduce business tax rates.

Minnesota's labor force aging, growing more slowly

Edited excerpts of remarks by Tom Gillaspie, Minnesota state demographer, to the Citizens League on March 5.

As we look into the future, we see five major trends that we believe will be characteristic of the labor force:

- The first is that it's going to grow more slowly than in the past. It's going to grow more slowly in its rate. It's going to grow more slowly in terms of the number of people available to enter the workforce.
- The labor force is going to be a lot older in the future. The proportion of workers age 45 and over is going to grow at a very rapid pace, while the number of workers in

some of the youngest age groups will actually decline in numbers.

- The workforce is becoming more diverse racially and ethnically, as well as more feminine. That will continue well into the future, long into the future.
- The fastest growth we are anticipating is still in the Twin Cities metropolitan area, particularly in the suburban areas surrounding the cities. That has been true for some time and we're anticipating that that will continue. However, I might note that the kind of labor shortage that we're talking about is characteristic pretty much statewide. We have seen some areas of the state that have experienced very long-term population

loss, in some cases going back to the '20s and '30s—each year they were a little smaller than they were the year before—suddenly are growing in the number of people, because there are people moving in from other states and other nations to take advantage of the jobs that are available.

- Finally, in the future and this will be particularly as we get out closer to 30 years, we will begin to notice an ever-increasing proportion of the state will be experiencing actual declines in the number of people in the workforce until 2020, when we will actually reach our peak in labor force size.

Minnesota is especially remarkable because we have the highest pro-

portion of population employed in the country. We have the highest rate of participation of women in the workforce in the country. We have the second highest proportion of men in the workforce in the country. We're just behind Utah.

Overall, we have a much higher proportion employed and in the workforce than any other state. The vast majority of people in Minnesota are already in the workforce.

More complete excerpts of Gillaspie's remarks and those of State Demographer Tom Stinson can be found on the Citizens League web page at www.citizensleague.net.

The Minnesota Journal

Publisher — Lyle Wray
Editor — Dana M. Schroeder
Contributing Editor — Ted Kolderie
Sketches — Ray Hanson

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Edited excerpts of remarks by Rick Krueger, Minnesota High Technology Council, to the Citizens League on Mar. 18.

How does Minnesota measure up? High technology jobs from 1990 to 1996 saw about a 10 percent increase. That's about 12th of all the states. We ranked sixth as percent of companies tied to high-technology.

The projected job outlook? Minnesota will need between 1994 and 2005, 370,000 total new workers.

K-12 education: We need to start improving, because that's the pool that gives us the base. You shouldn't be able to graduate from high school without being able to navigate the Internet.

We need to examine more businesses to provide learning opportunities. That means creating in some of the same ways that we reward capital investment in plant and equipment, we should probably be doing that for human investments.

We also need to do more with the

University of Minnesota. We talk about the University of Minnesota as an economic engine. It is an economic engine in the sense that it provides not only skilled workers, it provides researchers, it provides consulting work with the corporations and it provides technology transfer.

More complete excerpts of Krueger's remarks and those of George Garnett of the Minneapolis Foundation can be found at www.citizensleague.net.

Other states and regions have developed such efforts, bringing together the public and private sector to review the economic situation, trends, competitive strengths and weaknesses and to develop strategies to ensure long term economic vitality. The time frame of these strategies transcends political cycles. They cross the boundaries of traditional government departments, integrating and influencing decisions regarding transportation, education, workforce development, telecommunications and other areas affecting a region's economic competitiveness.

These state and regional efforts enable the public and private sector to have a constructive dialogue in a period of rapid change and lay the foundations for economic success in the future. Regions typically assess their competitive strengths and weaknesses and work to enhance their assets and address their weaknesses. Industry sectors are often targeted to build on a region's competitive strengths. For example, Indiana focuses on its strengths in manufacturing and regions in California focus on high-tech, bio-tech and the entertainment industry. Understanding the trends in key industries has caused these regions to make changes in regulation, taxes, education and transportation investments—and even the priority for limited water supplies.

Well-developed efforts provide policymakers with guidance on the following:

- public services fundamental to the private sector—education, transportation, sewer and water, health, workforce exchange and development;
- regulatory and judicial matters—regulations governing telecommunications, banking, insurance, land use, environment, professions and trades and more;
- spending decisions for government operations, as well as long term capital investments, since wise investments can fuel economic growth and vitality.

Traditional economic development

programs focus on specific transactions—ultimately supporting the expansion or attraction of specific businesses. Strategic efforts are long term and focused on strategically shaping the environment, creating the conditions for many businesses to operate more competitively in the global economy. Because strategic efforts and transaction-oriented economic development efforts differ in their focus, time horizons, key players and institutional arrangements, the majority of the strategic economic development efforts across the country are separate from the state economic development organization responsible for “doing deals.”

