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# Five-Year Transit System Plan for 2020-2025

Hibbing Area Transit
Northeast Region

Prepared for:
Hibbing Area Transit

September 2019

# Table of Contents

## Figures



## Tables

## Acronyms

| | |
|---|---|
| ACS | American Community Survey |
| ADA | Americans with Disabilities Act |
| FTA | Federal Transit Administration |
| GMTIP | Greater Minnesota Transit Investment Plan |
| GTFS | General Transit Feed Specification |
| LEHD | Longitudinal Employer-Households Dataset |
| LEP | Limited English Proficiency |
| MDI | Minnesota Diversified Industries |
| MnDOT | Minnesota Department of Transportation |
| MPO | Metropolitan Planning Organization |
| MPTA | Minnesota Public Transit Association |
| MVST | Motor Vehicle Sales Tax |
| MVLST | Motor Vehicle Lease Sales Tax |
| NTD | National Transit Database |
| O&M | Operations and Maintenance |
| RDO | Regional Development Organization |
| TCRP | Transit Cooperative Research Program |
| U.S.C. | United States Code |
| USDOT | United States Department of Transportation |

# Glossary

**Access**: The opportunity to reach a given destination within a certain timeframe or without significant physical, social, or economic barriers.

**Accessible Vehicle**: A public transportation vehicle that does not restrict access, is usable, and provides allocated space and/or priority seating for individuals who use mobility devices.

**Americans with Disabilities Act (ADA)**: The Americans with Disabilities Act, passed in July 1991, gave direction to local transit agencies to ensure full access to transportation for persons with disabilities.

**Capital Cost**: The cost of equipment and facilities required to support transportation systems, including vehicles, radios, shelters, software, etc.

**Central Transfer Point**: A central meeting place where routes or zonal demand-responsive buses intersect so that passengers may transfer. Routes are often timed to facilitate transferring and depart once passengers have had time to transfer. When all routes arrive and depart at the same time, the system is called a pulse system. The central transfer point simplifies transfers when there are many routes (particularly radial routes), several different modes, and/or paratransit zones. A downtown retail area is often an appropriate site for a central transfer point, as it is likely to be a popular destination, a place of traffic congestion and limited parking, and a place where riders are likely to feel safe waiting for the next bus. Strategic placement of the transfer point can attract riders to the system and may provide an opportunity for joint marketing promotions with local merchants.

**Circulator**: A bus that makes frequent trips around a small geographic area with numerous stops around the route. It is typically operated in a downtown area or area attracting tourists, where parking is limited, roads are congested, and trip generators are spread around the area. It may be operated all-day or only at times of peak demand, such as rush hour or lunchtime.

**Commuter Bus Service**: Transportation designed for daily, round-trip service, which accommodates a typical 8-hour, daytime work shift (e.g., an outbound trip arriving at an employment center by 8 a.m., with the return trip departing after 5 p.m.).

**Coordination**: Coordination means pooling the transportation resources and activities of several agencies. The owners of transportation assets talk to each other to find ways to mutually benefit their agencies and their customers. Coordination models can range in scope from sharing information, to sharing equipment and facilities, to integrated scheduling and dispatching of services, to the provision of services by only one transportation provider (with other former providers now purchasing services). Coordination may involve human service agencies working with each other or with public transit operations.

**Dedicated Funding Source**: A funding source that, by law, is available for use only to support a specific purpose and cannot be diverted to other uses (e.g., the federal gasoline tax can only be used for highway investments and, since 1983, for transit capital projects).

**Demand-Responsive Service**: Service to individuals that is activated based on passenger requests. Usually passengers call the scheduler or dispatcher and request rides for dates and times. A trip is scheduled for that passenger, which may be canceled by the passenger. Usually involves curb-to-curb or door-to-door service. Trips may be scheduled on an advanced reservation basis or in “real-time.” Usually smaller vehicles are used to provide demand response service. This type of service usually provides the highest level of service to the passenger but is the most expensive for the transit system to operate in terms of cost per trip. In rural areas with relatively high populations of elderly persons and persons with disabilities, demand-responsive service is sometimes the most appropriate type of service. Sub-options

within this service type are discussed in order of least structured to most structured, in terms of routing and scheduling.

