

# MINNESOTA PUBLIC TRANSIT – HUMAN SERVICES TRANSPORTATION COORDINATION STUDY



**MINNESOTA DEPARTMENT OF TRANSPORTATION  
OFFICE OF TRANSIT**

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# INTRODUCTION

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## I. INTRODUCTION

### PROJECT BACKGROUND

The State of Minnesota, through the Department of Transportation (Mn/DOT), Office of Transit, undertook this project to establish a planning Framework to educate public transit and human service transportation stakeholders at the local level (*e.g.*, organizations responsible for transporting agency clients, students, and the general public) about the benefits of coordinating public transit and human service transportation, identify transit industry Best Practices in public transit and human service transportation coordination activities, and develop a statewide action plan for improving transportation coordination.

For the purposes of this project, coordination is defined as:

*A process through which representatives of different agencies and client groups work together to achieve all of the following goals: increased capacity to serve unmet needs; improved quality of service; and, services which are more easily understood and accessed by riders; and cost-effective service delivery.*

Coordination among providers and agencies that provide transportation services holds the potential to:

- ◆ Increase transportation availability;
- ◆ Improve access to jobs,
- ◆ Enhance service quality;
- ◆ Eliminate duplicative efforts; and
- ◆ Improve the cost-effectiveness of transportation dollars.

By encouraging public transit and human service transportation coordination, Minnesota has the opportunity to provide more effective transportation solutions that may lead to reduced congestion, better access to jobs, and more efficient provision of transportation services.

The Mn/DOT, Office of Transit, is responsible for the administration of state and Federal transit assistance funds for Greater Minnesota (Minnesota Statutes 174.24). In addition, Mn/DOT, Office of Transit, responsibilities include ensuring procedures are in place to maximize Minnesota's use of Federal transit funds and to ensure compliance with applicable Federal regulations.

In 2001, Mn/DOT, Office of Transit, updated the Greater Minnesota Transit Plan. The plan translates the public transportation vision, mission and objectives set forth by Mn/DOT, Office of Transit, into a statewide service Framework. The plan identifies coordination and cooperation with other transit services as one of the primary components for meeting the future transit service need.

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Transportation coordination is also a key component in Mn/DOT, Office of Transit, annual process for Section 5310 and Section 5311 program funding assistance. The Federal Transit Administration (FTA), of the U. S Department of Transportation (U.S. DOT), is interested in, and takes responsibility for assisting people who are disadvantaged in terms of their ability to obtain their own transportation. FTA recognizes that coordination is key to using transportation services more efficiently.

The U.S. DOT, with its partners at the U.S. Departments of Health and Human Services (DHHS), Labor, and Education, has launched a new program designed to enhance coordination. The *United We Ride* campaign is a five-part initiative to improve the coordination of human services transportation, to break down the barriers between programs, and set the stage for local partnerships that generate common sense solutions.

### PROJECT GOALS

The Mn/DOT, Office of Transit, has established the following goals for this project:

- ◆ Increase local stakeholder knowledge about the value and benefits of public transit and human service transportation coordination;
- ◆ Provide “Best Practice” examples to assist local stakeholders implement public transit and human service transportation coordination; and
- ◆ Instruct transportation stakeholders how to overcome coordination barriers.

### PROJECT WORK PROGRAM

The Mn/DOT, Office of Transit, divided work on the Study into three main phases of work, as follows:

- ◆ Phase I – Stakeholder Assessment
- ◆ Phase II – Best Practices at the Local Level
- ◆ Phase III – Transportation Coordination Study

Phase I, “Stakeholder Assessment,” consists of outreach to local public transit systems, human service agency transportation providers, and local elected officials (Chapter II). In addition to surveys, the consultant conducted interviews with state government program managers, Metropolitan Council officials, and private transportation officials. A series of public outreach meetings were held throughout the state to solicit the opinion of stakeholders (Chapter III).

The second phase of work, “Best Practices at the Local Level,” included work on the identification of obstacles to coordination (Chapter IV), identification of Best Practices in Minnesota and throughout the United States (Chapter V), and analysis



## **INTRODUCTION**

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of the fiscal impacts of coordination based on two Minnesota case studies (Chapter VI).

The third and final phase of work represents the action plan for implementing additional coordination services in Minnesota. In constructing the action plan, two different sets of strategies were employed for implementation. First, a range of initiatives were developed for Greater Minnesota (Chapter VII). A second set of strategies was developed for the Metro area (Chapter VIII). Finally, an implementation plan for the Study was developed (Chapter IX).

## II. STAKEHOLDER SURVEYS

### OVERVIEW

In order to determine the level of, and commitment to, existing coordination activities throughout Greater Minnesota and the Metro area, two survey instruments were developed and administered to two primary groups of stakeholders:

- ◆ Transportation stakeholders, including but not limited to:
  - Human service agency provider organizations (*e.g.*, agencies on aging, preschools, county departments of human services, Head Start programs, hospitals/nursing homes, workforce centers, etc.);
  - Public and specialized transit providers (*e.g.*, public transit systems, for-profit operators, nonprofit operators, Federal Transit Administration (FTA) Section 5310 operators, etc.);
  - Organizations that fund public transit and human service transportation; and
- ◆ Local elected officials.

### DATABASE DEVELOPMENT

There was no single, comprehensive mailing list for survey distribution. As a consequence, the consultant relied on a variety of lists provided by multiple sources to create a master mailing list for survey distribution. The Minnesota Department of Transportation (Mn/DOT), Office of Transit, provided lists of all public transit and Section 5310 projects in the state. Other state agencies contributed similar databases for their local programs and grant recipients. Still others pointed to websites where listings of local organizations could be obtained. From these websites, key contact and address information was developed.

Twenty-two data fields were created in the master address table; not all fields were available from every list provided by study participants.

The consultant created a MS Access database for purposes of merging the various mailing lists into a single master list. A total of 1,111 entries were compiled. This facilitated sorting, mailing label generation, elimination of duplicate entries, etc. After taking into account duplication of entries, a total of 1,094 unduplicated addresses were ultimately compiled from the combined mailing lists.

Based on the source data, a mailing list contact was classified as either a local elected official or project stakeholder, as follows:

Stakeholder Type	Number
Local Elected Official	569
Transportation Agency Stakeholder	<u>525</u>
<b>Total</b>	<b>1,094</b>

### **SURVEY DESIGN, DEVELOPMENT AND IMPLEMENTATION**

#### **Survey Instrument Design**

FTA's *Framework for Action* "Self Assessment Tool for Communities," was used as a basis for the development of the two separate survey instruments.

This 26-question document, along with an assessment rating process, provides questions for documenting perceived coordination efforts in five basic areas of local coordination:

- ◆ Existing interagency coordination;
- ◆ Inventory of transportation resources;
- ◆ Customer amenities and service policies;
- ◆ Funding and billing policies; and
- ◆ Practices that enhance efficiency of transit services.

The Framework, however, was not used in its entirety. Based on a decision by the project advisory committee, it was determined that data should be collected about provider characteristics (*e.g.*, vehicle fleet and composition, service span, transportation expenses and revenues, etc.). As a consequence, the Framework was substantially modified. Key questions from the original questionnaire that related to Mn/DOT, Office of Transit, project goals and objectives were retained. These core questions were included in both the Project Stakeholders Survey and the Local Elected Officials Survey.

Drafts of both survey instruments were subject to the review and approval of Mn/DOT, Office of Transit. Following approval, the final version of the questionnaire was produced (copies of both surveys are found in Appendix A and B).

Surveys were mailed to both groups on November 29, 2004. A response date of December 22, 2004, was established. However, survey responses were accepted through February 28, 2005. All responses received by this date were included in the tabulation.

#### **Sampling Plan and Response Rate**

The sampling plan was designed to obtain results at the 95% confidence level. To achieve this level of significance, a total of 254 responses were required.

To further facilitate this goal and obtain the necessary response, consultant telephone follow-up was made to recipients on the mailing list to boost the response rate. The database was used to track returned responses and telephone contacts in this regard.

A total of 252 surveys were returned and deemed usable, meaning that the overall survey achieved the desired level of statistical significance. Of the surveys returned, 196 project stakeholder surveys were returned and 53 local elected official surveys were returned. The project stakeholder survey achieved significance at the 90% confidence level. Local elected official surveys were not statistically meaningful from a sampling perspective.

## STAKEHOLDER SURVEYS

Further efforts to increase the return rate to obtain additional responses were terminated on February 28, 2005, at the direction of Mn/DOT, Office of Transit, project manager.

Responses are indicated below:

Stakeholder Type	Number	Returned	Response Rate
Local Elected Officials	569	53	9.84%
Transportation Agency Stakeholders	<u>525</u>	<u>196</u>	<u>37.33%</u>
<b>Total</b>	<b>1,094</b>	<b>252</b>	<b>22.94%</b>

### Survey Tabulation

All completed surveys were entered into the database for tabulation. Frequency distributions were prepared for all closed questions. Open-ended questions were entered into the database and analyzed. Based on the responses, all open-ended questions were tabulated as to the category of the response given.

### STAKEHOLDER SURVEY RESULTS

Survey results were analyzed and the results are consistent with the first four areas previously identified as part of FTA's *United We Ride* Framework for Action. The fifth area, practices that enhance efficiency of transit services, is discussed in Section V. Best Practices.

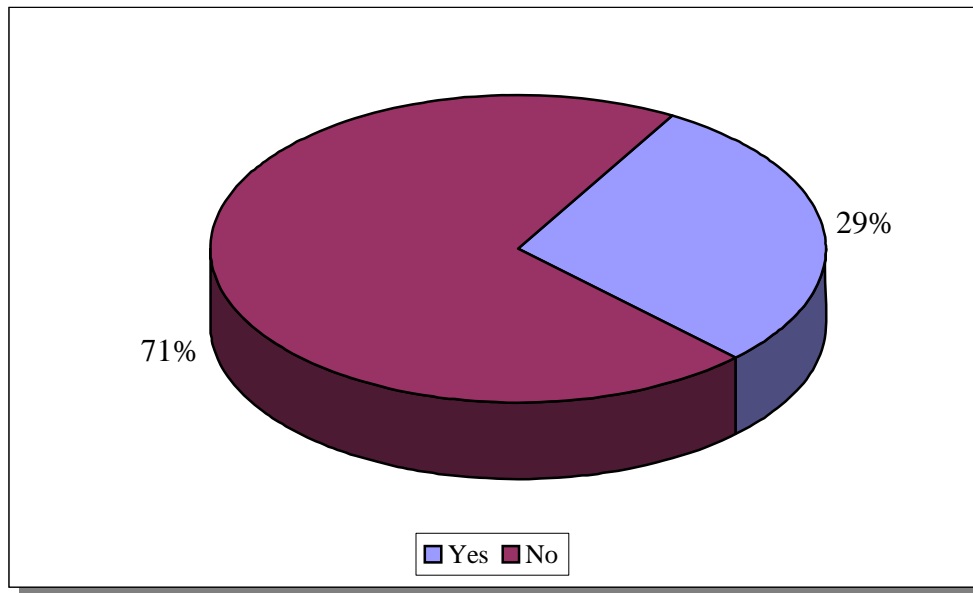
As previously indicated, of the 1,094 surveys mailed, a total of 252 responses were received. Approximately 77% of these responses were publicly sponsored transit agencies, hospitals and nursing homes, senior centers, mental retardation/developmental disabilities boards, faith-based organizations, and private transportation companies.

Over half of the respondents cited their major functions and services as something other than transportation. These same agencies, however, not only directly provided transportation, but also purchased transportation on behalf of their clients. Twenty-five percent of the responses were from agencies in the Metro area, while the remaining 75% were distributed fairly evenly across Mn/DOT Districts in Greater Minnesota.

### Existing Interagency Coordination

Approximately 29% of the respondents reported that an organization, committee, etc., has been established in their area to coordinate transportation. Of that 29%, more than half are involved to some extent in those coordination activities, either through a regional advisory board or local coordination committee (Exhibit II-1).

**Exhibit II-1.**  
**Committee Established to Coordinate Transportation in the Community**



Source: RLS & Associates, Inc., March 2005.

When asked about sustained support for coordinated transportation planning among elected officials, agency administrators, and other community leaders, 35% of respondents rated the support moderate, while 31% rated it good to high, and 24% rated it as low (Exhibit II-2).

**Exhibit II-2.**  
**Perceived Level of Sustained Support for Coordination**



Source: RLS & Associates, Inc., March 2005.

Similarly, when transportation stakeholders were asked to rate the growing commitment among local elected officials, transit agencies, and human service organizations to coordinating transportation services and maximizing resources, the responses were 27% as moderate and 30% as good (Exhibit II-3).

A key component in assessing the level of coordination efforts that are underway is to determine what process has been used to identify duplicative services for opportunities to coordinate and expand existing services. To the question *“Is there an on-going process for identifying duplication of transportation services, underutilized assets, and service gaps?”* 39% responded “no.” Nineteen percent were unsure if any process existed. Of the remaining 40%, less than half provided any details of what this process was (short/or long-range planning process, surveys, needs assessments, and/or gap analyses). Some indicated they relied on state agencies or other organizations for the process.

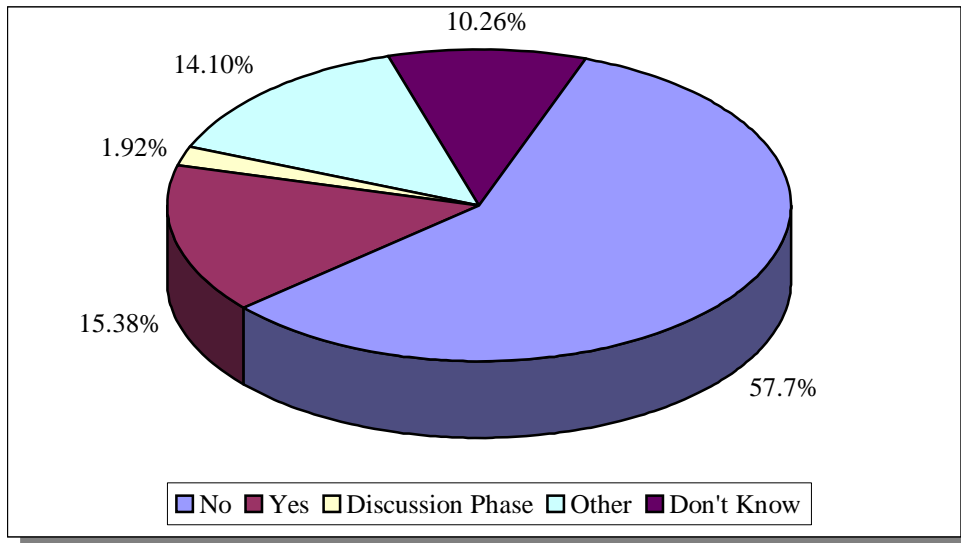
**Exhibit II-3.**  
**Growing Commitment Among Project Stakeholders and Transportation Providers to Coordinate Services**



Source: RLS & Associates, Inc., March 2005.

We can surmise from the above responses that very little formal or documented efforts to plan and implement coordinated transportation exist in Minnesota. However, to gain further clarification, respondents were asked *“Is there a strategic plan to provide coordinated transportation with a clear mission and goals.”* Fifty-eight percent responded “no,” thereby confirming this finding (Exhibit II-4).

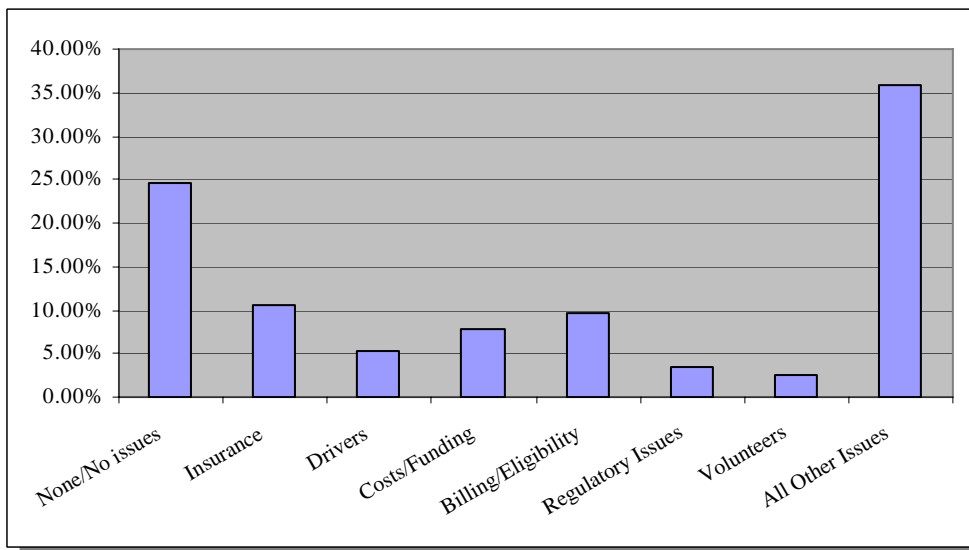
**Exhibit II-4.  
Strategic Plan to Provide Coordinated Transportation?**



Source: RLS & Associates, Inc., March 2005.

Often times the success, or lack thereof, of coordination efforts are directly related to the issues that arise as a result of attempting to pool resources. When questioned regarding what types of issues may have been encountered, the top responses were insurance (10.5%), billing and eligibility (9.6%), costs and/or funding (7.8%), and issues with drivers and volunteers (8.5%) (Exhibit II-5).

**Exhibit II-5.  
Problems Encountered In Coordination Efforts**

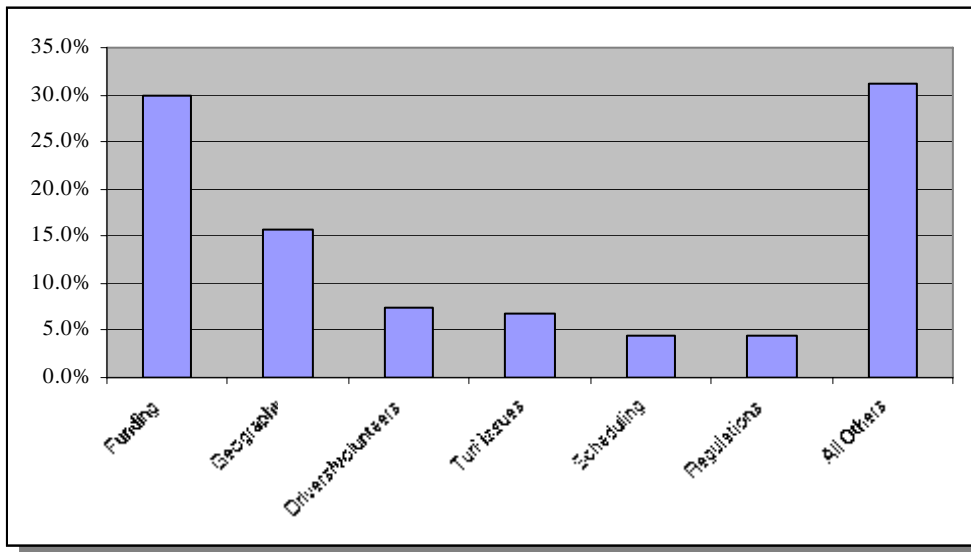


Source: RLS & Associates, Inc., March 2005.

However, when the question was stated in terms of “*the greatest obstacle to coordination and mobility in their area*,” the number one reply was funding (30%), followed by geographical barriers (15%), lack of drivers or volunteers (7.5%) and turf issues (6.25%). While regulatory barriers were mentioned, this was not an overwhelming concern (Exhibit II-6).

Stakeholders were also asked to cite what improvements they saw necessary to improve transportation coordination. Twenty-eight percent responded coordinated scheduling, dispatching, and/or routing, 24% responded funding, followed by 9 % improved communications and marketing, and 7% increased public transit services (Exhibit II-7).

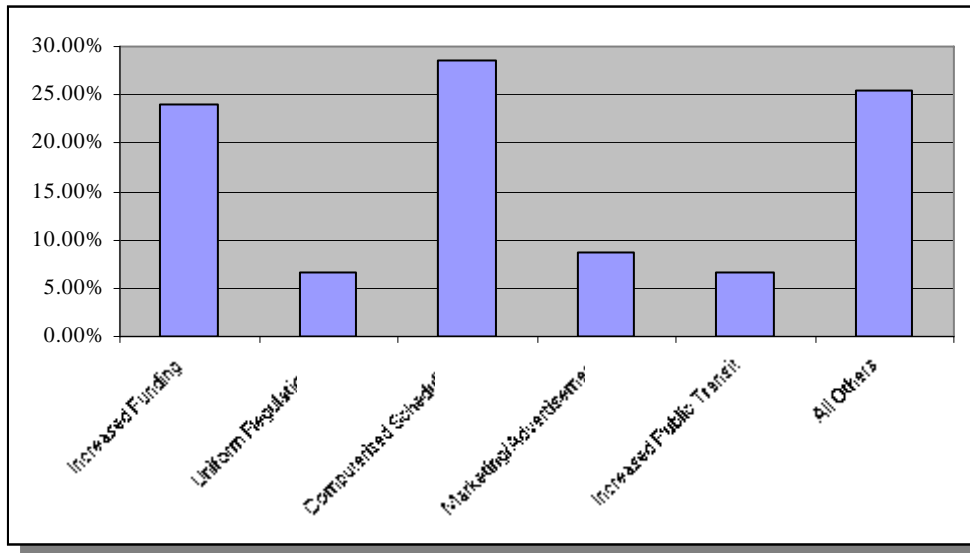
**Exhibit II-6.**  
**Greatest Obstacles to Coordination and Mobility**



Source: RLS & Associates, Inc., March 2005.



**Exhibit II-7.  
Needed Enhancements to Improve Coordination and Mobility**



Source: RLS & Associates, Inc., March 2005.

### **Characteristics of Stakeholder Organizations**

Based on the responses received, 68% of the respondents provide transportation in the demand responsive or route deviation mode. This can be attributed to the fact that the majority of the service is provided in countywide settings, where systems typically utilize demand response (including route deviation) and/or fixed schedule or subscription service. Only 23% of the respondents reported fixed route services (primarily in the Metro area and city only services).

Many of the agencies that provide transportation exclusively for their clients indicated they primarily use less formal means for service delivery. Respondents in this category stated that they reimburse their agency staff for use of personal vehicles, use pre-purchased tickets from the existing public transit system, or use volunteers. Indeed, over half of the service provided by volunteers is performed for organizations providing client only service. Only 25% of these organizations operate their own fleets for client only service.

Respondents own and operate approximately 1,300 vehicles, almost equally divided between sedans and vans and light or medium duty buses, including yellow school buses. Half are wheelchair accessible, and 60% are equipped with either cellular phones or two-way radios.

Of the 196 agencies that responded to the survey, more than 11 million trips were provided in CY 2004, 4% of those trips were wheelchair accessible.

Forty percent of respondents charge a fare, varying from \$0.50 to \$2.25, including various zone and mileage charges. Rates for contractual service vary from either the regular fare to negotiated mileage rates or other sliding scales. Responses indicate that fares vary not only by county, district, and region, but by system within each county. In addition to fares, about one-third of the respondents also accept donations. Only a very few reported using a suggested donation, anywhere from \$0.40 per person to as high as \$5.00.

### **Customer Amenities and Service Policies**

Over 50% of the respondents impose, or are required to impose, eligibility requirements for transportation, such as those tied to percent of poverty, referral from a human service agencies, low income, elderly, or disabled, Medicaid, or some other program eligibility requirement. Most of these responses were from program specific respondents. Forty-two percent imposed no requirements for transportation.

Trip purposes ranged from medical, social services, and nutrition (44%) to employment and education (20%), to social, shopping and recreation (25%). Another 10% of the responses were for miscellaneous trips.

An equal number of respondents indicated they provide curb-to-curb service as those that provide door-to-door service. Approximately 30% assist with packages; 30% allow personal care attendants or escorts, but only 12% provide personal care attendants (primarily for client only transportation).

Fifty-two percent indicated they do not require any pre-qualification for their transportation service, while 48% do have pre-qualifications or restrictions for transportation, including pre-qualifications as a result of client specific transportation, Americans with Disability Act (ADA), or financial eligibility.

Reservation policies and requirements appear to be as diverse as the systems that reported them. Fifty-one percent of the respondents that directly provide transportation services require advanced reservations, varying from one hour up to four days. Many indicated that while advanced reservations are encouraged, same day service is provided on a space available basis. Twenty percent of the respondents use real time dispatching. The remaining 30% ranged from systems that allow for advanced reservations from 7 to 30 days, systems that require “as much notice as possible,” to other systems where only 15 minutes notice is required.

### **Funding and Billing Policies**

Most of the respondents operate on a calendar year basis. While respondents reported that expenses were expected to increase approximately 20% between 2004 and 2005

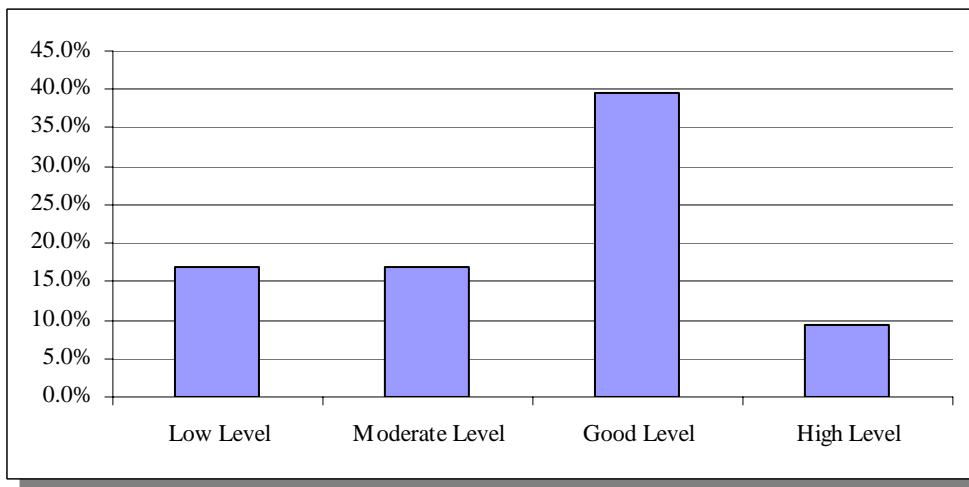
(from \$25 million to \$31.3 million, respectively), revenues were projected to decrease a little over 2%. As indicated previously, 40% of the respondents have an established passenger fare structure; fares and cash or ticket sales account for 18% of the total revenues reported. Third party reimbursements (*e.g.*, Medicaid reimbursements) account for 23% of the revenues reported, and grants and local government contributions, 52%. The remaining revenues are attributable to other sources such as advertising, donations, directly levied taxes and United Way contributions.

### SURVEY ANALYSIS AND RESULTS: LOCAL ELECTED OFFICIALS

It is essential to the development of recommendations and strategic options as part of this project to document the observations and comments from local elected officials regarding transportation coordination. A total of 53 local elected officials returned surveys. Of these 53 officials, only 21% represented jurisdictions that directly operate transportation services.

According to the responses received, local elected officials stated there is a growing commitment to coordinating transportation and maximizing resources, with 40% of the respondents saying that the level of commitment is good, and another 10% rating the commitment as high (Exhibit II-8).

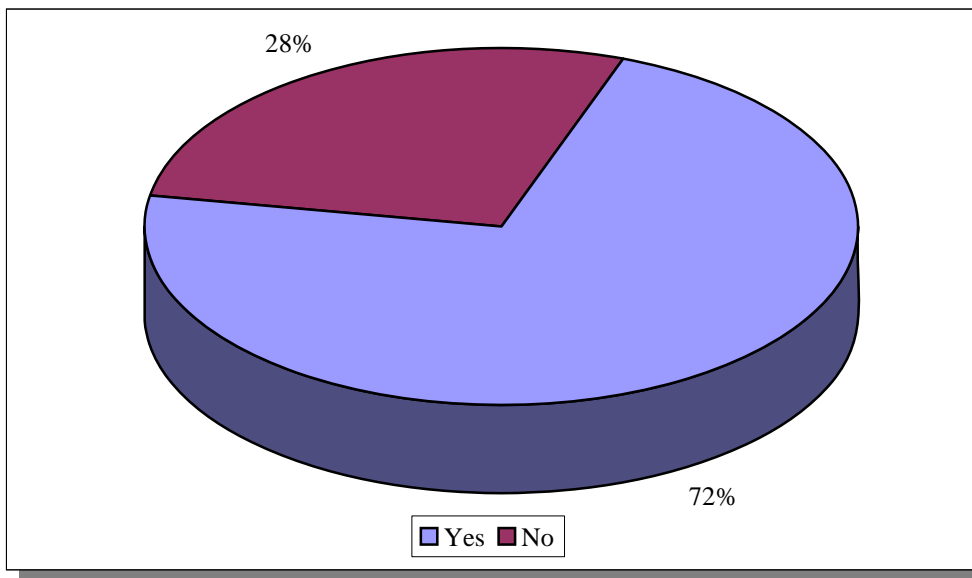
**Exhibit II-8.**  
**Growing Commitment Among Local Elected Officials**  
**to Coordinate Services**



Source: RLS & Associates, Inc., March 2005.

In response to the question “*is there sustained support for coordinated transportation planning among elected officials, agency administrators, and other community leaders?*” 72% of the respondents to this question answered “yes” (Exhibit II-9).

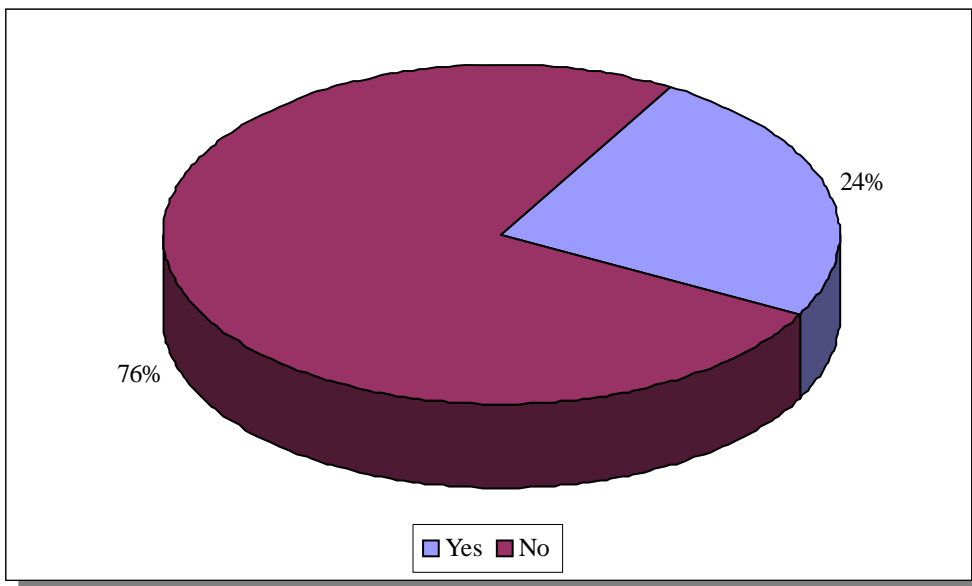
**Exhibit II-9.**  
**Sustained Support for Coordinated Transportation?**



Source: RLS & Associates, Inc., March 2005.

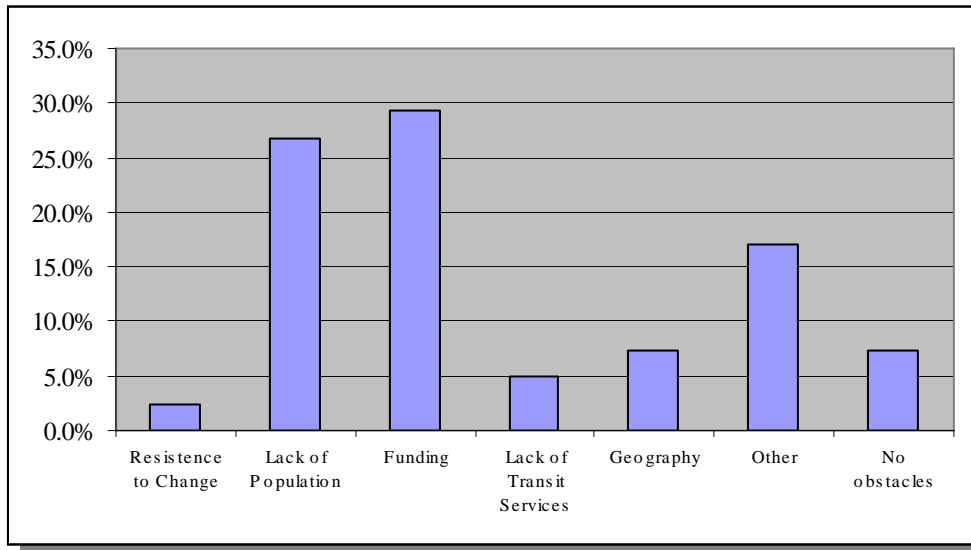
Local elected officials responding to the question of whether *some organization or committee has been established that has assigned responsibility to coordinate transportation among transit providers, human service agencies and consumers* indicated that 76% of the respondents had no such organization (Exhibit II-10).

**Exhibit II-10.**  
**Committee Formed or Organization Designated Responsible for Transportation Coordination?**



Source: RLS & Associates, Inc., March 2005.

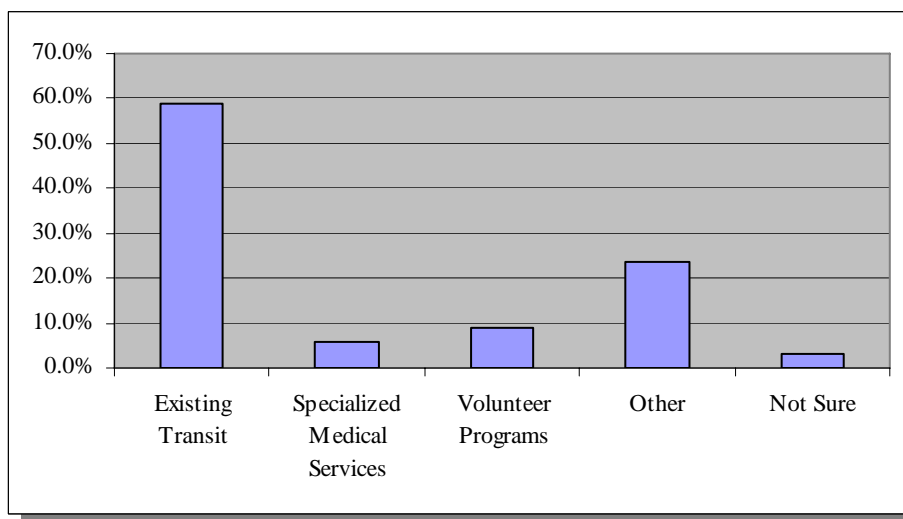
**Exhibit II-12.  
Local Elected Officials' Perceived Obstacles to Coordination**



Source: RLS & Associates, Inc., March 2005.

