



Guidance for Coordination, Cooperation and Consolidation

Collaborative Strategies For Redesigning Transit Systems

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Introduction

Beginning in early 2011, the MnDOT Office of Transit launched the Transit For Our Future initiative as an effort to refine MnDOT's process for evaluating applications for public transit funding under preservation or contraction scenarios, as state forecasts predicted the availability of substantially lower funding levels.

The goal of the Transit For Our Future initiative (TFF) is to improve customer access and service by establishing consistent State program policies that balance accessibility (i.e. broad availability) with efficiency in providing public transit service in Greater Minnesota. Transit systems may choose one or more strategies that are intended to enhance the organizational working relationships among Greater Minnesota public transit systems resulting in expanded service access, more efficient management, and a higher level of compliance with existing and proposed federal regulations.

This guidance introduces the Three C strategies. The strategies are intended to enhance the organizational working relationships among Greater Minnesota public transit systems. The Three C's refer to the continuum of coordination, cooperation and consolidation.

Agencies involved in efforts to strengthen organizational working relationships alter the interests of their institutional and governance structure to take into account the interests of the other agencies involved and the public they serve. In order to do so, agencies need a way to guide the Coordination-Cooperation-Consolidation continuum so that it continues to reflect the common interests of the participants. The governance structure chosen for a particular organization depends on where along the continuum the participating agencies are in their relationship building efforts.

Coordination: Two or more agencies work together in some formal relationship, perhaps focusing primarily on information sharing. All agencies retain their separate identities and authorities, including control over the vehicles they own and their employees.

Cooperation: Two or more agencies use joint decision making power to establish formal arrangements (interagency agreements) to provide for the management of the resources of a distinct system. Agencies retain their separate identities and authorities, including control over the vehicles they own and their employees.

Consolidation: Two or more agencies vest all operational authority in one agency that then provides services according to purchase of service agreements or other contractual relationships. The vehicles are owned by the consolidated system and employees may be employed by the consolidated system.

This guidance provides an overview of a wide range of strategies for enhancing the working relationships among Greater Minnesota Transit Systems. These improved relationships will potentially improve the administration and delivery of the public transit program in Greater Minnesota. Each strategy is defined and lists potential benefits and obstacles. Individual strategies are also discussed in terms of how they work within Minnesota's transportation funding and service environment. This guidance includes strategies that have been successfully implemented within Minnesota as well as national best practices. Not all strategies will be relevant to every Three C effort in Minnesota

Background

Minnesota Go: Minnesota’s 50 Year Transportation Vision

The need for innovation and redesign of transportation services in Minnesota has recently come to light with MnDOT’s Minnesota GO – A 50 Year Transportation Vision. The Vision identified some of Minnesota’s future challenges including the possibility of persistent budget shortfalls. To address this challenge, the Vision identified a guiding principle for more coordination in the delivery of transportation projects and services.

Persistent Budget Challenges: For the foreseeable future, governments at all levels will experience ongoing budget challenges. This will put continuous constraints on investment in infrastructure (of all kinds). If unaddressed, reduction, elimination and consolidation of services are all possible.

Source: MnDOT’s Minnesota GO- A 50 Year Transportation Vision

Focus on Outcomes: Redesigning Minnesota’s Local Government Services

A recent effort in Minnesota also attempted to educate local governments and nonprofit agencies in the need to redesign service delivery methods. In November 2011, six “Local Government Innovation Forums” were convened by; the League of Minnesota Cities, the Association of Minnesota Counties, and the Minnesota School Boards Association, in partnership with the Minnesota House of Representatives Redesign Caucus and In Commons, an effort of the Bush Foundation and its partners. The Innovation Forums brought together more than 400 city, county and school district leaders, including both elected and appointed officials, to generate ideas about ways they could collaborate across jurisdictions. Forum participants were provided a baseline of information on population changes and economic factors – sometimes referred to as the “new normal”—which are placing unprecedented pressures on government.

Today, our state is facing a “new normal” – with an increasingly aging population, growing public service needs, a changing workforce and a shrinking base of taxpayers – and these circumstances are calling us to innovate again.

– Focus On Outcomes Report, 2012

The New Normal

Minnesota’s state and local governments have faced growing budget deficits in recent years as they struggle to address the State’s long-term structural budget deficit. In particular, according to former state demographer Tom Gillaspy, state and local budgets are facing several converging factors that stand to have a lasting impact on how public services are managed and delivered in the years to come. These factors include aging populations, an evolving economy and increasing service demands.

Aging population

In the decade from 2011 to 2020, more Minnesotans will turn 65 than in the past 40 years combined, and even more Minnesotans will turn 65 in the decade that follows. The aging of Minnesotans will place growing demands on public services from healthcare to transportation to housing and more.

An evolving economy

Experienced but aging Minnesotans are leaving the workforce for retirement while the very nature of our economy is transitioning from the Great Recession. As these high-earning employees leave the workforce, and tax rolls, to be replaced with younger, lower-earning workers, it’s likely that the state’s tax revenues will stagnate as well.

Increasing service demands

The Great Recession combined with the state’s aging public infrastructure is placing increased demands on public services from healthcare to road maintenance and repair and many more. According to Gillaspy, Local leaders have four possible responses to the challenges of increased service demand coupled with a decreased tax base, two typical and two often unexpected:

- Cut government programs;
- Raise taxes;
- Increase economic growth: equip our workforce to do more, be more productive, and make Minnesota an economic leader; or
- Increase government productivity: redesign the way we deliver services to ensure the greatest possible outcomes for every tax dollar spent.

Benefits of Coordination, Cooperation, Consolidation

Coordination and Cooperation

In a Legislative Auditors Best Practices Report, Cooperative Efforts in Public Service Delivery, a benefit was described for local governments: *Many of these cooperative agreements help address the complexity of governance in Minnesota. Minnesota ranks seventh nationwide in the total number of governmental units and ninth nationwide in governmental units per capita. While having so many local governments enhances local representation, it also increases the likelihood of a redundancy in services. Some governments are so small that without cooperation with other entities, the costs of providing certain services would be greater than the community could bear.*

Minnesota has over 3,400 units of government within its boundaries

Transit system coordination and collaboration can realize the following benefits:

- More opportunities for creativity in service delivery;
- Better balance between efficiency as measured by operating cost per revenue hour and effectiveness as measured by passengers per revenue hour;
- More flexibility in vehicle management;
- More attentiveness to all aspects of federal requirements; and
- More time for managers to develop expertise in specialty areas.

The most fundamental benefit to current and potential riders of transit, when systems coordinate service delivery, is the potential for increased mobility for better access. For transit-dependent populations, including lower-income workers, the elderly, and persons with disabilities, removal of the current disconnect between many rural transit networks and their nearest counterparts means increased access to jobs, medical care, social and human services, and educational institutions.

For transit agencies, coordination of transportation services with other providers in the region can help to eliminate duplicated services. For example, vehicles from multiple providers each deliver a single passenger to a medical center at similar times. When transit providers and other service agencies can pool their resources and client bases to eliminate overlap and improve operating efficiency, resources can often be freed to improve transit services and support other agency goals.