- **Pure Demand-Responsive Service**: Drivers pick up and drop off passengers at any point in the service area, based on instructions from the dispatcher. In pure demand-responsive systems, the dispatcher combines immediate requests, reservations, and subscription service for the most efficient use of each driver's time.
- **Zonal Demand-Responsive Service**: The service area is divided into zones. Buses pick up and drop off passengers only within the assigned zone. When the drop off is in another zone, the dispatcher chooses a meeting point at the zone boundary for passenger transfer or a central transfer is used. This system ensures that a vehicle will always be within each zone when rides are requested.
- **Flexibly Routed and Scheduled Services**: Flexibly routed and scheduled services have some characteristics of both fixed route and demand-responsive services. In areas where demand for travel follows certain patterns routinely, but the demand for these patterns is not high enough to warrant a fixed route, service options such as checkpoint service, point deviation, route deviation, service routes, or subscription service might be the answer. These are all examples of flexible routing and schedules, and each may help the transit system make its demand-response services more efficient while still maintaining much of the flexibility of the service.

**Dial-A-Ride Service**: A name that is commonly used for demand-responsive service. It is helpful in marketing the service to the community, as the meaning of "dial-a-ride" may be more self-explanatory than "demand-responsive" to someone unfamiliar with transportation terms.

**Express Bus Service**: Express bus service characteristics include direct service from a limited number of origins to a limited number of destinations with no intermediate stops. Typically, express bus service is fixed route/fixed schedule and is used for longer distance commuter trips. The term may also refer to a bus that makes a limited number of stops while a local bus makes many stops along the same route but as a result takes much longer.

**Farebox Recovery Ratio**: The percentage of operating costs covered by revenue from fares and contract revenue (total fare revenue and total contract revenue divided by the total operating cost).

**Fares**: Revenue from cash, tickets, and pass receipts given by passengers as payment for public transit rides.

**Federal Transit Administration (FTA)**: An operating administration within the United States Department of Transportation that administers federal programs and provides financial assistance to public transit.

**Feeder Service**: Local transportation service that provides passengers with connections to a longer-distance transportation service. Like connector service, feeder service is service in which a transfer to or from another transit system, such as an intercity bus route, is the focal point or primary destination.

**Fixed Route**: Transportation service operated over a set route or network of routes on a regular time schedule.

**Goal**: A community's statement of values for what it wants to achieve.

**Headway**: The length of time between vehicles moving in the same direction on a route. Headways are called short if the time between vehicles is short and long if the time between them is long. When headways are short, the service is said to be operating at a high frequency; if headways are long, service is operating at a low frequency.

**Intercity Bus Service**: Regularly scheduled bus service for the public that operates with limited stops over fixed routes connecting two or more urban areas not near, that has the capacity for transporting baggage carried by passengers, and that makes meaningful connections with scheduled intercity bus service to more distant points, if such service is available. Intercity bus service may include local and regional feeder services, if those services are designed expressly to connect to the broader intercity bus network.

**MAP-21**: Moving Ahead for Progress in the 21st Century Act, signed into law in July 2012. MAP-21 established surface transportation funding programs for federal fiscal years 2013 and 2014.

**Measure**: A basis for comparison, or a reference point against which other factors can be evaluated.

**Motor Vehicle Sales Tax**: A source of revenue for Minnesota public transit. The percentages of this revenue source designated for metropolitan area and Greater Minnesota transit are defined in Minn. Stat. 297B.09.

**Operating Expenditures**: The recurring costs of providing transit service (e.g., wages, salaries, fuel, oil, taxes, maintenance, insurance, marketing, etc.).

**Operating Revenue**: The total revenue earned by a transit agency through its transit operations. It includes passenger fares, advertising, and other revenues.

**Paratransit Service**: "Paratransit" means the transportation of passengers by motor vehicle or other means of conveyance by persons operating on a regular and continuing basis and the transportation or delivery of packages in conjunction with an operation having the transportation of passengers as its primary and predominant purpose and activity but excluding regular route transit. "Paratransit" includes transportation by car pool and commuter van, point deviation and route deviation services, shared-ride taxi service, dial-a-ride service, and other similar services.

**Passenger Trip (Unlinked)**: Typically, one passenger trip is recorded any time a passenger boards a transportation vehicle or other conveyance used to provide transportation. “Unlinked” means that one trip is recorded each time a passenger boards a vehicle, no matter how many vehicles that passenger uses to travel from their origin to their destination.

**Performance Indicator**: An indicator is a metric that provides meaningful information about the condition or performance of the transportation system but is neither managed to nor used to evaluate the effectiveness of policies, strategies, or investments.