Next respondents were asked to cite those elements of the existing transit network that provide the most useful mobility options for the public and clients of human service agencies. More than one-half indicated the existing local transportation system is the most useful mobility option available. The remaining responses varied, including senior transportation, county retired senior volunteer programs, regional park and ride lots, and volunteer programs and drivers (Exhibit II-13).

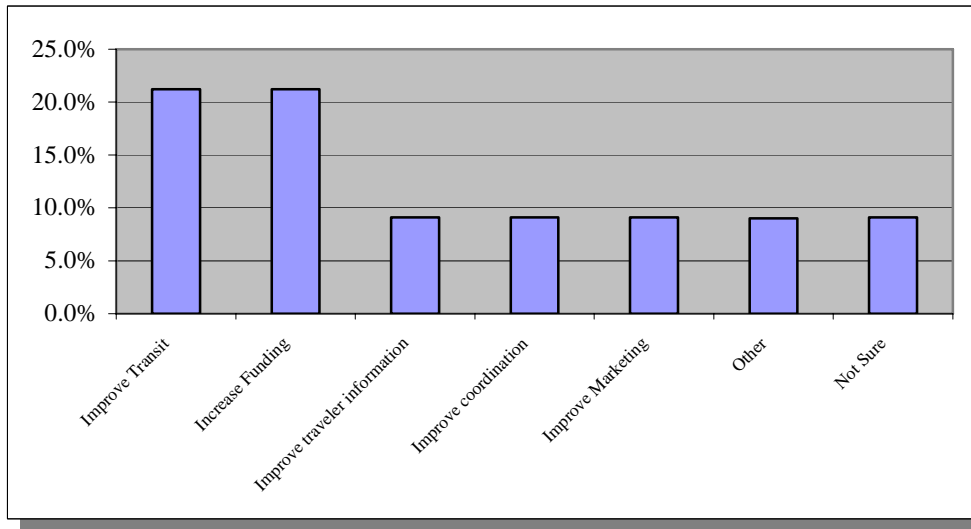
**Exhibit II-13.  
Most Useful Elements of the Existing Transportation Network to Support Mobility and Coordination**



Source: RLS & Associates, Inc., March 2005.

Finally, the local elected officials were asked to indicate what enhancements would be most needed to improve the coordination of public transit and human service transportation in their areas. The two top responses were increased transit service and increased funding, with improved marketing as the next most needed enhancement (Exhibit II-14).

**Exhibit II-14.**  
**Most Useful Enhancements to the Existing Transportation Network to Support Mobility and Coordination**



Source: RLS & Associates, Inc., March 2005.

### COMPARATIVE ANALYSIS BETWEEN THE TWO SURVEYS

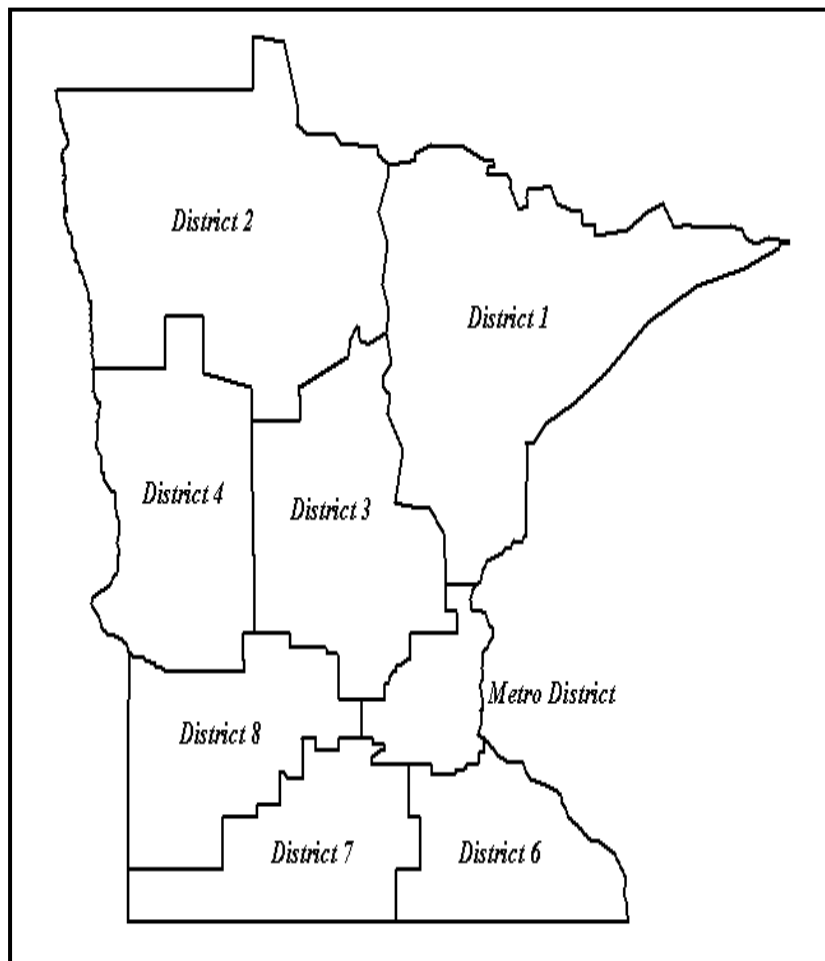
Based on preliminary review of the survey results, Mn/DOT, Office of Transit, officials posed several questions regarding differences in survey results between local elected officials and project stakeholders. These questions included:

- ◆ Are there differences in the geographic representation between the two samples?
- ◆ Are there critical differences between the two samples with respect to comparable questions posed in both surveys?
- ◆ Are there differences in the stakeholder survey responses by primary mode of service delivery?

### *Geographic Representation Between the Two Samples*

Respondents to both surveys were tabulated by Mn/DOT Districts (Exhibit II-15). The project stakeholder survey (statistically significant) reflects balance between responses by District, with the expected concentration in the Metro area. While there is a similar distribution between Metro area responses and other responses from Greater Minnesota, there are some Districts not represented in the survey sample of local elected officials (Exhibit II-16).

**Exhibit II-15.**  
**Mn/DOT Districts**



**Exhibit II-16.**  
**Geographic Distribution of the Survey Samples, by Mn/DOT District**

District	Local Elected Officials		Project Stakeholders	
	Number	%	Number	%
1	0	0.0%	15	7.7%
2	5	9.4%	26	13.3%
3	1	1.9%	22	11.2%
4	9	17.0%	17	8.7%
6	0	0.0%	22	11.2%
7	8	15.1%	23	11.7%
8	16	30.2%	21	10.7%
Metro	13	24.5%	50	25.5%
No Answer	<u>1</u>	<u>1.9%</u>	<u>0</u>	<u>0.0%</u>
<b>Totals</b>	<b>53</b>	<b>100.0%</b>	<b>196</b>	<b>100.0%</b>

Source: RLS & Associates, Inc., March 2005.

**Comparison of Results of Questions in Both Surveys**

A number of questions based on the United We Ride Framework were similar in each survey. Question 4 on the Local Elected Officials Survey is the same as Question 26 on the Stakeholders Survey. The question reads:

*In your community, has some organization or committee been established that has assigned responsibility to coordinate transportation among transit providers, human service agencies, and consumers? (Check one.)*

Responses to these questions are similar. About 23% of the local elected officials stated they have some organization to coordinate transportation. A slightly higher percentage of project stakeholders reported the existence of such a committee 25.5% (Exhibit II-17).

**Exhibit II-17.**  
**Comparability of Responses – Establishment of Committee/Organization to Coordinate Transportation Services**

Response	Local Elected Officials		Project Stakeholders	
	Number	%	Number	%
Yes	12	22.6%	50	25.5%
No	37	69.8%	122	62.2%
No Answer	4	7.5%	24	12.2%
<b>Total</b>	<b>53</b>	<b>100.0%</b>	<b>196</b>	<b>100.0%</b>

Source: RLS & Associates, Inc., March 2005.



## STAKEHOLDER SURVEYS

Question 5 on the Local Elected Officials Survey is the same as Question 27 on the Stakeholders Survey. The question reads:

*If yes to Question 4/26, please describe below. Has your governing board/organization actively participated in the planning, development, and implementation leading up to this arrangement?*

While the question was open-ended, about 75% of the 12 local elected official respondents reported active participation. About 86% of project stakeholders reported active participation

Question 6 on the Local Elected Officials Survey is the same as Question 28 on the Stakeholders Survey. The question reads:

*In your opinion, is there sustained support for coordinated transportation planning among elected officials, agency administrators, and other community leaders?*

Local elected officials were asked only to respond “yes” or “no.” Project stakeholders were asked to rate their answers on a sliding scale of 1 – 4, with “1” representing a relatively low-level of sustained support and “4” representing a high-level of sustained support.

Responses to this question do show contrasts. Local elected officials believe there is more sustained support for coordination than project stakeholders. About 59% responded “yes” to this question. Approximately 32% of project stakeholders rated this support as “high” or “good.” If “moderate” support is interpreted as a positive response, the response rate becomes 66% (Exhibit II-18).

**Exhibit II-18.**  
**Comparability of Responses – Sustained Support for the Coordination of Transportation Services**

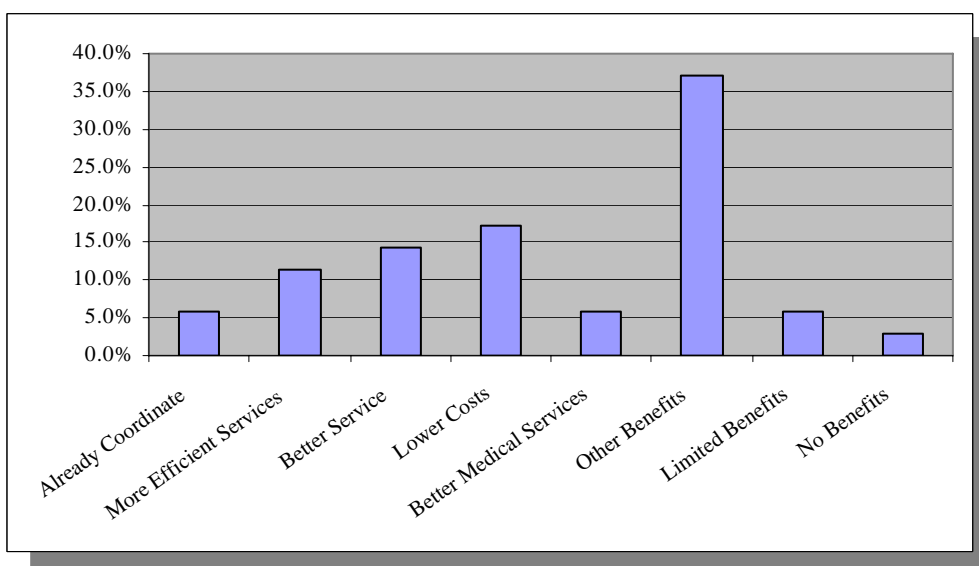
Response	Local Elected Officials		Project Stakeholders	
	Number	%	Number	%
Yes	31	22.6%		
No	12	22.6%		
Low Level			46	23.5%
Moderate Level			68	34.7%
Good Level			41	20.9%
High Level			21	10.7%
No Answer	10	18.9%	20	10.2%
<b>Total</b>	<b>53</b>	<b>100.0%</b>	<b>196</b>	<b>100.0%</b>

Source: RLS & Associates, Inc., March 2005.

Consistent with the above finding, only 16% of the local officials indicated that they actively support coordination efforts, and have held public hearings to obtain public input on issues of public transportation and human service transportation service delivery.

Local elected officials were asked to identify any real and/or tangible benefits through coordinated delivery of services. Again, almost 60% believed that there were benefits to be gained, such as more efficient services, better services, ability to meet more customer needs, improved medical services, lower transportation costs, the maintenance of independent living for the elderly, elimination of duplicate services, and the promotion of job growth along with a reduction in poverty (Exhibit II-11).

**Exhibit II-11.**  
**Real or Tangible Benefits From Coordination of Transportation Services**



Source: RLS & Associates, Inc., March 2005.

In response to the request to identify the greatest obstacle(s) to coordination and mobility in their areas, respondents cited lack of funding (30%), and the lack of population and/or population density<sup>1</sup> (27%). Seven percent of the local elected officials indicated there were no obstacles to coordination in their communities (Exhibit II-12).

<sup>1</sup> Responses to this open-ended question were aggregated into categories for purposes of reporting. This category included answers that cited: large geographic service areas, low base populations, dispersed population concentrations, and population densities that made effective transit service difficult.

Question 9 on the Local Elected Officials Survey is the same as Question 33 on the Stakeholders Survey. The question reads:

*What do you see as the greatest obstacle(s) to coordination and mobility in your service area?*

Both local elected officials and project stakeholders identified funding and/or lack of funding<sup>2</sup> as the most serious obstacle to coordination of transportation resources. Both groups ranked the issue with almost identical percentages. Similarly, both groups believed issues typically confronting rural areas – sparse population, low population density, and dispersed/widespread transit trip origins and destinations – was the second biggest obstacle. Thereafter, project stakeholders cited operational issues, such as the need for computerized scheduling, and communication issues as most important. Local elected official responses were too small to be significant (Exhibit II-19).

**Exhibit II-19.**  
**Greatest Obstacles to Coordination**

Response	Local Elected Officials		Project Stakeholders	
	Number	%	Number	%
Funding	12	29.3%	48	30.0%
Population/Population Density/Geography	11	26.8%	25	15.6%
Lack of Drivers and or Volunteers	NR	NR	12	7.5%
Turf Issues	NR	NR	11	6.9%
No Obstacles	3	7.3%	NR	NR

Source: RLS & Associates, Inc., March 2005.

### **Modal Differences in Stakeholder Responses**

To determine if there were differences in opinions regarding transportation coordination by mode, responses to Question 9 (service mode) of the Project Stakeholders Survey was used to tabulate responses to Section V, “Local Coordination Efforts” questions. Some of the open-ended questions did not lend themselves to this type of analysis (cross-tabulation). However, all yes/no and Scale 1 – 4 questions were examined.

Question 26 asked whether some organization or committee had been established that has assigned responsibility to coordinate transportation among transit providers, human service agencies, and consumers. No meaningful differences were found between the two modes. This may partially be explained by the fact that many fixed route systems

<sup>2</sup> Responses to this open-ended question were aggregated into categories for purposes of reporting. This category included answers that cited: lack of funding to support coordination, lack of funding to support transit, and lack of incentives.

(42%) also operate other modes and that some human service agency respondents may have misinterpreted the definition of “fixed route” (Exhibit II-20).

**Exhibit II-20.**  
**Comparative Responses – Organization or Committee Established to Oversee Transportation Coordination.**

	Response	Fixed Route		Demand Response		Total	
		Number	%	Number	%	Number	%
a	Yes	11	24.4%	39	25.8%	50	25.5
b	No	26	57.8%	96	63.6%	122	62.2
c	No Response	<u>8</u>	<u>17.8%</u>	<u>16</u>	<u>10.6%</u>	<u>24</u>	<u>12.2</u>
	Total	<b>45</b>	<b>100.0%</b>	<b>151</b>	<b>100.0</b>	<b>196</b>	<b>100.</b>

Source: RLS & Associates, Inc., March 2005.

Question 28 asked if there is sustained support for coordinated transportation planning among elected officials, agency administrators, and other community leaders. Responses were solicited on a scale of 1 – 4, with “1” representing a relatively low-level of sustained support and “4” representing a high-level of sustained support.

Again, no significant differences were found in the percentage of respondents in either survey who thought the level of effort towards sustained coordination were in the “*low*” and “*moderate*” categories. Demand response system respondents rated sustained efforts at the “*high-level*” at twice the percentage of fixed route systems. However, fixed route system responses rated sustained efforts at “*good*” or “*high*” represented 35.6% of all responses while only 30.4% of the demand response systems rated the effort “*good*” or better (Exhibit II-21).

**Exhibit II-21.**  
**Comparative Responses – Sustained Support for Transportation Coordination**

	Response	Fixed Route		Demand Response		Total	
		Number	%	Number	%	Number	%
a.	Low-Level	10	22.2	36	23.8%	46	23.5%
b.	Moderate Level	14	31.1	54	35.8%	68	34.7%
c.	Good Level	13	28.9	28	18.5%	41	20.9%
d.	High-Level	3	6.7%	18	11.9%	21	10.7%
e.	No Response	<u>5</u>	<u>11.1</u>	<u>15</u>	<u>9.9%</u>	<u>20</u>	<u>10.2%</u>
	Total	<b>45</b>	<b>100.0</b>	<b>151</b>	<b>100.0%</b>	<b>196</b>	<b>100.0</b>

Source: RLS & Associates, Inc., March 2005.

Question 29 asked if there was a growing commitment among local elected officials, transit agencies, and human service organizations to coordinating human service

transportation trips and maximizing resources. The 1 – 4 scale was used again to structure responses.

Both survey samples are virtually identical with the exception that more demand response systems felt that a growing commitment towards coordination of transportation was at the “*high-level*” (Exhibit II-22).

All other coordination questions were open-ended and not subject to quantitative analysis.

Tabulation of all survey results are contained in Appendix C and D, respectively.

**Exhibit II-22.**  
**Comparative Responses – Growing Commitment for**  
**Transportation Coordination**

	Response	Fixed Route		Demand		Total	
		Number	%	Number	%	Number	%
a	Low-Level	9	20.0	28	18.5	37	18.9%
b	Moderate	13	28.9	39	25.8	52	26.5%
c	Good Level	14	31.1	45	29.8	59	30.1%
d	High-Level	1	2.2	20	13.2	21	10.7%
e	No Response	<u>8</u>	<u>17.8</u>	<u>19</u>	<u>12.6</u>	<u>27</u>	<u>13.8%</u>
	Total	<b>45</b>	<b>100.</b>	<b>151</b>	<b>100.</b>	<b>196</b>	<b>100.0%</b>

Source: RLS & Associates, Inc., March 2005.

### SUMMARY

In order to determine the level of, and commitment to, existing coordination activities throughout Greater Minnesota and the Metro area, survey instruments were developed and administered to stakeholders (public transit systems, human service agencies, private nonprofit and for profit transportation providers), and local elected officials. These surveys also provided a basis for presenting the “transportation picture” in Minnesota.

From these surveys, we have determined that, while there is a wide range of transportation services provided across the state, there are still unmet needs (e.g., additional service for low income, the elderly, employment trips, and additional weekend service). Some service duplication does occur; however, there is no clear or documented plan to work to reduce or eliminate this duplication.

The majority of the services are provided via countywide, demand responsive systems Monday through Friday; and many of the services are client specific and have pre-qualifications and restrictions for the service. Reservation requirements, driver training requirements, and fare structures vary widely.

While transportation stakeholders and local elected officials both cited funding as an obstacle and as a resource needed to enhance transportation coordination, other responses varied widely. For example, 73% of the local elected officials responding indicated that there is sustained support for coordinated transportation planning, while 35% of the other stakeholders rated this sustained support as moderate.

Seventy-six percent of the local elected officials indicated that there has been some type of organization or committee established in their respective areas to coordinate transportation, while only 29% of the transportation stakeholders indicated there was some type of coordination effort in their area.

These differences in opinions and/or perceptions between local elected officials and the other transportation stakeholders are common and simply point to the need for local working groups with representation from all stakeholders, including providers and purchasers of service and local elected officials.

### III. STAKEHOLDER INPUT

Four strategies were followed to gain additional stakeholder input into the Study.

- ◆ Conduct Regional Workshops;
- ◆ Interview State Agency Officials;
- ◆ Interview Metropolitan Council Officials; and
- ◆ Interview Private Sector Transportation Providers.

#### SUMMARY OF REGIONAL WORKSHOPS

##### Dates, Locations, and Participation

To gain a better understanding of existing coordination practices and to solicit stakeholder input into the potential strategies as part of the Study, a series of regional workshops were conducted across the state. A total of nine workshops were conducted in the seven Mn/DOT Districts and the Metro area, as follows:

<u>Date</u>	<u>District</u>	<u>Location</u>
January 26, 2005	1	Duluth
January 27, 2005	2	Bemidji
January 28, 2005	4	Fergus Falls
January 31, 2005	6	Rochester
	3	St. Cloud
February 1, 2005	Metro	East Metro
	Metro	West Metro
	8	Willmar
February 2, 2005	7	St. James

Over 120 stakeholders participated in the 9 workshops, representing public transit providers, human service agencies, private providers, cities, counties, and regional development agencies. Following a presentation of the background and purpose of the coordination project, participants were invited to share their thoughts and perceptions regarding transportation and coordination in their particular community/region. The brainstorming session was structured to gather input in the following areas:

- ◆ Strengths of local human service agencies and public transit providers;
- ◆ Weaknesses of local human service agencies and public transit providers;
- ◆ Opportunities to coordinate;
- ◆ Potential or perceived obstacles to coordination; and
- ◆ Recommended action items.

More than 250 comments were recorded from the brainstorming sessions. These comments were then reviewed, and the most cited comments across all nine sessions were summarized.

**Strengths of Local Human Service Agencies and Public Transit Providers**

The responses and comments varied by District and region, however, there were also many consistencies among the areas. For example, strengths across the Districts included the existing transportation network made up of public transit, human service organizations, and private providers; the funds currently available for transportation from both Mn/DOT, Office of Transit, and the Department of Human Services (DHS), the commitment and concern to their customers by both public transit and human service agencies; other available resources such as the volunteer driver network, the pool of trained, dedicated drivers and strong driver training programs, and the use of technology (e.g., dispatching software) by several public transit providers.

Stakeholders reported on the amount of existing coordination that is already occurring across the state; many believed these existing efforts represented a Best Practice that can be replicated in other areas. Examples cited were the coordination of backup vehicles, vehicle sharing, public transit systems performing dispatching, maintenance, consulting, and driver training for smaller agencies, procedures developed to address the confidentiality issue with contract passengers, a local coordinating council model, comingling of funds between Title III and United Way for transportation; the seamless regional transit fare system model in the West Metro area; the current Medicaid brokerage project in the Rochester area; and the public transit model of transporting multiple client groups together (the general public with human service agency clients). Other strengths cited were the strong support from Mn/DOT staff, the communication that exists between public transit providers and human service agencies, and the ability of human service agencies to contract with public transit providers.

**Weaknesses of Local Human Service Organizations and Public Transit Providers**

While some characteristics are viewed as strengths, others perceive these same attributes as weaknesses. For example, although the strong network of transportation service (public transit, human service, and private provider) was cited as a strength, the competition that naturally exists between the public and private sectors was thought to be a weakness. Stakeholders believed that, despite the fact that Mn/DOT, Office of Transit, was a strong advocate of public transit and coordination, the lack of a formal coordination policy and coordination with other state agencies (specifically DHS) were areas for improvement. Further, Mn/DOT, Office of Transit's, policy of purchasing only dual wheel cutaways was perceived to discourage coordination by preventing the purchase of smaller vehicles. Stakeholders were also passionate about the requirements and regulations governing the provision of Special Transportation Service (STS) that are perceived to discourage coordination. The stakeholders, almost unanimously, saw this as not only a weakness but also an obstacle to coordination among service providers that must be addressed at the state level.

Perhaps the number one "weakness" from all workshops was the need for additional service including evening and weekend services, particularly after school and Sunday service, non-medical related trips, and employment trips.



Other “weak” areas included local geographic restrictions (imposed by local county commissions); turfism; duplication of services; the perception (by human service agencies) that public transit cannot meet the standard of service required for human service clients; the trend of our aging population retiring to low-density, rural areas which are not served well nor easily by public transit service; and the dwindling pool of volunteer drivers as well as other issues with the volunteer system. Variations in rule interpretation among the Mn/DOT Districts, e.g., whether Section 5310 vehicles can be leased to other private nonprofits, the use of Section 5310 vehicles by Section 5311 providers, etc.; conflicting state and Federal regulations (motor carrier, school bus, labor issues, etc.), the use of case workers to provide trips resulting in “hidden” transportation costs, and “client dumping” were serious weaknesses as well.

Although not a major comment at all of the workshops, we believe it is worth noting that under-utilized resources (specifically Section 5310 vehicles); limited interaction with tribal transit; and the limited ability to successfully interact and serve non-English speaking populations were issues. Further, while one or two individuals thought the mixing of different client populations was a weakness that would need to be addressed, many individuals pointed to the public transit model whereby different populations are mixed every day.

### **Opportunities to Coordinate**

Stakeholders were creative and enthusiastic when brainstorming opportunities to coordinate and just as vocal about examples of where coordination is already working.

As previously mentioned, examples cited included service providers coordinating to provide backup vehicles; shared dispatching services; human service agencies purchasing service from public transit systems, and the Medicaid brokerage system. Stakeholders believed that the time is right for the state to strongly encourage (but not mandate) coordination at the local level (through the use of incentives), to encourage the formation of local coordination committees, to establish Mobility Managers and/or information clearinghouses, as well as to work with DHS in the coordination of STS with existing public transit and human service providers. Other opportunities included the expanding and coordinating cross county trips, better marketing of public transit, incorporating private providers into the process, and the expanded intra-agency and interagency awareness, communications, information sharing to facilitate coordination, and the opportunity to educate human service agencies about fully allocated rates.

### **Potential or Perceived Obstacles to Coordination**

There are often challenges or obstacles that, at first glance, may seem to stifle, deter, or actually become a barrier to coordination. Because barriers are often perceived as insurmountable, stakeholders were encouraged to look at each of these issues as an obstacle that, with adequate information and perseverance, could be successfully removed. With this in mind, participants identified turfism or the resistance to give up ownership and control; resistance to the revision of STS rules; additional funding needed

for coordination; local restrictions for crossing county boundaries; conflicting regulations such as drug and alcohol, motor carrier, and school bus), insurance and liability issues, insufficient time to commit to coordination, and agencies unwilling to pay fully allocated costs as potential obstacles to coordination.

### **Recommended Action Items by Workshop Participants**

From a list of over 40 stakeholder recommendations, the following 10 action items were developed:

- ◆ Mn/DOT, Office of Transit, should formalize and communicate its coordination policy.
  - Stakeholders in all of the workshops were extremely vocal in their belief that actual implementation of coordination models and projects should rest at the local level. They also believe that in order to help facilitate local action, Mn/DOT, Office of Transit, should issue a coordination policy promoting local coordination actions.
- ◆ Mn/DOT, Office of Transit, should establish coordination expectations, goals, and objectives for its grantees.
  - Along with a formal coordination policy, stakeholders requested that Mn/DOT, Office of Transit, expectations for coordination be formalized along with quantifiable goals and objectives.
- ◆ Mn/DOT, Office of Transit, and DHS should coordinate programs and resources at the state level.
  - Because Mn/DOT, Office of Transit, and DHS are often “serving the same client” it is extremely important that coordination of programs and resources start at the state level.
- ◆ Program rules and policies for the Section 5310 and Section 5311 programs should be uniformly interpreted and implemented, specifically the use of Section 5310 funds and vehicles by Section 5311 providers.
  - Although Mn/DOT, Office of Transit, has written criteria for both the Section 5310 and Section 5311 programs, there appeared to be inconsistency in how the programs’ vehicle utilization regulations were interpreted at the District level. Because of this, participants questioned the extent to which Section 5310 vehicles could be coordinated, particularly with Section 5311 providers, but also with other human service agencies.
- ◆ An STS waiver should be requested for transit systems and coordinated systems.
  - STS regulations and requirements were consistently brought forward as a deterrent to coordination. Since STS regulations are associated with the DHS Non-Emergency Medical Transportation (NEMT) administered program, stakeholders felt strongly that this issue should be addressed between Mn/DOT, Office of Transit, and DHS staff.
- ◆ Financial incentives to coordinate should be offered and incorporated into grant programs.
  - Although it was not certain where funds would come from, stakeholders felt strongly that some type of financial incentives should be offered to entice

participation in the development of coordination efforts. These incentives should be incorporated into existing program (Section 5310 and Section 5311) criteria.

- ◆ Coordination pilot programs should be developed. Funds for start-up and continued coordination should be provided.
  - In order to expedite coordination, it is recommended that several pilot programs be developed to showcase coordination, record the progress and successes along with any challenges encountered. Seed funds would be needed to implement these projects and it is also recommended that a source of funds to continue these projects be researched.
- ◆ A marketing strategy and plan for public transit and coordination should be developed for educating the public, local elected officials, and state agencies.
  - Both a weakness and an obstacle is the overall lack of awareness of existing transportation services. To help raise awareness and as a tool for encouraging coordination, stakeholders recommended that a marketing strategy and plan, together with marketing pieces specific to public transit and coordination, be developed.
- ◆ A statewide transportation provider inventory should be created and maintained.
  - Another weakness and obstacle to coordination is the lack of information about providers, their resources, and scope of services. In order to coordinate, systems must know what service is available and where excess capacity lies and where duplication is occurring. A statewide inventory would provide this information. It was also suggested that this information might be best shared in an internet format.
- ◆ Client dumping on public transit systems by human service agencies (without paying the fully allocated costs) must be addressed.
  - Human service contracts for service with public transit systems are in place across the state. However, in only rare occasions are the transit systems receiving the fully allocated cost of the service. In most cases, agencies are paying the transit fare, or in some cases, a very small mileage fee for what equates to be guaranteed service. This has burdened many transit systems who are at or over capacity but are struggling to come up with sufficient funding to pay for their operations. The “dumping” issue can only be addressed through education of both the transit providers and the human service agencies of what constitutes fully allocated costs and then how to price their service to contracting agencies.

Copies of the workshop agenda and individual workshop summaries are contained in Appendix E.

### INTERVIEWS WITH STATE AGENCY OFFICIALS

Selected interviews were held with various departments of Minnesota state government. In addition to detailed interviews conducted with Mn/DOT, Office of Transit, and District Transit Project Managers (documented separately), interviews were conducted with selected other program and policy representatives from other departments that have some involvement in the transport of passengers and clients.

#### *Department of Education—School Bus Division*

The Department of Education (DoE) operates three types of transportation service: pupil transportation to and from school using yellow school buses, activity service transporting students between school buildings, and accessible service for students with disabilities. The accessible service is provided to students who have special needs. This service is provided with smaller vehicles (Type III), that carry 10 persons or less, that are inspected and include prescribed safety equipment. The vehicles are usually automobiles, station wagons or vans that have no signage, no stop arms, are not yellow in color and do not have to meet school bus standards.

The majority of the school bus service in the state is contracted out. The DoE estimates that approximately 60% was contracted out with the remainder directly operated. In 2003, 846,888 public school student trips and 89,944 private school student trips were provided during the 160-day school year. The school districts own 4,227 vehicles and contractors own 6,065 vehicles. Each school district is required to provide basic information to the state on their respective programs.

The total state budget for pupil transportation is \$38.3 million for public schools and \$22.2 million for non-public schools, totaling \$60.5 million. All transportation funds come out of the individual school district's general fund. Previously there had been a State Transportation Fund, but that has since been eliminated. There is no capital replacement schedule.

State legislation specifically allows school districts to lease vehicles to "any person for any lawful purpose." Consequently, DoE will allow school buses to be used for non-school purposes during nonproductive times as long as school bus markings are covered up. Private for profit companies sometimes lease school buses for charter purposes. DoE also allows non-students on school buses on a space available basis, provided the local school board has approved this practice.

DoE supports the coordination of transportation services. Some students buy bus passes and use public transit. Non-students can be transported on school buses, opening opportunities to better utilize school bus vehicles.

Opportunities to transport school students on vehicles other than school buses, however, are limited due to the emphasis on school bus driver criteria standards that exceed other driver standards

### Department of Human Services

DHS administers NEMT for Medical Assistance/General Assistance and Minnesota Care. Federal regulations require that the state assure necessary transportation to recipients to and from covered services. The state is required to follow the principle of obtaining the least expensive mode of transportation available that is appropriate to the medical needs of the recipient.

The agency estimates that there are approximately 650,000 clients in one or more health care programs. Approximately 400,000 clients are in managed care where the health plans are responsible for transportation. DHS is responsible for the provision and subsequent cost of the provision of transportation services.

NEMT incorporates many types of services that do not require emergency transport. Modes of transportation that are covered include common carrier services under Access Transportation Services (ATS) including bus, taxi, private automobile, and contracts for service; and STS including wheelchair, ambulatory and stretcher services. ATS reimbursement to the recipient or the recipient's driver is currently set at \$0.21 per mile. Reimbursement to volunteers is based on the most recent IRS mileage reimbursement rate. Attendant, escort services, and parking costs are included, where necessary.

The Greater Minnesota area of the state consists of 80 counties. Each of these counties has flexibility in how the services are provided and as such there are different implementation schemes in effect throughout the state. In much of the state, the ATS service is provided through volunteer networks provided on a cost reimbursement basis. The DHS would like to promote the use of more public transit in rural areas. STS services are provided by operators on a fee for services basis. Currently, there are 170 designated service providers.

Prior to 2003, the NEMT system was deemed inefficient and fraught with problems. DHS found it difficult to hold service providers accountable. Subsequently, legislative authority was obtained in 2003 that enabled DHS to make significant changes in the program operation.

In 2004, the Minnesota Non-Emergency Transportation Program (MNET) was created. In the seven-county Metro area, MNET is operated by Medical Transportation Management (MTM), a private brokerage firm. The seven Metro counties include Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington. MNET includes the:

- ◆ Provision of all NEMT for Medical Assistance, General Assistance and Minnesota Care clients residing in the designated service area (excluding STS);
- ◆ Provision of level-of-need assessments for NEMT in the area; and
- ◆ Authorization of rides over 30 miles in the Metro area.

The services are provided on a price per unit of service basis. Recipients who belong to a health plan use MNET to obtain their mileage reimbursement and receive all other

transportation services from their health plan. Currently, there are 100 service providers enrolled to provide STS services in the seven- county Metro area.

Since the implementation of the brokerage, ATS service demand is increasing and the costs of the STS services is decreasing. Consequently, preliminary assessments conducted by DHS indicate that the brokerage concept is a success and may be expanded to additional counties and other areas of the State.

### **Department of Human Services – Aging and Adult Services**

All adult programs are in the Continuing Care Division. There is no one individual or official department lead that addresses transportation issues. There are no official public policy, mission, or goal statements that directly address transportation. However, transportation is an indirect component of two primary DHS goals: controlling health care costs and enabling seniors to remain in their homes as long as possible.

Transportation is considered a program issue and as such, emphasis on transportation varies from program to program. Even though a local decision, all Area Agencies on Aging (AAA) have funded transportation in one way or another. Local needs are identified through a gap analysis. At the time of the interview, many AAA plans specifically identified transportation issues. Some local AAAs provide transportation services directly while others purchase the service under contract. Also, AAAs use extensive volunteer transportation services provided by Retired Senior Volunteer Programs (RSVP) and various faith-based entities.