Consolidation

Centralizing Administrative Staff:

One of the primary benefits of consolidation is centralizing administrative staff to attain operational and administrative efficiencies. The administrative structures of many rural systems, especially smaller systems, have a “one person show” with a transit manager needing skills in all areas to run the operation. All transit systems need to have expertise in house or contracted for with specific skill sets in:

- Operations
- Public relations
- Finance
- Human Resources
- Technology
- Safety/Security

They must also be able to:

- Market their services
- Collect, monitor and report comprehensive data
- Be knowledgeable about Federal Transit Administration compliance requirements such as:
 - Drug and alcohol testing regulations
 - Disadvantaged Business Enterprises
 - Title VI—Civil Rights
 - Procurement (e.g. micro-purchase, RFP, Sole Source)
 - Facilities
 - Vehicles
 - Office Equipment

Comparing Organizational Structures:

In a recent Regionalization Study, the North Carolina DOT compared the organizational structures of single-county transit systems with those of regional transit systems. For single county transit systems the typical administrative organization includes a Transportation Director, an Administrative Assistant and a third staff member, often called an Operations Supervisor. Sometimes there is a fourth person (who may be part-time). The operational staff includes additional staff members (typically 2-4, depending on system size) who take reservations, schedule trips, dispatch the trips to the drivers, and then verify the performance of the trips into the required reporting systems. The administrative staff is required to cover all functional areas, including financial management, grants administration, policy development, safety and training, vehicle maintenance, etc. This can be contrasted with the typical structure of a regional transit system, which also includes a Transit Director, but also typically a Finance Manager or Officer, a Vehicle Maintenance Manager, and an Operations Supervisor or Manager, and often an Administrative Assistant. Depending on the size of the regional system, it may also include additional specialized staff members, such as a Safety and Training Officer or Manager, Accounting Clerks, etc. The larger regional system, as compared to single county systems, will be able to have an administrative staff that has more specialized training and knowledge, and have fewer administrative staff overall.

A sample staffing structure is contained in Exhibit E.

Benefits Identified in Pennsylvania:

The State of Pennsylvania has recently undertaken several transit consolidation studies that identify the following benefits:

Transit consolidation saves money primarily by reducing administrative and management costs through the elimination of duplicative functions in the new combined transit authority. These functions may include management, accounting and finance, human resources, call intake and scheduling, transit/travel information, grant activities, and dispatch. The amount saved varies depending on the number of entities being consolidated and their management and other characteristics.

Reducing overall operating cost: Overall operating costs of the consolidated entity are less than the sum of operating costs for the current individual agencies.

Fulfilling current unmet needs: Consolidation generates savings to meet current and future needs with in-house personnel or other resources. These include the functions of transportation planning, information technology, procurement, safety and loss prevention, road supervision, contractor oversight, human resources, marketing, and fleet maintenance.

Improving fleet maintenance: Consolidating maintenance management systems, parts inventories, and certain maintenance activities can save money and improve the quality of vehicle maintenance.

Improving technology: Consolidation can offer an opportunity to implement integrated, updated systems and technology such as demand-response scheduling software. This improves communications and performance, and may reduce operating costs.

Enabling operational efficiencies: Streamlining demand-response operations and adjusting the service levels to demand on an ongoing basis enhances efficiency.

Increasing ridership and revenue: A consolidated, regional transit system is more convenient and understandable to riders and conducive to more effective public information efforts. In addition, improvements in quality of services may be realized. These may include fleet reliability and appearance, improved demand-response scheduling, public information systems, and integration of independent services and modes.

Streamlining and integrating management functions: Consolidation can create management functions that are more responsive to transit and shared-ride needs from a community perspective and result in an overall higher level of professional management.

Current Examples of Coordination and Cooperation

In Choices for Change: A Guide to Local Government Cooperation and Restructuring in Minnesota published by the University of Minnesota Extension Service, intergovernmental cooperation may range from formal joint powers agreements to unwritten understandings. There are three categories of intergovernmental cooperation: joint powers agreements, intergovernmental service agreements, and intergovernmental transfer agreements.

Intergovernmental service agreements are the most common type of cooperation and include both written and unwritten agreements. Two cities may have an unwritten agreement about sharing road repair equipment. A cluster of cities and townships may have a written agreement concerning snow removal or economic development.

In the Legislative Auditors Best Practices Report on Cooperative Efforts in Public Service Delivery it is stated: *Local governments in Minnesota have cooperated successfully with one another on a wide range of services for many years. A League of Minnesota Cities survey completed by more than 280 cities showed 1,682 collaborative arrangements in place. Of the agreements submitted, 550 were over ten years old. Some agreements occur between like governments such as school district-to school district or city-to-city, while others include more than one type of government. Some cooperative efforts also include participants from the private and non-profit sectors.*

Joint Powers Agreements

There are three basic joint powers structural models: a consolidated service approach, a service contract approach, and a mutual aid approach.

- **Consolidated service.** Under the consolidated service approach, two or more local governments agree under the joint powers law to create a joint board consisting of one or more representatives from each of the participating local governments. Each entity provides financial support to the joint board. In turn, the board employs the necessary staff, owns or leases the equipment, and manages the operations.
- **Service contract.** Under the service contract approach, one entity maintains and manages the operation and the other entity simply purchases services from the first entity. Typically, the agreement will specify the level and type of service to be provided, performance standards, and other system expectations.
- **Mutual aid.** Under the mutual aid approach, two or more governments agree to assist each other in specified circumstances; e.g., when an emergency in one local government requires additional personnel, or when one entity is short-staffed because of vacancies, vacations, injuries, sickness, etc. Generally, no money changes hands; the assumption is that, in the long run, things will even out and each entity will receive roughly as much assistance as it provides.

Several public transit systems in Minnesota are formed under joint power agreements. Listed below are the systems and the type of agreement they have utilized. The joint powers agreement for Paul Bunyan Transit is provided in Appendix F.

Public Transit Joint Powers In Minnesota	Consolidated Service	Service Contract
Paul Bunyan Transit	✓	
Far North Public Transit	✓	
Kandiyohi Area Transit Joint Powers Board	✓	
Rainbow Rider Transit Board	✓	
River Rider Public Transit	✓	✓
Trailblazer Joint Powers Board	✓	
Minnesota Valley Transit Authority	✓	
Chisago Isanti		✓

Intergovernmental Service Agreements

Intergovernmental service agreements are typically written agreements between two or more cities, townships, counties, or a mix thereof.

The Minnesota League of Cities conducted a survey of cooperative efforts as part of the League's *State of the Cities Report 2004* research. The survey asked cities to identify the cooperative efforts in which they participate and their partnering entities, the reasons why specific cooperative efforts are innovative, and some of the barriers that cities have faced in pursuing these efforts. Almost 300 cities provided detailed information on 1,682 current cooperative efforts. Most of the cooperative efforts identified were police or fire (433), parks and recreation (265) and general government (e.g. planning and joint purchasing) (245). A full summary of the cooperative efforts identified is in the table below.

Type of Cooperative Effort	Total Number Identified by Respondent	Portion in Greater Minnesota Cities	Portion in Metro Cities
Police	265	38%	62%
Parks/recreation	265	43	57
General government	245	40	60
Fire	168	64	36
Sanitation	126	53	47
Streets	122	44	56
Economic development	73	58	42
Other*	418	39	61
Total	1,682	44	56

*Includes libraries, health and social programs, transit, airports, ambulance services, conservation, building inspection.

Example of Broad Range of Cooperative Services: Minneapolis

As one example of the broad range of services for which cities cooperate with other local units, Minneapolis, Minnesota's largest city, is currently participating in 16 cooperative agreements. Based on the city's response to the League's informal request for information, Minneapolis has 34 joint powers agreements for; watershed management organizations, bomb squad services, a truancy center, transit services, school-based health clinics, the Small and Underutilized Business Program, and the Neighborhood Revitalization Program, which is active in 81 different neighborhoods in the city.