Legislative support

In 1997 legislators sponsored bills to begin the process of creating such an economic policy council in Minnesota. Bills supported by the Citizens League and Strategies for Economic Growth were authored by Reps. Jean Wagenius (DFL-Minneapolis), Dan McElroy (R-Burnsville), Ted Winter (DFL-Fulda) and Ron Abrams (R-Minnetonka) in the House and Sens. Tracy Beckman (DFL-Brice-lyn), Martha Robertson (R-Minnetonka), Randy Kelly (DFL-St. Paul) and Linda Runbeck (R-Circle Pines) in the Senate.

“I’m persuaded that planning needs to be longer term and span administrations,” McElroy commented. “Planning needs to be multidisciplinary and involve both the government and private sector, if we are to succeed in implementation.”

The bills were strongly opposed by Commissioner of Trade and Economic Development Jay Novak, who expressed concerns that an economic strategy was already in place and that adding complexity to the process through the establishment of a commission would not be useful. Under a veto threat by the administration, substantial changes were made in the legislation and a bill was passed (Chapter 202, article 2, section 53) creating an Advisory Council on Minnesota's Economic Future. Funding was eliminated, private sector participation was eliminated and Minnesota Planning was given responsibility for working with a council consisting of 10 legislators and four representatives of the administration to develop a recommendation for the Legislature in February 1998.

Council report

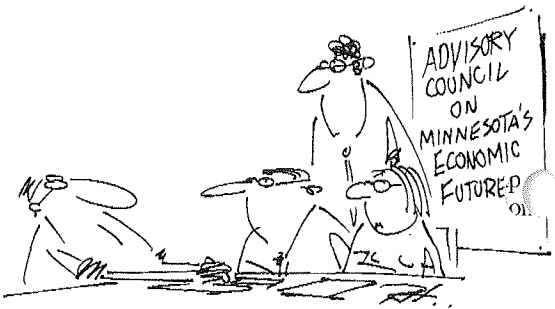
The advisory council met four times between October 1997 and January 1998 and issued a four-page report to the Legislature in February 1998. Minnesota Planning did not have the resources to provide significant support to the council or prepare a more extensive report. With only four meetings, council members felt they did not have time to address the legislative charge. Not surprisingly, the report by Minnesota Planning notes that members did not reach consensus and that some were dissatisfied with the process. Some members were interested in seeing the work of the advisory council extended and indicated their willingness to continue meeting.

In spite of the constraints faced by the Advisory Council on Minnesota's Economic Future, its report did recommend the creation of an Advisory Council on Economic Strategies, with up to 23 members representing a variety of public and private sector interests appointed by the Governor, legislative leaders and statewide organizations.

The council would be charged with “developing strategies for identifying and accomplishing Minnesota's economic goals through the year 2010,” the report said. “Its recommendations to the Governor and the Legislature should result in the continuation of a highly diversified state economy and should not focus on only one specific industry area.”

The council recommended that the advisory council should use previously completed work on the development of economic goals, indicators and economic strategies and could make recommendations on the following:

- investing in infrastructure;
- removing obstacles to business growth and expansion;
- developing long-term strategies to promote growth.”



“Come on now...why the long faces? We came up with a recommendation for a new advisory council, didn't we? How about something like “The Advisory Council on Economic Strategies?””

What's next?

Economic crises have been an important factor in other states and regions—motivating the public and private sectors, legislators and the administration to work together with a strategic, long-term focus. Minnesota certainly lacks an economic crisis to serve as a rallying point. The tightening labor market and demographic trends that will exacerbate the labor market situation may provide an issue that could serve as a catalyst to such cooperation in Minnesota.

Key participants in the process also recognize the importance that leadership plays in the success of such efforts. Strong gubernatorial support has been important to successful efforts across the country. A number of Minnesota's current gubernatorial candidates have expressed interest in the long-term strategic approaches proposed by the Citizens League and Strategies for Economic Growth. The two groups plan to work together to reach out to candidates as the field narrows.

“We need to keep moving forward and develop strategies to address the economic challenges we will face in the future,” said Rebecca Yanisch, executive director of Minneapolis Community Development Agency and a member of the steering committee for Strategies for Economic Growth. “We will face a serious shortage of skilled labor. A part of the solution is integrating people who are not currently part of the economic mainstream. It is important that we think long term and across traditional boundaries to create solutions which will keep our region healthy and competitive.”

Janna King is a certified economic developer (CED) with Economic Development Services in Minneapolis.

calls may shift to local PSAPs in certain areas of the state.