The AAAs are independent and have a great deal of flexibility in what they do. Many are reactive in nature, addressing problems as they arise and addressing the administrative issues later. In most cases, demand for services is limited to the frail elderly, as local culture and social pressure tends to limit unnecessary use of scarce resources. Additionally, the nature and scope of services provided is usually so limited that it does not constitute a viable alternative for those individuals with other options.

Many senior organizations get funding for vehicles through Mn/DOT's, Office of Transit, Section 5310 program. Most demand for capital funding is being met. However, obtaining operating funding to support on-going transportation service delivery was cited as biggest problem.

DHS established a new grant program to fund initiatives that promise to change/improve the basic service delivery system. Six million dollars of Older Americans Act funding are set aside to fund the Community Services/Service Development Grant program annually. These funds have been used to fund transportation studies and coordination projects. At the time of the interview, the following coordination projects were underway:

- ◆ Volunteer Services in Carlton County;
- ◆ Tri-Valley Opportunity Council;

## **STAKEHOLDER INPUT**

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- ◆ Western Community Action;
- ◆ Southwest Minnesota RSVP;
- ◆ Region 9 Transit; and
- ◆ Project ROSE.

Despite these coordination efforts, cited obstacles to coordination included:

- ◆ Lack of funding; and
- ◆ A perception on the part of the aging network that Mn/DOT, Office of Transit, focus is on public transportation as the primary mobility option, without examination of alternative forms of service delivery.

Furthermore, the perception is that transportation initiatives must be driven by Mn/DOT, Office of Transit, and that the state level transportation coordination advisory committee must be reinstated to effectively promote change and improvement.

### **INTERVIEW WITH METROPOLITAN COUNCIL OFFICIALS**

#### **Overview**

The Metropolitan Council is the regional planning agency serving the Twin Cities seven-county Metro area and providing essential services to the region. The Council works with local communities to provide a range of services as provided for in state statute, including:

- Public transit;
- Waste water treatment;
- Regional planning;
- Demographic forecasts of the region's population and household growth;
- Affordable housing opportunities for low and moderate income individuals and families;
- Regional system of parks and trails; and
- Other regional planning including aviation, transportation, parks and open space, water quality and water management.

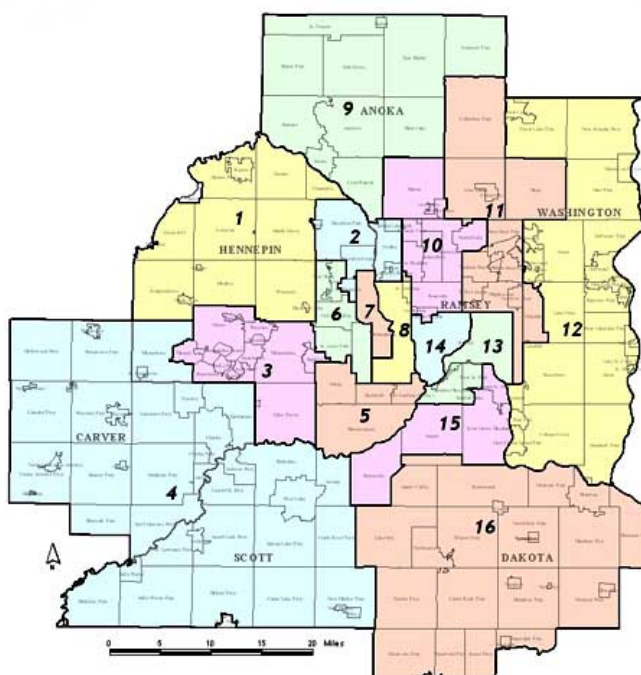
The Council was first formed in 1967 by the Minnesota Legislature, declaring that it was creating the Council "to coordinate the planning and development of the Metro area..." to better respond to issues that could only be addressed at the regional level. In subsequent years, the Legislature created several new special purpose commissions, including Metro Transit and the Metropolitan Sewer Board. As the number of regional agencies increased, the Metropolitan Reorganization Act of 1974 strengthened the Council's policy role over decisions of these regional agencies. The Minnesota Legislature passed the act to better coordinate land use planning by local communities with the Council's planning for regional systems – transportation, wastewater collection and treatment, airports, parks and open space.

Under the act, local governments prepare comprehensive plans and the Council reviews them for consistency with plans for the regional systems. The act gave the Council the authority to require a modification to the plan if it would potentially have a substantial impact on or substantial departure from metropolitan system plans.

The Metropolitan Reorganization Act of 1994 further strengthened the coordination of regional policy with operational and capital decisions. The act merged the functions of three agencies (the Metro Transit, the Regional Transit Board and the Metropolitan Waste Control Commission) into one – the Metropolitan Council.

The Council is governed by a 17-member board of directors. The members are appointed to represent 16 geographic districts with one at-large member serving as the chair (Exhibit III-1). They are all appointed by and serve at the pleasure of the Governor. The State Senate confirms Council member appointments.

**Exhibit III-1.**  
**Metropolitan Council Service Area and Districts**



### **Organizational Responsibilities – Transit**

There are two primary transit divisions: (a) Metro Transit – core service area public transit services operating over 700 buses on more than 135 fixed routes; and (b) Metropolitan Transportation Services (MTS). The Council, through MTS, also manages contracts for certain feeder and express routes operated by private providers (about 40 routes in the Metro area).



There are 18 regional paratransit operations. These operations are locally initiated and locally operated. The Council provides about 60% of the operating revenues for these operations. Additionally, the Council provides capital funding through regional bond initiatives.

The Council also provides liaison and coordination among six suburban transit authorities (discussed in more detail below) as part of the Council's program management functions. The Council coordinates the fare structures among these providers and also provides capita assistance, again through regional bond initiatives. Operations revenues are provided to these authorities directly by the Legislature; here the Council has no responsibility.

The Council also handles a regional Travel Demand Management (TDM) program. These efforts include:

- Metro Transit Commuter services;
- Carpools (regional rideshare program);
- Vanpools;
- Preferred Parking Program – A program developed in concert with local jurisdictions to provide preferential parking for registered carpools and vanpools; and
- Funding and coordination of five local Transportation Management Organizations (TMO's).

### ***Metro Mobility***

Primary Metro Mobility service delivery responsibility is assigned, by legislation, to the Council.

Several county general public dial-a-ride services do Americans with Disabilities Act (ADA) services on behalf of Metro Mobility. At least four of these organizations complement the core area ADA services provided by private contracted service providers.

### ***Suburban Services***

There are six suburban transit authorities:

- Maple Grove Transit;
- Plymouth Metro Link;
- City of Shakopee;
- Laker Lines (City of Prior Lake);
- Southwest Metro Transit; and
- Minnesota Valley Transit Authority

These services are primarily suburban or commuter express type routes.

### ***Hiawatha Light Rail Corridor***

Upon project completion in 2004, the Council operates this light rail line as a fully integrated and seamless part of Metro Transit. Hennepin County provides a portion of the line's annual operating funding.

### ***Commuter Rail***

Mn/DOT is responsible for all commuter rail.

### **Coordination with Human Service Agencies in the Region**

During the interview process, Council officials were asked about the status of coordination with human service transportation services in the seven-county region. While it was thought that there was good coordination among fixed route services in the region, it was believed that there is some overlap of public demand response and fixed route services. To the extent that individual cost per trip measures are lower on fixed route transit, it was believed that area systems should work towards maximum utilization of fixed services wherever possible and appropriate. However, this same principle worked to foster a notion among some transit professionals that fixed route services may be the one best solution to meet most public transit needs.

The Council has not recently sponsored or conducted human service agency coordination studies, but has been a participant in studies conducted by others and has been supportive of local initiatives in this regard. For example, the University's Center for Transportation Studies has conducted several coordination studies in the past. The Council has also supported, through participation and technical assistance (when necessary) local coordination efforts such as the American Red Cross work in Ramsey County. It was reported that this was but one of the several nonprofit corporations that have been active in promoting coordination.

While there has been much interaction with a range of other nonprofit corporations throughout the region, there is no other direct relationship between the Council and these organizations.

### ***Taxicabs***

In the past, the Council has attempted to develop a regional approach to taxicab regulation in the Metro area. The Council's efforts were based on a goal to improve services in the region and rationalize the licensing process. However, substantial opposition was encountered from both the cab industry and several municipalities, and these efforts were terminated in 2002.

### *Summary of Existing Coordination and Potential Duplication Arrangements in the Metro Area*

There are over 80 paratransit services operating in the Metro area, as documented in the 2004 Twin Cities Metropolitan Area Transportation Guide. Due to the limited scope of this project, only selected interviews were conducted to gain additional insights into the status of service coordination in the Metro area. Interviews were conducted March 21–24, 2005, and included:

- ◆ Metropolitan Council/Metro Mobility;
- ◆ Anoka County Traveler;
- ◆ Dakota Area Resources and Transportation for Seniors (DARTS;)
- ◆ Medical Transportation Management (the company managing DHS' MNET Medicaid "brokerage");
- ◆ Department of Human Services - Disability Services Division (Developmental Disabilities);
- ◆ Hennepin County Department of Human Services;
- ◆ Senior Community Services;
- ◆ PRISM;
- ◆ Twin Cities United Way; and
- ◆ University of Minnesota's Center for Transportation Studies.

Detailed interview notes from these interviews are contained in Appendix F of this report.

### *Existing Coordination*

In the seven counties that comprise the Twin Cities Metropolitan Area, there are several existing instances of transportation coordination, several instances of service duplication, and unmet needs that probably could be met by expanding the extent of coordination.

Examples of transportation coordination in the Metro area are illustrated by the following:

- **Metro Mobility** – In four of the seven counties where ADA paratransit service is provided, Metro Mobility contracts with the respective county based paratransit programs – Anoka County Traveler, Dakota Area Resources and Transportation for Seniors (DARTS) in Dakota County, Scott County, and HSI in Washington County. Each of these programs operates non-dedicated vehicles where ADA trips, senior trips, and human service agency trips may be co-mingled on a vehicle at the same time. In these cases, the coordination does not happen at the sponsor or broker level. The fact that Metro Mobility and other sponsors allow co-mingling is the important point. Metro Mobility also leases paratransit vehicles to its providers for \$1 a year for ADA paratransit. Because the providers have permissive authority to co-mingle other riders (seniors and human service agency

clients whose trips are sponsored) on these same vehicles, some savings can accrue because capital funding for human service agency vehicles is reduced.

- **Metropolitan Council** – The Metropolitan Council also provides almost \$3 million in Performance Base Funding (PBF) to 18 paratransit operations including the county based systems mentioned above, CARTS in Carver County, and several municipal based services and human service agency operations in Hennepin and Ramsey Counties. Depending on the cost structure, this funding can cover between one-third and two-thirds of the cost of service. Several of these services, as noted above, are already providing coordinated service. Moreover, the PBF funding also stipulates that the receiving service must be available to the general public. Thus, general public trips are co-mingled with human service agency trips on these services. The Council also provides technical services, including training for drug and alcohol programs, maintenance oversight, and Federal reporting.
- **DARTS** - DARTS in Dakota County operates a fleet of 35 vehicles, providing co-mingled demand-responsive service to Metro Mobility customers making ADA trips in Dakota County, senior residents of Dakota County, and clients of other human service agencies that purchase service through DARTS. Because these trips can be shared, productivity and hence cost efficiency is improved, funding can purchase more trips (than if separate fleets were used). DARTS also provides Elder Ride, a volunteer driver program. Other examples of coordination include sharing a Section 5310 vehicle in Farmington and providing support services to other paratransit operations in the Metro area, including maintenance services, maintenance training, driver training, general training, consulting services, and software. DARTS also orchestrated the joint purchase of Trapeze upgrades and new hardware. The co-purchasers also included four other county programs (Anoka, Carver, Scott, and Washington). Not only was there savings because of the joint purchase, but all five programs having the same software lays the foundation for inter-program coordination in the future. DARTS is also negotiating to be a DHS Medicaid transportation vendor.
- **Anoka County Traveler** – Similar to DARTS, the Anoka County paratransit service is a Metro Mobility contractor for the county and also co-mingles senior trips and human service agency trips in with these ADA trips. Approximately 40% of the 23,000 trips per year are non-ADA trips. Anoka County is also negotiating to be a DHS Medicaid transportation vendor.
- **American Red Cross of the St. Paul Area** – The American Red Cross, with its direct operation of 19 vehicles and network of 10 contractors, serves 85,000 trips per year. Ninety-six percent of this ridership is comprised of seniors. The American Red Cross provides direct service for several different programs including senior transportation (funded under Title III of the Older Americans Act), DHS long-term care programs, nutrition programs, the United Way, and three hospital/clinic groups. Additionally service is provided to Ramsey County

funded programs for seniors making non-medical trips. Trips are also provided for MNET (Medicaid), the Minnesota AIDS Project, and youth programs sponsored by Ramsey County. The American Red Cross also serves as a funding/invoicing conduit (for many of these same senior programs) for each of its 10 contractors that provide service to various neighborhoods and ethnic groups within Ramsey County. Most of these contractors operate one to two accessible vehicles and provide their own reservations and scheduling. However, for one of the contractors, the American Red Cross also performs reservations and scheduling. In addition, the American Red Cross's backup drivers and vehicles are also available to these contractors. The American Red Cross also provides driver training services to these contractors and others.

- **Interagency Coordination** – Operations staff from Lifeworks, PROACT, MRCI and Midwest Special Services have quarterly meetings to discuss who might be in the best position to serve certain trips. This involves “trip swapping” when it is more cost efficient to do so.
- **United Way** – For the transportation programs of agencies that it funds, the United Way is exploring discounts available through group participation in purchasing insurance, maintenance, and fuel.

### **Duplication and Fragmentation**

At the same time, there is duplication and fragmentation among several paratransit systems. For example:

- **Service Duplication** – As noted above, there are over 80 different specialized transportation services in the Metro area. Most of these are located in Hennepin and Ramsey Counties. From the interviews alone, we have concluded that service duplication exists between Metro Mobility, DHS Medicaid-sponsored NEMT that is arranged privately or through MNET and Health Plans, DHS day training and habilitation transportation and residential (waiver) transportation, transportation by hospitals and insurance companies, and senior transportation. And even within the realms of one type of transportation (e.g., senior transportation), there is service duplication. For example, PRISM and Senior Community Services have senior transportation services that overlap in Brooklyn Center, Crystal, Golden Valley, New Hope, Robbinsdale, and Plymouth, noting also that Plymouth has its own dial-a-ride service.
- **Service Fragmentation** – Certainly the fact that there are more than 80 different specialized transportation services is telling. However, it is especially apparent in Hennepin and Ramsey Counties in the area of senior transportation, for example. Unlike the counties of Anoka, Carver, Dakota, Scott, and Washington where senior transportation is funneled into the respective county based systems, and where a senior may travel anywhere within the county, this is not the case in Hennepin and Ramsey Counties. For example, in Hennepin County alone, there

are 31 different transportation services with solely or predominantly senior ridership – 16 cater just to senior patrons and 9 to seniors and persons with disabilities, while 6 are general public dial-a-ride services but have predominantly senior ridership. The problem is that virtually all 31 have limited service areas – most allow trips only within municipal boundaries. And even in cases where the same vendor is used to serve senior transportation programs in contiguous communities, inter-municipal trips are not permitted.

### INTERVIEWS WITH PRIVATE SECTOR TRANSPORTATION PROVIDERS

#### Overview

As part of the stakeholder assessment phase of this study, four transportation providers were interviewed to gain input regarding third party contractors in Minnesota and the opportunities and challenges for contractors in coordinated transportation as well as their recommendations for the State. Those interviewed were:

- ◆ Dale Victor, President, Care Transportation Inc., and Chair, Special Transportation Services Association;
- ◆ Linda Elfstrand, Director, Tri-CAP Transportation, and Chair of the Minnesota Public Transit Association;
- ◆ Brian Brown, Director, Northern-Access; and
- ◆ Jan Roers, Director, People's Express.

In addition, comments were solicited from Mn/DOT, Office of Transit, staff to provide further insight into third party contracting in Minnesota and the pros and cons of this structure.

Those individuals interviewed discussed STS, the NEMT funded by the Minnesota DHS.

STS is door to door, door through door, and sometimes, bed to bed. The care custody, and control of the service, belongs to STS providers. Many STS providers are also public transit providers, but not all public transit systems are STS providers. STS services are directly billed to DHS and the service is regulated by Mn/DOT, Commercial Motor Carriers Division. Organizations must first be certified in order to become a medical service provider under the STS program.

Newly started in July 2004 is the ATS or MNET, as it is commonly referred to. It is operated by MTM, who acts as a broker. All calls come into MTM who then decides what type of service is needed, *i.e.* should it be referred to STS, is it ATS, or can it be provided by a volunteer, public transit, local taxi, etc. Although separate from STS, 70-80% of the ATS service is provided by STS providers.

STS funding comes from Medicaid through DHS. STS and ATS providers are private for profit as well as private nonprofit entities. While some Minnesota transit providers are STS providers as well, the “hoops” and red tape of becoming an STS provider has been cited as an obstacle to coordination by these organizations. Nevertheless, at least one provider indicated that although there are many “hoops,” the benefit of being an STS provider (the higher reimbursement rate) helps with the local match.

There is an association of STS providers. The chairman of this association noted that the pairing of the private sector with the public sector for transportation coordination can be a good balance. The private sector brings experience, a ready infrastructure that translates to quicker response times and decreased wait times, and a history of working cost efficiently and effectively. STS providers are typically “one stop shops” or coordinated operations which should only speed up the coordination of other transportation services.

Determining what type of service best meets passenger needs can be difficult and sometimes a weakness of the private operator. Conflicts may arise in efforts to provide low cost services while attending to passenger needs. The best opportunities may lie in regional efforts of two to five counties. Private providers may not be open to the coordination concept because of a perceived loss of control, loss of revenue, and simply not wanting to change how they conduct business. Private providers can, however, provide fresh ideas.

### **Obstacles to Coordination**

One obstacle to coordination with respect to private sector service delivery in coordination efforts is common to many public/private partnerships in the delivery of government services. Some private operators feel that all services should be contracted to private concerns, while some public agencies have established services that have historically been in the private domain because the private sector services have been unavailable, insufficient, or not consistent with the technical standards established by the government agency sponsoring the service.

A related coordination issue/obstacle concerns unfair competition. When both public and private concerns are available and qualified to perform the service, cost becomes a key selection factor. Private sector providers are concerned that publicly subsidized transit providers enjoy an unfair advantage due to government operating subsidies and Federal/state participation in capital purchases. Often these concerns are legitimate, unless steps are taken to ensure that public agencies identify the fully allocated costs of service provision. Indeed, in a recent *United We Ride* publication, the issue of cost allocation was one of five primary recommendations of Federal actions that would assist the development of coordination efforts.

Among the specific obstacles perceived to exist by private operators were:

- ◆ A lack of education on the part of users regarding the service provided (e.g., curb to curb versus door to door, etc.) and cost (e.g., actual cost versus the transit fare);
- ◆ The perception that contracting out saves money (in the view of private operators);
- ◆ The perception that contracting out costs more (in the view of the public);
- ◆ A lack of time to sit down and discuss, plan, etc.;
- ◆ “Empty buses” or buses with 1 or 2 riders following each other to the same destination;
- ◆ Dumping, or the practice of some human service agencies who shift the burden of transportation costs from their agency to some other provider without providing the [matching] funds to pay for it;
- ◆ Insurance issues, and making insurance coverage through the Minnesota Counties Insurance Trust and or League of Minnesota Cities an option for most public transit providers;
- ◆ Loss of control;
- ◆ Compliance with STS and Motor Carrier requirements; and
- ◆ Lack of [additional] resources (both money and vehicles).

### *Opportunities for Coordination*

Everyone interviewed, public and private alike, agreed that the reduction and/or elimination of duplication, better use of public resources, and expansion of service to meet unmet needs and those who “fall through the cracks” are all opportunities and benefits of coordination. There are also agencies providing transportation that would be just as happy to leave this responsibility to those better equipped to provide it. Care would need to be taken, however, to make sure that the funding for these services were still made available to the transportation provider. Other opportunities include:

- ◆ Taking advantage of vehicles which sit idle during pockets of time, e.g., midday, after hours, and weekends;
- ◆ Establishing regional or multi-county coordination of services;
- ◆ Coordinating scheduling via computer software sharing;
- ◆ Using the MNET model;
- ◆ Taking advantage of the expertise of third party contractors whose primary role is to oversee their system, not oversee a variety of other services;
- ◆ Reducing administrative time and costs through partnering;
- ◆ Providing new service with a minimum of expense by taking advantage of systems and operators already in place, e.g., forming joint boards, etc.;
- ◆ Sharing maintenance services and costs; and
- ◆ Providing backup and overflow services.



### *Recommendations - Changing the Perception*

If true coordination is going to occur, there must first be a shared vision at the state level among funding agencies (Mn/DOT, DHS, etc.) that is then translated to the local level.

Second, cost allocation and the ability of publicly financed operators to identify the fully allocated costs of service provision will work to promote maximum utilization of private sector resources, when feasible.

Third, it may be necessary to streamline regulatory obstacles (e.g., STS certification procedures) so that smaller companies and other nonprofit corporations have an opportunity to deliver medical services as a complement to their existing service scope.

Recommendations include:

- ◆ Involve the private sector in coordination efforts; actively solicit their input and expertise;
- ◆ Address the funding versus cost issue (*e.g.*, fully allocated costs and pricing);
- ◆ Educate the public on coordination and the positives of change in order to efficiently and effectively use public dollars;
- ◆ Develop model systems that match the most appropriate transportation at the least possible cost;
- ◆ Develop one-stop shops that evolve with the changes and needs of clients;
- ◆ Provide [funding] incentives to coordinate;
- ◆ Work to encourage coordination between public and private providers;
- ◆ Find [and encourage] a person or agency to pursue and champion coordination at the local level;
- ◆ Simplify registration and compliance with STS and Motor Carrier requirements; and
- ◆ Reevaluate how ridership is reported (linked v. unlinked trips) to ensure better relationship between the numbers reported and what the public sees (*e.g.*, empty buses).

### IV. COORDINATION OBSTACLES

#### PROCESS FOR IDENTIFYING COORDINATION OBSTACLES

Obstacles to coordination are policies, procedures, regulations, or even laws that impede or hinder, either through direct interpretation or misinterpretation, efforts to integrate the delivery of passenger/client transportation services among two or more programs.

It is important to note that not every obstacle will represent a hindrance to coordination that is of statewide significance. Indeed, often an obstacle in one community has been successfully addressed and/or resolved in many other Minnesota communities. In some cases, merely presenting a tried and proven practice employed elsewhere in the state is sufficient to address local concerns.

It is also useful to note that obstacles to coordination, perceived or real, are often rooted in the fact that local communities in Minnesota are the recipients of Federal funding under one or more of the 62 programs recently identified by the General Accountability Office (GAO).<sup>1</sup> A detailed regulatory review of these programs reports that due to little uniformity in program delivery, report, and eligibility requirements, coordination obstacles arise.<sup>2</sup> Thus mere use of Federal funds, and the associated program rules and regulations, may present obstacles to coordination that are not rooted at the local or the state level.

Elsewhere in this report, the best coordination practices in various topical areas are presented. These “Best Practices” are a culmination of successful experiences throughout the United States, including Minnesota. Indeed, many obstacles identified in this section have been overcome by various Minnesota public transportation systems.

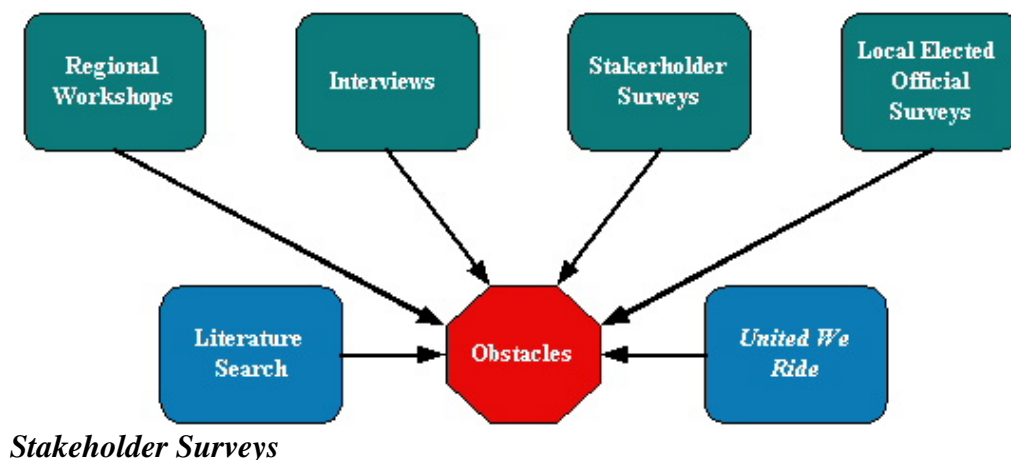
During the first phase of work under the Minnesota coordination, surveys, workshops, and interviews were used to develop a list of items deemed to be obstacles to greater coordination between public transit and human service agencies. Additionally, current *United We Ride* materials and a literature search were used to identify issues identified on the national scene that may have some impact on Minnesota.

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<sup>1</sup> *Transportation Disadvantaged Populations – Some Coordination Efforts Among Programs Providing Transportation Services, but Obstacles Persist*, General Accountability Office, GAO-03-697, June 2003.

<sup>2</sup> *Report to the President, Human Service Transportation Coordination, Executive Order 13330*, May 24, 2005, prepared by the Coordinating Council on Access and Mobility.

**Exhibit IV-1.**  
**Process for Identifying Obstacles to Coordination in Minnesota**



In the stakeholder assessment task, both local elected officials and project stakeholders were asked to identify the obstacles to coordination.

## ***Local Elected Officials***

Local elected officials were asked, *What do you see as the greatest obstacle(s) to coordination and mobility in your service area?*

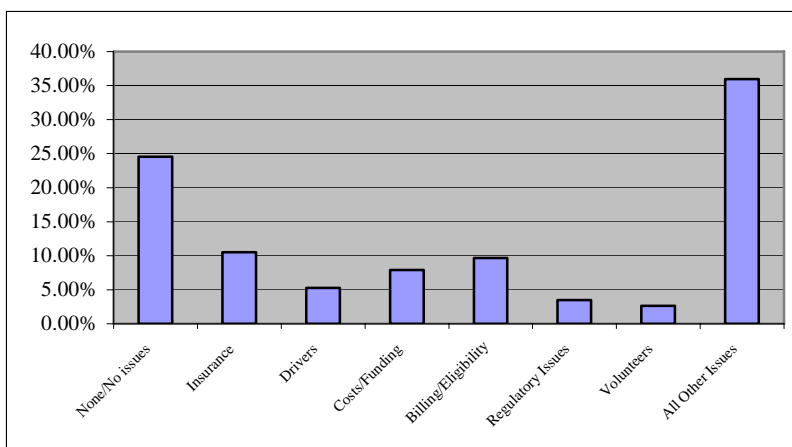
Lack of funding was cited by respondents as the biggest barrier to coordination. Examination of direct responses shows that local elected officials not only cited lack of funding, but how the lack of funding contributed to the obstacle. For example, one mayor commented that there was a lack of funding incentives to foster coordination initiatives at the local level. Another mayor commented that there was inconsistent support for coordination among various state and regional officials. Another mayor felt that local providers were coordinating to the extent possible, but that additional funding could enhance the level of coordination.

Lack of sufficient population or population density to support transit was cited as the second biggest obstacle to coordination. Large service areas were most frequently cited as the problem. Another mayor noted that lack of population means low utilization of an expensive public service. No other single answer garnered more than five percent of the responses.

## ***Project Stakeholders***

Two questions were asked on the longer project stakeholder survey. First, respondents were asked, *What issues, if any, have your coordination efforts encountered (e.g., billing and payment, insurance, driver qualifications, etc.)?* Approximately 114 responses were received to this question (Exhibit IV-2).

**Exhibit IV-2.**  
**Project Stakeholder Responses – Issues Encountered in Coordination Efforts**



**Source: RLS & Associates, Inc., April 2005.**

The most frequent answer was “no issues.” This means local officials and agency personnel worked out any issues that confronted their coordination efforts.

The largest issue cited was insurance. Most respondents referenced the cost of insurance. Other respondents cited the confusion about required levels of liability insurance to carry when transporting clients of other programs. Yet others noted difficulty in obtaining coverage when transporting other than its own program participants. One carrier noted insurance concerns when transporting individuals across state lines (Federal Motor Carrier Safety Administration sets these requirements).

Billing and rider eligibility issues were the second most frequently cited problem in local coordination efforts. Respondents cited the following:

- ◆ Complexity of the billing process;
- ◆ Payment cycles;
- ◆ Client authorization (eligibility);
- ◆ Medicaid reimbursement rates;
- ◆ Lack of reimbursement rates covering the full cost of service delivery; and
- ◆ Billing documentation requirements.

The third most frequent issue encountered was funding. Several respondents brought up the funding issue in the context of lack of vehicles. Other respondents cited the difficulty of determining eligibility and the costs of administering that process. The remainder simply mentioned the lack of funding to support transportation.

Driver training/qualifications was the fourth-ranked issue cited by respondents. The availability of qualified drivers and driver training issues were most frequently cited. One respondent mentioned the potential loss of jobs due to coordination.

## COORDINATION OBSTACLES

The second question posed on the stakeholder survey was identical to the obstacles question posed on the local elected officials survey: *In your opinion, what do you see as the greatest obstacle(s) to coordination and mobility in your service area?* This question, while similar, is not the same as the previous question as “issues” and “obstacles” are two different concepts.

The largest obstacles to coordination, in rank order, are as follows (Exhibit IV-3):

1. Funding
2. Geography/Population/Population Density
3. Drivers/Driver's Training
4. Turf Issues/Private Operators

### REGIONAL WORKSHOPS

Stakeholder input was sought through a series of nine regional workshops held throughout Greater Minnesota and the Metro area. A summary of those coordination obstacles was presented in the first task report, as follows:

- ◆ Turfism, or the resistance to give up ownership and control;
- ◆ Resistance to the revision of Special Transportation Service (STS) rules;
- ◆ Additional funding needed for coordination;

### Exhibit IV-3.

#### Project Stakeholder Responses – Greatest Obstacles to Coordination

Number	%		<u>Response</u>
2	1.3%	a.	Methods of billing
48	30.0%	b.	Funding
25	15.6%	c.	Geography
6	3.8%	d.	Determining lead agency
12	7.5%	e.	Lack of drivers and or volunteers
7	4.4%	f.	Scheduling
6	3.8%	g.	Communication
6	3.8%	h.	Vehicles lack of
3	1.9%	i.	Insurance requirements
5	3.1%	j.	Lack of understanding
11	6.9%	k.	Turf issues and/or private operators
7	4.4%	l.	Regulations
3	1.9%	m.	See answer to Question 32
3	1.9%	n.	Not sure
5	3.1%	o.	No answer
6	3.8%	p.	Other issues
5	3.1%	q.	System description answers
160	100.0%		TotAL

Source: RLS & Association, Inc., April 2005.

- ◆ Local restrictions for crossing county boundaries;
- ◆ Conflicting regulations, such as drug and alcohol, motor carrier, and school bus;
- ◆ Insurance and liability issues;
- ◆ Insufficient time to commit to coordination; and
- ◆ Agencies unwilling to pay fully allocated costs for service.

Workshop summaries were reviewed for coordination obstacles identified in each district (some issues may have greater significance in one district than another).

### **Coordination Obstacles – Duluth Workshop (District 1)**

Several obstacles were identified when examining state and local coordination efforts:

- ◆ Communication at state level;
- ◆ Turfism;
- ◆ Need support at the top for local coordination – facilitate action at regional level;
- ◆ Lack of incentives for coordination; and
- ◆ Liability issues/insurance.

### **Coordination Obstacles – Bemidji Workshop (District 2)**

At the coordination workshop in District 2, the following obstacles to coordination were identified:

- ◆ Vehicle insurance;
- ◆ Regulatory issues;
- ◆ Marketing/customer identification of system vehicles;
- ◆ Liability issues;
- ◆ Turfism;
- ◆ Scheduling issues;
- ◆ Regulatory issues/conflicts;
- ◆ Cost allocation;
- ◆ Lack of funding; and
- ◆ Confidentiality concerns.

### **Coordination Obstacles – Fergus Falls Workshop (District 4)**

Coordination obstacles identified at this workshop included the following:

- ◆ Client eligibility determination issues;
- ◆ Coordination leadership;
- ◆ Lack of funding/funding incentives;
- ◆ Private sector issues; and
- ◆ Complex reporting requirements with multiple funding sources.

### **Coordination Obstacles – Rochester Workshop (District 6)**

At the coordination workshop in District 6, the following obstacles to coordination were identified:

- ◆ Guaranteeing service reliability/quality, especially for customers who require extra care;
- ◆ Funding;
- ◆ Population/population density issues; and
- ◆ Coordination leadership.

### **Coordination Obstacles – St. Cloud Workshop (District 3)**

At the coordination workshop in District 3, the following obstacles to coordination were identified:

- ◆ Funding;
- ◆ Private sector participation;
- ◆ STS requirements;
- ◆ Varying licensing requirements;
- ◆ Lack of volunteers, volunteer retention;
- ◆ Geography; and
- ◆ Population/population density.

### **Coordination Obstacles – East Metro Workshop**

In addition to coordination workshops in each Mn/DOT District, two workshops were held in the Metro area. The following obstacles to coordination were identified:

- ◆ Regulatory issues;
- ◆ Insurance;
- ◆ Motor carrier regulations;
- ◆ Section 5310; and
- ◆ Inconsistent coordination policy guidance at the state, regional, and local levels.

### **Coordination Obstacles – West Metro Workshop**

At the second Metro area workshop (held on the same day), the following coordination obstacles were identified:

- ◆ Funding/funding incentives;
- ◆ Client eligibility requirements; and
- ◆ Turfism.

### **Coordination Obstacles – Willmar Workshop (District 8)**

At the coordination workshop in District 8, the following obstacles to coordination were identified:

- ◆ Regulatory issues;
- ◆ Funding;
- ◆ Section 5310 issues;
- ◆ Volunteers/availability;
- ◆ STS regulations;
- ◆ Liability issues;
- ◆ Fully allocated cost issues;
- ◆ FTA charter regulations;
- ◆ Turfism; and
- ◆ Lack of communication between providers, state agencies, and the Minnesota Department of Transportation (Mn/DOT).

### **Coordination Obstacles – St. James Workshop (District 7)**

At the coordination workshop in District 7, the following obstacles to coordination were identified:

- ◆ Turfism;
- ◆ Funding;
- ◆ Regulatory issues;
- ◆ Insurance;
- ◆ Motor carrier regulations;
- ◆ Head Start regulation;
- ◆ Cost allocation; and
- ◆ Service standards.