Examples of Transit Consolidations: Greater Minnesota

Some recent of transit systems in Minnesota merging:

- City of Faribault into Three Rivers (Effective Jan. 1, 2012)
- City of Dawson into Prairie Five (Effective July 1, 2012)
- City of Northfield into Three Rivers (Effective July 1, 2012)
- City of Montevideo into Prairie Five (Effective Dec. 31, 2012)
- Cottonwood County into Western CAC (Effective Dec. 31, 2012)

Strategies

Each of the following Three C strategies is intended to provide an overview of the possibilities when transit systems work together. These examples are intended to spark discussions which may lead to activities that are similar.

Coordination Strategy: Mobility Manager/Coordinator

Mobility managers/coordinators are staff dedicated to promoting and improving mobility of residents and/or agency clientele. The Mobility Manager/Coordinator is responsible for coordinating transportation resources and providing public education regarding existing transportation resources. Mobility Coordinators also work to build awareness among decision makers, service providers, and riders on key issues related to the coordination of transportation and human services. (See Appendix D for a sample position description)

Individual mobility coordinators may be hired by a particular agency or may be shared among multiple agencies.

[Link to Library of Local Mobility Management Websites](#)

Mobility Coordinators typically:

- *Serve as advocates for addressing the critical needs in transportation services to the general public and individuals with special needs*
- *Train agencies and individuals on local transportation options*
- *Develop and oversee outreach and education efforts on transportation resources*

Expected Benefits	Potential Challenges
<ul style="list-style-type: none"> • <i>Dedicated staff to improving coordination creates resources to make sure programs can get started and are carried forward.</i> • <i>Creation of neutral resources that can be shared across agencies</i> • <i>Partial funding available through federal grants</i> 	<ul style="list-style-type: none"> • <i>Determining which department will “house” staff person and how to best share resources and expenses</i> • <i>Requires lead organization to take responsibility to house and pay for staff</i>

How It’s Done in Minnesota

Currently, there are four mobility management programs funded with federal grant resources. Rather than focusing on program development, that is the focus of a Mobility Manager/Coordinator, these programs are primarily involved with helping individuals connect with available transportation resources on a multi-county basis. Mobility management positions that focus on individual information and referral are also referred to as “transportation solutions coordinators”. Information, Assistance and Referral (I & A) is a service that helps individuals, families and communities identify, understand and effectively use the programs that comprise the human service delivery system.

Coordination Strategy: Mobility Manager/Coordinator

Overview of National/Regional Best Practices

Polk County, Iowa – Iowa mobility coordinators conduct transportation-related outreach, coordinate policy, and support operations. They focus their efforts on issues of education and coordination, or research and funding, depending on the needs of the community. In addition, Iowa mobility coordinators seek to utilize all forms of transportation including public transit, volunteer transportation programs, and for-profit transportation.

Jefferson Area United Transportation (JAUNT), Virginia – JAUNT's mobility manager program has an innovative twist. JAUNT works closely with human service agencies to help them improve their operation. This assistance involves an initial kickoff meeting with the agency to discuss the process, gathering appropriate information from the agency, analyzing the agency's transportation-related resources and needs, and developing a written report with recommendations. Although these recommendations are tailored to each agency, typical suggestions include opportunities for the agency to partner with JAUNT to address unmet transportation needs, how the agency may be able to pool resources or share vehicles with another human service agency, or how the agency could use private providers of transportation services.

Coordination Strategy: Coordinated Funding and Grant Writing

- Single agency prepares and manages grants for several agencies
- Lead agency develops co-sponsored grant applications and fosters multiple-agency grants
- Creates opportunities for leveraging existing funds to meet grant matching requirements

Expected Benefits

- Provides wider access to range of funding programs
- Reduces regional costs for pursuing grants
- Provides access to more specialized grant writing staff
- Improves success rate
- Facilitates more centralized planning and management of resources

Potential Obstacles

- Determining which department will “house” staff person and how to best share resource
- Requires lead organization to take responsibility to house and pay for staff
- Agreement among team members for grant proposal

How It’s Done in Minnesota

Technology Consortium - Ecumen (Meeker County Transit) was the lead agency with RiverRider, and Pipestone, Martin and Brown counties for applying for a State Grant and the procurement of advanced technologies.

Overview of National/Regional Best Practices

North Front Range Metropolitan Planning Organization, Fort Collins, Colorado - Prepares, files and manages unified grant applications on behalf of transportation providers.

[North Front Range Mobility Coordination](#)

Cooperation Strategy: Transportation Management Coordination Center (TMCC)

Coordinating dispatch and/or call centers involves creating a one-stop call-in number and using a single dispatching center to schedule requested rides among the available providers, vehicles or services. Providing consumers with one call-in number greatly increases customer convenience. To improve convenience may directly or indirectly include centralized Information and referral. Jointly scheduling trips also helps to organize trips efficiently and maximizes ride-sharing. Reducing individual trip costs means the ability to provide more rides to more people for the same amount of resources.

Expected Benefits

- Enables passengers to make one call and access services provided by several providers
- Improves productivity and efficiency with higher volumes and co-mingling of trips
- Enables providers to schedule vehicles to fill service gaps.

Potential Obstacles

- Determining which department will house technology and how to best share resource
- Requires lead organization to take responsibility to house and pay for staff

How It's Done in Minnesota

Paul Bunyan/Hubbard County - Hubbard County contracts with Paul Bunyan Transit, located in neighboring Beltrami County, to provide dispatch services for its city buses. Paul Bunyan Transit uses dispatch software, automatic vehicle locators (AVLs), and mobile data terminals to make a direct connection with the Hubbard County vehicles. Residents of Park Rapids call the same phone number for service, but calls are transferred to Paul Bunyan Transit for dispatching.

Overview of National/Regional Best Practices

The Purchase Area Regional Travel Management Coordination Center, Kentucky - The Paducah Area Transit System (PATs) and three rural transit systems created a Transportation Management Coordination Center (TMCC).

Goals:

- Do more with existing resources;
- Enhance mobility within and between communities, meaning increasing access to multiple destinations and opportunities; and
- Generate new revenues for transportation services.

Performance Related Goals:

- Provide a place, phone number and website where people can get information about services, bus passes and vouchers;
- Assist consumers in learning about/becoming eligible;

- Offer a source for travel training and travel orientation;
- Empower customers to schedule rides and check on ride status via the Internet and Interactive Voice Response (IVR) telephony; and
- Link one-call service directly to rides as part of an integrated service delivery chain.

[Purchase Transit Website](#)

Ride Connection One Call Center, Portland, Oregon - Ride Connection is a non-profit organization established to link accessible, responsive transportation with community needs.

Vision

To create independence and community connections through the gift of mobility.

Values

Recognize, nurture and appreciate our staff and volunteers.

Maintain collaborative relationships with network providers.

Coordinate system-wide training and safety programs.

Deliver safe, personalized and accessible door-to-door services.

Assure honest, reliable and accountable business relationships.

Lead by example.