Some counties have less sophisticated 9-1-1 systems than others, in part because sparsely populated counties with small tax bases opted against purchasing certain types of high-cost equipment. Sixty-nine counties, representing about 93 percent of the state's population, have some form of “enhanced” 9-1-1 service, meaning a 9-1-1 call automatically triggers the relay of the caller's telephone number and, in most cases, the subscriber address to the dispatcher. This allows dispatchers to call back if the caller is disconnected or to pinpoint the address of an incident. In the remaining 18 counties, “basic” 9-1-1 service connects callers to PSAPs, but does not forward the callers' phone number or location.

In Minnesota, state and local governments share the costs of financing 9-1-1 service. Local governments have borne the larger share, having paid (primarily with property taxes) the costs for purchasing or leasing 9-1-1 equipment, employing dispatchers, developing local databases and maintaining communications centers. The state, on the other hand, pays for administering and coordinating the 9-1-1 program and for telephone companies' recurring 9-1-1 costs. As of 1995, state money also helps counties upgrade their service to enhanced 9-1-1. To finance the state's share, Minnesota collects telephone user fees through subscribers' monthly phone bills. Currently, the monthly fee amounts to 22 cents per telephone line.

The number of calls and functions performed by dispatchers varies across the state. In 1996, some PSAPs received many more calls than others. For PSAPs that recorded counts of all calls—9-1-1 and seven-digit calls, emergency and nonemergency calls—the annual total varied from four calls per 100 residents in Koochiching County to 437 per 100 residents in St. Paul. Likewise, dispatcher duties differed. For instance, in about 41 percent of PSAPs, most outside the Twin Cities area, dispatchers also performed jailer functions, such as booking and fingerprinting.

Contingency plans

One action the Legislative Auditor recommends is writing standard operating procedures for all facets of the PSAP's operations. For instance, PSAPs should have disaster recovery plans and back-up facilities to allow them to maintain emergency communications in the event of natural disasters or technical problems. According to the survey, about 40 percent of Minnesota PSAPs in 1996 had written disaster recovery plans or written agreements with back-up facilities. Most of the others had plans or agreements, but they were unwritten. Twin Cities area PSAPs were more likely than PSAPs elsewhere to have written plans and agreements.

PSAPs also need standardized procedures if they opt to provide emergency medical dispatching, whereby dispatchers offer medical instructions over the phone before the ambulance arrives. To provide emergency medical dispatching, the PSAP must: (1) prepare dispatchers with appropriate training, (2) require dispatchers to query callers with systematic questions from a medically approved set of protocols, and (3) implement a quality assurance program to continually oversee and modify its practices. In some PSAPs, dispatchers transfer medical calls to ambulance services with employees trained as emergency medical dispatchers.

Slightly more than half of Minnesota's PSAPs in 1996 either offered medical instructions prior to the arrival of medically trained personnel or transferred medical calls to agencies that did. A larger share of PSAPs outside the Twin Cities area than within it offered prearrival instructions or transferred medical calls to emergency medical dispatchers, most likely because of the greater distances between emergency personnel and accident victims in rural parts of the state.

A year ago, Mahnomen County in northwest Minnesota trained its dispatchers as emergency medical dispatchers. Now when medical calls come in, the dispatchers use desk reference manuals that guide them through protocols appropriate to the particular medical emergency. Mahnomen dispatchers offer prearrival instructions only when callers agree they want them and are capable of using them.

Hiring, training

A second action the Auditor recommends is using hiring practices that help find the right people for dispatching positions and providing dispatchers with comprehensive and ongoing training. Public safety dispatchers work in a stressful environment often requiring split-second decisions, quick, accurate radio communications and the ability to perform multiple tasks simultaneously while under pressure.

To hire the appropriate people and help avoid early and costly turnover of staff, PSAPs need to develop realistic job descriptions and test job applicants for the requisite skills. About 77 percent of Minnesota PSAPs reported using realistic job previews and about 70 percent indicated they tested job applicants for keyboard skills, personality traits, hearing, “multi-tasking” skills and other abilities. A larger percentage of PSAPs in the Twin Cities area than elsewhere reported testing job applicants, although approximately equal shares prepared realistic job descriptions.

In 1997, the PSAP in Clay County, managed by the Moorhead Police Department, contracted for a simulated dispatch console to test job applicants. With the simulated console, applicants heard several realistic emergency scenarios and were asked to collect the appropriate information and relay it accurately. The exercise tested applicants' ability to function in stressful settings and perform multiple tasks simultaneously. In combination with other hiring practices, this test helped PSAP administrators select new dispatchers, all of whom went on to successfully complete the PSAP's rigorous 16-week training. In the past, up to half of new recruits quit midway through the training.

Sharing equipment purchases

The Auditor also recommends that PSAPs consider opportunities for equipment sharing and for joint dispatching operations, where consolidation would improve services or reduce costs. By coordinating equipment purchases, such as those for an electronic records management system, PSAPs can improve their efficiency, share information across jurisdictional boundaries, and perhaps lower costs due to economies of scale.