### **Regional Workshop Summary**

Exhibit IV-4 provides a summary of the coordination obstacles identified in the regional workshops.



## COORDINATION OBSTACLES

## COORDINATION OBSTACLES

**Exhibit IV-4.  
Summary of Identified Coordination Obstacles, Regional Workshops**

Coordination Obstacle	Duluth District 1	Bemidji District 2	St. Cloud District 3	Fergus Falls District 4	Rochester District 6	St. James District 7	Willmar District 8	East Metro	West Metro
Communication	•								
Turfism	•	•				•	•		•
State level support	•								
Funding incentives	•								
Liability issues	•								
Insurance	•	•				•		•	
Regulatory issues		•				•	•	•	
Marketing issues		•							
Scheduling issues		•							
Cost allocation		•							
Funding		•	•	•	•	•	•		•
Client confidentiality		•							
Client eligibility issues				•	•			•	•
Coordination leadership			•	•					
Private sector issues									
Program reporting issues			•	•	•	•			
Service quality			•				•		
STS requirements			•						
Licensing requirements			•				•		
Volunteer issues									
Geography			•						
Population/population density			•		•	•			
Motor carrier regulations							•	•	
Section 5310 regulations							•		
FTA charter regulations									

Source: RLS & Associates, Inc., June 2006.

### STATE AGENCY, METROPOLITAN COUNCIL, AND PRIVATE SECTOR INTERVIEWS

The third area of input on the identification of coordination obstacles comes from the interviews conducted with various state officials. As these interviews were primarily conducted with program managers or other senior officials with direct oversight responsibility, those interviewed did not voice or express opinions on coordination obstacles associated with their program(s). Council officials and private operators identified more obstacles than state level officials.

The following coordination obstacles were identified:

- ◆ Driver qualifications and training requirements;
- ◆ Lack of funding;
- ◆ Coordination leadership;
- ◆ Service fragmentation;
- ◆ Program regulations (inter-regional travel);
- ◆ STS regulations;
- ◆ Private sector issues;
- ◆ Turfism;
- ◆ Insurance; and
- ◆ Funding.

### NATIONAL LEVEL RESEARCH

FTA's *United We Ride* initiative and review of literature on coordination projects conducted elsewhere in the country was used to survey other potential coordination obstacles.

#### National Literature Review

The National Consortium on the Coordination of Human Services Transportation is a group of nonprofit organizations representing public and private transportation providers, human services agencies, units of government, and advocacy organizations. Support for the Consortium comes primarily from Federal Transit Administration (FTA) of the U.S. Department of Transportation (U.S. DOT).

As one of its recent activities, the Consortium designed a research project to explore barriers to coordination in detail. The Consortium issued a white paper earlier this year on the project.<sup>3</sup> Obstacles to coordination were identified in seven (broad categories):

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<sup>3</sup> *White Paper: Overcoming Coordination Barriers - Barriers and Obstacles to Coordination of Public and Human Services Transportation*, prepared for the National Consortium on the Coordination of Human Services Transportation, prepared by Transystems, Inc., January 3, 2005.

- ◆ Organizational/Structural
  - Federal program differences;
  - Transportation, human services infrastructure does not encourage coordination;
  - Lack of state leadership;
  - Policies, procedures, for implementing Federal programs established at state/local level;
  - Absence of centralized structure at state level; and
  - Lack of support structures and functions.
- ◆ Funding
  - Federal assistance is categorical or designated for specific purpose;
  - Uncertainty about cost allocation between participants and funding agencies;
  - Need for start-up funding;
  - Lack of financial incentives;
  - Inadequate funding for transportation; and
  - Differing matching requirements among Federal programs.
- ◆ Policy/Regulatory
  - Agencies use independent systems to authorize, track and pay for transportation;
  - Differing eligibility criteria;
  - Restrictions on use of vehicles;
  - Reauthorization schedules;
  - State/local regulations or policies;
  - Differing planning requirements;
  - Restrictions on fares;
  - FTA regulations regarding provision of student transportation; and
  - Limited Federal and state guidance.
- ◆ Attitudinal
  - Public perceptions;
  - Reluctance to mix client groups;
  - Turfism;
  - Skepticism about benefits;
  - Concerns over loss of riders and revenue;
  - Perceived decline in service quality;
  - Unrealistic expectations;
  - Lack of local support;
  - Need to develop trust among partners;
  - Fear about tracking rides;
  - Coordination viewed as “short term” project;
  - Institutional differences; and
  - Fear of taking risk.

- ◆ Operations
  - Insurance and liability issues;
  - Incompatibility of client needs and characteristics;
  - Differing service standards;
  - Vehicle specifications;
  - Vehicle availability;
  - Safety concerns;
  - Labor arrangements;
  - Driver qualifications, screening, and training;
  - Incompatible communications equipment; and
  - Geographic service area boundaries.
- ◆ Communication
  - Uncertainty about authority to coordinate;
  - Uncertainty about Federal Department of Health and Human Services (DHHS) vs. U.S. DOT roles in transportation;
  - Uncertainty about shared use of resources;
  - Lack of information about matching fund requirements;
  - Misinterpretation, disregard of Federal regulations at state/local level; and
  - “Language” barrier.
- ◆ Information/Data
  - Lack of data about amount of Federal and state human service funds available;
  - Insufficient data about unmet needs;
  - Transit providers are not aware of contracting opportunities with Federal DHHS agencies;
  - Lack of awareness of available transportation services;
  - Lack of baseline data to measure performance and quantify benefits;
  - Client and data confidentiality issues;
  - Lack of uniform data collection, reporting, and accounting; and
  - Cost allocation among Federal programs requires data that is burdensome to collect.

As can be seen from the review of this national list, virtually all obstacles identified in Minnesota are included in the national list.

### **United We Ride Literature**

The Federal Coordinating Council on Access and Mobility (CCAM) recently developed a series of five broad topical areas in which to make recommendations to simplify and coordinate the delivery of transportation programs. The Council recognized that many recommendations may require basic changes to the structure of the Federal government and/or to existing programs. In putting forth the following recommendations, the Council notes that they represent interim,

coordination-based solutions that the Council believes will strengthen existing transportation services.

- (1) ***Coordinated Transportation Planning.*** *In order to effectively promote the development and delivery of coordinated transportation services, the CCAM recommends that the administration seek mechanisms (statutory, regulatory, or administrative) to require participation in a community transportation planning process for human service transportation programs.*
- (2) ***Vehicle Sharing.*** *In order to reduce duplicative transportation services, as well as idle time for drivers and vehicles, the CCAM recommends that vehicles used in human service transportation be made available to other Federally-funded programs, consistent with the Common Grant Rule. Within the next year, each Federal department should review and modify its policies and procedures to proactively promote the sharing of vehicles with recipients and sub-recipients of other Federal programs.*
- (3) ***Cost Allocation.*** *In order to ensure that adequate resources are available for transportation services for persons with disabilities, older adults and individuals with lower incomes, and to encourage the shared use of vehicles and existing public transportation services, the CCAM recommends where statutorily permitted that standard cost allocation principles for transportation be developed and endorsed by Federal human service and transportation agencies.*
- (4) ***Reporting and Evaluation.*** *The Council recommends the development of a method to permit cross agency analysis of the effectiveness, efficiency, and progress of states, communities, and tribes toward improved coordination of transportation programs, as evidenced by improvements in the overall quality and cost-effectiveness of human service transportation.*
- (5) ***Consolidated Access Transportation Demonstration Program.*** *In order to test the feasibility and cost-effectiveness of a new approach to meeting the full range of transportation needs of persons with disabilities, older adults and individuals with lower incomes, the CCAM recommends that statutory authority be sought to permit the development of demonstration projects in metro, rural and/or tribal areas. In these demonstration projects a single transportation system—not necessarily a single provider-financed through a consolidated Federally funded stream would meet the total mobility needs of transportation disadvantaged populations. Best Practices*

### V. BEST PRACTICES

#### INTRODUCTION

The “Best Practices” section addresses many of the coordination obstacles identified in the previous section.

- ◆ State coordination plans and legislation;
- ◆ Insurance;
- ◆ Volunteers;
- ◆ Incentive funding;
- ◆ Maintenance;
- ◆ Fully allocated costs;
- ◆ Non-traditional management strategies for public transportation;
- ◆ Utilization of the private sector; and
- ◆ Motor carrier regulations.

The extensive outreach and stakeholder involvement process undertaken in the first phase reveals that there are numerous examples of Best Practices to be found in the state. In order to better highlight these Minnesota examples, they have been incorporated with the discussion of national Best Practices.

#### STATE COORDINATION BEST PRACTICES – INNOVATIVE FUNDING, LEGISLATION AND SERVICE DELIVERY

There is no “one size fits all” solution or approach to transportation coordination. Although the Federal Transit Administration’s (FTA) initiative, *United We Ride*, has renewed interest in coordination, the Federal government along with many state governments have for years applauded, encouraged, recommended and, in some cases, mandated coordination.

In FTA’s transit grant programs, there have always been a requirement to coordinate, and a prohibition against “duplication of services and resources.” The language has been strengthened over time and states have tried a number of different approaches to meet this Federal requirement.

Each state has its own view and approach to coordination. Some take a hands off, grass roots approach, others use funding incentives, while others have employed state level task forces or commissions, legislation and mandates to further coordination in their states.

#### **Best Practice: Pennsylvania – Innovative Funding**

Pennsylvania’s statutes require the Department of Transportation to coordinate transportation services for senior citizens. These statutes also broadly require

coordination of other programs and services to disadvantaged populations at the local level.

Other legislation establishes funding for rural public transportation, again, with a requirement for local coordination as well as a free transit and shared ride program for seniors. Like other states, Pennsylvania uses general revenue funds to support transportation services. Pennsylvania's use of State Lottery funds to also support fixed route and shared ride transportation to make public transportation affordable for seniors is unique.

An example of local coordination using Pennsylvania DOT funding is the ACCESS Program operated by the Port Authority of Allegheny County. The program, started in 1979, serves as a broker, arranges transportation services throughout Allegheny County, Pennsylvania. ACCESS contracts with transportation service providers through a competitive process. ACCESS is also the Pennsylvania DOT designated shared ride provider in Allegheny County and has helped to improve transportation service while keeping costs down. ACCESS provides public transportation, human services paratransit and paratransit for people with disabilities.

**Best Practice: State Legislation and Coordinated Delivery Systems – Florida**

The Florida Legislature created the Coordinating Council on the Transportation Disadvantaged in 1979 to foster coordination. The program was amended in 1989 with the establishment of the Commission for the Transportation Disadvantaged to improve coordination for the cost-effective provision of transportation for the transportation disadvantaged population.

The Commission is housed within the Florida Department of Transportation but is a separate entity that oversees the provision of transportation to the Florida transportation disadvantaged population. The Legislature included 27 specific tasks in the statute for the Commission. Some of these tasks include acting as an information clearinghouse, developing coordination policies and procedures, determining performance standards and liability insurance requirements, and designing and developing training programs. Representation on the Commission included seven state departments, statewide organizations that represent disadvantaged populations, private for profit and nonprofit transportation service providers, state transportation associations, and business community representatives. The role of these representatives is defined in the statute. The Commission designated an organization as a Community Transportation Coordinator (CTC); in cooperation with local officials and agencies, for each county to coordinate transportation services. Although each county has a CTC, some CTCs serve more than one county.

Currently there are 51 coordinators for the 67 Florida counties. These coordinators vary from private nonprofit agencies, to private for profit operators, to counties and transit systems. Of Florida's 23 transit systems, 13 are CTCs. CTCs have full authority for the delivery of services to the transportation disadvantaged, and oversee coordination of transportation services by providing transportation directly, by contracting with providers for services, or by brokering the services to other organizations. The Transportation Disadvantaged Commission (TDC) estimates that \$300 million is spent on transportation



services in Florida each year. Approximately \$110 million of this amount flows through the TDC.

The Commission administers approximately \$72 million each year in Medicaid funding for transportation which is block granted to each CTC. Within this block grant program, each CTC receives a set annual allocation with which they can choose how to best provide transportation to Medicaid recipients: bus passes, brokering, direct provision of service, car repairs or rentals, gas vouchers, etc. All but 4 of the 67 counties accepted the block grant. In those remaining four counties, the TDC issued an RFP and chose a separate provider of the Medicaid services, although these providers are required by the Commission to enter into a contract with the local CTC. The TDC also oversees \$36 million annually from the Transportation Disadvantaged Trust Fund which is allocated to the CTCs for services to the transportation disadvantaged.

Additionally, FTA funding for Section 5310 and Section 5311, administered by the Florida DOT, flows through the CTCs in each county. In 2004, Florida's Medicaid Department was considering issuing a separate request for proposals for a statewide Medicaid transportation broker, a step which could have had a tremendously negative impact on the existing coordinated services.

Fortunately, the RFP was not taken forward, and the coordinated delivery of Medicaid services remained with the CTCs. The achievements of Florida's system of coordinated service delivery are many, but possibly its greatest achievement is the increased service provided (the number of trips continue to increase each year) with same or fewer dollars available.

**Best Practice: Legislation – Iowa**

The State of Iowa enacted legislation to mandate the coordination and/or consolidation of transportation services for the elderly and disabled. Head Start Programs were also covered under the legislation. Required under the legislation are several different actions of the Iowa Department of Transportation and other state agencies. The Iowa Department of Transportation is required to compile and coordinate information about program funding. In its annual report to the state legislature, the Iowa Department of Transportation must include information about the coordination of planning for transportation services at the urban and regional levels by all agencies or organizations that receive public funds and that are purchasing or providing transportation services. The Iowa Department of Transportation is also required to analyze human service transportation programs and recommend methods to avoid duplication and increase the efficiency of services.

State agencies and other organizations are required to apply for funding through a clearinghouse and to coordinate and consolidate funding and services with regional transit systems. Cost comparisons are made between the human service agency and the public transit system based on the fully allocated and unsubsidized costs of each agency. If it is more cost-effective for the agency to operate the service directly, they are

permitted to do so. Also, the Department of Human Services (DHS) and the Department of Elder Affairs are specifically required to coordinate with the Iowa Department of Transportation in the provision of transportation services.

The Iowa Department of Transportation chairs the State Level Transportation Coordination Council which assists the state coordination effort. Council members include representatives from the Iowa State Association of Counties, Iowa Workforce Development, the DHS, the League of Cities, the Department of Elder Affairs, the Department of Education, and the Department of Public Health.

### **Best Practice: Coordination Planning and Plans – Washington State**

The Agency Council on Coordinated Transportation (ACCT) is a partnership of members from the legislature, state agencies, transportation providers, and consumer advocates. The ACCT directs and promotes activities that efficiently use all available state and community resources for special needs transportation across the state of Washington.

The ACCT's vision is to remove transportation as a barrier to participation in community activities; its mission is to facilitate a statewide approach to coordinated transportation to fulfill this vision. The ACCT activities focus on increasing service to special needs populations by removing barriers to transportation coordination between agencies. Coordinated transportation can increase service availability and quality without increasing costs for the state. One of ACCT's first goals was to develop a plan of action to guide their activities and insure that their vision and mission were realized. The result is the ACCT Strategic Plan. Plan goals include:

- ◆ Efficiency: Increase the cost efficiency of publicly funded transportation;
- ◆ Effectiveness: Meet customer and community transportation needs;
- ◆ Coordination: The state investment in transportation will be coordinated with customers and communities;
- ◆ Information: Providers and passengers will have the information they need to use the transportation system; and
- ◆ Accountability: Agencies and the public will understand the value of the state investment in coordinated transportation.

Plan strategies are to identify and address barriers, focus on results, and increase advocacy.

### **Best Practice: Coordinated Planning and Administration – Rainbow Rider, Lowry, Minnesota**

Rainbow Rider is a consortium of Douglas, Pope, Stevens, and Traverse Counties, formed under a Joint Powers Board in 1995. Since its inception, the Rainbow Rider Transit Board has coordinated the planning, oversight, administration and operations of

transit service in the four counties. In 2000, the Transit Board took over direct operations of the system. This coordination effort among the four counties helps contain administrative costs and assures that the service provided is the right mix and most cost-effective for the area served. Wheelchair lift-equipped buses along with a volunteer driver program are used to provide route deviation, dial-a-ride, and subscription service Monday – Friday on a first come, first served basis. The service is provided as one, seamless system, although service is tailored to the individual counties and local communities. In addition to its stated service area, Rainbow Rider coordinates with other counties outside its service area to provide service primarily through its volunteer driver program. It also contracts with the majority of the schools in its service area to provide special need transportation as well as all of the Head Start transportation in the four county area.

Each county appoints two county commissioners to serve on the Joint Powers Board, which meets monthly to conduct business. The Board approves any new service that is needed, but relies on the Rainbow Rider management staff to make the call if more or less service is needed in an area.

Each county also has a Transit Advisory Committee (TAC), appointed by the respective counties, which meets quarterly to provide input regarding the service to the Transit Board. Human service representatives, senior coordinators, commissioners, representatives from cities, nursing homes, churches, and riders are represented on the TAC.

Rainbow Rider is financed from State and Federal transit funding, as well as contracts, donations, and fares. From 1995 to 2001, the counties contributed from their general funds to the local share according to population and hours used. Since that time, Rainbow Rider has been able to fund itself without the county appropriations. However, each county [department] purchases service through the system, as needed, for its own clients with fares.

Rainbow Rider is currently developing a strategic plan and working with Mn/DOT, Office of Transit, on a long-range plan for the system.

**Best Practice: Planning & Leadership – Scott County Association for Leadership and Efficiency (SCALE), Minnesota**

The Scott County Association for Leadership and Efficiency (SCALE) was formed in the spring of 2003 to encourage greater efficiencies and leadership in public service through enhanced communication, collaboration of services and sharing of resources. Members include the mayors and administrators from cities within Scott County, School Superintendents, Township Officers, representatives of the Shakopee Mdewakanton Sioux Community (SMSC), as well as the county administrator and county board chair.

SCALE members meet monthly to discuss ways in which local governments can collaborate, as well as areas in which they already are collaborating, covering programs in law enforcement and public safety, parks and recreation, transportation, community development and general government. A strategic plan has been developed that has goals and objectives to meet the mission of SCALE.

This type of leadership model is particularly important to the health and success of the public transit network as it ensures that public transit is at the table as community needs are discussed and planned for and as SCALE members brainstorm on future partnership opportunities.

The Association is particularly beneficial as public officials strive to deliver essential public services with increasingly limited revenues, which have resulted from a poor economy and reductions in State Aid in Minnesota.

By building upon existing partnerships, SCALE is helping public officials maximize the opportunities inherent in multi-jurisdictional cooperation to make the most of local government resources. Word of SCALE's effectiveness and accomplishments has spread, as other counties and entities interested in applying the SCALE model to their particular community request information and attend SCALE meetings.

As a further testament to SCALE's applicability as a model, in its December 2004 report, Best Practices Review, Cooperative Efforts in Public Service Delivery, the Minnesota State Auditor's Office recommended, "...the creation of organizations similar to Scott County's SCALE in every county in Minnesota." The report went on to say, "this recommendation requires no legislative action or expenditure of dollars. All it requires is a desire by local officials to create a formalized process to foster coordination community."

### INSURANCE

Some of the most common issues that arise regarding insurance, a few of the most frequently asked questions, and steps that can be taken to meet the challenge of providing insurance for coordinated services follow.<sup>1</sup>

Please note that these Best Practices deal with the possible impact to an agency's insurance as a result of coordinating the transportation of passengers with other transportation providers.

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<sup>1</sup> There can still be issues relative to the registration requirements with the Mn/DOT, Office of Freight and Commercial Vehicle Operations (OFCVO). All questions regarding this issue should be directed to the OFCVO at motorcarrier@dot.state.mn.us, or you can visit their website at <http://www.dot.state.mn.us/motorcarrier/passenger/index.html>.

**Best Practice: Licking County, Ohio**

The Licking County Transit Board Coordination Project in Newark, Ohio, is a coordinated effort of Licking County social service agencies that work together to provide transportation services for member agency clients. Member agencies have developed a Service Brochure as well as a Transportation Policy and Procedure Manual that describes their coordination effort and the policies followed by all members. The existence of uniform procedures, developed in concert with a transit board, has demonstrated enhanced risk management capabilities and has assisted member agencies to obtain competitively priced insurance coverage.

**Best Practice: North Carolina**

To help facilitate the coordination of human service transportation in North Carolina, a statute was enacted. The North Carolina Act to Remove Barriers to Coordinating Human Service and Volunteer Transportation recognizes human service and volunteer transportation as separate but contributing components of the North Carolina transportation system and removes barriers to low cost human service transportation. The law clarifies that transportation services cannot be regulated as commercial transportation and allows human service agencies to purchase insurance for people who provide volunteer transportation. It also exempts specialized transportation services from special taxes or licenses imposed by local governments.

**Best Practice: Dakota County, Minnesota**

The Dakota Area Resources and Transportation Services (DARTS) in Dakota County, operates 37 vehicles, providing co-mingled (*i.e.*, client mixing) demand responsive service to Metro Mobility customers; Americans with Disabilities Act (ADA) trips in Dakota County; senior residents of Dakota County; and clients of other human service agencies that purchase service through DARTS. Because these trips are coordinated, productivity and cost-efficiency is improved, and the sponsors funding can purchase more trips (than if separate fleets were used).

In addition, DARTS shares the operation of a Section 5310 vehicle with two other entities, the City of Farmington Senior Center and St. Michael's Church. DARTS applied for and received the Section 5310 vehicle, paid the local match, and is responsible for the insurance and maintenance. DARTS operates the vehicle in its regular Monday through Thursday service. The City of Farmington Senior Center operates the vehicle on Fridays as well as for special events after hours and on weekends. The Senior Center provides the driver and pays for the fuel as well as a fee for maintenance and insurance. St. Michael's church operates the vehicle on weekends using volunteer drivers, pays for the fuel, but pays no other fee for the use of the vehicle. The vehicle is titled to, and is insured by, DARTS. All drivers, including those of the Senior Center and the church, must complete DARTS drivers' training program and be certified to drive by DARTS.

**Best Practice – Washington State**

The ACCT is a partnership of members from the legislature, state agencies, transportation providers, and consumer advocates. The ACCT's mission is to direct and promote activities that efficiently use all available state and community resources for special needs transportation across the state of Washington.

The ACCT's vision is to remove transportation as a barrier to participation in community activities. One barrier identified was the lack of insurance and/or high insurance premiums faced by nonprofit corporations. As a result, the ACCT Council supported Senate Bill 5869 which passed overwhelmingly. The bill allows nonprofit corporations to form a self-insurance risk pool with other nonprofit corporations or a local government entity for property or liability risk. The Non-Profit Insurance Program (NPIP) was formed in August 2004 and administers a Joint Insurance Purchasing Program wherein members pool their losses and claims. NPIP members also jointly purchase insurance, administrative and other services through the program including claims adjustment, risk management consulting, and loss prevention. The primary benefits to nonprofit organizations participating in the insurance pool are lower insurance premiums; stable access to the insurance market; and increased availability of risk management and loss prevention services.

**Best Practice: Paul Bunyan Transit – Bemidji, Minnesota**

When the City of Bemidji and Beltrami County transit services, under a Joint Powers Board, allowed Paul Bunyan Transit to contract directly with Mn/DOT, Office of Transit, for state and Federal funding, the 501(c)(4) agency found itself no longer eligible for insurance under the Minnesota Counties Insurance Trust (MCIT). This meant a potentially devastating increase in Paul Bunyan's insurance premiums.

A change to its by-laws to open Paul Bunyan's meetings to the public and give the Joint Powers Board some project oversight, such as requiring a majority vote of the Board to approve state and Federal applications, allowed the operator to remain eligible for insurance under MCIT and retain the lower insurance premiums.

**Best Practice: Iowa**

In response to skyrocketing insurance rates, a group of transit systems in Western Iowa banded together to obtain fleet insurance through an insurance consortium. A total of 300-500 vehicles were insured through the consortium. The consortium's success is attributed to the perseverance of an independent insurance broker who negotiated with a variety of insurance companies on behalf of the transit system consortium.

**Best Practice: Washington State**

On January 1, 1989, eight public transit systems united to form a self-funded liability only pool: the Washington State Transit Insurance Pool (WSTIP). The initial combined

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contribution was \$1,204,205. At the outset, the Pool offered \$10 million in limits per occurrence on a first dollar basis with a \$250,000 self-insured layer. Members were assessed based on their exposure of miles and boardings. The actuarial expected losses were \$460,000 and the administrative expenses were \$168,500.

Today, WSTIP's membership has increased to 18 public transit organizations, and 3 associate members. The current annual budget is approximately \$7.6 million. WSTIP provides auto liability, general liability, public officials (errors and omissions), all risk property, crime, and boiler and machinery. Members may select deductibles from \$0 to \$10,000. WSTIP provides optional Auto Physical Damage up to \$500,000 (ACV) and UM/UIM to \$60,000/occurrence. The current loss fund is actuarially set at \$3,550,000 and the administrative expenses are \$1,350,000. Current member equity is in excess of \$7.2 million. WSTIP is accredited by the Association of Governmental Risk Pools.

### **VOLUNTEERS**

Volunteers play a critical role in the delivery of human services transportation. Projects throughout the nation and in Minnesota utilize volunteers to provide mobility where publicly delivered transportation service may not be economical or feasible.

#### **Best Practice: Volunteer Program – Ride Connection, Portland, Oregon**

Ride Connection is a nonprofit, community service organization established to link accessible, responsive transportation with community need by:

- ◆ Serving those without viable transportation alternative giving priority to elderly and persons with disabilities;
- ◆ Coordinating transportation services in Clackamas, Clark, Multnomah, and Washington Counties;
- ◆ Coordinating system wide training and safety programs;
- ◆ Developing and securing financial, volunteer and equipment resources for Ride Connection's network; and
- ◆ Developing and maintaining provider programs.

Service is provided to persons with disabilities and senior citizens without alternative transportation in Clackamas, Clark, Multnomah and Washington Counties, Oregon.

The Ride Connection was incorporated as a private nonprofit organization in May of 1988 after the need for transportation for the elderly and persons with disabilities was recognized by the local communities. There was a vision to serve this frail population with a more adaptable, accessible service than traditional public transit allows. Through a citizen committee's recommendation and with the support of Tri-Met, it was decided that a volunteer program, Ride Connection, could meet these special needs. From that start 17 years ago, Ride Connection has grown to include a network of over 30 agencies and over 370 volunteers providing 248,000 rides annually.

Ride Connection is the lead agency for a number of other private nonprofit agencies, referred to as partners. Ride Connection itself does not provide any rides, but is an umbrella through which TriMet and the Oregon Department of Transportation distribute funds. Ride Connection also:

- ◆ Applies for a variety of foundation and other grants;
- ◆ Administer a volunteer recruitment program that is available to all of the partners;
- ◆ Buys and distributes buses, provides insurance, driver training, central dispatch, maintenance, etc. to the extent that each partner chooses to use and needs the service. Each partner agrees, when they join up, to a certain high quality of driver training, program management, etc. Ride Connection provides the training and technical assistance as needed; and
- ◆ Assists the community in identifying and filling service gaps. For example, the eastern part of one of the counties had no service. Ride Connection obtained a grant and, working with that community, prepared a service plan and obtained a provider.

Ride Connection has over 30 partners representing chambers of commerce, American Red Cross, adult day centers, senior, mental health, and community centers, and more. For a complete list of their partners, go to the Ride Connection website at [www.rideconnection.org](http://www.rideconnection.org).

Strengths of the Ride Connection are:

- ◆ Involvement of volunteers and using collaborative techniques to maximize cost savings and community support;
- ◆ Availability of funding not available to a public agency, i.e. foundations, corporations, businesses, individuals, and fundraising events; and
- ◆ Reduction of management/administrative responsibilities in working with a large network of community agencies.

These strengths are realized because of an embodiment of Ride Connection's values:

- ◆ Recognizing, nurturing, and appreciating volunteers;
- ◆ Maintaining collaborative relationships with network providers;
- ◆ Delivering safe, personalized, and accessible door-to-door services;
- ◆ Assuring honest, reliable, and accountable business relationships; and
- ◆ Leading by example.

**Best Practice: Coordinating Volunteer Programs – Scheduling and Recruitment – Tri-CAP Transit Connection, St. Cloud, Minnesota**

Tri-CAP Transit Connection is the Section 5311 transit provider for Benton and Stearns Counties, providing route deviation, dial-a-ride, and subscription services to county residents. In addition, Tri-CAP coordinates the volunteer programs for the counties,



including scheduling and recruiting activities under the Tri-CAP Volunteer Driver Program. Each county faxes their daily trip requests to Tri-CAP throughout the day by the case worker who is requesting the trip at the county level. The Tri-CAP dispatch center then assigns the trips to volunteers, who provide the trips using their own private vehicles to the residents of Benton and Stearns Counties. Volunteer drivers are reimbursed at the Federal IRS rate and may also be eligible for some meal reimbursements. At the end of each month, all rides completed are billed back to the county of origin at the actual cost of providing the trip, i.e., mileage, meals, and start-up. The county then pays Tri-CAP. Each county pays Tri-CAP an administrative fee for administering and coordinating the volunteer programs, including the recruitment of volunteers. Both Benton and Stearns Counties have indicated that many of their residents, particularly the low income, elderly and disabled, depend upon this volunteer program for services to help them stay independent.

The success of Tri-CAP's Volunteer Driver Program depends on available volunteers. In 2004, faced with a dwindling volunteer pool due to health and age issues, the assistance of the Tri-CAP Human Services Director was enlisted to develop its first annual advertising campaign for volunteer recruitment. Advertisements were run in the classifieds of six weekly papers, encouraging participation in the program as "helping your neighbor" while also earning additional income. (Volunteers are reimbursed at the IRS mileage rate, plus for those that qualify under the Retired Senior Volunteer Program (RSVP), \$3 per day stipend. Meals can be reimbursed if they are out over a certain amount of hours each day.)

This series of ads brought in 22 applications and 7 of those applicants were brought into active service. As a result of this ad campaign, Tri-CAP was able to bolster their pool of volunteer drivers to a total of 24 active volunteer drivers. This campaign will be repeated as needed to ensure a stable base of volunteers for the program.

#### **INCENTIVE FUNDING FOR COORDINATION**

Coordination does not typically occur without the investment of time and energy of local participants. This process can be facilitated with investment in the necessary planning and start-up expenses associated with the implementation of coordination. Other projects in the United States have recognized this need and have established incentive funding programs for newly initiated coordination projects.

The lack of sufficient resources to invest in coordination can be a formidable obstacle. Even if an agency director believes in and supports coordination, without adequate resources, *e.g.*, time, staff, and money, coordination often stalls at the discussion step.

#### **Best Practice: North Carolina Department of Transportation**

The North Carolina Department of Transportation has long been regarded as a leader in the area of public transit and human service agency transportation coordination. Over a period extending more than 25 years, the state has encouraged the development of

coordinated systems at the local level. As few counties had existing public transportation when this process was started, the North Carolina Department of Transportation encouraged localities to first coordinate human service agency transportation. Once coordinated, the North Carolina Department of Transportation then provides planning funds for local governments to explore the desirability of expanding coordinated transportation systems to begin public transit service. To support this goal, the North Carolina Department of Transportation consolidates Section 5310, Section 5311, and several state funded programs into one community transportation services block grant. Known as the Community Transportation Program (CTP), this block grant supports capital and project administration activities for local projects.

Not all counties (or groups of counties) elect to participate in the CTP program (*e.g.*, elect to provide public transportation). In these instances, the North Carolina Department of Transportation still encourages the coordination of human services transportation as a means to promote mobility among transit disadvantaged populations. These counties may still receive capital funding, and are also eligible for coordination incentive grants known as the Human Service Transportation Management (HSTM) Program. HSTM is a state funded program to help assist local agencies interested in coordination hire a transportation coordinator or manager to direct planning and implementation activities. HSTM funds can be used to pay for staff to support human service transportation systems in their coordination efforts. Lead agencies identified by locally adopted transportation development plans are the designated recipients for HSTM funds.

Lead agencies play an important role in coordinating services, implementing plans, and submitting grant applications on behalf of other participating local agencies. Only human service transportation systems which do not receive CTP funds but which demonstrate a high-level of coordination with human service agencies in their counties are eligible to receive HSTM funds.

HSTM funds can be used for up to 75% of the cost of the salary and benefits of a full-time transportation coordinator, not to exceed \$18,750 annually. Part-time coordinators can be approved for smaller transportation systems where a full-time coordinator is not needed.

**Best Practice: Ohio Department of Transportation**

The Ohio Department of Transportation Coordination Program provides state funds to cities and counties working to coordinate transportation services. Major requirements of the program include:

- ◆ Hiring a full-time project coordinator;
- ◆ The money cannot be used for capital or planning;
- ◆ The project must be up and running within 90 days of grant execution; and
- ◆ All projects must demonstrate some level of interagency coordination in their local area.

Program goals are to improve and expand transportation services in Ohio counties with no public transportation system; increase efficiency and effectiveness of transportation service delivery; and develop interagency coordination models which can be applied to other communities.

Applicants can apply for up to 75% of a project, not to exceed \$80,000 per year for the first 3 years. For year 4 and beyond, applicants may apply for up to 50% of their project, not to exceed \$60,000. In addition, the Ohio Department of Transportation sets aside approximately \$300,000 each year of its Section 5310 allocation for coordination projects. In addition to meeting Section 5310 requirements, applicants must document their collaborative efforts with other agencies and how this project will further those efforts. Consequently, Section 5310 applicants that aggressively pursue coordination are in a position to compete for additional vehicles.

Approximately four to five projects may be funded each year. While not all projects have been successful, most of the projects move on to expand to include services for the general public at the conclusion of the period of performance of the coordination projects.

### **Best Practice: Cuyahoga County, Ohio**

As part of the United Way of Greater Cleveland's visioning process, senior mobility was identified as a major issue facing Cleveland's senior population. In response, Mt. Sinai Health Care Foundation funded a study of senior mobility and transportation and from this planning study, a major transportation coordination project evolved. Working together in this private-public partnership along with United Way and the Foundation, are the Cleveland Jewish Federation, a consortium of Cleveland hospitals, Cuyahoga County, the Greater Cleveland Regional Transit Authority, Western Reserve Area Agency on Aging, and the Ohio Department of Transportation. Funding for the project includes a combination of three local foundation grants, Section 5307 earmark, and an Ohio Coordination Program grant. Future plans include folding in Section 5310 program funding and local aging funds.

The organization was officially incorporated and began operation on May 5, 2005. An incremental implementation program calls for coordination to occur in five separate zones in the county over a three year period. Coordination initiatives in two of the zones will commence operations on July 1, 2005.