Coordinated comprehensive approach to enhance independent mobility. The call center is the primary information and referral hub:

- Able to coordinate transportation services with multiple programs and providers, including public transit
- Provides a reliable and consistent customer service experience
- Three Travel Navigators and one Scheduler

[Ride Connection Website](#)

Cooperation Strategy: Joint Purchasing

Joint purchasing focuses on coordinating administrative and fiscal functions commonly undertaken by multiple organizations as a way to achieve greater cost efficiency and eliminate redundant activities. Examples of how transportation operators could consolidate purchasing include:

- combined vehicle maintenance contracts;
- joint insurance contracts;
- multi-agency driver training; and
- multi-agency substance abuse testing.

Expected Benefits

- Agency cost savings
- More consistent operating procedures
- Shared administrative functions easily implemented
- Opportunity to build and develop trust across agencies
-

Potential Obstacles

- Requires a lead agency to champion
- Increased administrative costs to lead agency
- Some agencies may have entrenched procurement/purchasing requirements
- Joint purchases of some items may require large initial expenditure

How It's Done in Minnesota

Shared Maintenance, Dakota Area Resource and Transportation Services (DARTS) is a private, non-profit human service agency with 37 vehicles. Recognizing the need for reasonably priced, high quality maintenance services and in order to offset internal maintenance costs, DARTS began offering its vehicle maintenance services to other agencies. By successfully marketing maintenance services to other local service providers, DARTS now services between 80 and 90 vehicles on a regular basis.

Fuel Purchasing, RiverRider – RiverRider purchases fuel from Wright County

Overview of National/Regional Best Practices

Insurance Pools, Non-Profit Insurance Program (NPIP), Washington State – NPIP is a Joint Insurance Purchasing program where members jointly purchase insurance and claims adjustment, risk management consulting, and loss prevention services. Primary benefits are lower insurance premiums, stable access to the insurance market and increased availability of risk management and loss prevention services.

Cooperation Strategy: Shared Resources

This strategy involves the shared purchase and/or use of resources. Sharing resources may include capital resources such as vehicles and facilities and/or operating and support services.

Examples of sharing operating and support services include:

- sharing vehicles;
- sharing software;
- offering joint driver training;
- offering joint drug testing programs; and
- sharing (or developing joint) policies, procedures, and implementation plans.

Expected Benefits

- Reduces cost and improves efficiency
- Enables agencies with limited resources to access full services
- Serves communities with a higher level of expertise
- Provides additional source of revenue for the “have” agencies

Potential Obstacles

- Requires lead agency to champion
- Some agencies may be reluctant to share agency funded vehicles due to high costs of liability insurance
- Requires quality control, monitoring and cost allocation systems

How It’s Done in Minnesota

Vehicle Sharing, Dakota Area Resource and Transportation Services (DARTS) is a private, non-profit human service agency with 37 vehicles. DARTS shares the operation of a Section 5310 vehicle with the City of Farmington Senior Center and St. Michael’s Church. DARTS applied for the 5310 vehicle, paid the local match, and pays insurance and maintenance costs. DARTS operates the vehicle Monday through Thursday. The City of Farmington Senior Center operates the vehicle on Fridays and for special after-hours and weekend events, paying the driver, for fuel, and a maintenance and insurance fee. St. Michael’s Church operates the vehicle on weekends, pays for the fuel, and supplies volunteer drivers. All drivers operating the vehicle must complete DARTS drivers’ training program and be certified by DARTS.

Overview of National/Regional Best Practices

Vehicle Sharing, Jefferson Area United Transportation (JAUNT), Virginia – JAUNT offers “Agency Service” as an option. With “Agency Service”, the vehicle and occupants are covered under JAUNT insurance and gasoline costs are included. JAUNT charges \$47/hour per vehicle for service with a professional JAUNT driver, \$0.50 per mile with an approved agency driver, and offers ticket billing for agency sponsored passengers for 1.5 times the ticket cost.

[Jaunt “Agency Service” Brochure](#)

Consolidation Strategy: Consolidate Service Operations

The consolidation or merger of some or all functions of service operations (hiring, training and deploying drivers and maintaining vehicles) under a single operating entity.

Expected Benefits

- Creates cost-efficiencies by consolidating trip reservations and scheduling staff
- Maximizes opportunities for ride sharing
- Improves service delivery and customer satisfaction
- Provides leverage/local match dollars to secure additional federal funding
- Cost savings translate into increased service

Potential Obstacles

- Requires champion agency to take on consolidation and support idea
- Once implemented, requires administrative oversight of operations and staff
- Agency concerns over service quality, loss of control and client contact
- Requires project management and oversight, cost allocation/reimbursement models and service delivery standards

How It's Done in Minnesota

Smartlink – Scott/Carver Counties - Smartlink Transit is the Dial-A-Ride, ADA and Medical Assistance service provider for both Scott and Carver counties. One dispatch center coordinates all ride requests, as well as the regional connections to surrounding communities. Smartlink was created through the merger of Scott and Carver County transit systems.

Overview of National/Regional Best Practices

Port Authority of Allegheny County, Pittsburgh, Pennsylvania. - The Port Authority in Pittsburgh contracts with Veolia Transportation as a broker. Veolia obtains bids from transportation providers to identify the lowest cost provider. Veolia contracts with private and non-profit carriers who perform reservations, scheduling, and dispatching for distinct service areas or zones. Customers are assigned to carriers based on their zone and all trips are commingled. Fares are also dependent on the customer zone and may be paid using cashless fare methods.

[ACCESS Website](#)

Three C Toolkit

The toolkit is intended to support the local transit systems in the assessment, planning and decision making phases of their Transit For Our Future effort. The toolkit consists of the following important pieces:

Getting Started With Coordination, Cooperation, Consolidation

This 9 step process (See Appendix A) outlines the steps involved for a system initiating Transit For Our Future discussions and leading to receiving funding assistance through the Office of Transit.

Transit System Restructuring Process Workshop

MnDOT, through the RTAP program, is offering workshops to transit systems interested in restructuring. Instruction will include; the process for identifying regional trade centers and corridors that unify a transit region by providing systems with plan layout, strategic market analysis tools, and a process to use when working on consolidation with special attention given to transportation human services. The audience will be select transit agency staff and board members systems that are candidates for merging with another existing transit system.

One on One System Restructuring Consultation

MnDOT, through the RTAP program, is engaging a consultant to assist the MnDOT Office of Transit to provide individual technical assistance via face to face meetings or with the use of technologies with merging rural transit systems by providing an outline of key items for standardization and tools. Examples of key items include: operating procedures, policies, service plan and design, governance relations, etc. The audience will be transit agency staff and board members in the process of merging and those who have attended the restructuring process workshops.

Restructuring Studies

MnDOT is providing funding to engage a consultant to conduct restructuring studies (See Appendix B) to support interested transit systems in understanding what needs to happen to work together. The goals of these studies are:

- ▶ To establish a baseline understanding of regionalization opportunities. The study recommendations will guide future public transit funding applications for participating transit systems.
- ▶ To understand the benefits and concerns resulting from potential cooperative arrangements between public transit service providers.
- ▶ To recommend three cooperative strategies to pursue, potentially including coordination or consolidation.
- ▶ To develop an implementation plan to guide public transit systems toward a cooperative or consolidated model.