For example, Ramsey County uses a computer-aided dispatch system that is shared with 14 cities in the county. Computer-aided dispatch, or CAD, is a computer program (typically used in large service areas with high call volumes) that automates much of the information about a 9-1-1 call and can suggest which response units are available and nearest to an incident. When Ramsey County decided to purchase CAD in 1990, it opted to upgrade and share St. Paul's existing system instead of purchasing a separate one. The county also purchased mobile data computers for squad cars to allow deputies immediate access to data in their vehicles. The county offered the use of its radio frequency “backbone” equipment to cities in the county that chose to purchase their own mobile data computers. The participants saved money through the coordinated effort and improved their ability to retrieve important information due to the shared database and squad computers.

Other recommendations

The Auditor also recommends that PSAPs:

- maintain adequate communications equipment and databases,
- keep records of calls and operations and measure the PSAP's performance against predetermined objectives,
- routinely exchange information about PSAP operations with law enforcement, firefighters, and other emergency response agencies in an effort to continually improve the PSAP and to prepare coordinated responses to actual emergencies, and
- educate the public about the 9-1-1 system and its proper use.

The report includes examples of PSAPs that have put best practices into action in a variety of ways. Despite different sizes and call volumes, PSAPs from all regions of the state illustrate the value of these practices in their daily operations and serve as a model for others.

Jody A. Hauer coordinates best practices reviews in the Legislative Auditor's Office. Copies of 9-1-1 Dispatching are available at <http://www.auditor.leg.state.mn.us/pe9806.htm> or by calling 612/296-4708.

State should invest to help upgrade skills of workers

Edited excerpts of remarks by Hazel Reinhardt, strategic planning consultant, to the Citizens League on March 11.

This issue—the issue of slow growth in the labor force—is a long-term issue. This is something we will be dealing with for at least the first quarter of the 21st century and maybe well beyond. This may now become a chronic condition. We will perhaps have economic downturns that will alleviate it somewhat. But long term, this is going to be an issue.

If we make the case that the public sector should do something, what is its role? What can it do? What should it do?

There's a lack of information. I see that going all the way down into our high schools. Many young people have no idea about the kinds of jobs, what's going to be opening, what kind of background you need, skills, temperaments, the like. Part

of this is information; part of it is just plain-old public relations. I think the state can have a role in this in saying what we have here and what's required.

If I look at the options we have, we have the issue of upgrading skills of current workers who are good contributors to the organizations they work in—and we have to remember that that work force is aging. By 2005 nearly 40 percent of them will be over the age of 45.

What can the state do? We invest a great deal of money through our technical colleges and community colleges. One of the issues, of course, is whether that's an adequate appropriation and whether our institutions have the up-to-date knowledge and equipment to be preparing.

Are these institutions equipped to serve emerging industries? Can they have some good, solid market statistics? And then, of course, the whole

issue of continuing education.

You may ask yourself now, Don't these institutions look for market niches and develop them? Not nearly as much as you would think they do. They fall easily in the track of doing what they have always done and they are not terribly entrepreneurial. There are some exceptions.

We have another set of underprepared workers who are lacking in basic skills. That is, they may have graduated from high school; they may not. But their reading is at the fourth or fifth grade level. It's not at a level where they could participate in work with even a very unskilled job. Writing, computation is lacking. These people represent a classic case of the failure of our K-12 system. Increasingly, we will be seeing more workers in Minnesota who are not a product of our own education system. And ours stacks up fairly well compared to systems in other states. So here's a pool of people that's probably going to be

expanding that needs some basic developmental work.

Finally, there is a group of people that I think we've thought a lot about in the welfare-to-work discussion: people who have work readiness issues, that can range anywhere from just not having sort of a pattern of going to work, from not having learned problem-solving skills, not having learned communications skills, lacking in personal skills, lacking self-confidence. But a considerable effort has to be made. I think this is the most fundamental of all public policy issues: Are we going to address those individuals or are we going to seek to solve labor shortages and bypass them? That's a really fundamental issue.

More complete excerpts of Reinhardt's remarks can be found at the Citizens League's web page at www.citizensleague.net.

Airport

Continued from page 1

cated that the following improvements, the primary elements of the 2010 plan, could accommodate activity forecasts at the airport through 2010:

- A new runway on the west side of the airport, generally oriented in a north-south direction. This runway will be used with the two parallel runways to provide a significant increase in airfield capacity.
- Continued terminal development, intended to maximize the capacity of the Lindbergh Terminal complex;
- Additional gates on the green and gold concourses;
- Additional parking and auto rental facilities;
- Expanded and enhanced facilities at the Hubert H. Humphrey Charter Terminal.