## **MAINTENANCE**

Coordination of vehicle maintenance activities can achieve multiple benefits for participating agencies. First, vehicle service reliability can be enhanced (more days in service, intervals between non-planned maintenance events, fewer road calls, etc.). Second, the useful life of valuable capital resources can be extended. Third, a formal coordinated maintenance program increases the accuracy of maintenance records. Finally, prudent coordinated maintenance programs can reduce costs through bulk

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purchase of parts and can be successful negotiating lower labor rates from third party maintenance vendors.

### **Best Practice: St. Cloud Metropolitan Transit Commission, Minnesota**

The St. Cloud Metropolitan Transit Commission provides vehicle maintenance and storage facilities to the Tri-CAP Connection for its Section 5311 fleet. The agreement stipulates the number and size of vehicles to be housed and the fee per month per vehicle as well as when the fee is to be paid. The rental fee includes all utilities and public liability and property damage insurance covering the leased premises, the building, and other improvements. St. Cloud also provides routine and occasional major vehicle maintenance services for Tri-CAP at an hourly rate. Tri-CAP communicates directly to the St. Cloud's Maintenance Manager regarding vehicle maintenance needs. The Maintenance Manager also serves as maintenance "consultant" in instances where outside, subcontract specialty (e.g., major engine, transmission, body, etc.) work is required. St. Cloud provides monthly printed invoice work orders, maintenance history, and any other vehicle maintenance information generated by St. Cloud's computerized maintenance recordkeeping program (unless requested more often by Tri-CAP). In addition to the vehicle maintenance service per hour rate, there is a vehicle parts inventory markup rate for parts purchased with St. Cloud's funds and stored in its premises, a shop supplies/materials per hour fee for full preventative maintenance activities (not applicable to non-preventive maintenance, repair activities and mini preventive maintenance [oil change] activities), and an exterior bus washing charge per automatic bus washer or hand pressure washer activity.

There is nothing within the agreement to prevent Tri-CAP from procuring vehicle maintenance services from an outside maintenance vendor. In the event outside maintenance services are obtained, complete vehicle repair invoices from outside vendors shall be copied and provided to St. Cloud's Maintenance Manager.

This coordinated arrangement has been in place since 1997. Tri-CAP estimates that it pays about 60% of what it would pay for maintenance on the market, and about a third of storage fee costs.

### **FULLY ALLOCATED COSTS**

The Federal Coordinating Council on Access and Mobility (CCAM) identified cost allocation as one of five broad topical areas in which to make recommendations to simplify and coordinate the delivery of transportation programs. CCAM recommends where statutorily permitted that standard cost allocation principles for transportation be developed and endorsed by Federal human service and transportation agencies.

**Best Practice: Kansas Department of Transportation**

When the Kansas Department of Social and Rehabilitation Services modified its rules to allow Federally-funded vehicles to be used in the transportation of Medicaid clients, the door was opened for increased funding and ridership for Kansas transit systems. Developing a contract to provide these services, however, required careful allocation of funding resources.

The Kansas Department of Transportation, Social and Rehabilitation Service, and the University of Kansas Transportation Center worked together to provide guidance to Kansas transit agencies and area Social and Rehabilitation Service managers to develop valid cost allocated contracts. The procedures developed can be used in developing rates for any fee-for-service contract, subject to specific rules or regulations of the funding agency. The basis for the Kansas model can be found in *Comprehensive Financial Management Guidelines for Rural and Small Urban Public Transportation Providers*, developed by the American Association of State Highway and Transportation Officials (AASHTO) Multi-State Technical Assistance Program (MTAP). The MTAP procedures represent a fully allocated cost model, which accounts for all costs of providing transportation service using a simple equation of hours and miles as the two service variables.

In addition to the MTAP manual, additional assistance is available to Kansas transportation providers via the Kansas Department of Transportation, Section 5311, program coordinator, Social and Rehabilitation Service, area Medicaid managers, and through the Kansas Rural Transit Assistance Program.

**Best Practice: Maryland Transit Administration**

The Maryland Transit Administration requires that its rural and small urban transit systems have an approved plan for allocating costs among funding programs and services. The objective of requiring cost allocation is to fairly represent the actual cost of providing the service. The Maryland Transit Administration provides each rural and small urban transit system the cost allocation model in Microsoft Excel, along with instructions for its use. The model requires two inputs: (1) expenses by cost category and (2) miles and hours of each route or service.

The model employs a straightforward process to group costs into three categories: fixed costs, variable costs dependent upon hours of service, or variable costs dependent on miles of service. The model can then be used to allocate costs to various routes/services/grants, offering some control by jurisdictions over services operated on their behalf. The state provides training on the use of the cost allocation model and tailoring the best application to the particular system or organization. Supplemental training is also provided via RTAP training sessions and within the state's annual transit association conference when additional support is necessary.

**Best Practice: Alabama Department of Transportation**

Since the State of Alabama provides no state match to Federal transit grant funding, the burden for providing the non-Federal match lies solely on the local transit operators. The “lifeblood” for these operators has been third party contract revenue, which in turn, requires the development of uniform allocation of costs, billing, and recordkeeping.

In order to facilitate the use of fully allocated rates in their third party contracts, the Alabama Department of Transportation provided training to their Section 5311 providers to assist them in the development of a unit cost rate that allowed them to fully recoup the cost of their service provided to third parties. This unit cost rate and pricing structure, developed approximately 15 years ago, is still in effect and working successfully. Like Kansas, the procedures adopted can be found in *Comprehensive Financial Management Guidelines for Rural and Small Urban Public Transportation Providers*, developed by AASHTO MTAP.

**Best Practice: Cost Allocation for Contract Service - Tri-CAP Transit Connection, St. Cloud, Minnesota**

Tri-CAP Transit Connection provides contract service as part of its Section 5311 service in Benton and Stearns Counties for a contract rate that is over and above the regular fare and takes into consideration the total cost to provide the service, including labor, fringes, fuel, maintenance, insurance, etc. For this contract rate, Tri-CAP not only schedules and provides the service to the contracting agency’s clients, but also tracks and invoices the agency by the hour for the time spent transporting those passengers. Tri-CAP estimates that it captures approximately 70% of its total expenses, dollars which then become part of the required match for Mn/DOT, Office of Transit, grants. Tri-CAP monitors its revenues and expenses using Mn/DOT, Office of Transit, Section 5311 monthly reports and spreadsheets that are a part of the annual Section 5311 application. Tri-CAP has implemented a 3% per year increase to keep pace with inflationary increases.

**NON-TRADITIONAL MANAGEMENT STRATEGIES FOR PUBLIC TRANSPORTATION**

In 1997, a group of transit industry professionals met to discuss a shared concern that the role and future potential of public transportation in the United States was in serious jeopardy due, in large part, to the increasing inability of traditional public transportation agencies to adapt to deep-seated, fundamental socioeconomic changes taking place in the United States, the emergence of a global economy, and the arrival of the Internet era. The group concluded that despite these changes, the transit industry has remained essentially unchanged over the past 40 years.<sup>2</sup>

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<sup>2</sup> Cambridge Systematics, Inc., *et al.*, TCRP Report 97: *New Paradigms for Local Public Transportation Organizations*, Transportation Research Board, National Research Council, Washington, D.C., 2000.<sup>2</sup> *Ibid.*, page S-1.

Among the societal changes cited:

- ◆ Increasing threats to our quality of life from sprawling development, rising congestion, declining air quality, and the increasing cost of public services whose performance is often declining;
- ◆ Work and life-style trends that tend to diminish the usefulness and attractiveness of traditional public transportation services;
- ◆ An institutional environment that limits the ability of transit agencies to adapt because of fragmented responsibilities, regulatory constraints, conflicting policies and goals, and restrictive “stovepiped” funding mechanisms;
- ◆ Organizational cultures and dynamics that are resistant to change and that are reinforced by outmoded policies, programs, regulations, and attitudes;
- ◆ Continuing subordination of residents’ needs for overall mobility and quality of the customer’s travel experience to operational concerns; and
- ◆ Lagging progress in the deployment of state-of-the-art information systems and other emerging technologies that have become essential in today’s Internet age.<sup>3</sup>

Some transit systems have recognized these changes and have instituted fundamental change in the way transit services are managed, organized, and delivered. These systems have recognized one or more of the six fundamental dimensions of change necessary to address transit’s role in the 21<sup>st</sup> century

- ◆ Mission Shift – Core mission shift from simply providing a form of capacity with owned assets to a broader responsibility for managing mobility, managing a wide range of assets;
- ◆ Obsession for the Customer – Measures of success and performance are increasingly focused on the quality of the customer experience;
- ◆ Collaboration – Collaboration across modes, organizations, and jurisdictions has become a fundamental strategy;
- ◆ Integration – Integration of assets, services, and business functions is a common feature of emerging business models;
- ◆ Information Technology – Effective links to customers and partners are dependent on deployment of state-of-the-art information technologies like universal fare systems; real-time, on-street customer information; and unified scheduling and dispatching systems; and
- ◆ Organizational Structure Change – New business units, functions, skills, and business processes are inevitable with change in these other dimensions

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<sup>3</sup> *Ibid.*, page S-1.

Implementation of coordination strategies in local communities often involves one or more of these six dimensions of organization change. These non-traditional approaches to transit service delivery may involve a range of service models, from full service provider and Mobility Manager, to unique collaborations with other organizations, to extensive use of service contractors.

### **Winston-Salem Transit Authority (WSTA)/Trans-AID, North Carolina**

Trans-AID is one of the longest, continuously operated paratransit systems in North Carolina. Moreover, the system has successfully coordinated urban and rural paratransit needs in Forsyth County throughout its history, one of the few examples of such integrated service delivery that is now a high priority with the North Carolina Department of Transportation, Public Transportation Division.

Trans-AID was established in 1978 to transport elderly and disabled citizens in Winston-Salem and Forsyth County. Trans-AID was operated as a division of the Winston-Salem Transit Authority that provided advance reservation, curb-to-curb demand response transportation to eligible individuals in the service area. The system has grown from providing a few thousand trips per year to over 100,000 unlinked passenger trips per year today.

With the passage of ADA in 1990, Trans-AID assumed responsibility for providing complementary paratransit services to qualified disabled persons who cannot use or independently navigate an otherwise accessible fixed route system. The system continues to provide services to other individuals, primarily under contract to various community agencies in Forsyth County.

Trans-AID operates from a “mobility management” center located on the second floor of the downtown transit center in the heart of Winston-Salem. All customer service functions are provided at this center including, but not necessarily limited to:

- ◆ Reservations for ADA service;
- ◆ Information on Winston-Salem Transit Authority fixed route services;
- ◆ Information on all other paratransit services;
- ◆ Information regard ADA eligibility certification; and
- ◆ Paratransit trip information and trip cancellation

Trans-AID coordinates virtually all human service agency transportation. It is a direct recipient of Title III transportation funds for older adults and provides most of the Medicaid transportation in the county. The organization has service contracts with more than 15 other social service agencies, operating a non-dedicated fleet of vehicles to serve all paratransit needs. State-of-the-art computerized scheduling and dispatching technology is an integral component of the Trans-AID program.



**UTILIZATION OF THE PRIVATE SECTOR**

While FTA no longer prescribes a specific private sector policy under its grant programs, past experience has shown that involvement of the private sector in coordination activities can be successful in augmenting publicly owned vehicle fleets to meet increased demand for services, work to reduce overall operating costs, and bring specialized management expertise to local coordination projects.

**Best Practice: Alachua Community Transportation Coordinator (CTC) – MV Transportation, Florida**

The Florida Commission for Transportation Disadvantaged established a CTC to coordinate transportation services and funding for each of Florida's 67 counties. MV Transportation, a private for profit transportation provider, is the Alachua Community Transportation Coordinator. In cooperation with the Alachua County Transportation Disadvantaged Coordinating Board, appointed by the local Metropolitan Planning Commission, MV Transportation coordinates transportation services and funding in the Alachua and Gainesville area, including distribution of FTA's Section 5310 and Section 5311 funding. MV Transportation has full authority for the delivery of services to the transportation disadvantaged in its service area. This is accomplished through overseeing the coordination of transportation services by providing transportation directly, by contracting with providers for services, or by brokering the services to other organizations.

**MOTOR CARRIER REGULATIONS**

Motor carrier regulations address state and/or Federal oversight of vehicles, vehicle and driver safety issues, and operating authority issues. This topic includes any state procedures for qualifying carriers to perform passenger service or Federal oversight of carriers engaged in the interstate transportation of passengers for compensation.

**Best Practice: American Red Cross, St. Paul, Minnesota**

The American Red Cross is a private nonprofit organization in St. Paul, MN. They operate Section 5310 vehicles and are classified as a Special Transportation Service (STS) both as it relates to Minnesota's Motor Carrier regulations and as a Medicaid provider. To meet the training requirements as part of their motor carrier classification as an STS provider, the Red Cross has developed a training program to meet the specific motor carrier requirements, including but not limited to, training for first aid, CPR, abuse prevention, passenger assistance, and defensive driving. These training classes are posted on the Red Cross training website and are available to the public for a modest fee. Many agencies, including those which operate Section 5310 vehicles, take advantage of this training.

**Best Practice: Minnesota (MN) Masonic Homes – New Hope, Hennepin County, Minnesota**

MN Masonic Homes, in New Hope, Minnesota, is a nonprofit, adult day care organization providing adult day and transportation services to seniors. They currently operate nine Section 5310 vehicles seven days a week providing transportation to not only their participants, but participants of other organizations in the area.

As an adult day center serving only their participants, MN Masonic would not have to register with Mn/DOT, Office of Freight and Commercial Vehicle Operations (OFCVO), as a STS. To ensure that their vehicle is used to the maximum extent possible, MN Masonic coordinates the use of its vehicle with the local city, two area churches, three senior co-op's, and a hospital, providing service for seniors to shopping medical appointments, and social and recreational activities.

MN Masonic has successfully navigated the Motor Carrier STS registration process to be able to provide their coordinated service. Any questions that have arisen are answered by Mn/DOT, Office of Transit, and Office of Motor Carrier representatives. MN Masonic obtains all training except CPR and first aid from a local American Red Cross chapter and DARTS. CPR and first aid training is obtained from providers closer to the MN Masonic location to reduce travel costs (Red Cross and DARTS are 45 minutes and 60 minutes, respectively, from the MN Masonic's location.)

## VI. ECONOMIC IMPACTS

### OVERVIEW OF THE ECONOMIC IMPACTS

The economic benefits most commonly achieved by coordinating human service transportation programs with public transit/paratransit services include the following major elements.

#### **Improved Service Productivity and Cost Efficiency**

Coordination helps to eliminate or reduce the inefficiencies often found in non-coordinated systems. Through coordination, transportation services that were overlapping, duplicative, and inefficient can be combined for more efficient service delivery. In short, the greater efficiencies and productivity that are created through economies of scale result in a reduced cost per trip. More cost-effective service (not to mention a higher service quality as well as more accurate reporting of costs and service statistics) is likely to result from more centralized control and management of resources, and the increased level of accountability that typically comes with coordination.

#### **Leverage Additional Funding**

Coordination can often result in the leveraging of additional funding. For example, contract revenues from human service agencies have often been used as a local match to Federal Transit Administration (FTA) operating funding.

#### **Expanded Service and Mobility Improves the Economic Health of the Community**

With a more efficient and productive service and additional funding to work with, sponsoring agencies can provide more trips that can otherwise be provided in an uncoordinated system and possibly provide a new type of service or expand the service area or service hours to fill service gaps. Service expansion and increased mobility can result in better access to jobs, health care, shopping, and community facilities, and potentially increased employment rates and economic development.

#### **Coordinated Service Delivery**

One of the classic examples of coordination can be found in Pittsburgh, PA. In 1979, the ACCESS program was founded as a fully coordinated system whose ridership includes Americans with Disability Act (ADA) paratransit trips, senior trips, and medical and agency trips sponsored by over 100 different human service agency sponsors. ACCESS is door-to-door, advance reservation, shared ride transportation provided throughout the Port Authority of Allegheny County's service area and serves primarily senior citizens and persons with disabilities.

Service is provided from 6:00 a.m. to midnight, 7 days a week, and at such other times and places that Port Authority fixed route service is in operation. There are no restrictions on the purpose or number of trips which may be taken by riders, except that riders are required to share their vehicle with others traveling in the same direction and at the same time.

ACCESS is sponsored by the Port Authority of Allegheny County and is operated by ACCESS Transportation Systems, Inc., a subsidiary of Multisystems, Inc.

It has been estimated that the actual cost of ACCESS service was 46% lower than the cost that would have accrued had the service not been coordinated. In 2001, this equated to about \$26 million in savings. This can easily be traced to (1) the economies of scale and increased service productivity that has resulted from bringing these different transportation programs together; and (2) the diligence of the broker in managing service supplier competition.

Coordinated service delivery need not be consolidated as it is in Pittsburgh. At the very lowest level, coordinated service delivery might be illustrated by simple trip swapping, or filling holes in another program's schedule. In Central New Hampshire, for example, there are four human service agencies that each focus on the transportation of their respective clients. But in recognizing that they do have holes in their schedules that could be used to reduce the unmet needs of the general public, they have banded together into a collaborative, called Central New Hampshire Transportation. One of the four agencies staffs the Central New Hampshire Transportation request lines and schedules these call-in trips onto vehicles operated by the four agencies on a space available basis.

Another example of the coordination of service delivery is vehicle sharing, such as is prevalent in the FTA Section 5310 program. There are several examples where two or more organizations will share a vehicle at different times but split the maintenance and fuel costs according to the amount of use, therein providing an economical alternative to agencies each having to purchase a vehicle.

### **Shifting Riders to More Cost Efficient Service**

In addition, it is also important to recognize the economic benefits of accompanying strategies designed to "shift" riders to more cost efficient service alternatives (while also giving them more mobility options) enabled through coordination. Strategies such as free or reduced transit passes, the development of transit travel training programs, and the implementation of agency tripper service, all targeted to human service agency paratransit users, have resulted in clear and profound economic benefits. Thus, the core idea here is to help customers utilize more cost efficient services by making the services more useable or attractive, or by improving the customer's ability to use such services.

The use of more cost efficient service can go both ways. On one hand, there are numerous examples of human service agency programs utilizing transit services to transport their clients. By purchasing or reimbursing transit fare tokens or passes. Some

agencies actually contract with public demand response systems, with the contract rate covering the full operational cost of providing the service. Conversely, there are several examples of transit agency ADA paratransit programs making use of human service agency operators as service contractors, and allowing these operators to co-mingle the ADA trips with human service agency clients. It has been shown that co-mingling results in higher productivity, which in turn allows the human service agency to give the transit agency a better rate – and enables the human service agency to stretch its funding dollar.

### **Coordination of Support Functions and Joint Purchases**

The economic benefits above can also be achieved by reducing the costs of support services – by coordinating these functions. There are numerous examples of one agency utilizing another agency for scheduling, dispatch, maintenance and/or training functions that not only results in savings but often improved service. There are also many examples of joint purchases of hardware/software used for scheduling and/or maintenance that have produced significant savings.

In the sections that follow, two case studies have been developed to examine the economic benefits of coordination.

### **MINNESOTA CASE STUDIES – ECONOMIC IMPACTS OF COORDINATION: ARROWHEAD TRANSIT**

#### **Introduction**

Founded in 1974 and based in Virginia, Minnesota, Arrowhead Transit is a Section 5311 funded coordinated public transportation service provided by the Arrowhead Economic Opportunity Agency to the residents of a seven county area in northeastern Minnesota. The seven counties include Aitkin, Carlton, Cook, Itasca, Koochiching, Lake, and St. Louis.

Arrowhead Transit provides three types of accessible services in all seven counties, all of which are open to the general public with no age or income restrictions:

- ◆ Flexible (route deviation) transit service;
- ◆ Dial-A-Ride - demand/response service; and
- ◆ Route guarantees or subscription routes.

In addition, Arrowhead Transit also has an extensive volunteer driver program in 3 of the counties (Itasca, Koochiching, and Lake), currently utilizing 25 drivers.

#### **Operating Hours**

While operating hours vary by county and by trip type, Arrowhead Transit generally operates daily between 6:00 a.m. and 6:00 p.m.

**Reservations and Scheduling**

All trip requests for route deviation, dial-a-ride, and route guarantees come into Arrowhead Transit. These requests are taken manually, and scheduled onto route sheets, sometimes with the assistance of Internet map/routing services such as Mapquest. Requests for service are transferred to bus dispatch or volunteer driver coordinator as they are received. The conversation reveals which service they need or are eligible to use. The trip may be scheduled for a later time or date or dispatched immediately if a bus is in the area. The volunteer coordinator may determine that a person could use the bus or is ineligible for a volunteer driver. The dispatcher would then make arrangements for the passenger if possible. If the dispatcher cannot determine a solution, the supervisor reviews the alternatives and assists the person needing transportation. These trips are then scheduled onto one of the services, noting that human service transportation policies all include a statement requesting the use of the most cost-effective means of transportation in the area.

**Fleet/Facility**

Arrowhead Transit utilizes a fleet of 55 accessible buses to operate the 3 types of services. These buses are stored throughout the seven-county area and are maintained at Arrowhead Transit's operations/maintenance facility in Gilbert, which has three service bays and a wash bay.

**Staffing**

AEOA employs 70 staff to run Arrowhead Transit. A list of staff is presented below (Exhibit VI-1).

**Exhibit VI-1.  
Arrowhead Transit Staffing Breakdown**

<b>Position</b>	<b>Number</b>
Director	1
Assistant Director	1
Maintenance Supervisor	1
Coordinator III	3
Marketing/Public Relations Coordinator	1
Office Manager	1
Program Specialist	1
Safety & Training Coordinator II	1
Staff Assistant	1
Program Support I	2
Class A Mechanic	1
Class B Mechanic	1
Mechanics Assistant	1
Cleaner/Helper	1
Dispatcher (full-time)	2
Drivers (full-time)	12
Drives (part-time)	39
Total Employees	70

**Ridership**

Ridership in 2004 totaled 353,669 trips, broken down by service type, as follows:

**Exhibit VI-2.  
Arrowhead Transit Ridership, 2004**

<b>Service Mode</b>	<b>2004 Trips</b>
Route Deviation	89,041
Dial-A-Ride	102,533
Route Guarantees	155,339
Volunteer Drivers	6,756
<b>Total</b>	<b>353,669</b>

**Operating Cost and Revenues**

In 2004, Arrowhead Transit's operating costs and revenues totaled approximately \$2,700,000, for a cost per trip of \$7.63. A summary of operating expenses and revenue sources is presented in Exhibit VI-3.

**Exhibit VI-3.  
Arrowhead Transit, Expenses and Revenues, 2004**

<b>Expenses</b>	<b>Amount</b>
Operator Wages	\$ 630,000
Other Salaries and Wages	673,000
Fringe Benefits	442,000
Administrative	259,000
Fuel, Lubricants, Parts, and Other Vehicle Costs	233,000
Mileage Reimbursements/Other Operational Charges	219,000
Insurance	237,000
Taxes and Fees	7,000
<b>Total</b>	<b>\$ 2,700,000</b>
<b>Revenues</b>	<b>Amount</b>
Mn/DOT, Office of Transit	\$ 1,716,632
Federal	368,400
Greater MN Transit Fund	209,968
Local 15% Match	405,000
Farebox Revenue* \$ 93,000	
Contracts** \$312,000	
<b>Total</b>	<b>\$ 2,700,000</b>

\* Includes tickets purchased by all seven counties for distribution to residents.

\*\* Actual contract revenue in 2004 was \$847,000; the difference of \$535,000 was used and will be used for capital purchases.

**Exhibit VI-4.**  
**Arrowhead Transit Contract Revenue, Revenue Hours, and Ridership**

<b>Agency</b>	<b>Revenue</b>	<b>Hours</b>	<b>Trips</b>
<b><u>Head Start</u></b>			
AEOA Head Start	\$202,190	6,880	52,247
<b><u>Day Activity Centers</u></b>			
East Range DAC	\$129,076	5,885	27,164
Lake County DAC	\$49,400	2,230	13,322
Itasca DAC	\$47,219	2,150	16,300
Northland DAC	\$33,419	1,235	9,634
Ita-Bel-Koo DAC	\$23,800	1,005	7,553
<b>Subtotal</b>	<b>\$282,914</b>	<b>12,505</b>	<b>73,973</b>
<b><u>Co.Human/Social Services</u></b>			
Itasca County	\$86,984	5,250	3,356
Lake County	\$22,822	2,155	1,805
Koochiching County	\$20,564	2,850	1,354
St. Louis County	\$4,800	700	126
Cook County	\$1,606	500	152
<b>Subtotal</b>	<b>\$136,776</b>	<b>11,455</b>	<b>6,793</b>
<b><u>Municipal Dial-A-Rides</u></b>			
City of Moose Lake	\$4,800	1,500	3,865
City of Eveleth	\$3,360	705	3,143
Ely Senior Center	\$1,380	1,160	5,415
<b>Subtotal</b>	<b>\$9,540</b>	<b>3,365</b>	<b>12,423</b>
<b>Miscellaneous Agencies</b>			
Range Center, Inc.	\$73,367	3,054	19,942
Fleetwood Services & Training	\$57,954	2,550	12,511
Deer River Hired Hands	\$11,286	700	1,332
Deer River Health Care Center	\$9,610	700	3,665
Occupational Developmental Center	\$6,396	600	2,603
Parkside Homes	\$3,600	200	1,202
Itasca County Family YMCA	\$1,408	100	853
Park X Racing	\$1,224	60	1,001
Manor House	\$891	50	405
<b>Subtotal</b>	<b>\$165,736</b>	<b>8,014</b>	<b>43,514</b>
Other Small Agreements	\$49,844	N/A	N/A
<b>Total Contract Revenue</b>	<b>\$847,000</b>	<b>42,219</b>	<b>188,950</b>

**Aspects of Coordination**

Arrowhead Transit is the primary source for public transportation and several human service agency transportation programs in the seven counties served by Arrowhead Transit. As detailed in Exhibit VI-4, purchasers of contract transportation include:



- ◆ Head Start (administered through Arrowhead Economic Opportunity Agency);
- ◆ 5 Day Activity Centers;
- ◆ The County Departments of Human/Social Services in five of the seven counties;
- ◆ Nine other human service agencies, including The Range Center; and
- ◆ Two municipalities and a senior center that retain Arrowhead Transit to operate public dial-a-ride service in Moose Lake, Eveleth and Ely.

Most of the public and private agencies above contract for “route guarantee service” at a rate of \$28 per hour. Arrowhead Transit attempts to co-mingle clients from different agencies on route guarantee service if their trips are ride shareable. For example, it is not unusual to co-mingle clients from a Day Activity Center (DAC) and an Occupational Development Center (ODC) on the same vehicle. Head Start clients are usually not co-mingled, mainly because the schools are in different locations than the DACs and the work sites for the ODC clients. Others rides can be scheduled on a route guarantee, but only if it does not significantly affect the agency trip(s). Other municipalities and agencies either purchase fare tickets from Arrowhead Transit at \$1.50 per ticket and distribute the tickets to their constituents or clients, or establish a route guarantee contract with Arrowhead Transit.

Arrowhead Transit is a Special Transportation Service (STS) provider. The STS regulations specify mandated driver training and other requirements that have been incorporated into the system. The STS designation also allows transportation for nursing home field trips.

While Arrowhead Transit is available as a STS provider for Medicaid recipients who are eligible for Non-Emergency Medical Transportation (NEMT), such transportation is still requested by the recipients themselves. Since cost is not an issue for them, but convenience is, these travelers will likely request transportation from other for-profit taxi companies and/or wheelchair van operators who can offer an exclusive ride, and more responsive, if not immediate, service in comparison to Arrowhead Transit’s shared ride, public transportation service.

There is also coordination between the Arrowhead Transit bus services and the volunteer driver program. For example, staff will first try to schedule a sponsored, eligible trip onto one of Arrowhead Transit’s routes or dial-a-ride services, and will only use a volunteer driver (or reimburse family or friends at a lower rate) if that cannot be accomplished. Typically, local trips can be served by one of the transit services, while longer trips are found to be better suited to volunteer drivers.

### **Economic Benefits of Coordination**

Arrowhead Transit can offer attractively priced contract transportation to human service agencies:

- ◆ Arrowhead Transit has a lower maintenance labor rate than the labor rate of most commercial garages in the area; and

- ◆ Arrowhead Transit's piggy-backing routes and co-mingling trips from different agencies on the same vehicle ultimately results in less hours of contract service for the purchasing agency. (In cases where a client from one agency is scheduled onto a route guarantee sponsored by another agency, and that addition has a negligible effect on routing and hours, Arrowhead Transit will not charge the first agency for transporting that one trip.)

To be able to quantify the economic benefits that accrue to the agency sponsors, it is first important to establish the rates of the commercial services that represent the alternative course. Healthline Transportation Services (218-262-1170) and Care-A-Van (218-262-4117), both STS providers that operate in Arrowhead Transit's service area, solely provide Medicaid sponsored NEMT and get reimbursed at the state rates:

Ambulatory trips:	\$12 per person one way plus \$1.35 per mile
Non-Ambulatory trips:	\$18 per person one-way plus \$1.40 per mile

The manager at Care-A-Van also noted that the company formerly tried to enter the non-medical transportation marketplace and had a rate for non-medical transportation, but could not compete at that rate with taxis and other public demand responsive services.

In revisiting Exhibit VI-4 and excluding the \$49,844 revenue from "other small agreements" for which hourly and ridership data were not available, we calculate that the average cost per trip for these agencies is \$4.22, and that the average cost per hour is \$18.88, from the total cost of \$797,156. The low cost per trip is partially attributable to underlying reasons discussed above, but also to the high productivity of the runs (averaging out at nearly 4.5 trips per hour).

It would appear that the only specialized transportation alternative in the seven-county region is from the commercial STS providers at the rates presented above. Assuming an average trip mileage of 10 miles per trip, and an ambulatory/non-ambulatory split of 90/10. The cost to utilize an STS provider is estimated to be over \$4.9 million, as calculated below, compared to \$797,156.

**Exhibit VI-5.  
Estimated Costs to Use an STS Provider**

<b>Unit</b>	<b>Ambulatory Trips</b>	<b>Non-Ambulatory Trips</b>	<b>Total Trips</b>
Person	170,055	18,895	188,950
Rate	\$2.00	\$18.00	
<b>Total</b>	<b>\$2,040,660</b>	<b>\$340,110</b>	<b>\$2,380,770</b>
Mileage	1,700,550	188,950	1,889,500
Rate	\$1.35	\$1.45	
Total	\$2,295,743	\$264,530	\$2,560,273
<b>Grand Total</b>			<b>\$4,941,043</b>

Thus, one could say that this collection of agencies and municipalities would be paying an additional \$4,143,887 to transport the same number of trips if the commercial STS providers reflected the only option. Or, another way to explain the difference is that the agencies and municipalities, with their current budgets and at an average cost of \$26.15 per trip, could only afford to serve 30,484 trips per year, instead of the 188,950 trips that they do sponsor.

The only other option for these agency sponsors would be to develop in-house programs, which would likely end up costing approximately \$40 per hour because there would be a limited number of hours over which to spread the administrative and capital costs, also noting that these agencies would not benefit from Mn/DOT, Office of Transit, and Federal funding, with the possible exception of Section 5310 funding for capital expenditures. Thus, because Arrowhead Transit can offer service at \$28 per hour, these agencies “save” \$16 per hour.

Again, as a cautionary note, these computations are estimates and do not take into account several key factors. First, comparisons with private sector providers may not be equitable due to the fact that capital (facilities and equipment/ rolling stock, etc.) are not factored into Arrowhead Transit cost computations. This may result in the overstatement of savings. Second, some clients may be riding the system at the general public fare, not the fully allocated cost per trip. Again, an overstatement of cost savings may result.

### **MINNESOTA CASE STUDIES – ECONOMIC IMPACTS OF COORDINATION DAKOTA AREA RESOURCES AND TRANSPORTATION SERVICES (DARTS)**

#### **Introduction**

DARTS mission is focused on the provision of services to seniors, their families, and the community. DARTS provides information and assistance, caregiver support, help at home, homemaking, outdoor chores, respite care, shopping, visiting, chemical dependency services, independent living programs, care management, education programs, and transportation.

DARTS operates demand responsive transportation service to (1) Metro Mobility customers making ADA trips in Dakota County; (2) senior (60+) residents of Dakota County; and (3) clients of other human service agencies that purchase service through DARTS. DARTS also has a volunteer driver program, although it currently has but a few volunteers.

#### **Operating Hours**

Operating hours vary by trip type: senior transportation operates on weekdays from 8:00 a.m.- 4:30 p.m., while ADA service operates seven days a week with extended hours (beyond the senior transportation hours) varying with each community.

#### **Reservations and Scheduling**

Reservation hours are weekdays 7:00 a.m.-5:00 p.m. and weekends 9:00 a.m.-5:00 p.m. Rides can be reserved up to four days in advance (five days for transfer trips). DARTS uses Trapeze for reservations and scheduling. It also has the Community Transportation Module for community transit coordination.

#### **Fleet/Facility**

DARTS fleet of 37 vehicles operates out of 6 different locations within Dakota County. While the bulk of the fleet operates out of the main facility in West St. Paul, eight vehicles are housed throughout the county, with free space provided by churches, cities and Minnesota Valley Transit Authority, the regular route provider in Burnsville. All vehicles are maintained at the DARTS facility in West St. Paul. Most of the vehicles in DARTS fleet are provided by the Metropolitan Council/Metro Mobility per a \$1 lease arrangement. DARTS also shares a Section 5310 vehicle in Farmington. (DARTS provides 100% of the match; in return, their “share” of the vehicle is four days a week. Farmington provides free garage space and gets the vehicle one day a week.)

DARTS has two buildings. One is devoted to the transportation program, and houses the reservations, scheduling, and dispatching functions, as well as customer services, IT, accounting and other administrative/support functions. This building also houses

DARTS Vehicle Maintenance Services (VMS), a wholly owned nonprofit tax paying subsidiary that not only services the DART fleet, but also provides maintenance for approximately 475 vehicles for 80 to 90 other nonprofit and human service agencies in the Metro area. VMS has 5 bays (4 are 30 feet long, and 1 is 40 feet long) and 1 wash bay. The other building on the DARTS campus is shared among the various programs and includes a training/conference room.

**Staffing**

DARTS transportation staff is presented below:

**Exhibit VI-6.  
DARTS Staff and Organization**

<b>Staff Position</b>	<b>Full-Time</b>	<b>Part-Time</b>
Administrative Staff	4	0
Customer Service Staff	6	3
Dispatch	4	0
Drivers	37	38
Maintenance (VMS)	8	0

**Ridership**

In 2004, DARTS ridership totaled about 173,000 trips. In January 2005, DARTS served about 13,800 trips, broken down as follows:

**Exhibit VI-7.  
DARTS Ridership, by Category, January 2005**

<b>Ridership Category</b>	<b>Number</b>	<b>Percent</b>
Metro Mobility ADA	9,200	67%
Seniors	4,100	30%
Access to Jobs	350	2%
Miscellaneous*	150	1%

\* includes Presbyterian homes (103 trips in January) and some trips in Farmington with a shared Section 5310 vehicle.