Appendix A: GETTING STARTED WITH COORDINATION, COOPERATION, CONSOLIDATION

1	Two or more Small Urban and/or Rural Public Transit System mutually agree to initiate discussions regarding the coordination, cooperation and/or the consolidation of one or more services provided by a lead transit agency and/or the transit system consolidation of administration and operating services.	Transit system representatives
2	Affected Public Transit Systems have full support from their respective governing bodies to proceed with discussions and planning.	Transit system representatives District DPM
3	Affected Public Transit Systems have contacted their Transit Project Manager for technical support and guidance. Lead System Managers must work closely with Project Manager throughout entire process.	Transit system reps District DPM
4	Group develops a "one pager" that describes the objectives of the project and outlines potential benefits. Presents the project to MnDOT Office of Transit.	Transit system reps District DPM OT staff
5	If project involves any of the following components, it is highly recommended that the system undertake a Transit Restructuring Planning Study (Please refer to Scope included in Appendix B) <ul style="list-style-type: none"> • Organizational Restructuring • Route Redesign that includes increasing service hours 	
6a	Affected public transit systems work with Office of Transit planning staff to finalize a scope of work for the Transit System Restructuring Study.	Transit system reps District DPM OT Planning Staff
6b	Affected public transit systems, who are not undertaking a Restructuring Study, work with Office of Transit Staff to scope Coordination and	Transit System Reps District DPM OT Staff

	Cooperation projects for funding consideration.	
7a	Affected public transit systems work through the Restructuring Study process and submit a proposed management plan.	Transit system reps District DPM OT Planning Staff
7b	Affected public transit systems, who did not undertake a Restructuring Study, submit a proposed management plan which includes: <ul style="list-style-type: none"> ○ Objectives of the project ○ Expected benefits ○ Preliminary budget ○ Partner relationships ○ Timeline for <ul style="list-style-type: none"> ▪ Planning ▪ Public outreach ▪ Implementation ▪ Evaluation and adjustment ▪ Sustainability 	Transit system reps District DPM
8	Grant contract award and execution	OT
9	Ongoing project management team meetings for life of project	All

Appendix B: Restructuring Study Scope of work and deliverables

Background

The overarching task for this study is to provide MnDOT and the participating public transit systems three options for moving forward with a collaborative model to ensure more efficient transit operations in the participating counties. “More efficient” may mean covering larger geographic areas, providing the existing services for less money, reaching a greater population of potential transit riders, reducing inefficiencies related to duplicated efforts, and linking previously disparate systems in a cost-effective way.

Tasks

1. **Analyze participating systems’ services, functions, positions, and personnel.**
 - a. **MEETING # 1:** Meet with Project Management Team (PMT) to discuss detailed scope, timeline, clarify study goals, and map out information exchange needed to complete any item in Task 1. *(In person meeting.)*
 - b. Identify, describe and map each system’s public transit routes and contracted service routes. *(MnDOT to provide data)*
 - c. Summarize organizational structure and administrative functions of each system, including contractual relationships. *(MnDOT to provide data)*
 - d. Identify day-to-day operational and administrative functions of each system, including scheduling of drivers and vehicles, communications procedures, policy creation, performance monitoring and measuring, recordkeeping, etc.
 - e. Identify staff organizational structure (position, FT/PT), number/duties of positions within each system that provide the system’s services and functions, including vacant positions. *(MnDOT to provide data)*
 - f. Identify any major differences between each system’s personnel policies.
 - g. Identify the source and amount of existing federal/state/local funding; detail operational versus capital expenditures. *(MnDOT to provide data)*
 - h. Assess each system’s performance (operational and financial) according to Office of Transit performance measures. *(MnDOT to provide data)*
 - i. Inventory vehicles and facilities used to provide services and functions. *(MnDOT to provide data)*
 - j. Evaluate each system’s effectiveness in utilization of capital resources.
 - k. Evaluate the current scheduling and dispatching techniques utilized by each system and identify major differences between the systems.
 - l. Identify the roles and responsibilities of existing system’s oversight or governance structures, e.g. county boards or joint powers agreements.
 - m. Evaluate the role of local governance and labor agreements in operation/administration of the systems.
 - n. Identify any major differences between systems’ operating policies and procedures. Contractor should review written procedures and conduct interviews with staff.
 - o. Identify any current or emerging issues related to administrative, operating, or capital funding that are applicable to or that affect regionalization.
 - p. Identify administrative, capital, and operational areas where there is a clear duplication of services/functions and/or that present opportunities for coordination and/or consolidation.
 - q. **DELIVERABLE #1:** Tech memo summarizing findings from Task 1; headings by task sub-number.

- r. **MEETING # 2:** Meet with Project Manager (and others, as determined) to review tech memo and map out information exchange needed to complete any item in Task 2. *(Meeting via phone/web technology.)*

2. Assess service design opportunities for regionalization of services.

- a. Develop three service design alternatives to improve intermodal connections in the area, including needs or opportunities for regional connections (extending local services via connections). Evaluate the following in developing regionalized routes:
 - i. Main destination areas such as regional medical centers, employment centers, shopping centers, social service centers, and high-density housing identified in the Greater Minnesota Transit Investment Plan and developed since the Investment Plan;
 - ii. Non-emergency medical transportation;
 - iii. Employment transportation patterns identified in the 2011 Local Human Service Transit Coordination Plans;
 - iv. Coordination of existing transit services;
 - v. Rural/community transportation services, including demand response, subscription, and deviated route/feeder services;
 - vi. Urban fixed-route transit services, including intercity services;
 - vii. Rail/aviation/intercity bus connections and regional transit connections/coordination;
 - viii. Available local private transportation services, such as taxis, paratransit providers, etc.; and
 - ix. Examination of local and regional travel patterns based on census data and other available data.
- b. Complete a SWOT analysis (strengths/weaknesses, opportunities/threats) for service coordination and/or consolidation to deliver regionalized route alternatives.
- c. Analyze and document advantages/disadvantages and costs/savings/benefits of regionalized route alternatives. Evaluate anticipated costs, revenues, and cost allocation and billing methodologies.
- d. Determine capital resources necessary to deliver regionalized route alternatives.
- e. Provide three ranked recommendations of preferred regional route alternatives.
- f. **DELIVERABLE #2:** Tech memo summarizing findings from Task 2; headings by task sub-number.
- g. **MEETING #3:** Meet with Project Manager (and others, as needed) to review tech memo from Task 2 and determine structure and strategy of meeting #4. *(Meeting via phone/web technology.)*
- h. **MEETING #4:** Present cooperation alternatives to county commissioners and other vested stakeholders. *(In person meeting.)*

3. Identify joint agency structure alternatives, including organizational charts, staffing options, and location alternatives for regionalized administrative and/or operations office for each service design alternative.

- a. Identify and evaluate joint agency structure alternatives for service regionalization.
- b. Evaluate advantages and disadvantages of consolidating services and functions (including call center issues and dispatching software).
- c. Develop a timeline for consolidating services, functions and positions.
- d. Identify impacts of alternatives on staffing in existing systems.