**Performance Measure**: A performance measure is a metric that measures progress toward a goal, outcome, or objective. This definition covers metrics used to make decisions or evaluate the effectiveness or adequacy of a policy, strategy, or investment.

**Performance Target**: A target is a specific performance level representing the achievement of a goal, outcome, or objective.

**Point Deviation Service**: A type of flexible route transit service in which fixed scheduled stops (points) are established but the vehicle may follow any route needed to pick up individuals along the way if the vehicle can make it to the fixed points on schedule. This type of service usually provides access to a broader geographic area than does fixed route service but is not as flexible in scheduling options as demand-responsive service. It is appropriate when riders change from day to day but the same few destinations are consistently in demand. Also sometimes called checkpoint service.

**Public Transportation**: Transportation service that is available to any person upon payment of the fare either directly, subsidized by public policy, or through some contractual arrangement, and that cannot be reserved for the private or exclusive use of one individual or group. “Public”

in this sense refers to the access to the service, not to the ownership of the system that provides the service.

**Revenue Hours**: The number of transit vehicle hours when passengers are being transported. Calculated by taking the total time when a vehicle is available to the public with the expectation of carrying passengers. Excludes deadhead hours, when buses are positioning but not carrying passengers, but includes recovery/layover time.

**Ridership**: The total of all unlinked passenger trips including transfers.

**Ridesharing**: A form of transportation, other than public transit, in which more than one person shares the use of a vehicle, such as a van or car, to make a trip. Variations include carpooling or vanpooling.

**Route Deviation Service**: Transit buses travel along a predetermined alignment or path with scheduled time points at each terminal point and in some instances at key intermediate locations. Route deviation service is different than conventional fixed route bus service in that the vehicle may leave the route upon requests of passengers to be picked up or returned to destinations near the route. Following an off-route deviation, the vehicle typically returns to the point at which it left the route. Passengers may call in advance for route deviation or may access the system at predetermined route stops. The limited geographic area within which the vehicle may travel off the route is known as the route deviation corridor.

**Section 5304 (State Transportation and Planning Program)**: The section of the Federal Transit Act of 1991, as amended, that provides financial assistance to the states for purposes of planning, technical studies and assistance, demonstrations, management training, and cooperative research activities.

**Section 5307 (Urbanized Area Formula Program)**: The section of the Federal Transit Act of 1991, as amended, that authorizes grants to public transit systems in urban areas with populations of more than 50,000 for both capital and operating projects. Based on population and density figures, these funds are distributed directly to the transit agency from the FTA.

**Section 5310 (Enhanced Mobility for Seniors and Persons with Disability)**: The section of the Federal Transit Act of 1991, as amended, that provides grant funds for the purchase of accessible vehicles and related support equipment for private non-profit organizations to serve elderly and/or disabled people, public bodies that coordinate services for elderly and disabled, or any public body that certifies to the state that non-profits in the area are not readily available to carry out the services.

**Section 5311 (Non-urbanized Area Formula Program)**: The section of the Federal Transit Act of 1991, as amended, that authorizes grants to public transit systems in non-urbanized areas (fewer than 50,000 population). The funds initially go to the governor of each state. In Minnesota, MnDOT administers these funds.

**Service Area**: The geographic area that coincides with a transit system's legal operating limits (e.g., city limits, county boundary, etc.).

**Service Gaps**: Service gaps can occur when certain geographic segments cannot be covered by transportation services. This term can also refer to instances where service delivery is not available to a certain group of riders, or at a specific time.

**Service Span**: The duration of time that service is made available or operated during the service day (e.g., 6 a.m. to 10 p.m.).

**Standard**: A recommendation that leads or directs a course of action to achieve a certain goal. A standard is the expected outcome for the measure that will allow a service to be evaluated. There are two sets of transit standards.

- **Service design and operating standards**: Guidelines for the design of new and improved services and the operation of the transit system.
- **Service performance standards**: The evaluation of the performance of the existing transit system and of alternative service improvements using performance measures.

**Total Operating Cost**: The total of all operating costs incurred during the transit system calendar year, excluding expenses associated with capital grants.

**Transfer**: Passengers arrive on one bus and leave on another (totally separate) bus to continue their trip. The boarding of the second vehicle is counted as an unlinked passenger trip.