**Operating Costs and Revenues**

In 2004, DARTS' operating costs and revenues totaled \$3,272,674, for a cost per trip of \$19.68. A detail of the operating expenses and revenue sources are presented in Exhibit VI-8.

**Exhibit VI-8.  
DARTS' Operating Expenses and Revenue (2004)**

<b>Operating Expenses</b>	<b>Amount</b>
Operator Wages	\$ 1,011,007
Other Salaries and Wages	858,451
Fringe Benefits	468,318
Services	193,039
Fuel and Lubricants	173,342
Tires and Tubes	16,379
Other Materials and Supplies	88,077
Utilities	62,648
Insurance	146,753
Taxes	58,082
Purchased Transportation - Non-Metro Transit	-
Purchased Transportation - Metro Transit	-
Miscellaneous Expenses	<u>196,578</u>
<b>Total Operating Expenses</b>	<b>\$3,272,674</b>
<b>Revenue</b>	
Metro Mobility (ADA Trips)*	\$2,219,967
Metropolitan Council (PBF Funding)**	267,588
Federal - Job Access	102,598
Dakota County	293,237
Fare Revenue	268,854
Fees for Service	29,246
Miscellaneous Grants	13,250
Maintenance Service Fees	53,330
State - Fuel Tax***	24,605
<b>Total Operating Revenue</b>	<b>\$3,272,674</b>

\* Metro Mobility rate is \$18.50 per trip. In addition, DARTS keeps the ADA fare revenue (\$2.25 per trip), which is included in the fare revenue line.

\*\* 2004 PBF funding is based on \$6.42 per trip multiplied by the ridership from 2002.

\*\*\* This is also an expense.

**Aspects of Coordination**

DARTS is a Metro Mobility contractor for Dakota County. DARTS gets paid \$18.50 per trip and gets to keep the \$2.25 off-peak and \$3 peak fares. ADA trips are co-mingled with other trips on DARTS vehicles, which may be unique within the Metro Mobility system. The Metropolitan Council/Metro Mobility also leases vehicles to DARTS for \$1, allowing DARTS to provide more service with revenue from other sources.

County human service programs that purchase service from DARTS include: (1) Community Services, (matching Performance Based Funding (PBF) from the Council) is used for the senior trips; (2) Economic Assistance for the Access to Jobs trips; and (3) Early Childhood (no trips in January).

Private agencies purchasing service from DARTS include Presbyterian homes which purchase trips for assisted living residents (103 trips in January 2005).

DARTS shares a Section 5310 vehicle with other organizations in Farmington. DARTS provides the local match.

DARTS is also being certified as an STS provider. Should this occur, DARTS hopes to expand service to include Medicaid transportation. DARTS has noted that many of its passengers carry dual eligibility – that its clients are both Medicaid eligible and certified for complementary paratransit under the ADA. Under some scenarios, DARTS may have options on how to bill sponsor agencies for such trips taken by individuals with multiple funding sources. DARTS plans to develop a process to assign trips to funding sources in these circumstances to maximize revenue to the transit program.

DARTS has met with various organizations in Hennepin County (Opportunities Partners, Senior Community Services, PRISM) to discuss setting up a “DARTS-West.”

DARTS orchestrated the joint purchase of Trapeze upgrades and new hardware. The co-purchasers also included four other county programs (Anoka, Carver, Scott, and Washington). Not only was there savings because of the joint purchase (e.g., DARTS saved \$25,000 on the hardware alone), but having the same software lays the foundation for inter-program coordination in the future.

DARTS is also a purveyor of support services for others. DARTS provides:

- ◆ Vehicle Maintenance Service (VMS) -- DARTS' VMS is maintaining more than 470 vehicles for 80 to 90 organizations;
- ◆ Preventive Maintenance Training – DARTS provides expert training in maintaining vehicles and conforming with STS requirements;
- ◆ Driver Training – DARTS provides STS Certified Driver Training to drivers employed by 25 to 30 organizations. To date, DARTS has trained 174 DARTS drivers and 186 other drivers. Training includes passenger assistance training, defensive driving, first aid for drivers, and abuse prevention. Classes are taught by STS certified instructors;
- ◆ General Training – Includes customer service training to improve internal and customer communication, and substance abuse testing and training to meet FTA requirements for safety sensitive employees;
- ◆ Consulting Services – Includes reviews and analyses of operations, supporting scheduling, routing and dispatching systems, operational procedures, customer service standards, and assistance with collaborations; and
- ◆ Scheduling software- DARTS provides EZ Trip Scheduling Software, a computer assisted scheduling program designed for smaller systems that do not need automated scheduling capabilities; DARTS has the community transportation multi-site license for Trapeze. Elder Ride “rents” Trapeze on a monthly basis. DARTS has also submitted a similar proposal to the American Red Cross in Ramsey County.

**Economic Benefits from Coordination*****Co-Mingling of Trips***

The most significant economic benefit of coordination stems from the co-mingling of trips (*i.e.*, compatible ADA trips, senior trips, job access trips, and a group home trip may all be scheduled to a particular DARTS vehicles, rather than DARTS dedicating four different fleets to separately serve each of the four groups of trips). To estimate the savings from co-mingling, DARTS scheduling staff rescheduled a day's worth of trips, making sure only to dedicate sub-portions of its fleet respectively to ADA trips, senior trips, job access trips, and other contract trips.

While the estimates of savings to the senior trips and other human service agency trips turned out to be negligible, the savings to Metro Mobility were substantial. In 2004, 119,871 ADA trips were served by DARTS at a cost to Metro Mobility of \$18.50 per trip or \$2,217,614. From the rescheduling, DARTS estimated that 4,511.30 additional hours of service per year would be required to serve the same number of trips. Using Laidlaw's rate of \$40.90 per hour from neighboring Ramsey County, the additional cost to Metro Mobility would thus be \$184,512, or 8% of its 2004 payment to DARTS.

***Vehicle Leasing to Churches***

Four churches lease vehicles from DARTS, and utilize volunteer drivers, to transport parishioners to church.

**Exhibit VI-9.  
DARTS Church Vehicle Leasing**

<b>Church/Community Group</b>	<b>Hours</b>	<b>Market Cost/Year</b>	<b>In-Kind to DARTS</b>	<b>Lease Revenue to DARTS</b>
Prince of Peace	208	\$9,360	\$3,000	\$2,592
St. Michaels Church	130	\$5,850	0	0
Calvary Baptist	208	\$9,360	0	\$1,270
Farmington Senior Center	416	\$18,720	\$3,000	0
<b>Total</b>	<b>962</b>	<b>\$43,290</b>	<b>\$6,000</b>	<b>\$3,862</b>

The exhibit above shows the number of hours of service per church that was provided in 2004. At \$45 per hour, DARTS' contract rate, the market value of these 962 total hours is \$43,290. However, DARTS charges two of these churches a rental or lease fee of \$1 per mile, which totaled \$3,862 in 2004. Thus, these four churches collectively saved \$39,428.



In addition to the lease fees of \$3,862, DARTS also received \$6,000 in-kind services: two of the churches allow DARTS to park vehicles on church property for free. The market cost of parking these vehicles in nearby commercial lots would each be \$3,000. Hence, DARTS not only brought in an additional \$3,862 in revenue from these churches, but also avoided another \$6,000 in expenses (or even more in deadheading costs if the vehicles were not parked there).

### **Maintenance**

DARTS' VMS subsidiary maintains more than 470 vehicles for 80 to 90 organizations. Based on the difference between DARTS mechanic labor rates (\$69.20) and the market rate of mechanics certified to work on these types of vehicles (\$100 per hour), as well as the 10% to 20% discount that DARTS gets on parts, DARTS staff have estimated that savings to other nonprofit community transportation providers, based on reduced costs for parts and labor, will total \$193,000 annually for each of the next three years. There may also be additional savings (and other benefits) that accrue to these organizations as a result of less downtime and fewer road calls that result from the high quality of DARTS' preventive maintenance program and repairs; however, this is difficult to quantify.

In addition, the net revenue from VMS was \$53,330 in 2004. Thus, by providing maintenance services to others, DARTS is able to defray its own internal costs.

### **Driver Training**

In 2004, DARTS' internal cost of providing this driver training was \$13,986. This cost would essentially be the same regardless of whether or not the other outside drivers attended the training sessions. This cost includes both the instructor cost (\$4,920), noting that the instructor is an employee of DARTS, and the driver pay hours spent in training (\$9,066). The net revenue from training fees totaled \$7,491. Hence, the net cost of driver training was \$6,495.

### **Joint Use of Software**

DARTS has the community transportation license for Trapeze. The Elder Ride, which has its own transportation program, "rents" Trapeze from DARTS for a total cost of \$3,500 per year, the additional cost (to DARTS) of having the multi-site license. By renting Trapeze in this fashion from DARTS, Elder Ride has avoided the \$60,000 purchase price/site license of Trapeze, plus the \$11,500 in annual software license/maintenance fees.

Thus, assuming that Trapeze would have a useful life of at least 5 years, and using straight-line depreciation, we calculate the annual savings that accrue to Elder Ride to be \$20,000 per year (\$12,000 + \$11,500 - \$3,500).

Note also that DARTS has submitted a similar proposal to the American Red Cross in Ramsey County. If the American Red Cross takes DART up on its offer, the additional \$3,500 could be used to offset DARTS' annual software license/maintenance cost.

**Joint Purchasing - Hardware**

DARTS orchestrated the joint purchase of Trapeze upgrades and new hardware. The co-purchasers also included four other county programs (Anoka, Carver, Scott, and Washington). Not only were there savings of the market price because of the joint purchase, but all five programs having the same software also lays the foundation for inter-program coordination in the future.

DARTS estimates its hardware savings at \$20,293, as it saved \$15,445 among the 5 servers, and \$4,848 among the 12 workstations. Assuming again a 5-year life, and straight-line depreciation, this equates to an annual savings of \$4,050 per year.

**Exhibit VI-10.  
DARTS Computer Hardware Savings**

<b>Item</b>	<b>Retail Price</b>	<b>Actual Cost</b>	<b>Savings</b>
Server	\$7,995	\$4,906	\$3,089
PC	\$1,400	\$1,047	\$353
Monitor	\$600	\$549	\$51
5 Servers	\$39,975	\$24,530	\$15,445
12 PCs	\$16,800	\$12,564	\$4,236
12 Monitors	\$7,200	\$6,588	\$612
<b>Total</b>	<b>\$63,975</b>	<b>\$43,682</b>	<b>\$20,293</b>

Including all purchasers in this joint purchase, the regional savings, based on the purchase of 13 servers and 40 workstations, was \$56,317 or \$11,263 per year.

**Exhibit VI-11.  
Estimated Hardware Savings, Regional Application**

<b>Item</b>	<b>Retail Price</b>	<b>Actual Cost</b>	<b>Savings</b>
Server	\$7,995	\$4,906	\$3,089
PC	\$1,400	\$1,047	\$353
Monitor	\$600	\$549	\$51
13 Servers	\$103,935	\$63,778	\$40,157
40 PCs	\$56,000	\$41,880	\$14,120
40 Monitors	\$24,000	\$21,960	\$2,040
<b>Total</b>	<b>\$183,935</b>	<b>\$127,618</b>	<b>\$56,317</b>

**Joint Purchasing - Software**

DARTS orchestrated the joint purchase of Trapeze software and upgrades – the general idea being to have all the county based programs from Anoka, Carver, Dakota, Scott, and Washington using the same system. For some, there were no immediate economic benefits because the upgrades were free. However, CARTS in Carver County and HSI in Washington County together saved about \$9,000 in software costs as a result of the joint purchase.

**Summary of Annual Economic Benefits to DARTS**

***Summary of Annual Economic Benefits to DARTS***

<b>Savings Item</b>	<b>Amount</b>
Vehicle Leasing to Churches	\$9,862
Vehicle Maintenance Services Fees	\$53,330
Driver Training Fees	\$7,491
Joint Use of Software	\$3,500
Joint Purchase of Hardware	<u>\$4,050</u>
<b>Total</b>	<b>\$78,233</b>

***Summary of Additional Annual Economic Benefits to Other Agencies/Organizations***

<b>Savings Item</b>	<b>Amount</b>
Co-Mingling – Metro Mobility (ADA Trips)	\$184,512
Vehicle Leasing to Churches	\$39,428
Vehicle Maintenance Services	\$193,000
Joint Use of Software	\$20,000
Joint Purchase of Hardware (excluding DARTS)	\$7,213
Joint Purchase of Software	\$9,000
<b>Total</b>	<b>\$453,153</b>

## **VII. GREATER MINNESOTA ACTION PLAN**

### **OVERVIEW**

The Minnesota Public Transit and Human Services Coordination Study, a state initiative undertaken by the Minnesota Department of Transportation in cooperation with the Metropolitan Council, establishes a framework for moving transportation coordination forward in both Greater Minnesota and the Twin Cities Metropolitan Area. The objectives of the study are to educate public transit and human service stakeholders about the benefits of transportation coordination, identify best practices already in existence that can be replicated at the local level and develop an action plan of the steps to implement coordination throughout the state.

Concurrent with Mn/DOT Office of Transit's effort, the U.S. Department of Transportation (U.S. DOT) launched the *United We Ride* program. In February 2004, President Bush issued an Executive Order No.13330 on human services transportation. The Executive Order recognized the "fundamental importance of human service transportation and the continuing need to enhance coordination." The Order directed several Federal departments and agencies (the Departments of Labor, Education, Veteran's Affairs, Agriculture, Housing and Urban Development, the Interior, the Attorney General, and the Commission of Social Security) to work together to ensure that transportation services are seamless, comprehensive and accessible. The Executive Order challenged the newly formed Interagency Transportation Coordinating Council on Access and Mobility (CCAM) to provide the most appropriate, cost-effective services within existing resources. The CCAM responded with five recommendations designed to strengthen existing transportation services and to help providers become more responsive to consumers. The five recommendations are:

1. Human service transportation programs should participate in a community transportation planning process;
2. Vehicles used in human service transportation should be shared with other Federally funded programs;
3. Human service and other transportation agencies should develop standard cost allocation principles for transportation services;
4. Human service transportation agencies should maintain data that will allow for the cross agency analysis of the agencies' effectiveness, efficiency, and progress toward improved coordination; and
5. Selected agencies should propose/participate in demonstration programs, as appropriate, to show how a single transportation system financed through a consolidated Federally funded stream (assuming statutory authority is obtained) can better meet the mobility needs of transportation-disadvantaged populations.

The Federal direction provided on transportation coordination, along with input from the Minnesota Coordination Project Advisory Committee, provided the basis for the actions described in this chapter. The Study presents an institutional Framework for state, regional, and local coordination strategies for Greater Minnesota. A similar action plan takes into consideration the urban environment of the Metro area and is presented in the next chapter.

### STATEWIDE INSTITUTIONAL FRAMEWORK

Minnesota has a long history of establishing comprehensive transportation policy that responds to the specific needs of local communities and their residents. Correspondingly, every community has specific coordination solutions that address local political and operational realities of its environment.

The Mn/DOT, Office of Transit, was an early leader in promoting coordination and continues to lead the way with this Study. The Framework presented herein represents a model approach that furthers the ideals put forth in the *United We Ride* initiative. The Framework reflects the existing environments and transportation philosophies unique to Minnesota, and will no doubt in time, come to be known as the “Minnesota Model.”

Minnesota is one of the few states that have public transit services in nearly all counties (80 of 87 counties, 7 of which are part of the Twin Cities Metropolitan Area). Some systems operate traditional fixed and deviated route services and others provide demand responsive services. Some transit systems operate within a single county; while others provide multi-county service. There are several transit systems that operate solely within municipal boundaries. The Mn/DOT, Office of Transit, has also recognized that traditional public transit services cannot efficiently or effectively address all of the mobility needs that exist within a community.

To better address the mobility needs of a diverse population, a “family of services” concept should be adopted. In this concept, a range of services, from traditional fixed route public transit to less conventional, non-traditional service delivery strategies are provided to meet a broader range of mobility needs. The Greater Minnesota population base includes active seniors, frail elderly, individuals who are disabled, members of the workforce, and students who have differing travel requirements. Non-traditional services have already emerged at several locations throughout the state as transit systems have supplemented their traditional fixed route services and/or demand response services with volunteer networks and contracts with social service agencies.

The foundation to begin implementation of this concept proposes that public transit systems should be the focal point for transportation services within their respective counties. In the past, Mn/DOT, Office of Transit, has encouraged public transit systems to provide transportation services to human service agencies and others within their respective counties.

In cases where existing systems have implemented the family of services concept, it has been recognized that there are specific mobility needs that cannot be met through traditional public transit service delivery. However, this practice is not universal in Greater Minnesota. In some areas, services are disjointed, with private nonprofit, private for-profit, and public transit systems operating independently from one another and in other instances, sometimes operating in direct competition with one another, leaving gaps in service, duplication, and inefficiencies.

The Framework builds on the concept of a comprehensive family of services that meets the mobility needs of the community by taking advantage of the strengths of existing service providers. The Framework promotes forming or expanding services to fill gaps, and establishes a single contact where transportation needs can be met. The Framework proposes that public transit systems throughout Greater Minnesota are the “Mobility Managers” within their service area. Under the Framework, the role of public transportation systems within the state would be expanded.

Transit systems will have differing capacities and inclinations to embrace the paradigm shift. Consequently, implementation of the Mobility Manager concept throughout the state will be transitioned in over a 10 year planning horizon. The Mn/DOT, Office of Transit, will provide direction, technical assistance and incentives to facilitate the implementation process. Other state agencies, as necessary, will also provide technical assistance. Systems that have already embraced a non-traditional service delivery system including a volunteer network will most easily embrace the concept as an extension of their current practice.

Systems that have maintained a narrower focus and have more obstacles to overcome will be phased in over time as they acquire the skill set and build the trust of the local community. Each local community will determine the implementation timeline and role of the Mobility Manager through the regional planning process.

A Mobility Manager is a person or organization with in-depth knowledge of all the passenger transportation options within the recognized service area. The Mobility Manager arranges transportation from a menu of services available in the service area, capturing the best fit between service need and service provider. Under this concept, the public transportation system will not actually provide all requested rides; but coordinate with a range of existing providers to effectively meet trip needs.

In areas where a full complement of providers does not exist, the Mobility Manager will continue to work with local organizations to fill the service gap to overcome real or perceived obstacles to the coordination effort. The Mobility Manager will be an advocate for transportation coordination at the local level and will facilitate cooperative arrangements between service providers for administrative and support functions (*i.e.*, training, procurement, grants management, drug and alcohol testing, risk management, maintenance, customer information).

In some cases, existing personnel will be able to perform the functions of the Mobility Manager. In other cases, existing personnel, with additional training, will have this capability. In yet other circumstances, it may be necessary to hire additional personnel to perform this function.

The success of this initiative will depend in large part on efforts at the state, regional and local levels. State level efforts should focus on establishing policy, program administration, and supporting coordination through the regulatory Framework. The regional efforts should address regional mobility issues, coordination planning at the local and regional levels, and liaison with state policymakers. Actual mobility management, service provision and operational components of the coordination effort take place at the local level.

### **COORDINATION FRAMEWORK ELEMENTS**

#### **Interagency Committee on Transportation Coordination (ICTC)**

To successfully implement a comprehensive approach to coordination within the state, the concept must be embraced at the state policy level, included in state agency program funding and administration, and championed by high-level policy and decision makers. A state level Interagency Committee on Transportation Coordination (ICTC) was formed by Minnesota Governor Tim Pawlenty to promote innovation and coordination in community transportation. The committee is made up of high-level representatives from various state departments that recognize transportation as an essential component of their service delivery system and whose direct or indirect spending comprises a large portion of the transportation funding within the state. The ICTC has been directed to identify strategies and solutions for coordinating human service and public transportation service to meet the mobility needs of residents in Minnesota. The suggested responsibilities of the committee are:

- ◆ Develop an administration endorsed strategic initiative with corresponding goal and objective statements to establish coordination as a priority. The committee subsequently guides program development, funding and administration at the state level;
- ◆ Focus attention on transportation coordination issues at the state, regional and local levels;
- ◆ Address and remove or mitigate state level policy and program related obstacles;
- ◆ Formalize policy and promote consistency through development of departmental/agency transportation coordination plan initiatives, cooperative agreements, and directives. Hold departments accountable for measured progress toward goal achievement;
- ◆ Introduce new legislation and/or legislative changes to foster coordination efforts and to remove legislated obstacles to coordination;
- ◆ Establish basic operational parameters for service quality and safety including standards for driver requirements and training, vehicle inspections, insurance

- coverage, maintenance, and regulatory compliance that emulate Special Transportation Service (STS) standards;
- ◆ Identify transportation related programs and services of each agency and identify opportunities for interagency cooperative agreements for service delivery;
- ◆ Encourage the development of coordination incentives including funding, regulatory relief, and program fund flexibility;
- ◆ Address and endorse the fully allocated cost concept;
- ◆ Assess feasibility of consolidating or funneling funding streams to promote coordination;
- ◆ Promote creation of interdepartmental demonstration projects and develop criteria for project selection;
- ◆ Establish one set of standardized performance measures (standards), record keeping and reporting requirements for use with funding sources;
- ◆ Monitor and assess the effectiveness of coordination initiatives. Conduct cross agency analysis of the effectiveness, efficiency, and overall quality of the coordinated services;
- ◆ Implement a communications plan to promote coordination at the local level; and
- ◆ Foster research, education, training, and outreach efforts to enhance coordination expertise, knowledge, and innovation.

The ICTC will promote regional mobility and a systematic approach to service provision by supporting regional transportation coordination planning efforts. The ICTC will also support flexibility and self-determination at the local level by empowering local decision makers to build on existing infrastructure within this established Mobility Manager Framework parameter. A lead agency at the state level will be required to further interagency coordination program initiatives. Recognizing that Mn/DOT, Office of Transit, already has a major transportation infrastructure in place, the ICTC should recognize Mn/DOT, Office of Transit, as the lead state agency for transportation coordination with the state.

At a minimum, the ICTC should address the following obstacles to coordination:

- ◆ Encourage Mn/DOT, Office of Freight and Commercial Vehicle Operations (OFCVO) to standardize the STS classification system for social service agencies. Clarify exemption status for social service agencies that provide transportation service under the direction of the public transit system Mobility Manager;
- ◆ Clarify state privatization policy regarding interagency purchase of service agreements and Federal third party contracting rules; and
- ◆ Conduct a study to ascertain implication of coordination on state tort liability limitations, uninsured motorist, for-hire classification, and STS classification on insurance availability and premiums. Determine the reach of Mobility Manager liability umbrella coverage.



### *Coordination Transportation Planning*

The Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), (Pub.L. No. 109–59, August 10, 2005) requires that projects selected for funding under the Elderly Individuals and Individuals with Disabilities (Section 5310), JARC (Section 5316), and New Freedom Program (Section 5317) programs be “*derived from a locally developed, coordinated public transit-human services transportation plan*” and that the plan be “*developed through a process that includes representatives of public, private, and nonprofit transportation and human services providers and participation by the public.*”

To foster the coordination of human service and public transit services at the local level and ensure inter-county trips and regional mobility issues are addressed, Mn/DOT, Office of Transit, will integrate the new Federal requirements contained in SAFETEA-LU with a model planning process designed to permit local self-determination in the development of coordinated transportation systems in Minnesota.

Responsibility for preparing the plans will follow existing Federal requirements for state and metropolitan planning and will utilize the existing Regional Development Commissions (RDCs) for planning outside the state’s urbanized areas.

Where the planning jurisdiction of a RDC contains one or more urbanized areas, the RDC and Metropolitan Planning Organization (MPO) will coordinate planning activities to encompass all of one or more counties, depending upon local wishes.

Depending upon the local area, either the MPO or the RDC will be responsible for creating area-wide *Coordinated Public Transit-Human Services Transportation Plans*. During the planning process, the planning organization will inventory and document all the transportation services provided within the region, determine the nature and magnitude of unmet demand, and establish a plan for enhancing coordination at the local level.

This Coordinated Public Transit-Human Services Transportation Plan will meet the requirements set forth in the Federal Transit Administration (FTA) Section 5311, Section 5310, New Freedom Program, and Job Access and Reverse Commute (JARC) grants.

The locally developed coordination Public Transit and Human Service Transportation Plan development process will be monitored by Mn/DOT, Office of Transit. Plans must address the following topics:

- ◆ An assessment of transportation needs for individuals with disabilities, older adults, and persons with limited incomes;
- ◆ An inventory of available services that identifies areas of redundant service and gaps in service;
- ◆ Strategies to address the identified gaps in service;
- ◆ Identification of coordination actions to eliminate or reduce duplication in services and strategies for more efficient utilization of resources;
  - Recognition of the Mobility Manager;
  - Scope of services; and
  - Mobility management functions.
- ◆ Prioritization of implementation strategies;
  - Identification of projects proposed for funding under Section 5310, JARC, and New Freedom programs;
  - Provision of seamless transportation throughout the region;
  - Implementation of reciprocity of fares between transit systems;
  - Standardization of safety and insurance standards consistent with ICTC guidance; and
  - Adoption of uniform policies and procedures.

Regional and metropolitan coordination plans will be subject to periodic update. The FTA has recommended that the coordinated plan follow the update cycles for metropolitan transportation plans (*i.e.*, four years in air quality non-attainment and maintenance areas and five years in air quality attainment areas).

**Establishment of Local Mobility Managers**

Seventy-three of the 80 counties in Greater Minnesota have some form of public transit system in place (the 7 metropolitan counties all have public transportation). Most of the systems operate within a single county or single municipality, while a few serve multiple counties. The type of services provided and the service parameters of the systems were determined at the local level. Many of the systems operate deviated route services, while others provide demand responsive services. The seven Greater Minnesota urbanized areas – Duluth, East Grand Forks, Moorhead, St. Cloud, Rochester, Mankato and LaCrescent – operate fixed route and Americans with Disabilities Act (ADA) complementary paratransit. For the most part, all are confined to the boundaries of their defined service areas. In some cases, the transit agencies provide non-traditional transit services, such as carpools, van pools and commuter bus to meet mobility needs that cannot be met by the traditional service. In some cases, trip needs outside the purview of the transit agency are provided by volunteers. On a limited basis, some transit agencies have developed relationships with private nonprofit agencies and private for-profit agencies to address the mobility needs of local residents.

In addition to this comprehensive public transit infrastructure, Minnesota also has human service transportation programs that operate throughout the state. Some of these programs are administered on a single county level while others serve multi-

county regions. Even though the state is responsible for the regulatory and financial control, most of the human service programs are administered through the counties under the direction of county commissioners. Human service agencies provide services to their specific client base. Many agencies have identified lack of transportation as a major impediment for clients attempting to obtain services. As a consequence, agencies have

addressed the passenger transportation issue in a myriad of ways. Some have chosen to purchase vehicles and hire staff to directly provide service; others contract with other agencies or the private for-profit sector for the service, others depend on public transportation, some use caseworkers or other program staff to provide trips, and yet others seek the assistance of family and friends to provide client mobility.

Between the public transit and human service transportation services there is a significant investment in vehicles, facilities, staff, and transportation expertise at the local level. In addition, the public transit agencies and human services agencies have strong support of their local county officials and stakeholders. Local support is necessary for the success of the coordination effort. Consequently, the transportation coordination effort will be established at the local level using the infrastructure that is already in place.

The Framework for coordination (the “Minnesota Model”) builds on the concept of a comprehensive, well-orchestrated “family of services” that meets the mobility needs by taking advantage of the strengths of various service providers that already exist in the community. The Mobility Manager would promote the formation or expansion of services to fill in the gaps, facilitating development of support function cooperative agreements between service providers, and establishing a single contact where all transportation needs can be met.

The proposal to assign public transit systems as Mobility Managers results from the extensive infrastructure already in place, transit agency mission, relationship with Mn/DOT, Office of Transit, state and Federal funding base, and in most cases, recognition in their respective service areas as a source of transportation expertise. In many counties, the Mobility Manager concept will be merely an extension of the non-traditional services provided by transit systems that have incorporated a volunteer network into their service delivery mix. Counties may also combine efforts and opt to use a single Mobility Manager.

The major functions of the Mobility Manager are described below.

**Service Brokerage.** The Mobility Manager will be a service broker. A single telephone number will be established for the Mobility Manager, thereby enabling the Mobility Manager to serve as a “one stop call center” for consumers requesting transportation services. All individuals or agencies with unmet trip requests will contact the Mobility Manager with

their travel needs. The Mobility Manager will review the menu of available service providers to determine the best, most appropriate match and then assign the trip.

The Mobility Manager will build a family of services from the existing network of human service, public transit, private nonprofit, private for-profit providers, and volunteer network to ensure the capacity, service characteristics, and specialty services are available to meet the needs of all transit dependent residents in the service area including those with special needs that cannot be met by traditional public transit services. Even though service efficiency will be a primary objective of the brokered service, the special needs of individuals will also be taken into consideration to ensure that the most appropriate vendor provides the service.

As the Mobility Manager, the transit system may choose to provide the brokerage service directly or may subcontract operations to other public, private or human service entities. Likewise, the Mobility Manager of one county may join with Mobility Managers of other counties to develop a multi-county or regional service brokerage. The Framework provides the local communities with substantial flexibility to design and implement the Mobility Manager function in the way that best meets the needs of their community.

**Operations.** The broker is responsible for call taking through the use of a central call center. The manner in which the scheduling and dispatch functions are performed may vary between Mobility Managers depending on the number and type of trips to be delivered and the technical capabilities and resources available to the Mobility Manager. Some systems use sophisticated automated software while others use fax, email, or the telephone to communicate trip assignments. For many small operations, automated systems are not necessary. The lack of expensive computer systems should not impede implementation of the brokerage concept. For larger, complicated brokerages, an automated system will be essential.

Regardless of the technology used, the broker will access provider schedules of standing order trips. As trip requests are placed, the broker will identify the qualified carrier(s), review their schedules to determine the best fit, and contact the provider to confirm that they can provide the trip. Once confirmed, it will be up to the service provider to dispatch the trip. Successful brokered operations maximize vehicle usage, increase efficiency and improve the quality of the trips provided.

If the local transit system does not have the desire or capability to perform these functions, they can be delegated to another participant in the coordination effort or be contracted out to the private sector.

**Administration.** The Mobility Manager will be the single contact for transportation information and referral (one stop call/information center). In addition to the service delivery component, the Mobility Manager will also be responsible for administrative functions of the coordination effort. The Mobility Manager will be responsible for executing contracts between the mobility agency and services providers and maintaining a comprehensive database of transportation services available within the service area, the service characteristics, eligibility and how to access services.

Each agency participating in the coordination effort will be responsible for determining its own client/trip eligibility. When trips are provided through the brokerage, the broker will confirm that the trip is eligible to ensure that the appropriate agency is charged for the trip. The Mobility Manager will be responsible for invoicing service purchasers for services delivered and processing payments to the service providers as appropriate. By serving as the financial agent, the Mobility Manager can more readily access grant funding, resolve disputes, and recoup the brokerage surcharge if one is established.

**Safety Oversight and Monitoring.** To ensure service quality and consistency between service providers, the Mobility Manager will establish standards for minimum insurance coverage, driver requirements and training, vehicle inspection, maintenance, risk management, and regulatory compliance issues such as drug and alcohol testing. All service providers that agree to participate in the coordinated system must adhere to standards and provide necessary documentation. To promote consistency, the standards could be established equivalent to requirements set forth for STS. The Mobility Manager will be responsible for monitoring compliance with the requirements and requiring providers to take corrective action when necessary.

**Public Transit Umbrella.** An advantage of having the public transit system serve as the Mobility Manager is the benefit associated with inclusion of the rest of the provider network under the umbrella of the public transit system. For insurance purposes, this association and redefinition of some providers as public transportation may result in more favorable insurance premiums and potential inclusion in the Minnesota Counties Insurance Trust. The public transit system may also be able to include service providers under its umbrella policy and provide excess coverage that may have been previously unattainable by some carriers.

The insurance issues are complex and require further assessment before actual coverage and cost impacts can be determined.

**Advocate.** The Mobility Manager will be a major advocate for coordination within the local community. This role includes identifying and addressing local obstacles, educating local stakeholders of the benefits, and encouraging participation. The success of the Mobility Manager will depend in part on his/her ability to earn the respect and trust of service providers, agencies, passengers and others within the local community.

**Facilitator.** The Mobility Manager will facilitate cooperation between local service providers to improve efficiency, safety, and quality. Efforts could include joint training, procurement, information and referral, maintenance, grants management, risk management, etc. These efforts should stand alone and not be tied to the service delivery function. These activities will be offered to all service providers in the community not just those that choose to actively participate in the brokerage system. Likewise, these activities may be undertaken in the initial phases of the implementation process and may serve as the core Mobility Manager functions for some counties.

The larger size and resulting economies of scale will also result in access to state level agency technical assistance resources, for all brokerage participants.

### **Service Operators**

The more operators that participate and the more capacity is available, the more flexibility the Mobility Manager will have in matching trip requests with the most appropriate operators. However, to participate in the network, the operators will be required to meet various safety, performance and quality standards.

Operators will have to provide proof of insurance coverage with all the appropriate indemnifications and have a risk management program in place. Drivers will have to meet minimum requirements and have the requisite training. Operators must meet various maintenance and vehicle inspection criteria and be in compliance with all relevant regulations. In addition, operators must define their service area and capacity availability in terms of days and hours of service. Operators must also define their level of responsiveness in terms of advanced reservations, dispatch capabilities, and technological capabilities. Operators and Mobility Managers will need to work out trip request, assignment, and confirmation logistics. Each operator will be encouraged to determine their pricing schedule based on their fully allocated cost. Providers will be required to follow clearly defined record keeping and reporting procedures.

Service providers that are part of the public transit network of service providers may be considered exempt from Mn/DOT, OFCVO, STS requirements. Since the Mobility Manager would be responsible for ensuring compliance with requirements, much of the apprehension of Mn/DOT and OFCVO enforcement would be relieved. Since insurance and STS requirements are among the two most often cited obstacles to coordination these changes alone, may encourage more human service agencies to become part of the coordination effort.

### **Funding the Mobility Manager**

The Mobility Manager functions are outside of the current responsibilities of the transit management staff. To be successful, sufficient staff time must be dedicated to transportation coordination to develop, implement, direct and expand the program. In some cases the Mobility Manager may be a full-time or part-time staff member. In other cases, the functions may be an expansion of responsibilities of a current staff member. This role and/or the role of the broker may also be contracted out to another entity.