Before the 2010 plan can be implemented, the MAC must complete

Continued on page 7

League wants MSP to support region's global role

by Janet Dudrow

The Citizens League has a long-standing interest in the contribution of the Minneapolis St.-Paul International Airport to the region's economic vitality. Back in 1987, when forecasts were indicating that the demand for air travel might outstrip MSP's capacity, the League launched a study committee to look into the policy options.

In the study report *Make the Present Airport Better, Make a New Airport Possible* (1987), the League said it preferred that a new airport not be built unless absolutely necessary, but also urged the metropolitan region to "move now to find and acquire a new major airport site, in case MSP needs to be replaced." The report recommended that the Metropolitan Council and Metropolitan Airports Commission select and plan for a new site, while at the same time taking steps to allow MSP to be used for as long as possible.

The League's recommendation led to the "dual-track" planning

process, a seven-year project which concluded in 1996 with the Legislature's decision to expand the present MSP rather than build a new airport at identified Dakota County site.

The dual-track decision was made just as the League was wrapping up its 1996 study on the region's economic competitiveness. That 1996 report, *Compete Globally, Thrive Locally*, urged policymakers to make sure that the expanded MSP would support the Twin Cities' role as the international business service hub of the Upper Midwest.

Among the important questions the League report said would have to be addressed: How would the Twin Cities region's growing air cargo and international air service needs be met? What facilities and services would MSP have to provide in order for the Twin Cities to serve as the international connecting point for firms in the Upper Midwest? How would Northwest Airlines' hubbing strategy affect the future of air service in the Twin

Cities region? And how would or should the expanded MSP support more competition in the local market?

Back in 1987, the League noted that "the factors that determine the demand for air travel and the capacity of the airport facilities are subject to quick changes. Questions remain about when MSP will reach its physical capacity." Recent Metropolitan Airports Commission data showing stronger-than-anticipated growth in air travel prompted some observers to wonder whether travel demand would soon outstrip MSP's capacity, even with the improvements called for in the expansion plan.

In the first of several occasional articles on the airport, the *Minnesota Journal* invited MAC executive director Jeff Hamiel to comment on the progress of the 2010 Long-Term Comprehensive Plan and on some of the challenges that lie ahead.

Janet Dudrow is a research associate at the Citizens League.

Airport

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appropriate federal and state environmental processes. The dual-track legislation required the MAC to complete environmental documentation that would allow development of either MSP or a new airport. The MAC initiated a joint federal-state environmental process during the dual-track process and completed a draft of the final environmental impact statement prior to the legislative action.

Since the decision by the Legislature to develop MSP, the MAC has focused its efforts on responding to the comments received on the draft environment impact statement and on completing the additional analyses required to adequately address issues raised by communities, agencies and the public. Completing the final environmental impact statement is a complex process, since both federal and state environmental requirements must be met and efforts must be coordinated with the Federal Aviation Administration.

1993 forecasts

The 2010 development plan was based on aviation activity forecasts developed in 1993. Ranges of forecasts were prepared, looking at a variety of future scenarios and their potential impacts on aviation activity.

The determination that the airport could accommodate activity levels at the high end of the forecast range was a significant factor in

the decision to continue to develop MSP. The high forecast projected the following:

- 16.7 million passenger enplanements and 550,000 aircraft operations (landings and takeoffs) by 2000;
- 20.8 million passenger enplanements and 603,000 aircraft operations by 2010; and
- 23.8 million passenger enplanements and 640,000 operations by 2020.

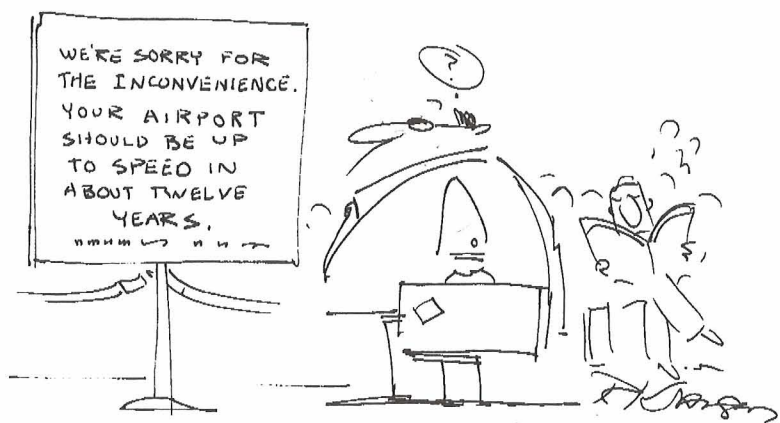
Growth in activity has generally followed the high end of the forecast range. In fact, we've seen significant growth over the past three years. However, in the last year operations growth by the major carriers has been relatively flat, while operations by the regional airlines actually declined from 1996 to 1997. This flattening of growth has kept the operations within the forecast range. The MAC intends to update the 1993 forecasts, perhaps later this year.