- e. Provide recommendations regarding retention of vested permanent employees of transit systems.
- f. Identify existing funding sources. Analyze and document impacts of joint agency structure alternatives upon local, state and federal funding.
- g. Identify any impacts or implication of federal regulations and requirements (e.g., drug and alcohol testing, ADA, labor protection, Clean Air Act, Health Care for American Plan, etc.).
- h. Identify administrative and operating impacts (financial, customer service, safety, quality of service, enhanced mobility) to existing passengers and contracting human service agencies (by comparing fully allocated cost rates—cost per hour and cost per passenger—of each alternative with single-system rate).
- i. Identify impacts of combining existing vehicle fleets and provide recommendations on joint insurance and liability coverage.
- j. Identify impacts on capital needs (vehicles, equipment, technology and facilities), including impacts (financial, customer service, safety) to existing passengers, contracting agencies, and local governments (compare new cost rate of each alternative with single-system rates).
- k. Identify anticipated change in performance measures based on identified alternatives.¹
- l. Detail change in anticipated costs for service and administrative functions for each of the alternatives relative to what exists today.
- m. Provide ranked recommendations of preferred joint agency structure alternatives.
- n. Provide recommendations on a public education campaign to current system users to ensure a smooth transition from existing systems to the new model.
- o. **DELIVERABLE #3:** Tech memo summarizing findings from Task 3; headings by task sub-number.
- p. **MEETING #5:** Present deliverable #3 to stakeholders of transit systems (operators, county commissioners, etc. – not intended to be a public meeting). (*In person meeting.*)

4. Implementation Plan

- a. Based on feedback from Meeting #5, develop an implementation plan to guide Martin and Faribault counties toward the preferred cooperative or consolidated model.
- b. **DELIVERABLE #4:** Implementation Plan detailing work plan to bring Martin and Faribault counties' public transit systems to a cooperative or consolidated model.

Appendix C: Resource References:

Examples of Transit Coordination Studies

PACTS Regional Transit Coordination Study, 2007

<http://www.pactsplan.org/documents/FinalRTSReport6.22.07.pdf>

Pennsylvania Transit Consolidation Report: Case Studies of Lackawana County, Luzerne County, 2012

<ftp://ftp.dot.state.pa.us/public/bureaus/PublicTransportation/GeneralInformation/TransitConsolidation.pdf>

South Central Pennsylvania Public Transit Regionalization Study

<ftp://ftp.dot.state.pa.us/public/bureaus/PublicTransportation/GeneralInformation/SouthCentralPresentationFINAL.pdf>

Mobility Coordinator-Travel Trainer

TCRP Synthesis 94, Innovative Rural Transit Systems- A Synthesis of Transit Practice, 2011,

http://onlinepubs.trb.org/onlinepubs/tcrp/tcrp_syn_94.pdf

Transportation Management Coordination Center (TMCC)

Demonstration of Enhanced Human Service Transportation Models: Phase 1 - System Development and Design The Purchase Area Regional Travel Management Coordination Center (TMCC), 2009,

http://www.fta.dot.gov/documents/Paducah_FTA_FinalReport.pdf

One Call One Click Toolkit, Call Center Profile

http://web1.ctaa.org/webmodules/webarticles/articlefiles/CaseStudy_Paducah.pdf

USDOT Research and Innovative Technology Administration Core Elements of a Proposed Traveler Management Coordination Center, 2012

<http://www.its.dot.gov/msaa/msaa2/chapter6.htm>

USDOT Research and Innovative Technology Administration, ITS Research Success Stories: Mobility Services for All Americans (MSAA), 2012

<http://www.its.dot.gov/msaa/index.htm>

Minnesota Council on Transportation Access, Mobility Management Series: Webinar 2 of 3 Building a Metro Area Transit One-Stop Call Center

<http://www.coordinatetransit.org/events/mobilitymgmtwebinar/callcenter.html>

Minnesota Council on Transportation Access, *Successful Local Transportation Coordination Case Studies*, 2011,

http://www.coordinatetransit.org/MCOTA/documents/LocalCoordCaseStudies_MCOTA_Jun2011.pdf

Appendix D: Sample Mobility Manager Job Description



Position Description

Title: Mobility Manager

Dept: Transportation

Reports to: Director of Transportation

Status: Full-Time, Exempt

Salary/Wage Rank:

Issued:

Revised: N/A

Position Summary:

The Mobility Manager is responsible for implementing the grant-funded mobility management program. This includes ongoing coordination with human services agencies, carrying out county coordinated transportation planning, and site plan reviews. The position requires an individual with outstanding written and oral communication skills, great research skills and excellent judgment who can carry out the grant independently.

Scope of Work:

The Mobility Manager in the transportation organization serves the general public through conceptualization, planning, developing and operating programs that respond to an influence the demands of the market. These actions and supportive strategies are performed directly or in collaboration with others in order to provide a full range of travel options that are most effective in meeting needs and yet cost effective for the consumer.

This position will require the development and distribution of information that explains how to utilize the available resources in meeting the riders travel needs within the service/market area it serves.

Some of the skills, abilities and core competencies that enhance the performance of this position are:

*Change agent

*Problem Solver

*Innovative thinker

*Leadership	*Negotiator	*Conflict resolution
*Collaborator	*Mediator	*Persuader
*Empathy	*Communicator	*Customer Focus
*Initiator	*Team builder	*Visionary

Essential Job Functions and Duties:

The Mobility Manager will ensure the increased access to health care, education, employment, social services and activities that improve the lives of vulnerable populations, older adults, individuals with disabilities and the general public through coordinated transportation systems.

Actions that are required in the fulfillment of the duties are:

- 1) Lead the Technical Advisory Committee (TAC) and other advisory bodies that work to identify transportation/mobility needs and resources, and plan for improvements;
 - ▣ Schedule meetings
 - ▣ Identify and notify stakeholders
 - ▣ Chair meetings
 - ▣ Facilitate discussion of strategies and potential projects
 - ▣ Plan occasional “transportation summits” for a broader group
- 2) Develops and directs the design, production and distribution of specific mobility management marketing materials;
- 3) Maintain a data base of transportation options for the area;
- 4) Works with individuals with varying needs to identify transportation options and to track unmet needs;
- 5) Attend county and regional interagency meetings as well as other gatherings that provide an opportunity to gather feedback about transportation needs and reach out to other agencies and organizations;
- 6) Participate in DARTS staff meetings, other agency activities, and statewide events for mobility managers as needed;
- 7) Prepare and present monthly reports as required;
- 8) Update and maintain commuter route data for Google & Bing transit;
- 9) Provide transportation solutions training for staff at community agencies;

- 10) Researches, develops and writes grant applications for future or other related funding opportunities;
- 11) Plans and coordinates special promotional events and activities related to general public transportation and mobility management;
- 12) Makes public and group presentations on the benefits of mobility management for the community;
- 13) Work with human service agencies to solve their transportation challenges and improve transportation safety and efficiency through ongoing consultation;
- 14) Builds supportive community networks;
- 15) Leads in the design of operational functions that are nontraditional in service delivery;
- 16) Stays current and is familiar with technological advances that increase travel options and/or convenience;
- 17) Is knowledgeable about techniques that foster transit ridership through links with land development;
- 18) Perform other duties as apparent or assigned.

Supervisory:

- Provide first line supervision for (1) Transit Solution Specialist (TSS); Hire staff, provide training, and performance reviews.
- Provide training and related supervision of existing Customer Service staff that is cross-trained to perform TSS job duties.
- Provide leadership and mentoring to all mobility management hired and assigned staff and assume responsibility for their performance as it relates to mobility management program services.
- Monitor and mentor staff daily to become self-sufficient in their responsibilities. Encourage questions and correct performance in a supportive, professional way. Focus on team-building.

Required Knowledge, Skills, Abilities and Qualifications:

This position is professional and requires a college degree or equivalent with Master's Degree preferred and;

- A minimum of one year of relevant experience with transportation, human service, or older adults and people with disabilities agencies
- Strong oral and written report experience
- Familiarity with Dakota County and the Twin City Metropolitan Area
- Demonstrated ability to work with diverse groups of people
- Ability to develop and present information to large and small groups including the general public
- Strong computer experience and the ability to generate electronic report formats

- Experience with preparing and administering budgets
- Minnesota (or equivalent) Class D driver license

Physical Job Requirements:

This position requires that the employee sit at a desk for up to three hours at one time. Type on a computer keyboard and read a computer screen frequently. The employee must be able to hear and speak accurately.