In addition to the staffing costs, mobility management will incur administrative and operational costs (*i.e.*, accounting, marketing, printing, telephone, travel, professional services, etc.). Some services may be provided in-kind, while others will be direct costs. Mobility management will have capital costs associated with technology such as computer hardware and software. Vehicles for fleet expansion or replacement that cannot be funded through already existing programs may add cost to mobility management.

The actual cost of service delivery will be passed through from purchasing entities to service providers on a fee for service basis. The fee will be based on the fully allocated cost to provide the service. The cost of the Mobility Manager may be paid through agency/program funds, or through the addition of a surcharge to all the trips provided through the Mobility Manager.

Funding the Mobility Manager may involve utilization of existing funds, capturing new funding streams, and modifying ways that existing funds are provided.

The application processes for Mn/DOT, Office of Transit, administered grant programs should be modified to reflect SAFETEA-LU coordination planning requirements and coordination parameters specified in the Study. The Mn/DOT, Office of Transit, will use weighted criteria that distinguishes between applications that document significant coordination efforts/progress and agencies making major strides toward goal achievement from those that have made little effort and are comfortable with the status quo. Thus, in the competitive evaluation of discretionary program applications (Section 5311, Section 5310, JARC, and New Freedom Program), Mn/DOT, Office of Transit, will give higher priority to projects that successfully embrace coordination. Agencies that do not

will subsequently find it difficult to successfully compete for these competitive, discretionary funds.

Similarly, state agencies that administer programs funded by the U.S. Departments of Health and Human Services (DHHS), Labor and Education should adopt similar procedures when consistent with Federal laws and program regulations. These state agencies should embrace Executive Order No. 13330 and adopt policies that work to encourage local recipients to participate in local coordination systems that have adopted the mobility management approach to service delivery.

A summary of existing sources is shown below:

**Section 5311.** The Section 5311 program provides Federal financial assistance on a population based formula for public transportation in rural and small urban areas. The Section 5311 program funds access to public transportation, regardless of trip purpose, to those who are transit dependent or who choose not to own a car. Funds are available for capital and operating assistance. Each local public transit system applies annually through Mn/DOT, Office of Transit, to secure funds from the Section 5311 program. The application includes a detailed budget using the standard chart of accounts. The preliminary budget includes the actual cost of carrying out the intended level of public transit service. However, since the biennial state appropriation for Greater Minnesota is rarely sufficient to cover all requests, Mn/DOT, Office of Transit, staff may request that certain line items be removed from the budget. Once a final budget is approved the application is incorporated into the grant contract as the Management Plan. The transit system must obtain approval to move funds between line items. Any cost outside of the approved budget is funded locally.

**Section 5316 Jobs and Reverse Commute (JARC).** JARC is a grant program that is designed to promote the transport of welfare recipients and eligible low income individuals to and from jobs and activities related to their employment. One of the eligible uses of the program is to promote the use of public transportation by low income workers to access jobs with non-traditional work schedules. Span of service hours is currently one of the factors commonly cited as a limiting of the use of Greater Minnesota public transit services. JARC funds will allow the public transit system to expand hours either by expanding hours provided directly or purchasing service from other Mobility Manager participants. By drawing from the family of service providers, the Mobility Manager could ensure that the services are provided in the most economical manner possible and relieve the transit system from providing these difficult to serve trips.



**Section 5317 New Freedom Program.** The New Freedom Program makes funds available to new public transportation services and public transportation alternatives beyond those required by the ADA of 1990. Similar to JARC funds, the New Freedom Program will provide the transit system with funds to expand its service to meet the special needs of the disabled community. The Mobility Manager will provide access to other service providers if it is determined to be more efficient way of providing the special needs service.

**Section 5310.** States receive Section 5310 funds each year through a population based allocation from FTA. The states are afforded some flexibility and discretion with the manner in which the program responsibilities are fulfilled. The funds must be used to improve mobility for elderly persons and persons with disabilities. The Mn/DOT, Office of Transit, policy has been to use Section 5310 funds solely for the purchase of lift-equipped vehicles.

These funds can be used to promote coordination by including criteria that reward participation in the Mobility Manager service delivery network and make it difficult for those who do not participate to score well and compete for funding.

Minnesota is one of the states selected by FTA to demonstrate the use of Section 5310 funds for operating costs associated with improving public transportation to meet the needs of the elderly and disabled.

One of the primary goals of Mobility Managers will be to improve the quality and quantity of transportation services available to the elderly and persons with disabilities through a coordinated family of services. Subsidization of mobility management is in line with the goals of the demonstration. Alternatively, Section 5310 funds can be used to expand the days, hours, and service area of the public transit service to better meet the needs of the target population. Since no additional funding is expected, the cost of the demonstration will be at the expense of funds used for capital replacement. This will be partially offset by increases in appropriations under the program called for in SAFETEA-LU.

**Human Service Agencies.** Human service agencies also play a critical role in the implementation of the Study. As part of any application for funds made to a state agency to support programs and services, the organization should state the extent to which service delivery will further the goals of mobility management in the community. Human service agencies supporting the Mobility Manager program may also have access to funding for expanding the coordination effort. Specifically, U.S. DHHS, Office of Aging, has funded transit projects that demonstrate how increased coordination can assist the elderly population to remain in their

homes and avoid premature institutionalized care. Service provided by the Mobility Manager that responds to the specific needs of all seniors, including the frail elderly who have special needs is in line with the goals of the demonstration, may be a good candidate for discretionary funds from the Department of Human Services (DHS). Other state agencies, particularly those that administer discretionary grant programs, should emphasize participation in and support of the local coordination strategy developed in regional coordination plans, as a factor in grant awards.

**Philanthropic Organizations.** Organizations such as the United Way, American Red Cross, and local or regional philanthropic organizations may provide funding to promote the formation and expansion of the mobility management concept. For example, United Way research has identified access to transportation as a major problem in local communities. The United Way has a history of providing seed money to assist in the formation of comprehensive coordinated transportation programs made up of human service transportation and public transit agencies. Other community based organizations such as hospitals and charitable organizations focused on specific populations (*i.e.*, seniors, disabled, low income) who will be served by the Mobility Manager, may also wish to help support the initial system formation.

#### **Incorporation of Non-Emergency Medical Transportation (NEMT)**

DHS is the single state agency in the State of Minnesota that administers the Medicaid program under Title XIX of the Social Security Act. The Act requires states to assure necessary transportation to recipients to and from covered services. DHS is responsible for providing NEMT to eligible Medical Assistance (MA)/General Assistance Medical Care (GAMC) and MinnesotaCare (state funded insurance for low income Minnesotans) recipients to ensure reasonable access to and from covered medical services. DHS does not provide transportation services directly, but engages others to organize transportation on behalf of those seeking medical services. In Minnesota the program is referred to as, Minnesota Non-Emergency Transportation (MNET).

MNET services include Access Transportation Services (ATS), STS, and bus pass purchases. Since ATS is considered an administrative expense, trips are assigned to the least cost carrier and passengers are not given a choice of carrier. ATS can include transportation provided by volunteer drivers, common carriers, parking fees, contract for services or direct mileage reimbursement to the recipient or the recipient's driver.

An STS trip is considered a medical expense and involves the transport of a recipient who because of a physical or mental impairment is unable to use a common carrier, but does not require ambulance service. STS passengers are allowed to select their service provider from carriers certified by Mn/DOT, OFCVO, as STS providers.

MNET service can also be provided on public transportation service through the sale of bus passes. The passes must be sold at the prevailing rate.

Some eligible clients are enrolled in a Prepaid Medical Assistance Program (PMAP). Clients who are excluded from PMAP are served through the fee-for-service program. MNET services provided as part of a PMAP are included in the Managed Care Organization (MCO) capitation rate. PMAP provides common carrier transportation and special transportation to its enrollees for the purpose of obtaining health care services.

In the Greater Minnesota area, the MNET service is the responsibility of the individual counties and thus, has varying methods of service delivery, program administration, and oversight. The DHHS is currently considering potential changes to correct deficiencies and institute policies and procedures that will address these issues. One of the actions under consideration is moving the administration of the PMAP elderly waiver program from the counties to the MCOs within the area. If this occurs, the DHHS could require (as part of the scope of services solicited in the Request for Proposals) that the MCOs contract with their respective Mobility Managers to provide services within their recognized coverage area. By contracting with the Mobility Manager, the MCOs will eliminate potential duplication of service. Transportation services will be focused with a transportation entity allowing the MCO to focus on their primary responsibility of managing patient care.

In this case, the Mobility Manager could use its resources to ensure that MNET trips meet the mandates of the ATS program including assignment of the trips to the least cost, appropriate service provider, essentially providing a case management function as it relates to transportation. Fully allocated cost accounting principles would be used to assure this goal. Additionally, the Mobility Manager will serve as the single point of contact, acting as the one stop call center, and would ensure that all service providers used their fully allocated cost to ensure fair and open competition for trips based on quality of service, customer satisfaction, and cost. STS trips could also be requested through the Mobility Manager to allow for operations oversight and record keeping.

The Mobility Managers will provide a needed service for the MCOs. The influx of trips will create economics of scale and travel demand that will benefit service providers, and the administrative fees will support the cost of the Mobility Manager.

**Grants Management**

One of the strengths of Mn/DOT, Office of Transit, approach to public transit is the decentralization of oversight responsibilities to district representatives located within each District. Decentralization provides closer contact with sub-recipients and greater involvement/understanding of the local project. With the focus on transportation coordination planning at the local level, the role of the district representatives will be important in the planning effort and in the formation and implementation of the mobility management concept. District representatives will continue to provide guidance, support, and technical assistance specific to each transit system. This level of involvement by the district representatives will require an education effort and ongoing communication to ensure consistent interpretations, monitoring, and enforcement of the Mobility Manager program.

The success of the mobility management program will depend, in part; on the way that concept is embraced in grants management procedures employed by, Mn/DOT, Office of Transit, (Section 5310, Section 5311, JARC, New Freedom Program) and DHHS. If these organizations adopt the Mobility Manager concept and incorporate the coordination philosophy within the program goals, application process, funding incentives, performance measures, and application weighting criteria, local coordination will have significantly enhanced tools to implement the Mobility Manager concept.

Given the recent increases and expansion of the funding programs described earlier in this chapter, Mn/DOT, Office of Transit, has significant latitude in the way a combined funding stream can be created to further the coordination effort. The flexibility provides Mn/DOT, Office of Transit, with an unprecedented opportunity to combine funding streams to support the Mobility Manager program.

**Mn/DOT, Office of Transit, Technical Assistance**

The Rural Transit Assistance Program (RTAP) was created by the FTA in 1986 to promote the safe and effective delivery of public transportation in non-urbanized areas. The program accomplishes this by providing information, technical assistance, training and resource materials. In Minnesota, RTAP is used to facilitate training for transit drivers including passenger assistance, defensive driving and abuse prevention. Additional training is provided in the areas of substance abuse and compliance, procurement, scheduling and dispatching, vehicle maintenance and inspection, and other topics as the need arises. RTAP supports the statewide bus rodeo and conference workshops. RTAP also maintains a library of resource materials and funds the production of the "Transit Bulletin" newsletter.

Any transit agency or organization located in a non-urbanized area of the state and funded under Section 5311 or Section 5310 is eligible to participate in RTAP

sponsored activity. RTAP can easily be expanded to serve as a resource to promote and support the Mobility Managers and participating entities. Assistance can be provided in the following manner:

- ◆ One page of the newsletter can be devoted to transportation coordination and related issues;
- ◆ Participating entities could be encouraged to attend existing trainings;
- ◆ An annual meeting or periodic forums on coordination can be sponsored to promote information exchange and networking; and
- ◆ RTAP can help author and/or distribute additional updates and expansions to Mn/DOT, Office of Transit, Transportation Coordination Toolkit.

### **Sub-recipient Oversight**

FTA requires that state grantees develop a regular program of compliance monitoring. Minnesota uses a two tiered system of grantee oversight. The first level are Mn/DOT, Office of Transit, district representatives who make at least four visits per year to each Section 5311 sub-recipient and at least one visit per year to each Section 5310 grantee. The district representatives' regional perspective is helpful in understanding where there are commonalities of need as well as commonalities of available resources.

The second level of sub-recipient oversight occurs periodically when program administrators from Mn/DOT, Office of Transit, visit 10 to 12 transit systems per year. The visits involve day long interviews in which operations, safety and security, and service design are thoroughly evaluated. The transit system's relationships with other organizations are reviewed to determine if full cost allocation principles were used in developing service contracts. It is at these evaluations that coordination with other transportation operators is covered. Interviewers make recommendations for modification of service design, if needed, and counsel the transit system on ways to use coordinated services to operate more efficiently.

### **SUMMARY**

The Framework presented herein (the "Minnesota Model") represents a model approach that furthers the ideals put forth in the *United We Ride* initiative. It addresses each of the five components of the Executive Order. The Framework reflects the existing environments and transportation philosophies unique to Minnesota, and expands the traditional role of public transportation to reflect the concept of "mobility." Finally, the model employs a comprehensive approach of using a family of services orchestrated by a local Mobility Manager housed at the public transit system to meet the mobility needs of the total population.

**VIII. METRO AREA ACTION PLAN****STRATEGIES FOR INCREASING COORDINATION IN THE TWIN CITIES METROPOLITAN AREA**

The Twin Cities Metropolitan Area contains many examples of effective coordination. Yet there remain many challenges to fully implementing the concepts outlined in the previous chapter regarding the Framework for Coordination embraced in the Study. In some of the counties in the Metro area, human service transportation is very coordinated and extensive services are provided. In other areas, coordination of these services is lacking. Moreover, major public mass transit operations in the urban core and publicly funded local transit operations in selected first and second ring suburbs offer significant and effective, low cost transportation that is often underutilized by human service agencies. Thus, demand for human service agency transportation remains unsatisfied in some portions of the Metro area despite the presence of substantial transit resources.

The general concepts outlined in the Framework for Coordination-Greater Minnesota will work without major modification in most of the Metro area, particularly in the low-density outer suburban areas. The focus of coordination efforts in these areas will be on adopting mobility management concepts at the county level, utilizing already established agencies and building on recent initiatives toward better coordination. These counties, their providers, and their local partners also actively determine the extent to which they can utilize regional mobility solutions.

The urbanized core of the Metro area, representing most of Hennepin and Ramsey Counties, offers a different challenge. In much of these areas, public transit service via a regular route network and complementary Americans with Disabilities Act (ADA) services have a significant presence. Human service transportation, medical transportation, and numerous private for-profit transportation options all exist at higher levels due to the concentration of population, activities, and services.

Metro Transit, the Metropolitan Council's transit authority and main transportation operating division, accounts for almost 92% of all public transit trips in the region on its over 140 routes. Metro Transit provides regular route public transit service for the core urban areas of Minneapolis and St. Paul, all of the inner suburbs, and most of the outlying suburbs to the east, north, and northwest.

The opt-out replacement services account for about half of the other rides not provided by Metro Transit in the region. These 6 opt-outs represent 12 cities in the southern and western outer suburbs that have chosen to operate their suburban system independent of the core system.

Through coordination with the Council, however, these systems share a high degree of integration with the rest of the region, especially in the areas of regional fare policy, promotions, commuter services, and reciprocity in service and revenue agreements. The four long established systems, Maple Grove, Plymouth, Southwest Metro, and Minnesota Valley Transit Authority (MVTA) operate about 200 buses on weekdays and were joined in 2002 by Prior Lake Transit, a spin-off of the MVTA system.

The Council and the opt-outs utilize several private providers under contract to deliver services, particularly in what would be low volume or high cost routes in a regular mainstream transit environment. Lorenz Bus Lines, a private operator with a 44-year history of service in the northern suburbs, provides express service and a Rice Street local service to St. Paul commuters. First Student operates Route 755, the University of Minnesota shuttles, and the Roseville/494 Circulator Routes. Laidlaw Transit Services, MVTA, and Smitty and Sons round out the list of private bus companies providing service under contract to the Council or the various transit organizations. In addition, six nonprofit agencies or commissions provide some contracted regular route services, primarily with small buses. They include Human Services Inc., Dakota Area Resources and Transportation for Seniors (DARTS), Anoka County, Senior Community Services, Lake Area Bus Commission, Northeast Suburban Transit and Scott County

Other services, however, including Minnesota Non-Emergency Transportation (MNET), medical, senior transportation, and educational transportation services have demonstrated less coordination. A coordination partnership between aforementioned providers and these less coordinated services should be initiated and fostered to expand urban mobility at reasonable costs.

The Council is recognized as the regional coordination planning agency for the Twin Cities Metropolitan Area. The Council should review, develop, promote, and provide technical assistance for ongoing transportation coordination efforts in the Metro area. While the governance structure and resources of the Council's transportation operating divisions have historically limited the scope of its services to mass transit and work trips, its official role as the regional Metropolitan Planning Organization (MPO) lends itself to the planning function.

#### **KEY ISSUES: COORDINATION OBSTACLES**

##### **Service Duplication**

There are over 80 different specialized transportation services in the Metro area. Most of these are located in Hennepin and Ramsey Counties. Based on previous work conducted as part of this study, there appears to be some duplication of services. For example, there exists noticeable service duplication in senior transportation services. PRISM and Senior Community Services have senior transportation services that overlap in Brooklyn Center, Crystal, Golden Valley, New Hope, Robbinsdale, and Plymouth.

##### **Service Fragmentation**

Unlike the counties of Anoka, Carver, Dakota, Scott, and Washington (where senior transportation is funneled into the respective county based systems), a different service environment exists in the core urban counties. In Hennepin County alone, there are 31 different transportation providers with predominantly senior ridership – 16 cater only to seniors, 9 to seniors and persons with disabilities (or transportation disadvantaged) riders, and 6 are general public dial-a-ride services that have predominantly senior ridership.

Virtually all of these providers have limited service areas – most allow trips only within municipal boundaries. Even in cases where the same vendor (*e.g.*, Senior Community Services) is used to serve senior transportation programs in contiguous communities, inter-municipal trips are not permitted.

**Underutilization of Public Transit Options**

The Metro area, particularly in the urban core, has a network of public transit routes and complementary ADA service that provides transportation options that are often passed over by transportation customers. This occurs despite the fact the transit system provides about 250,000 rides per day (6 to 8 times more than the estimated total of all other “arranged” rides in the region) and that the cost per public transit ride averages as little as one tenth the cost of many rides regularly provided via taxis, vans, or other small vehicle means. Inaccurate perceptions among agencies and consumers, lack of information, problems with schedules, and perceived convenience issues all contribute to this finding.

Several areas within the Twin Cities have high transit dependent populations, such as the Midway and Central corridors. Transit tends to be well used in these areas, with good frequency, route coverage, and time span. In Midway, for example, 30% of the residents have no car or cannot drive. Twenty percent of all trips, including 25% of all work trips, are made via public transit. In the downtowns, especially Minneapolis where transit is highly concentrated, 25% of all trips and 40% of the peak work trips occur on transit. However, even in these core transit service areas, limited public resources can limit evening and weekend service provision.

The existence of this large and cost-effective travel option forms one of the most basic building blocks in better coordination of transportation in the Metro area. While the Council/Metro Transit works to improve operation of the network itself, partnership efforts with the inner counties and state agencies have the potential for definite improvements in cost and mobility.

**Obstacles to Coordination in the Metro Area**

There are several obstacles to effective transportation service coordination within the Metro area.

- ◆ As discussed previously, there is no coordinated countywide system in Hennepin and Ramsey Counties, due to fragmentation of local services. Suburban ring counties, with strong county leadership, do not exhibit similar fragmentation;
- ◆ Unlike the "suburban ring" counties, ADA and human service transportation services in Hennepin and Ramsey Counties are provided using a completely different service model. While a single service delivery model would enhance coordination, the current structure has shown some effectiveness in terms of cost and compliance with Federal service standards;
- ◆ While MNET has been successful in terms of reducing costs, the trips that are served by Access Transportation Services (ATS) and Special Transportation Service (STS) providers are still essentially exclusive ride trips. Medical Transportation Management (MTM), the MNET brokerage manager, is not yet making an attempt to group the ATS trips. Additionally, STS trips are directly arranged by the Medicaid recipients themselves. Many Medicaid MNET trips served by ATS/STS providers could potentially be grouped, resulting in lower unit costs; however, current practices do not embrace this innovative option;



- ◆ Regulatory issues may work as a disincentive for coordination. For example, Metro Mobility was a Medicaid transportation vendor prior to the introduction of the MNET service. As many Medicaid clients are also ADA eligible, Metro Mobility had billing options that resulted in leveraging Federal funds available to pay for such trips. Regulatory changes requiring a signature from medical personnel at the passenger's destination created a substantial obstacle to Metro Mobility's door-to-door service policy. The regulation tends to enforce, intended or otherwise, an exclusive ride service delivery model; and
- ◆ State regulations can serve as an obstacle to greater coordination. For example, SF No. 1822, was introduced in the state legislature on March 17, 2005. This bill would extend the prohibition on the use of brokers or coordinators to manage STS trips (while it also increases the base rate and mileage rate for the STS providers).

#### **FORWARDING COORDINATION IN THE METRO AREA**

Metro area coordination, because of the high-levels of population density, concentration of resources, numerous transportation providers, and the wide range of available "tools," has a potential for significant improvement in service levels and mobility options. The tools that can expand utilization include, but are not limited to:

- ◆ Trip planning on public transit network;
- ◆ Common fare tools and discount programs (tokens, etc.);
- ◆ Maintenance resources;
- ◆ Common dispatch and software among partners, particularly community based transportation;
- ◆ Vehicle coordination among similar local transporters (similar to Greater Minnesota proposals);
- ◆ ADA component in regular route systems via travel training and other efforts at trip replacement;
- ◆ Grant application, compliance, and use of existing and new Federal programs such as JARC;
- ◆ Regulatory compliance, education, administration;
- ◆ Security and emergency planning coordination;
- ◆ Coordinated procurement (Mn/DOT, Office of Transit and Metropolitan Council);
- ◆ Ride sharing opportunities, systems and software;
- ◆ Distribution of Section 5307 funding, including assistance in compliance;
- ◆ Coordination of HHS/MTM brokerage with regular route, paratransit, and taxi operations;
- ◆ Coordinate with Metro area nonprofits, such as United Way-Twin Cities and Red Cross, etc.; and
- ◆ Coordinate community based resource lists.

There are currently many instances of coordination, most of which exist in the "outlying" counties. Lower level collaborative efforts within the region, exemplified by support services and cooperative programs offered or practiced by organizations like the Red Cross, Twin Cities United Way, PRISM, and DARTS, should be continued and expanded. Service delivery is also being coordinated by these outlying county based

programs, where ADA trips, senior trips, and human service trips are all being served in the same vehicles. This allows a better use of scarce resources where trips generation rates are not as high as those found in the core, more densely populated, urban area.

In the core urban areas, a different solution may be necessary. One example of a possible approach is the ACCESS program serving Pittsburgh and Allegheny County, Pennsylvania. Using much of the existing infrastructure, it centralizes the responsibility for coordination with one entity and removes much of the responsibility from its vendors. Established in 1979, ACCESS is managed by a for-profit management company that contracts with the Port Authority of Allegheny County (the regional transit agency) as well as with over 100 different human service agencies. ACCESS may best be described as an administrative broker, with multiple, turnkey contractors – some for-profit, and some nonprofit – serving different regions of the service area. The primary advantage of this model is that there is a centralized system for coordination that takes advantage of an existing decentralized service delivery network.

In 2004, the Twin Cities United Way inventoried 107 agencies in the Metro area: collectively, in-house operations totaled about 1,000 vehicles, 250 of which are 15 passenger vehicles. According to United Way staff, about one third of these agencies do not want to be in the transportation business; another one third would give it up if there was a better option, and the remaining one third view direct service delivery as critical to their mission and growth as an organization.

In the context of building a Framework for Coordination for the Metro area, a primary objective is to incorporate the growing programs as vendors to address any service quality concerns, while giving the agencies that do not wish to be service providers an opportunity to purchase client transportation from a dependable, cost-effective vendor.

If funding for senior transportation in Hennepin and Ramsey Counties can be consolidated, fragmentation of services will be reduced. Under such a scenario, there will also be a need to resolve the lack of inter-municipal transportation for seniors in Hennepin County, and to a lesser extent, in Ramsey County. The Framework for Coordination should build upon the emerging initiatives taking place in Hennepin County between Senior Community Services and PRISM designed to better utilize Title III-B funding and enable intra-county transportation. While the Council can facilitate such action, primary responsibility for improving coordination will have to come from the individual counties.

Similar to the “Minnesota Model” described for Greater Minnesota, local officials will remain the cornerstone of implementation efforts. With the technical support that can be provided through the Council, county based officials will be instrumental in forging greater cooperative arrangements in the Metro area. For example, Hennepin County officials interviewed as part of this study expressed support for solving the fragmentation issue.

Despite obstacles, there are preliminary steps that can be made in the near term to move toward this goal. Borrowing from some of the other successes in the region, coordination

of drivers, maintenance, and other staff training services, maintenance services, and technologies would bring the various service providers closer to a possible consolidation.

Public transportation coordination opportunities in the urban core of the Twin Cities region represent better use of the public transportation system. Public transportation provides the opportunity to serve social service clients at a lower cost. Many social service trips using taxis, vans, and autos could be made on public transportation. Many agencies already take advantage of public transportation, as demonstrated by more than \$4 million annually in special program purchases of tokens and passes. The basic cost per public transportation ride approaches \$2.50, compared with \$12 for community-based transportation, \$15 for MNET brokered rides, and over \$25 for many specialized and medical assistance trips. While existing public transit cannot meet all mobility needs, the cost efficiencies that could be achieved by greater utilization of this resource should be pursued.

A pilot project to utilize this opportunity and further improve coordination is recommended. Bus and rail transit exists throughout the Twin Cities Metropolitan Area. The service levels (days of the week, hours per day, trip frequency, etc.) vary across the region. As the highest service levels exist in the Minneapolis urban core, a pilot project to launch a pro-active use of public transit should focus on social services offered within this urban core. Given the high volume of services provided by Hennepin County, it is recommended that the county (with the participation of Metro Transit) partner to plan and implement a pilot project to maximize use of public transit for social service trips.

There are several advantages to the utilization of public transit in this initiative. For example, Metro Transit has significant trip planning expertise demonstrated by its on-line trip planner, telephone based staff that offers trip planning assistance, and automated TransitLine. Hennepin County understands the needs of its clients and the trip scheduling requirements of individual social programs.

Hennepin County, Metro Transit, and the general public have much to gain through a successful social service/public transit initiative. As public agencies, each has the opportunity to maximize the value and productivity of limited resources. Metro Transit can benefit from better understanding the social service transportation needs of the county, while the county can potentially save transportation costs from an enhanced understanding of the transit network.

A pilot project should be defined jointly by the county and the transit agency. At a minimum, it should identify and address obstacles, establish metrics for success such as increase in the number of trips and cost savings, implement a jointly acceptable pilot demonstration, and prepare a final report including recommendations for ongoing use or broader implementation. Resources to launch the pilot must be allocated by both the county and the Council, as the MPO for the region.

**BUILDING ON THE UNIQUE INFRASTRUCTURE IN THE METRO AREA****The Metropolitan Council**

One unique aspects of the Twin Cities Metropolitan Area is the existence of the Metropolitan Council, which not only serves as the regional planning body (MPO); but also oversees and funds much of the region's transportation services. Over 90% of the area's regular route public transit trips are provided by Metro Transit (almost 250,00 trips per day or 5 times more than the total of all other public or "provided" trips).

The organization provides all of the region's ADA paratransit service through Metro Mobility and provides \$3 million in Performance Based Funding (PBF) to 18 community based transportation programs in the area. The Council also arranges for some limited regular route and local transportation services via private contracting, and funds most of the region's public transit capital needs. The operating divisions coordinate other services at a regional level such as police and transit security, fare collection and structure, route information and trip planning, van pools, and ride matching services. This combination of regional planning and service operation leads to a high-level of internal coordination.

**Regional Identity and Interconnectivity**

More so than any other area within the state, the Twin Cities Metropolitan Area is regarded as a distinct and unique region. The area is already its own region or District within the regional definitions employed by both Mn/DOT, Office of Transit, and the Department of Human Services (DHS). In terms of transportation service delivery, the Metro area has a regional transit system, a regional ADA service, and MNET, the regional Medicaid transportation brokerage.

Moreover, many of the specialized transportation trips that are made within the region are inter-county trips, attributable for the most part, to the core employment opportunities and medical facilities that exist in the Metro area. Thus, some existing infrastructure exists in terms of resources dedicated to providing services to the transportation disadvantaged population on a regional basis.

**Minnesota Non-Emergency Transportation (MNET)**

Another unique element is the regional Medicaid broker, called MNET, managed by MTM. Based on interview results, by all account, the region has been successful in terms of regionalizing Medicaid sponsored non-emergency medical trips. In practical terms, this has included screening Medicaid recipients needing Non-Emergency Medical Transportation (NEMT) onto the lowest price appropriate mode, establishing a network of STS vendors (for Medicaid recipients who need STS service to call), and otherwise arranging ambulatory paratransit trips with sedan/taxi providers (called ATS) providers.

In addition to performing these functions, MTM has also contributed to improving the quality of service by implementing safety standards and quality control initiatives; and providing customer service functions such as complaint management. At the same time,

it is important to note that the trips that are served by ATS and STS providers are still essentially exclusive ride trips. MTM is attempting to coordinate its trips with other programs by negotiating with some of the county based shared ride systems in the Metro area.

### **Regional ADA Paratransit System**

Unlike most other areas in the state, the Metro area benefits from an ADA paratransit system, Metro Mobility, that is truly regional in scope, with regional services oriented to both demand trips and agency based subscription service, and supplemented by taxi based services. Two distinct aspects of the Metro Mobility program also underscore the uniqueness of its role in the region. First, it is an administrative brokerage with multiple vendors providing turnkey services in their own portion of the Metro area. In no other region in the state is there a similar arrangement. Moreover, this kind of arrangement is conducive as a potential building block for further coordination. Second, Metro Mobility utilizes the county based contractors in the suburban ring around the urban core. Again, this is unique in Minnesota. Moreover, Metro Mobility allows these county based vendors to co-mingle ADA trips with senior, general public, and human service agency trips on a vehicle at the same time. By doing so, Metro Mobility is already furthering coordination on these systems. Also, by providing vehicles at no cost to these systems, the Council is enabling the county based systems to stretch their other funding.

### **Well Established County Based Coordinated Transportation Systems**

Another unique aspect of the region is the extent to which there is one dominant specialized, coordinated transportation provider in five of the seven Metro area counties (the exceptions being Hennepin and Ramsey Counties). In several of the counties in the Metro area, these services are operated by county government. In some cases, the county retains a for-profit carrier. And in other counties, private for-profit organizations with origins in human service transportation have become the central transportation resource. Regardless of the structure, all these county based services are coordinated in several respects: (1) they are the focus of senior and other human service transportation services in their county. (2) four counties share public and senior trips with ADA trips; and (3) they coordinate among themselves with respect to support services such as driver training, vehicle maintenance, and software.

## **COORDINATION FRAMEWORK**

### **Metropolitan Council**

Because of its current role as the regional planning agency as well as its role in funding and operating key segments of the transportation network, the Metropolitan Council will take the lead role in regional coordination planning. The Federal Transit Administration (FTA), in regulatory guidance issued in the *Federal Register* on March 15, 2006, has stated that the MPO will be responsible for determining that the projects selected within a coordinated plan are incorporated in the metro and statewide transportation plans, Transportation Improvement Programs (TIPs), and Statewide Transportation Improvement Programs (STIPs). The FTA did not specifically task the actual preparation of the plan to the MPO; instead, FTA is providing local flexibility in determining who

should prepare the plan. In the Metro area, the Council should be the lead agency, consistent with this Transportation Coordination Study Framework.

Implementation of FTA guidance is merely a continuation of the current designated role to perform coordination planning functions, to prioritize the PBF of community based transportation to promote coordinated services in the region, and to evaluate potentials for more coordination on an ongoing basis.

### **Statewide Interagency Coordination**

To successfully establish a comprehensive approach to mobility within the region, local efforts must be consistent with the direction established by the Interagency Committee on Transit Coordination (ICTC). The ICTC is directed to identify strategies and solutions for coordinating human service and public transportation services to meet the mobility needs of residents throughout Minnesota. The Metro area coordination efforts should incorporate the ICTC directives into their planning, design, and implementation of efforts.

### **Recommended Coordination Model**

In the Metro area, each county could benefit from the establishment of a mobility management function. The primary purpose of this function will be to further coordination of human services transportation, utilizing established transportation options in a more consistent and cost-effective model and promoting cooperation and resource sharing among all providers in the local area.

The function of a Mobility Manager will be to

- ◆ **Build on existing service delivery models** – This is the hallmark of the recommended model – each sponsor encouraging coordination at the local (county) level, and reaping the cost benefits through corresponding lower rates.
- ◆ **Facilitate and incubate coordination efforts at the county level** – This action would involve helping to establish a county based coordinated system in Hennepin and Ramsey Counties, and increasing the level of coordination in the other counties. The recognized Mobility Manager will encourage county systems to use the existing complement of service providers including public, nonprofit, and private for-profit carriers, as dedicated and non-dedicated providers.
- ◆ **Develop private sector partnerships** – Encourage service providers such as insurance companies and hospitals, as well as regional and county based human service agencies, to utilize the coordinated systems/networks.
- ◆ **Encourage a team approach to service provision and endeavor to minimize unproductive competition, duplication, and aggressive exclusivity** – This will include, for example, working with DHS, MNET, and the State Legislature to change current legislation, policies, and practices that institutionalize exclusive ride service and that prohibit lower cost coordinated service delivery, and working

with counties to promote the use of most efficient and appropriate (in terms of service type) service provider, including public transit services.

- ◆ **Provide technical assistance** -- In instances where there is little to no coordination, the Mobility Manager will work with local officials to develop a plan and strategy to address the following operational concerns:
  - information and referral;
  - joint procurement;
  - risk management;
  - joint training;
  - insurance coverage (umbrella);
  - technology/automation;
  - vehicle inspection;
  - schedule/dispatch assistance;
  - maintenance; and
  - regulatory compliance.
- ◆ **Create a County Based Coordination Planning Committee** – Based on case study results and experience observed elsewhere in the country, establishment of County Based Coordination Planning Committees in Hennepin and Ramsey Counties is a critical element to increase coordination in each county. This is particularly true in the two counties due to decentralized structure and overlapping service areas. Each county, taking on the role of countywide coordination planning, would be responsible for establishing and staffing committees and hosting meetings. In addition to representatives from the county, the subcommittee should also include, at a minimum, representatives from:
  - the regional STS (Metro Mobility and MNET);
  - the regional Districts of Mn/DOT, Office of Transit, and DHS divisions involved in transportation;
  - some of the larger (uncoordinated) senior/human service agency transportation operations, and
  - other transportation sponsors, such as some of the insurance and/or hospital programs.