**Transit Dependent**: A description for a population or person who does not have immediate access to a private vehicle, or because of age or health reasons cannot drive and must rely on others for transportation.

**Transit Subsidy**: The operating costs not covered by revenue from fares or contracts.

**Transit**: Transportation by bus, rail, or other conveyance, either publicly or privately owned, that provides general or special service on a regular and continuing basis. The term includes fixed route and paratransit services as well as ridesharing. Also known as mass transportation, mass transit, or public transit.

**Trip Denial**: A trip denial occurs when a trip is requested by a passenger, but the transportation provider cannot provide the service. Trip denial may happen because capacity is not available at the requested time. For ADA paratransit, a capacity denial is specifically defined as occurring if a trip cannot be accommodated within the negotiated pick-up window. Even if a trip is provided, if it is scheduled outside the +60/-60-minute window, it is considered a denial. If the passenger refused to accept a trip offered within the +60/-60-minute pick-up window, it is considered a refusal, not a capacity denial.

**Volunteers**: Volunteers are persons who offer services to others but do not accept monetary or material compensation for the services that they provide. In some volunteer programs, the volunteers are reimbursed for their out-of-pocket expenses; for example, volunteers who drive their own cars may receive reimbursement based on miles driven for the expenses that they are assumed to have incurred, such as gasoline, repair, and insurance expenses.

# 1. Executive Summary

Hibbing Area Transit, located in northeastern Minnesota approximately 70 miles northwest of Duluth, provides demand response and deviated route transit services within the City of Hibbing, Minnesota. Hibbing's City Council is the primary decision-making body for Hibbing Area Transit. The agency's five-year plans require review and approval by both the City Council and a transit advisory board, comprised of representatives from the City of Hibbing, MnDOT, community partners, employers, citizens, and the contracted service provider, Shubat Transportation.

From 6 a.m. to 8 p.m. on weekdays, two buses provide demand response service across the City of Hibbing's 186 square-mile service area. An additional bus operates deviated route service at scheduled stops and other locations by request around downtown Hibbing. The deviated route operates every hour from 9 a.m. to 8:30 p.m. Hibbing Area Transit maintains a fourth vehicle as a spare. On weekends, Hibbing Area Transit offers deviated route service in the morning starting at 9 a.m. and transitions to demand response service in the afternoon until 6 p.m. These services generated over 52,000 annual riders in 2017, at an average cost of $39 per revenue hour of service.