If the 1993 forecasts prove to be too high or too low, the 2010 plan will still go forward, since the airport needs those improvements today. The rapid growth in passenger activity may make a new terminal necessary earlier than previously expected.

Our plan is to build to MSP's maximum developmental potential. If airport operations grow much faster than predicted, improvements would have to be made sooner than expected. We know we can handle the growth until 2020 with these improvements.

\$1.7 billion plan

These growth levels emphasize the need to move ahead aggressively with airport development. To meet the needs that developed during the seven-year planning process, and in anticipation of the future, the MAC has proposed a \$1.7 billion development program based on the 2010 plan.



Construction of the proposed north-south runway, to be operational in 2003, will begin following completion of the environmental impact statement, currently expected late this summer. The MAC has begun property acquisition for development of the runway. We will reconstruct the south parallel runway over the next two years and extend runway 4-22, currently 11,000 feet long, to 12,000 feet to permit enhanced service to Asia.

Development of the green concourse has begun, with the construction of moving sidewalks. Four additional gates should be completed by mid-2000, with 10 additional proposed and following. Parking/auto rental facilities will be significantly expanded beginning in mid-1998, with completion in 2000. Parking will be connected to the Lindbergh Terminal by a people-mover system and to the green and gold concourses to provide quick and easy access to these concourses and their gates. If the current rate of passenger growth continues, more aggressive development may be necessary to meet future needs and further expansion of terminal facilities may have to be considered sooner than anticipated.

We must undertake this development program in the context of an urban airport that affects its neighbors. Primary environmental issues include water quality and aircraft noise. The MAC is moving ahead with a program to minimize storm water discharge to the Minnesota River, particularly related to winter operations. We are developing specific locations to allow drainage from aircraft deicing to be collected, retained and recycled. We are also making changes in airport snow removal procedures that will maintain the safety of airport oper-

ations with significantly lower environmental impacts.

We will also reduce aircraft noise exposure over the 2010 plan implementation period. The federal government has mandated that by the end of 1999, the noisier Stage 2 aircraft (DC-9, Boeing 727, etc.) must be retired or reengined/hushkitted. Northwest Airlines has indicated they will meet this requirement.

Since aircraft noise will still be an issue, the MAC is in the midst of the most ambitious residential sound insulation program in the country. This program is intended to improve living conditions by significantly reducing sound levels inside homes. Through 1997, the MAC has insulated 3,673 homes in Minneapolis, Richfield, Bloomington, Eagan and Mendota Heights, at a cost of \$76.6 million. By the time this program is completed, we will have insulated approximately 13,800 homes, at an estimated cost of \$362.1 million.

The airport is facing a challenging future in dealing with catch-up development, as well as providing facilities to meet future needs. We must accomplish the development in a timely manner, while ensuring safety and minimizing impacts on the traveling public. With the 1996 legislative directive to implement the 2010 Long-Term Comprehensive Plan for MSP, the MAC is moving aggressively to "Build a Better Airport."

Jeff Hamiel is executive director of the Metropolitan Airports Commission.

MSP Runway Map



Does access to more roads generate unnecessary trips?

Can't get there from here: The ubiquity of highways today implies that new roads are the best transportation option where funding allows. However, some believe that this overestimates the real value of our existing highway system. Studies routinely gauge the impact of increased access on travel behavior, but few studies tell us what happens to transportation behavior when road access decreases. It begs the question: To what extent does increased access (more roads) generate unnecessary trips?

A British study soon to be released actually found that closing roads can eliminate traffic. It looked at 60 cases worldwide where roads were closed or their capacity temporarily reduced. It found that total traffic on the unclosed portion of the road was cut an average of 20 percent, and in some cases up to 60 percent. Some of this traffic shifted to other roads, but many trips were eliminated altogether.

For example, a highway closing in New York City in 1973 resulted in a 53 percent drop in total trips on that highway once it was reopened — and 93 percent of the trips did not reappear elsewhere. Similarly, traffic engineers feared the worst when San Francisco decided not to fully rebuild the Embarcadero and Central freeways after the 1989 earthquake. Yet traffic mayhem has yet to materialize there and the capacity reduction on the Embarcadero Freeway has even contributed to downtown revitalization by giving the city better access to its waterfront, according to one account.—*Ron Wirtz.*

The California Legislature is considering a constitutional amendment—the Taxpayer Right to Know and Government Accountability Act—that will require, among other things, that local governments report annually to their voters on what they have accomplished with the money they spent. Interestingly, this initiative is being pushed by local governments.—*Lyle Wray.*

As president of the teachers' union in Rochester, New York, Adam Urbanski has watched the board of education try superintendent after superintendent, as a "solution" to the problem of low student performance—which the St. Paul board

of education is doing again, at the moment.