The Council should also invite regional/local representatives of each funding source to be on the committee.

Formal arrangements, such as Memoranda of Understanding, (MOUs) indicating each organization's willingness to work with the other committee members to coordinate transportation under their auspices should be developed and executed. The MOUs should also include a basic list of local objectives to include:

- increase trip-making;
- improve quality of service;
- maximize benefits of economies of scale;
- create travel opportunity to expanded set of destinations; and
- involve the private sector.

In the course of assisting with the design and implementation of the coordination model for the Metro area, the Council staff should provide technical assistance to the counties to develop strategies, policies and practices in the following areas:

- *Standardization of Operational Policies and Procedures* – One of the roles of the ICTC will be to address state level policies and other administrative requirements that need to be changed or streamlined to enable local/regional coordination efforts to flourish. Coordination efforts in the Metro area can help ensure that the policies, practices, and standards developed by the state level committee are consistent with actions with the region. However, there may be need to develop additional standards in the urban area; the Council would logically serve in this role, with assistance from the respective counties. The Council could further facilitate interregional travel by working with the counties to establish standards for transfers, service quality standards, complaint response times, on-time performance, excessive ride times, no-show/late cancellation policies (and penalties for abuse), telephone response, driver training, and safety.
- *Capital Asset Planning (Vehicle Replacement Schedule)* – Currently, Metro Mobility provides vehicles to its demand service vendors, including the county based providers. In addition, Mn/DOT, Office of Transit, through the Section 5310 program, provides vehicles to several specialized providers in the region. If the region's coordination model includes the provision of vehicles, the Council could help develop a vehicle replacement schedule for the fleet. This will require capital asset planning.
- *Seamless Fare Structure* – Another design element that the counties in the region may wish to explore is a seamless fare structure. There are systems in the U.S. and Canada for example, that have one universal fare card that can be used on any transportation mode in the region.
- *A Single Telephone Number to Access Transportation* – Consumers in the urban area must deal with multiple phone numbers, depending on the type of service they wish to access. One way to enhance consumer access to transit information and eliminate the need to maintain multiple phone numbers is the introduction of a 211 system that provides information on a range of public and human service transportation options. Another option is the 511 system, which may be more suitable for actual trip scheduling. Emerging technology offers ways to use these systems to provide clients with a single, seamless system for accessing specialized transportation. For example, the Puget Sound region is partnering with the 211 and 511 systems in its *United We Ride* effort. In this example, the 211 network is used to provide initial information on available programs and the 511 network is used for scheduling and reserving specific trips.



- ◆ **Create and Staff a Regional Information Clearinghouse for Consumers** – The Mobility Managers should establish an information clearinghouse for transportation information (one-stop call center). This should include the development of a transportation inventory, building upon work already performed by Mn/DOT, Office of Transit, and the United Way, and the staffing of a toll-free or 211 number.

### **Role of State Human Service Agencies**

DHS, and all of its divisions involved in transportation, should consider the regional benefits of recognizing and endorsing use of county based transportation systems in the Metro area.

In the case of MNET, DHS would encourage MTM, as the MNET manager, to utilize the county based systems in the Metro area as a viable and a cost saving resource. As noted previously, some regulatory and/or legislative obstacles may exist that mitigate the value of this recommendation. It is recommended that the participating agencies and the ICTC re-evaluate current state policy and law in this area and make recommendations accordingly to foster coordination.



### **IX. IMPLEMENTATION PROGRAM**

#### **INTRODUCTION**

The State of Minnesota, through Mn/DOT, Office of Transit, and in cooperation with the Metropolitan Council, undertook the Coordination Study to establish a planning Framework to educate public transit and human service transportation stakeholders at the local level (*e.g.* organizations responsible for transporting agency clients, students, and the general public) about the benefits of coordinating public transit and human service transportation, identify transit industry Best Practices in public transit and human service transportation coordination activities, and develop a statewide action plan for improving transportation coordination.

Mn/DOT and the Metropolitan Council believe that coordination among providers and agencies that provide transportation services holds the potential to:

- ◆ Increase transportation availability;
- ◆ Improve access to jobs;
- ◆ Enhance service quality;
- ◆ Eliminate duplicative efforts; and
- ◆ Improve the cost-effectiveness of transportation dollars.

With greater coordination, Minnesota has the opportunity to provide more effective transportation solutions that may lead to reduced congestion, better access to jobs, and more efficient provision of transportation services.

This existing network has achieved varying degrees of success in coordinating public transit service with human service transportation. Transportation programs operated by human service agencies, in some cases, have been effectively integrated within the scope of public transit services. In other cases, however, public transportation and human service transportation remain separate and distinct service delivery systems.

As previously noted, the existing infrastructure is vastly different in the Metro area than in Greater Minnesota.

In the Metro area, public transit service areas are not neatly defined, with multiple layers of service providers fulfilling customer needs in individual towns, groups of towns, or region wide. In Greater Minnesota, the service area for most human service agency program delivery and transit systems is the county. Additionally, in the Metro area, there exists a healthy, for-profit transportation sector; in Greater Minnesota, the extent and level of private service may be limited or non-existent.

In developing an implementation strategy, the Study has established the role of the State to be encouragement and promotion of the concepts contained herein, rather than forced and mandated coordination through legislation.

## **IMPLEMENTATION PROGRAM**

The implementation phase of this project is enhanced by a series of recent developments at the Federal level that will work to provide a greater array of funding options than may have been possible in the past. To introduce this chapter, a brief review of these new opportunities is presented. While mentioned, in part, in earlier sections, this discussion will set the stage for the funding component to follow.

### **FEDERAL ACTIONS THAT MAY EXPAND COORDINATION FUNDING OPTIONS IN MINNESOTA**

Activities at the Federal level that will potentially expand opportunities for coordination in the Coordination Study include a second round of *United We Ride* grants, new or revised programs established under the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), (Pub.L. No. 109-59, August 10, 2005), and the establishment of a demonstration program under the Section 5310 program that will permit funds to be used for operations, rather than capital.

Each of these actions is discussed below.

#### **United We Ride – FY 2006**

Concurrent with Mn/DOT's efforts, the U.S. Department of Transportation (U.S. DOT), with its partners at the U.S. Departments of Health and Human Services (DHHS), Labor, and Education, has launched a new program designed to enhance coordination. The *United We Ride* campaign is a five-part initiative to improve the coordination of human services transportation, to break down the barriers between programs, and set the stage for local partnerships that generate common sense solutions.

The Federal Transit Administration (FTA) of the U.S. DOT, in implementing the *United We Ride* initiative, has provided grants to the respective states to pursue coordination strategies appropriate to their state. These grants were first provided in Federal FY 2005. FTA announced on September 14, 2005, that a second round of funding will be available to assist states in the implementation of their coordination projects.

States coordination grants may be used to assist states through either planning or implementation grants. Planning grants are for states that have not yet received a United We Ride grant, and do not have a comprehensive action plan (Minnesota has previously received a planning grant). Implementation grants are for states which have developed a comprehensive state action plan. Implementation grants can be used for carrying out one or more of the elements identified within a state action plan consistent with the United We Ride Framework for Action. The United We Ride Framework for Action is a self-assessment tool for states and communities to conduct comprehensive state assessments to identify areas of success and highlight the actions still needed to improve the coordination of human service transportation. The self-assessment tool is designed to address the needs of people with disabilities, older adults, and individuals with lower incomes.

There are priorities areas established in the Framework, as follows:

**Priority 1:** Development and implementation of transit pass policy and programs with Medicaid and other agencies (programs that allow clients to utilize existing public transit through use of pre-paid fare media), including demonstration projects with Non-Emergency Medical Transportation (NEMT) providers.

**Priority 2:** Development of strategies for meeting the transportation needs of older adults, people with disabilities, and individuals with lower incomes as part of a regional planning process, including provisions to address the needs of these populations during natural or man-made disasters.

**Priority 3:** Development of a cross agency coordinated tracking and accountability system; including real-time eligibility, billing, and reporting that will support mobility management functions.

FTA further provides examples of the types of projects that can be implemented under the program. Model projects may include the following:

- ◆ Implement statewide interagency transit pass program;
  - ◆ Conduct statewide seminars/conferences to establish statewide dialogue that leads to effective action steps for future coordination of human service transportation issues;
  - ◆ Develop a statewide regionalized coordination system;
  - ◆ Replicate a successful model in one or more communities across the state (i.e., transit pass program; volunteer driver; travel training; etc.);
  - ◆ Integrate technology to address the needs of coordination on human service transportation, including real-time eligibility, accountability, billing, and reporting; and
  - ◆ Develop and test a mobility management strategy.
- Grants under this initiative range from \$35,000 to \$75,000. Maximum funding for states applying for implementation grants is \$75,000.

### **SAFETEA-LU**

SAFETEA-LU provides \$286.4 billion in guaranteed funding for Federal surface transportation programs over six years through FY 2009, including \$52.6 billion for Federal transit programs. This level of authorized funding represents a 46% increase over transit funding guaranteed in the previous authorization legislation (TEA 21).

In addition to higher authorized levels of funding under traditional programs used in various coordination initiatives (*e.g.*, Section 5311, Section 5307, Section 5310, etc.), several new programs have been created that can facilitate enhanced coordination in Minnesota. Additionally, one existing discretionary program has been restructured as a formula program. The new or revised programs that are germane to the Coordination Study:

- ◆ Section 5316: Job Access and Reverse Commute Program (JARC); and
- ◆ Section 5317: New Freedom Program.

Each program is briefly summarized below.

### ***Section 5316: Job Access and Reverse Commute Program (JARC)***

The JARC program has been converted from a discretionary to a formula program to the states. It remains a competitive program at the local level. The program, in existence for a number of years now, has been instrumental in developing transit services to support the nation's welfare-to-work initiative. The aim of the program is the provision of new or innovative services that provide transportation to work linking the locations of low income workers with location of new job creation (often in the suburban or ex-urban areas of our nations' cities).

In general, projects and expenses eligible for JARC funding must relate to *“the development and maintenance of transportation services designed to transport welfare recipients and eligible low income individuals to and from jobs and activities related to their employment.”* Eligible projects may include, but are not limited to:

- ◆ Late-night and weekend service;
- ◆ Guaranteed ride home service;
- ◆ Shuttle service;
- ◆ Expanding fixed route mass transit routes;
- ◆ Demand responsive van service;
- ◆ Ridesharing and carpooling activities;
- ◆ Bicycling;
- ◆ Local car loan programs that assist individuals in purchasing and maintaining vehicles for shared rides; and
- ◆ Promotion, through marketing efforts, of the:
  - use of transit by workers with non-traditional work schedules;
  - use of transit voucher programs by appropriate agencies for welfare recipients and other low income individuals;
  - development of employer provided transportation such as shuttles,
  - ridesharing, carpooling; or
  - use of transit pass programs and benefits under Section 132 of the Internal Revenue Code of 1986.

Further, the FTA guidance has encouraged communities to:

- ◆ Establish regional Mobility Managers or transportation brokerage activities;
- ◆ Apply Geographic Information System tools;
- ◆ Implement Intelligent Transportation Systems, including customer trip information technology;

- ◆ Integrate automated regional public transit and human service transportation information, scheduling and dispatch functions; and
- ◆ Deploy vehicle position-monitoring systems.

Sixty percent of funds appropriated annually will be earmarked to urban areas with populations greater than 200,000 persons. Twenty percent of the funds will be allocated to urban areas with fewer than 200,000 population while the remaining 20% will be allocation to non-urbanized areas. Under the JARC program, all areas of Minnesota will be able to potentially benefit from funding. For JARC funding in non-urbanized areas in Minnesota, priority will be placed on mobility management projects.

Authorized funding levels will take JARC from the current (FY 2005) level of \$124.0 million to \$138.0 million in FY 2006, rising to \$164.5 million by FY 2009. The law specifies that a competitive process be used to select grant recipients (*e.g.*, Mn/DOT, Office of Transit, will solicit grant applications from non-urbanized areas in Greater Minnesota on a competitive basis).

Importantly for Minnesota and the implementation of coordination activities statewide, SAFETEA-LU has several provisions that are supportive of coordination concepts embraced in this Action Plan.

First, SAFETEA-LU contains report language directing the FTA to continue its practice of providing maximum flexibility to job access projects designed to meet the needs of individuals who are not effectively served by public transportation.

Second, coordination is required between private nonprofit and public transportation providers and other Federal programs, including the New Freedom Program (Section 5317) and the Program for Special Needs of Elderly Individuals and Individuals with Disabilities (Section 5310). Indeed, the law now contains language that each area receiving such funds must prepare a locally developed plan for coordination of human services. Of note, the coordinated planning requirement is effective with FY 2006 funds (not FY 2007 as is the case with New Freedom Program and Section 5310). In interim guidance on March 15, 2006, FTA notes that since a similar requirement was in place for JARC under TEA-21, the coordination plan requirement cannot be delayed for JARC. FTA further notes that for grantees that have previously been recipients of JARC discretionary funding, the previously required JARC plan may satisfy the coordinated planning requirement for FY 2006. In areas with no current JARC plan, for FY 2006 only, the planning partners should at a minimum be consulted about projects and where possible expressions of support should be obtained and documented. Each grant application must describe activities undertaken to reach out to stakeholders, including providers and users of service, to identify community wide needs and to begin to catalog available resources.

Third, the local matching share for JARC grants (20% local capital match, 50% of net operating costs) may be provided from other than local funds. While Federal cost principles specify that Federal funds cannot be used to match other Federal grants, there

is long precedent in the Section 5311 program where a statutory allowance has permitted such match provisions. Under JARC, funds derived as income from a purchase of service agreement with a local social service agency or a private (nonprofit) social service organization can be used as local match, even if the source of those funds may originally been derived from another Federal program or source. Additionally, any Federal funds from other than the U.S. DOT awarded directly to the JARC recipient for expenditure on transportation can also be used to meet the JARC local matching share.

This provision has proven instrumental in forging cooperative arrangements in the non-urbanized area public transportation program. Similar results can be expected under the JARC program.

### ***Section 5317: New Freedom Program***

The New Freedom Program is a newly authorized program aimed specifically at providing services to persons with disabilities above and beyond that required under the Americans with Disabilities Act (ADA) of 1990.

Sixty percent of funds appropriated annually will be earmarked to urban areas with more than 200,000 population. Twenty percent of the funds will be allocated to urban areas with fewer than 200,000 population while the remaining 20% will be allocated to non-urbanized areas. Authorized levels of spending under the New Freedom Program start at \$78.0 in FY 2006 and rise to \$92.5 in FY 2009.

New Freedom Program funds contain the same coordination requirements noted above under the JARC Program. Beginning in FY 2007, a recipient will be required to certify that New Freedom Program funds are being expended in accordance with a locally developed, coordinated public transit/human services transportation plan and that the plan was developed through a cooperative process that included the representation of public, private, nonprofit transportation provider, and the general public.

In addition to the coordination planning requirements, the New Freedom Program also contains the unique matching provisions discussed above for the JARC Program. Under the New Freedom Program, Federal funds derived from a social service program can be used to meet the local matching share of project costs.

### ***Section 5310 Demonstration Program***

The final Federal development also originates from the passage of SAFETEA-LU. A limited, yet unique demonstration program is authorized for seven states that will permit Section 5310 funds, historically limited to capital, to be used for operating costs for public transportation projects planned, designed, and carried out to meet the special needs of elderly individuals and individuals with disabilities. Four of the seven participating states were specifically named in the law – Alaska, Oregon, Wisconsin, and Minnesota. The Secretary of the U.S. DOT will name an additional three states.



## **IMPLEMENTATION PROGRAM**

Under the provisions of the demonstration, Minnesota will be able to use up to 33% of the state's Section 5310 financial assistance for public transit operating costs. The same locally developed coordination plan requirement is imposed on this demonstration program. Additionally, the permissive local match provisions noted above for both the JARC Program and the New Freedom Program also apply. Thus, any income derived from a purchase of service contract with a social service program will be able to be used as match to the operations component of the grant.

### **Other Federal Actions**

In addition to these major new initiatives listed above, certain minor changes to existing transit law also occurred with the passage of SAFETEA-LU that may have some impact on the Study's implementation. These actions include:

- ◆ Inclusion of "mobility management" as an eligible capital item;
- ◆ Use of sliding scale matching requirements; and
- ◆ Allowance of nonprofit and for-profit organizations as a sub-recipient under Section 5309.

All of these actions may afford more flexibility to local Minnesota communities as they implement coordination activities. Additionally, regional planning efforts have been designed to meet the Federal coordination plan requirements contained in these new programs.

## **TRANSPORTATION COORDINATION STUDY**

### **State Level Overview**

Implementation activities for state level actions build on the concept of a comprehensive family of services that meets the mobility needs of the community by taking advantage of the strengths of existing service providers. In this scenario, the network of existing public transit systems in Greater Minnesota will be recognized as the presumptive "Mobility Managers" within their service area. Counties may coordinate with one another to form regional mobility management structures or may coordinate use of a single Mobility Manager. Implementation of the Mobility Manager concept throughout the state will be transitioned in over a 10 year planning horizon.

As previously defined in this report, a Mobility Manager is a person or organization with in-depth knowledge of all the passenger transportation options within the recognized service area. The public transportation system will not actually provide all requested rides. The Mobility Manager arranges transportation from a menu of services available in the service area, capturing the best fit between service need and service provider. In areas where a full complement of providers does not exist, the Mobility Manager continues to work with local organizations to fill the service gap to overcome real or perceived obstacles to the coordination effort. The Mobility Manager will also take on the role of coordination advocate at the local level and will facilitate cooperative

## **IMPLEMENTATION PROGRAM**

arrangements between network participants in the areas of training, procurement, policy development, maintenance, drug and alcohol testing, etc.

The success of this strategy will, in large part, depend on state level efforts. The Coordination Study, therefore, embraces the necessary policy, program administration, and supporting infrastructure to facilitate local coordination initiatives. Complementary actions will also occur at the regional and local levels. These regional efforts address regional mobility issues, coordination planning at the local and regional levels, and liaison with state policymakers. Actual mobility management, service provision and operational components of the coordination effort take place at the local level.

State level leadership is essential to successful coordination. During the course of this study, the Best Practices of several other states were identified and evaluated, yet it is clear that a set of strategies unique to Minnesota are required in order to achieve project objectives. State level actions specified in the action plan include:

- ◆ continuation the work of the Coordination Study advisory committee in the capacity as experts in the review of proposed plans and actions and to provide recommendations to the new state level policy committee;
- ◆ establishment of the Interagency Committee on Transportation Coordination (ICTC) to set policy on coordination;
- ◆ preparation and execution of a Memorandum Of Understanding among various state agencies that have program related transportation components that embraces the mobility management concept;
- ◆ establishment of process to systematically evaluate and remove (where necessary) state level program and legislative obstacles to coordination;
- ◆ implementation of a planning process to prepare Regional Coordination Plans;
- ◆ establishment of local Mobility Managers;
- ◆ establishment of Service Operator Standards and Policies;
- ◆ incorporation of NEMT;
- ◆ provision of technical assistance by Mn/DOT, Office of Transit, and other state agencies; and
- ◆ implementation of provider oversight.

These actions will establish a cohesive and consistent Framework to support regional and local coordination actions. They embrace technical assistance and incentive funding as the primary tools of implementation. There are no proposed mandates or proposed legislative requirements imposed on local public transportation or human service transportation providers. The approach embraced in this action plan is based on input gained from an interagency committee overseeing preparation of this study and extensive stakeholder input derived from extensive surveys and focus groups.

### **Metro Area Implementation Framework**

The Study has identified many examples of effective coordination in the Minneapolis/St. Paul area. Public transit operations in the urban core and publicly funded local transit

operations in selected first and second ring suburbs offer significant and effective, low cost transportation. Yet, it is recognized that these services are often underutilized by human service transportation. Thus demand for community transportation remains unsatisfied in some sectors despite the presence of numerous, but uncoordinated and sometimes possibly duplicative service in other areas.

The Metropolitan Council will play a supportive role to the respective counties in the implementation of additional coordination activities. The Council will have responsibility for:

- ◆ Facilitating development of Metro area mobility management concepts;
- ◆ Provision of technical assistance to encourage service providers to utilize coordinated networks and minimize duplication;
- ◆ Supporting the coordination planning for Hennepin and Ramsey Counties; and
- ◆ Creation of a regional clearinghouse.

These strategies will augment existing coordination initiatives supported in the Metro area.

### **Regional Level Implementation Framework**

As established in the coordination Framework, a regional approach will be employed primarily to implement the SAFETEA-LU requirement to prepare locally developed coordination plans. Under this Framework, existing Metropolitan Planning Organizations (MPOs) and Regional Development Commissions (RDCs) will have primary oversight in the plan development process. This plan is a prerequisite to the receipt of FTA Section 5310, New Freedom Program, and JARC grants. Planning guidelines are documented in Appendix H.

### **Local Level Implementation Framework**

There already exists an extensive investment in vehicles, facilities, staff, and transportation expertise among local public transportation and human service agency programs. The Minnesota coordination “model” builds upon this infrastructure. Under this scenario, a well coordinated “family of services” that meets the mobility needs of the community by taking advantage of the strengths of various service providers that already exist will be implemented through the expertise of Mobility Managers. Existing public transit systems may be recognized as Mobility Managers in their respective service areas. The Mobility Managers will perform brokerage functions, implement the “one stop call center” concept for information regarding transportation services within the service area, provide administrative services in oversight of service contractors; and provide safety oversight and monitoring. The local Mobility Managers will also facilitate cooperative procurements, training, maintenance, and grants management activities among the participating entities.

The Framework calls for a phased implementation approach. The timeframe for this phase in of coordination activities will be detailed in the regional coordination plans. Both the type of activities to be implemented and the required implementation schedule will be subject to local determination based on the needs, resources, and capabilities that are present in the community.

### **Framework Summary**

In order to successfully implement this Framework, all communities of interest (local government, state government, transit systems, human service agencies, etc.) must acknowledge that Framework involves a positive paradigm shift in the way that public transit and human service transportation are delivered. A recent transportation research project focused on changes in the delivery of passenger transportation services in the United States in the 21<sup>st</sup> century. Emulating business models adopted in the private sector (particularly the freight industry), it was suggested that there are six dimensions of fundamental changes necessary to affect a new paradigm in the passenger transportation field: mission shift, customer focus, collaboration, integration, information technology, and organization structure. This paradigm switch is necessary if public transportation is to remain a critical mode of transportation responsive to consumer needs in this century. The coordination Framework embraces all six dimensions of change.

Finally, implementation of change in this order of magnitude will take time. Consequently, implementation requirements will be phased in over a period of time with the timeline established through local consensus.

### **IMPLEMENTATION TASKS – SUMMARY**

Implementation of the Study will be a multi-year process designed to integrate new funding opportunities with proposed implementation actions. There are several pivotal actions, however, upon which many other tasks are dependent. For purposes of this analysis, the primary pivotal actions are:

1. Formation of the Interagency Committee on Transit Coordination (ICTC);
2. Transportation Coordination Study Dissemination/Mobility Management Training;
3. Implementation of Regional Coordination Planning Process;
4. Establishment of Service Operator Policies/Standards;
5. Mn/DOT Grants Management;
6. Local Area Implementation; and
7. Mn/DOT technical assistance and other state agency assistance

Each of these tasks and their related subtasks are described in summary fashion in the following exhibit.

**Exhibit X-1.**  
**Implementation Task Summary for the Transportation Coordination Study**

<b>Pivotal Task</b>		<b>Dependent Tasks</b>	<b>Discussion</b>
<b>1.</b>	<b>Formation of the Interagency Committee on Transit Coordination (ICTC)</b>		Pivotal task. Much of the implementation program flows from the subtasks and activities carried out by the ICTC.
	1.1	Adoption of Strategic Plan, Goals, and Objectives for Coordination	Will govern the operation of the ICTC (drawn largely from the <i>Coordination Study: Final Report</i> ).
	1.2	Develop and Execute Memorandum Of Understanding Among Key State Agencies That Embrace The Framework, ICTC, and the Mobility Management Function as an Effective Tool for Enhancing Mobility in a Cost-Effective Fashion.	Develop and execute Memorandum Of Understanding among key state agencies, including: Mn/DOT, Department of Health and Human Services, Department of Health, Department of Economic and Community Development, Department of Jobs and Family Services, and the Department of Education.
	1.3	Continue Work of Project Advisory Committee	To ensure continuity in the objectives of the Study, continue the work of the project advisory committee in the capacity of an implementation committee. In this role, program and staff level individuals with detailed knowledge of various funding programs, rules, regulations, and local service delivery agencies will provide advice and guidance in the form of recommendations to the ICTC.
	1.4	Endorse Regional Coordination Plan Approach/Guidelines	The ICTC, based on recommendations of the implementation advisory committee (See 1.3) should formally endorse the recommended planning approach recommended in the Study (Appendix H) so that local communities understand that the requirements are endorsed by major funding agencies.
	1.5	Define Responsibilities, Roles, and Tasks of Local Mobility Managers	Coordinated Public Transit-Human Services Transportation Plans cannot be drafted unless specific guidance is established on the roles and responsibilities of local Mobility Managers.
	1.6	Adopt Model Agreements for Use by Local Coordination Initiatives	The ICTC, with the advice and recommendation of the implementation committee (See 1.3) should develop model formats for service agreements between Mobility Managers and human service agencies, service providers, etc.
	1.7	Establish Minimum Safety and Service Quality Guidelines	To assure consistency, the ICTC (with the advice and recommendation of the implementation committee (See 1.3)) should establish minimum insurance coverage, driver requirements and training, vehicle inspection, maintenance, risk management, and regulatory compliance issues such as drug and alcohol testing.

<b>Pivotal Task</b>		<b>Dependent Tasks</b>	<b>Discussion</b>
	1.8	Recommend Changes to Existing Policies and Procedures that Hinder Local Area Coordination	The ICTC will be the primary forum in which issues identified that hinder coordination efforts at the local level are addressed and resolved. If the hindrance is a state based regulatory issues, the ICTC, based on recommendations of the implementation committee, will prepare recommendations for consideration by a participating state agency or the legislature that resolve the issue and further coordination. If the issue is based on a Federal program requirement, the ICTC will lend its support to the request for waivers, etc. made to the Federal government.
	1.9	Adopt Recommended Procedures for Fully Allocated Costing	Coordination decisions at the local level will be based, in part, on cost considerations. The Federal Coordinating Committee on Access and Mobility (CCAM) recommends where statutorily permitted that standard cost allocation principles for transportation be developed.
<b>2.</b>	<b>Study Dissemination/Mobility Management Training</b>		Pivotal task. Coordination implementation begins with the distribution statewide of the Study and <i>Best Practices Toolkit</i> .
	2.1	Disseminate and Publicize the Study	Information regarding the Federal Executive Order, <i>United We Ride</i> , CCAM, and the <i>Study</i> will need widespread dissemination in the public transportation and human service agency communities.
	2.2	Disseminate “Toolkit”	The Best Practices Toolkit should be distributed statewide to public transportation and human service agency communities.
	2.3	Mn/DOT, Office of Transit, In-Service Training for District	Training will be required to ensure consistent administration among Mn/DOT Districts in the implementation of the Study.
	2.4	Develop and Conduct Mobility Management Training Course	As the mobility management concept may be new to many in Minnesota, a comprehensive training course should be developed and conducted in each Mn/DOT District.

<b>Pivotal Task</b>		<b>Dependent Tasks</b>	<b>Discussion</b>
<b>3.</b>	<b>Implement Regional Coordination Planning Process</b>		Pivotal task. Guidelines for preparing such plans have been issued by FTA. Existing MPOs and RDCs will oversee development of Federally required plan. Regardless of who prepares the plan, the focus of coordination/mobility management will be at the county level with advice and input of local officials. Representation and participation of various communities of interest will be integral to the planning process's success. The ICTC, with the advice of the implementation committee, will specify groups that must be included in the planning process.
	3.1	Prepare Coordinated Public Transit-Human Services Transportation Plans	Based on planning guidelines promulgated by the ICTC, regional coordination plans will be prepared.
	3.2	Plan Participants to Act as Advocate for Coordination and Mobility	Participants in the planning process will also serve as local advocates for coordination, regional mobility, inter-county/agency cooperation, and emergency preparedness planning.
<b>4.</b>	<b>Establishment of Service Operators Policies and Standards</b>		Pivotal task. To participate in coordinated service deliver network, the operators will be required to meet various safety, performance and quality standards.
	4.1	Minimum Risk Management Standards	Operators will have to provide proof of insurance coverage with all the appropriate indemnifications and have a risk management program in place
	4.2	Driver Training	Drivers will have to meet minimum requirements and have the requisite training.
	4.3	Maintenance	Operators must meet various maintenance and vehicle inspection criteria and be in compliance with all relevant regulations.
	4.4	Operator Level Participation	Operators must define their service area and capacity availability in terms of days and hours of service. Operators must also define their level of responsiveness in terms of advanced reservations, dispatch capabilities, and technological capabilities.
<b>5.</b>	<b>Metropolitan Council Implementation</b>		Pivotal task. The Council will embrace the general Framework established for Greater Minnesota and will work to implement general mobility management at the county level throughout the Metro region.

<b>Pivotal Task</b>		<b>Dependent Tasks</b>	<b>Discussion</b>
	5.1	Develop Metro Area Mobility Management Concepts	Due to differences within the Metro area, the functional responsibilities of the Mobility Managers may vary. Counties will have primary responsibility for determining coordination functions/organization.
	5.2	Initiate Campaign to Encourage Service Providers to Utilize Coordinated Networks and Minimize Duplication	The Council will facilitate county efforts by encouraging service providers such as insurance companies and hospitals, as well as regional and county based human service agencies, to utilize the coordinated systems/networks and encourage a team approach to service provision and endeavor to minimize unproductive competition, duplication, and aggressive exclusivity.
	5.3	Creation of a County Based Coordination Planning Committees for Hennepin and Ramsey Counties	As suburban ring counties have achieved some level of coordination, it is recommended that the two core counties establish their own committee to address coordination in Hennepin and Ramsey Counties.
	5.4	Provide Technical Assistance	In instances where there is little to no coordination, the Council will work with local communities to develop a plan and strategy to better coordinate services.
	5.5	Create Regional Clearinghouse	Actions will include establishment of an information clearinghouse for transportation information. This should include the development of a transportation inventory, building upon work already performed by Mn/DOT, Office of Transit, and the United Way, and the staffing of a toll-free or 511 number.
<b>6.</b>	<b>Mn/DOT Grants Management</b>		Pivotal task. The Mn/DOT, Office of Transit, modification of grant evaluation criteria to add weighted scores for coordination activities will create powerful incentives for local action.
	6.1	Adopt Revised Grant Evaluation Criteria that Incorporate Priority on Coordinated Grant Activities	Adopt weighted criteria that distinguish between applications that document significant coordination efforts and agencies making major strides toward goal achievement from those that have made little effort and are comfortable with the status quo. The distribution of discretionary program funds (Section 5310, JARC, New Freedom Program) should be based on an



<b>Pivotal Task</b>		<b>Dependent Tasks</b>	<b>Discussion</b>
			agency's progress including substantial incentives for those who successfully embrace coordination. Agencies that do not will subsequently find it difficult to successfully compete for discretionary funding.
	6.2	Amend Scope of RTAP Services to Add Mobility Management as Primary Technical Assistance Activity	The Mn/DOT, Office of Transit, will expand its scope of services under the Rural Technical Assistance Program (RTAP) to include a coordination newsletter, enhanced training session on coordination topics, conduct of an annual meeting or periodic forums on coordination, and other activities to promote information exchange and networking.
	6.3	Fund Coordination Projects	In conjunction with the its partner, the Department of Human Services – Aging and Adult Services, and other partner agencies on the ICTC, join together to fund projects to demonstrate the Mobility Manager concept. Funding will be provided through existing funding sources authorized under SAFETEA-LU along with other funding from DHS, as available and appropriate.
<b>7.</b>	<b>Local Area Implementation</b>		Pivotal task. Local areas must participate in regional planning efforts, carry out the coordination recommendations, and forge relationships for service delivery with various human service agencies and public, nonprofit, and for-profit service operators.
	7.1	Implement Coordinated Public Transit-Human Services Transportation Plans	Local public transit systems and human service agencies, along with other partners, will have primary responsibility for implementing the Coordinated Public Transit-Human Services Transportation Plans.
	7.2	Develop Competitive Applications for JARC, New Freedom, and other Funds	SAFETEA-LU requires that applications for JARC and New Freedom Program funds be based on a competitive process based on a coordination plan (the Coordinated Public Transit-Human Services Transportation Plans). Local areas that require financial assistance in the implementation of their coordination projects will develop applications under these programs. Projects that are implemented to demonstrate new coordination concepts consistent with the Study and locally developed coordination plans will be funded, on a priority basis, from these existing or new funding sources.
	8.3	Mobility Manager Facilitator Functions	In addition to the service delivery functions, the Mobility Manager will also address various coordination effort support functions. The planning effort will define the manner in

<b>Pivotal Task</b>		<b>Dependent Tasks</b>	<b>Discussion</b>
			which these functions will be addressed. The functions include: training; maintenance; drug and alcohol testing; grants management; vehicle inspection; risk management; procurement; information and referral; volunteer services; recordkeeping and reporting; dispatch and scheduling; and technology.
	8.4	Mobility Manager Advocacy Functions	The Mobility Manager will be a major advocate for coordination within the local community. This role includes identifying and addressing local obstacles, educating local stakeholders of the benefits, and encouraging participation. The success of the Mobility Manager will depend in part on his/her ability to earn the respect and trust of service providers, agencies, passengers and other within the local community.
<b>8.</b>	<b>Mn/DOT Technical Assistance and Oversight/Other State Agency Assistance</b>		Pivotal task. All parties of interest must have evaluate and assess the success of local coordination activities.
	8.1	Use Existing RTAP Program to Assist in Dissemination of Technical Assistance Materials that Support the Study	The RTAP program can easily be expanded to serve as a resource to promote and support the Mobility Managers and all participating entities. Activities include expansion of the Transit Bulletin to include coordination activities; sponsorship of training programs, sponsorship/hosting an annual meeting or periodic forums on coordination to promote information exchange and networking; and distribution of additional updates and expansions to Transportation Coordination Toolkit.
	8.2	Provide Technical Assistance to Other Agencies	The Mn/DOT, Office of Transit, staff at both the District and Headquarters level will provide technical assistance to state and local agencies regarding coordination activities.
	8.3	Other State Agency Assistance	Coordination of funding under various Federal and state funding sources will require Mobility Managers to understand the program rules and regulations of many different funding sources outside those administered by Mn/DOT, Office of Transit. Other state agencies that administer these programs will also need to be ready to provide technical assistance.
	8.4	Use Existing Oversight Process for Coordination Oversight and Monitoring	Use periodic Mn/DOT, Office of Transit, site visit process to monitor and advise local coordination activities.