Mental Job Requirements:

This position requires that the employee be able perform multiple tasks and meticulous attention to detail. Candidate must possess excellent communications skills. This position requires the use of proper grammar and English when speaking to customers to convey a sense of professionalism and competence

Special Requirements:

Employment is contingent upon completing and passing a:

- Pre-employment Drug/Alcohol screen
- Motor Vehicle Record Check
- Employment background and reference check
- Criminal history background check

Work Environment:

This is an indoor; desk position in a fast paced environment with a moderate amount of background noise. The workspace may be shared with other transportation staff at times.

Appendix E: Sample Staffing Structure

A Well-Managed Regional Transit System may have the following positions:

General Manager

Responsible for all transit operations including programs that are not public transportation

Acts as the public face of the transit system, e.g., make visits to councils, boards, other organizations; relates to own governing board

[Deputy, if needed, depending on size and complexity of the organization]

Operations manager(s)

Can be deployed by geographical location or transportation function or combination of both

Hires and supervises drivers

Hires and supervisors dispatchers and call takers

[May perform Safety Officer function]

[May be the driver trainer]

NOTE: If there are several different transportation divisions, such as public, school, Head Start, DTH, there should be a specific-named supervisor for each unit.

Maintenance manager

[If maintenance is hired out, then there is one designated person with responsibility for the vehicles and related record keeping]

Hires and supervises mechanics

Oversees all repair and maintenance services

Keeps well-ordered maintenance records

Chief Accountant

Must keep all public transit records separate from any other transportation materials.

Must be able to perform cost-allocations as required.

Lead Drivers

May be garaged in the remote areas and be responsible for checking that inspections are done and repairs are ordered as needed

Drivers

Dispatchers/Call takers

Mechanics

General Office assistance

Specialty activities requiring attention of a specific person:

Procurement

Drug and alcohol

Other federal compliance (T-VI, ADA)

Market research

Marketing and promotions

Route planning

Appendix F: Paul Bunyan Joint Powers

JOINT POWERS AGREEMENT FOR OPERATION OF PUBLIC TRANSIT SYSTEM

THIS JOINT POWERS AGREEMENT made and entered into by and between the City of Bemidji, a Municipal Corporation under the laws of the State of Minnesota, hereinafter referred to as the "City", and the County of Beltrami, a political subdivision of the State of Minnesota, hereinafter referred to as the "County", pursuant to the authority conferred upon the parties by Minnesota Statutes Section 471.59 and Minnesota Statutes Chapter 174, to promote efficient and economical delivery of public transit services to residents in the participating jurisdictions.

WITNESSETH:

WHEREAS, pursuant to its Home Rule Charter and Minnesota Statutes, Section 174.01, et. seq., the City provides a public transit service to City residents, known as the "Bemidji City Bus"; and

WHEREAS, pursuant to Minnesota Statutes Section 373.01, Subd. 3(5) and Section 174.01, et. seq., the County similarly provides a public transit service to County residents, known as "Beltrami Public Transit"; and

WHEREAS, the City and County have heretofore individually and independently operated their respective systems under contract with the Beltrami County Council on Aging, hereinafter the "Operator"; and

WHEREAS, the City and County recognize that there is a priority need for an efficient, centralized public transit system to service the needs of all citizens residing within the geographic area of Beltrami County, including the City; and

WHEREAS, the parties agree that joint management and operation is the most desirable plan for furnishing public transit service to City and County residents.

NOW THEREFORE, pursuant to the authority granted by Minnesota Statutes Section 471.59 and in consideration of the mutual covenants contained herein, the parties agree as follows:

I. Authorization; Effective Date.

The City and County each hereby certify that authority to enter into this Agreement has been established by a duly passed resolution of the Bemidji City Council and the Beltrami County Board. This Agreement shall become effective upon the signature of the authorized representatives of the parties, and shall continue in force until such time as it is terminated or modified as provided herein.

II. General Purpose.

Under the enabling provisions of Minnesota law, the County and City have implemented public transit systems and, have contracted with the Operator to operate their respective systems. Pursuant to Minnesota Statutes Sections 174.21

to 174.27, the City and County are eligible to receive and have received financial assistance, both State and Federal, through public transit participation programs administered by and through the Commissioner of the Minnesota Department of Transportation. Further, under the provisions of Minnesota Statutes Section 471.59, the City and County may agree to exercise jointly or cooperatively powers which they possess in common, and may provide for use of a joint board which shall be representative of the parties to the Agreement. Therefore, it is the intent of this Agreement to establish a joint public transit system to serve all residents in the City and County or, in other words, the entire geographic area of Beltrami County, and to create a Joint Public Transit Board to oversee the implementation, funding, operation and maintenance of a joint public transit system which from the date of this Agreement shall be known as the Bemidji-Beltrami County Public Transit System.

III. Joint Public Transit Board.

There is hereby created the Bemidji/Beltrami County Public Transit Board composed of five **(5) members**, **two (2)** of those members shall be appointed by the City Council, and both of whom shall be members of the City Council. **Two (2)** of those members shall be appointed by the Beltrami County Board, both of whom shall be members of the County Board. **One (1)** lay member who is a Beltrami County resident shall be appointed mutually by the City Council and the County Board and who shall be the Chairman of the Public Transit Board. All appointments shall be made within thirty (30) days of the execution of this Agreement.

The lay member shall be appointed to an initial term to be effective through **December 31, 2000**. Thereafter the City Council and the County Board shall mutually appoint the lay member for **two (2)** year terms. The City Council and County Board appointees shall be named annually by the respective bodies. The re-appointments, either at the time of expiration of term or resignation, shall be the responsibility of each governing body as indicated by the original appointments. Both original and successive appointees shall serve until their successors are appointed and qualified.

Board members shall serve without compensation from the Board. This shall not prevent a participating jurisdiction from providing compensation to its own Board member for serving on the Board.

The Vice Chairman of the Commission shall be chosen annually from the four appointees of the Council and County Board. In even-numbered years, the Vice Chairman shall be an appointee of the City Council; in odd-numbered years, the Vice Chairman shall be an appointee of the County Board.

The Board shall meet at least once a month at such times and at such places as the Board shall designate by resolution or bylaw. Special meetings shall be held from time to time upon the call of the Chairperson, or any two other members of the Board. The Board shall keep minutes of all proceedings. A majority of all the Board members shall constitute a quorum. A simple majority vote of the Board members present at a meeting with a valid quorum shall be required for the Board to take action, unless otherwise provided in this Agreement or by law.

The Bemidji City Planner shall be an ex-officio member of the Board and shall serve as secretary to the Board.

Each member of the Public Transit Board shall have one vote, except the Chairperson who shall only have a vote in the event of a tie vote among the Governmental Board members.