Lately, in discussions about big-city education, Urbanski has been telling a story about the airliner that rolled out for takeoff, turned on full power and started down the runway; then it abruptly cut power, turned and started back to the terminal.

When a cabin attendant came down the aisle a passenger asked, "What's the problem?"

"The pilot didn't like the way the engines sounded," the attendant said. "So we're going back to get a different plane?" the passenger asked. "No," the cabin attendant said. "We're going back to get a different pilot."—*Ted Kolderie.*

One of the many simplifying assumptions made in neoclassical economics is that people's satisfaction, or "utility," depends only on their own consumption.

Paul Krugman, the insightful and ornery MIT economist, recently offered a different view. In an essay entitled "The Mercedes Menace," Krugman bemoaned the proliferation of status cars in the faculty parking lot. A Mercedes, he points out, "is the classic example of the status good—an item that people buy, not so much for the direct satisfaction it yields...as for the statement it makes about their wealth." It's no use telling people they shouldn't delight in one-upping their neighbors, Krugman says; status-seeking behavior occurs throughout the animal kingdom and there's every indication it's hard-wired into humans, too.

Nevertheless, Krugman suggests that status-seeking shouldn't be just assumed away in economic models. Status-seeking is a zero-sum game: I can only raise my status by reducing someone else's. If people could somehow agree to stop the madness, we'd all have more time and money and—as only an economist could say—we'd "raise the sum total of human happiness."

Status-seeking, therefore, should be

considered a market failure, just like traffic congestion or air pollution, Krugman says. Economists have devised ingenious ways for government to intervene to correct pollution or congestion. But Rolex lust?

Krugman admits he's short of ideas, "except to urge the rich and powerful to set a good example—while I try to earn enough money to buy a better car."—*Janet Dudrow.*

In lieu of flowers, please support Twin Cities Citizens League: Celebrating 45 years of policy service to the Twin Cities region and state, it's easy even for staffers (who see first-hand that League lives hand-to-mouth) to assume the Citizens League will be around forever. That's why the recent dissolution of the Northern Minnesota Citizens League is a well-timed reminder of how fragile good government organizations can be.

The Northern Minnesota Citizens League, based in Grand Rapids, was officially dissolved on Mar. 31, after the Blandin Foundation pulled ongoing funding support from the organization. The Northern CL had depended on Blandin for about 85 to 90 percent of its operating budget. It also had recently lost its executive director and the board of directors believed that trying to attract a new director while simultaneously trying to make up the lost revenue was simply too big a task.

Originally formed in 1980, the Northern CL had a paid staff of four people and conducted 21 stud-

ies in 18 years. All noncash assets like office equipment are being liquidated. All cash assets then will be donated to one or more nonprofit organizations with similar missions. R.I.P.—*R.W.*

It's *deja vu* all over again, again. A bill sponsored by Rep. Myron Orfield (DFL-Minneapolis) that would make the Metropolitan Council an elected body was defeated in the House March 23 by one vote. The Senate didn't take the matter up after the bill died in the House. Last year, a similar measure was passed in both houses, but was vetoed by Gov. Arne Carlson. See you next year—same time, same channel.—*J.D.*

That's a lot of Old Style: The trendiest economic indicator in these days of globalization is exports. The more a metro area exports, the theory goes, the healthier the regional economy, because it infuses outside money into the regional economy.

By that measure, the LaCrosse, Wisc., metropolitan area, which includes Winona and other parts of Minnesota, looks to be in pretty good shape. According to the U.S. International Trade Administration, the LaCrosse metro had the fastest growth rate in merchandising exports of any metro region in the country in 1994-95. At 197 percent, its growth rate in merchandising exports was more than 45 percentage points ahead of the next-best region of Sherman-Denison, Tex.—*R.W.*

"Take Note" contributors include Minnesota Journal and Citizens League staff members.

**Minnesota Journal
Citizens League
Suite 500
708 S. Third St.
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Citizens League Matters

April 14, 1998

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Citizens League

708 South 3rd St. Suite 500
Minneapolis, MN 55415
Ph 338-0791 Fax 337-5919
citizen@epx.cis.umn.edu
<http://citizensleague.net>

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Suggested dues for membership are \$50 for individuals and \$75 for families. For more information, please call 338-0791.

Panel promotes faith for building community

People of faith must adhere to values in public leadership, they say

Honesty. Courage. Compassion. Consistency. Community. Integrity.

Those were the themes that ran throughout the League's annual meeting discussion about the role of the communities of faith in public leadership.

Moderator Doug Wallace led five panelists through a series of specific questions, with each panelist answering one question. While the questions were quite different, the responses all touched on the themes above.