IV. Powers of the Board.

The Public Transit Board may exercise on behalf of the County and City all the powers of each in accordance with requirements applicable to cities and counties. The powers of the Board include, but are not limited to, the following:

- a. Prepare, adopt and implement a Public Transit System plan to provide transit services to all residents residing in the City and County.
- b. Prepare an annual budget by which the Board proposes to accomplish the transit plan and implementation of joint public transit services.
- c. Prepare an annual Public Transit Assistance Application for Agreement with Commissioner of Transportation, including the Management Plan required and incorporated within that application.
- d. Where permissible, contract directly with the Commissioner of Transportation or any other State Agency, political subdivision or Federal Agency to implement the plan and provide public transit services.
- e. Contract directly with private or public independent contractor to operate the Joint Public Transit System.
- f. Coordinate the purchase and maintenance of equipment necessary for the performance of its duties and the operation of the Joint Public Transit System.
- g. Where permissible, make contracts, employ consultants, incur expenses and make expenditures necessary and incidental to the effectuation of its purposes and powers, in conformance with the requirements applicable to contracts and purchases of the City and County.
- h. Prepare an annual audit of the books and accounts of the Board and make and file a audit report to the City and County at least once each year, as well as the filing of any audit report or any other report required by the Commissioner of Transportation.
- i. The Board may exercise all other lawful powers necessary and incidental to the implementation of the purposes and powers set forth herein, including, without limitation, the adoption of bylaws to govern the functioning of the Board, provided that no bylaw or action of the Board shall be contrary to the terms of this Agreement.

V. Contribution to Capital Costs, Budget and Financing.

The City and County, subject to qualifications hereinafter set forth, shall each contribute their existing transit-related assets, including vehicles, facilities and other capital improvements which have been heretofore used to provide transit services under their respective programs. Further, the City and County shall contribute the capital costs of operation and further development of the Joint Transit System not covered by State and Federal contributions thereto, in such sum(s) or proportion as

subsequently agreed and approved by joint resolution of the two (2) governing bodies.

- Exclusions and Special Considerations (reserved):

VI. Reports.

The Board as soon as possible after the end of each fiscal year shall prepare and present to the City Council and County Board a comprehensive annual report of its activities and finances. The Board shall also prepare and present to federal and state officials such reports and audits as may be required by law, regulation, or contract.

VII. Annual Budget.

The Board shall each year prior to August 1, and in coordination with the submission of the annual application for public transit assistance, prepare a budget for public transit system finances for the ensuing calendar year. The budget shall be substantially balanced. The budget shall follow the format with at least the following information:

1. Estimated revenues, divided as follows:

- a. Federal and State grants
- b. Contribution from City
- c. Contribution from County
- d. Miscellaneous revenues

2. Estimated expenditures, divided as follows:

- a. Contract services
- b. Supplies and materials
- c. Capital outlay
- d. Miscellaneous expenditures

Such budget shall be submitted no later than August 1 to the City Council and the County Board. The final decisions of the City Council and County Board shall be reported back to the Board. The City and County each shall pay a portion of the total annual budget as is agreed upon herein. In the event the County levies for its share of contributions, real estate located within the City limits of the City of Bemidji shall be excluded. If either the City Council or County Board fixes its contribution at less than the amount requested by the Board, the contribution of the other shall be decreased proportionately unless the later shall decide to pay a larger portion of the total contribution that is required by this Agreement. The Board itself shall not levy taxes or borrow money; and it shall not approve any claims or incur any obligations for expenditures unless there is unencumbered cash in the appropriate public transit fund to the credit of the Board with which to pay the same. Any surplus in revenues over the cost of maintenance and operating expenses of the public transit system and associated activities here described under this Agreement may be transferred by the Board to the City and County in the same proportion as they are required to be contributed by the respective bodies.

VIII. Finances.

For the purpose of financing the necessary expenditures to carry out the provisions of this Agreement, there is hereby created in the City accounts and treasury, a **Public Transit Fund**. All receipts belonging to the Board shall be deposited in tact in a bank account to the credit of the public transit fund and no disbursement shall be made from this bank account except by check no unless a verified claim for services and/or commodities actually rendered or delivered has been submitted to and approved for payment. Expenditures must be approved by the Board and made in accordance applicable to the City and County.

The City Finance Officer shall account for the fund and the custody of the cash and the bank account shall be in the custody of the City Finance Officer. The Fiscal Officer shall report its activity and fund balance to the Board monthly, but no less than on a quarterly basis. The fiscal year of the Board of the Public Transit Fund shall be the fiscal year of the City. An annual audit of the funds shall be made in conjunction with the audit of the City unless the Board deems necessary an independent audit. Any employee of the Board who handles cash in the process of collection shall furnish surety bond in such amount as determined by the Board.

IX. Designation of Lead Agency.

Pursuant to Minnesota Statutes Section 174.24, Subd.3b, for purpose of receiving payment of financial assistance from the Commissioner of the Department of Transportation, the City shall be designated the "**Lead Agency**" for such purposes.

X. Duration and Termination.

This Agreement shall remain in full force and effect unless and until terminated by a joint resolution passed by the City Council and County Board. Any party seeking to withdraw shall give 180 days written notice to the other party of its desire and intention to withdraw. Notwithstanding termination, powers of the Board under this Agreement shall continue to the extent necessary to:

1. Continue operation of a Joint Public Transit System until alternative transit operations are arranged;
2. The Board can settle and wrap up its affairs, including discharge of any debt or liability associated with the operations pursuant to this Agreement; and
3. The disposition and distribution of all property contributed to or otherwise acquired for activities pursuant to this Agreement.

XI. Disposition of Property upon Termination.

Upon termination, no property shall be disposed of until payment or performance of all obligations arising out of this Agreement are complete. All property, real and personal, held by the Board at the time of termination shall be distributed in proportion to the total contributions by the City and County over the entire duration of this Agreement, or as the parties may otherwise agree.

XII. Insurance and Indemnification.

The City and County shall cause the Joint Powers Board to obtain such insurance or equivalent coverage through a governmental self-insurance pool as the entities jointly deem necessary for the protection of the Board, the City and County, the operation of a Joint Public Transit System, and the property and assets contributed, acquired or otherwise utilized to conduct the activities contemplated under this Agreement. The City and County each agree to save and protect, hold harmless, defend and indemnify the other for any and all claims, causes of action and damages of any nature whatsoever arising from, allegedly arising from or related to the actions and activities pursuant to this Agreement. The Agreement to mutually indemnify and hold harmless does not constitute a waiver by either party of limitations on Tort Liability provided by Minnesota Law (Chapter 466).

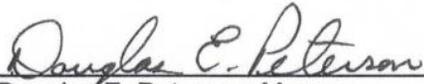
XIII. Amendments.

This Agreement may be amended by following the procedure used for the adoption of the Agreement.

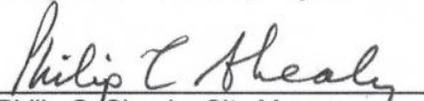
IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by authority of the respective governing bodies.

CITY OF BEMIDJI, MINNESOTA

Dated: June 7, 1999



Douglas E. Peterson, Mayor

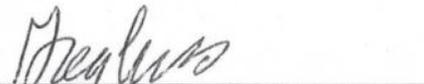


Philip C. Shealy, City Manager

COUNTY OF BELTRAMI, MINNESOTA

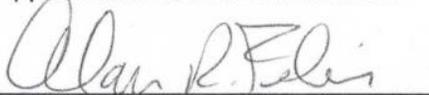


Board Chairperson

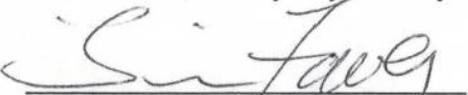


Greg Lewis, County Administrator

Approved as to form and content:



Alan R. Felix, Bemidji City Attorney



Tim Faver, Beltrami County Attorney