Anita Pampusch, President of the Bush Foundation, said that to be effective in today's culture, communities of faith must act with compassion and integrity; their work must be consistent with their values and should be constructive rather than obstructive. Communities of faith are ineffective when they are rigid and uncompromising, Pampusch said.

Former Governor Al Quie echoed Pampusch when asked what happens when moral certitudes collide. He said that it's necessary to talk honestly. What one says, what one believes, and how one acts must be congruent.

Curtiss DeYoung, President of the Twin Cities Urban Reconciliation Network (TURN) addressed the question of how leadership is supported

by faith. He noted that scripture mandates involvement and that the definition of faith is about building the common good. Faith produces hope and is a source of renewal and a broader community, he said.

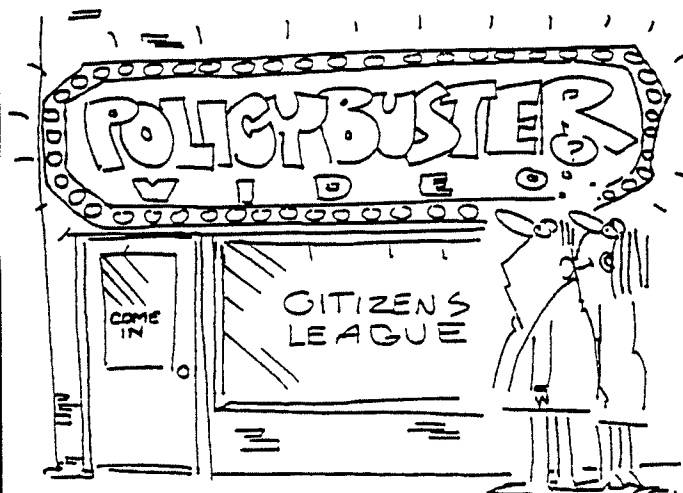
Matthew Ramadan and Alfred Babington-Johnson defined the common good as community. Babington-Johnson, President and CEO of the Stairstep Initiative Companies, said that trouble comes from loneliness. Community and human relationships create responsibility and shared values.

Ramadan, Executive Director of the Northside Residents Redevelopment Council and

President of the American Muslim Council-Minnesota Chapter, said the common good starts in one's own heart by asking how one's actions affects others. Ultimately, the most useful actions are those that are most beneficial to the community, Ramadan said.

The discussion turned out to be one of those 'wow' events—stimulating, thought-provoking and complex—the Citizens League at its best. Special thanks go out to Doug Wallace, Alfred Babington-Johnson, Curtiss DeYoung, Anita Pampusch, Al Quie and Matthew Ramadan for making this year's annual meeting a success.

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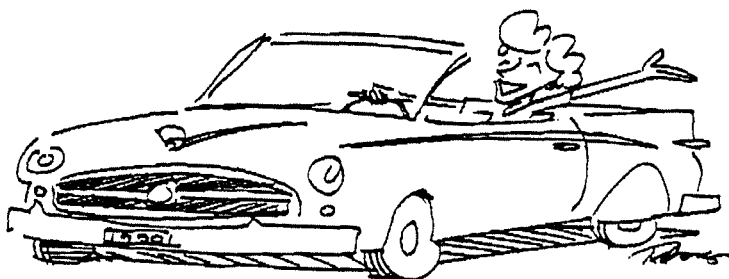
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David Osborne, April 14, 1996
Unedited tape of presentation and Q and A, approximately 45 minutes.

Public Leadership Initiative

Duane Benson, October 21, 1997
Brian Herron, October 28, 1997
Laura Wittstock, Nov. 4, 1997
One tape containing edited version of all three speakers, one hour.

Does the Common Good Have A Prayer?

Doug Wallace, Alfred Babington-Johnson, Curtiss DeYoung, Anita Pampusch, Al Quie and Matthew Ramadan at annual meeting, March 25, 1998.
Unedited tape, approximately one hour.

Getting the Jobs Done

Tom Stinson and Tom Gillaspay, March 5, 1998
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George Garnett and Rick Krueger, March 18, 1998
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Unedited versions of each presentation in the series, A New Wrinkle on Aging.

Mind-Opener *Update*

Setting the Agenda? Foundations and Public Leadership

The next Mind-Opener series returns to issues surfaced by the League's year-long Public Leadership Initiative.

In the last decade, tight public budgets and shifting public opinion about the role of government has resulted in pressure on the charitable community to pick up the slack.

At the same time, the recent economic boom has resulted

in large asset growth for many foundations. So there is now opportunity and means. But there hasn't been much public debate about the role foundations play, or should play, in shaping the public policy agenda.

The Mind-Opener series, tentatively set to start on May 5, will feature a variety of perspectives on this question. Please watch your mail for more details.