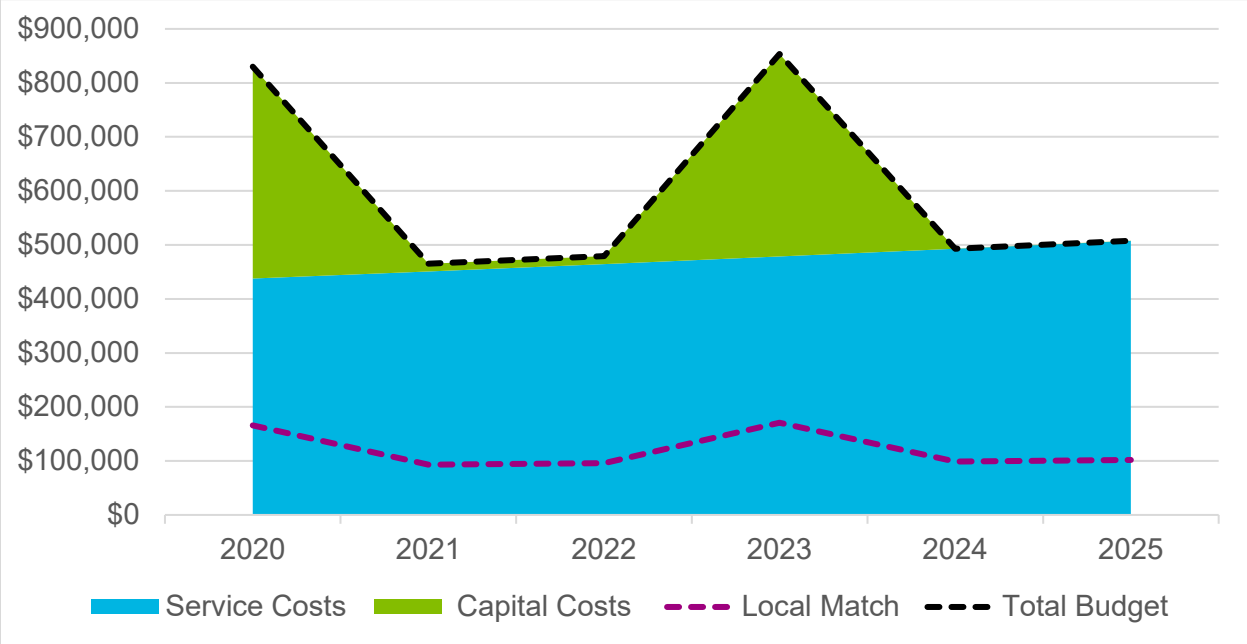

*Hibbing Area Transit Vehicle in front of City Hall. Image Credit: AECOM, 2018*

To identify Hibbing Area Transit's needs for the 2020 to 2025 period, the project team met with staff from the agency three times to learn about and discuss the agency's operating structure and environment, challenges, and opportunities for improvement. The project team also had the opportunity to meet with a representative of Shubat Transportation Company, the operating contractor for Hibbing Area Transit, at two of these meetings. The first two meetings were a chance to gather information and begin considering strategies and opportunities for Hibbing Area Transit. At the third meeting, the project team engaged with Hibbing Area Transit staff and a Shubat Transportation representative to develop a comprehensive list of the agency's needs for the five-year period and to prioritize these needs according to their relative importance to the agency's operations.

The project team identified capital and operational needs and assigned each one a level of priority based on agency employees' understanding of its operations and challenges. The highest priority needs are upgrading the dispatch and scheduling software system and installing signage and shelters for stops on the deviated route. Lower priority needs include funding for extended hours and Rural Rides service and an improved website and other marketing initiatives (including hiring a part-time marketing specialist). The project team did not recommend making changes to the existing deviated route but proposed an expanded demand response service zone and less frequent service to Kelly Lake to better match demand.

All capital and operating needs, including dispatch software upgrades, bus stop improvements, website development, marketing support, operating costs to maintain existing services, and scheduled vehicle replacement, were allocated by year to develop an estimated annual budget. As shown in Figure 1, the local share needed to achieve these goals, assuming 20% of estimated costs, ranges from approximately $13,000 (in years with no scheduled vehicle replacement) to $86,000 (2019 dollars). State and federal programs are assumed to be 80% of the required revenue.

**Figure 1. 2020-2025 Plan Local Revenue Requirement**




**Includes approximately 10,000 annually for a new marketing support position.*

# 2. Why a Five-Year System Plan?

Transit systems in Greater Minnesota have been working in a rapidly changing environment with system mergers and increased demand for service along with new policies and funding situations. Despite significant growth in the amount of service available outside of the Twin Cities Metropolitan Area, transit in Greater Minnesota is not always recognized or understood by local officials and residents. To address the growing need for transit service in a way that is integrated and embraced by the community, a vision for the future of each transit system is critical. Without a plan, systems are put in the position of having to react in the moment to new circumstances and operate on a year to year basis without a longer-term vision to guide annual budgets and decision making.

Transit providers and MnDOT agree that individual five-year plans will help identify system-specific priorities based on themes from the Greater Minnesota Transit Investment Plan (GMTIP). Five-year plans will help systems better deliver service and work toward overall goals such as:

- Improving coordination of services to meet transportation needs;
- Increasing ridership/usage across the network;
- Ensuring fiscal responsibility as a transit funding agency;
- Anticipating and planning for future funding levels to achieve service expansion;
- Articulating and communicating a vision for the transit system and the benefits it provides to the community.

Plans are intended to help systems work with local government officials, local planning agencies, transit system board members, and other organizations to prepare for these changes. Transit agencies recognize the importance of involving local officials in planning activities to continue building local support for improving transit systems, including long-term commitment of local funds to leverage state and federal dollars.

The process for developing the five-year plans is guided by a consultant Project Manager, the Office of Transit and Active Transportation at MnDOT, and the Minnesota Public Transit Association (MPTA). A Project Advisory Committee consisting of Transit Directors, staff from MPOs (Metropolitan Planning Organizations) and RDOs (Regional Development Organizations), local government officials, service organization representatives, and staff from MPTA and MnDOT is providing input and identifying key issues to be addressed by the plans.

Larger transit systems routinely develop and update five-year plans as do local governments when it comes to planning for future development. The Greater Minnesota Transit System five-year plans will allow all transit service to be incorporated into the larger transportation vision for communities as they plan for new economic development and a future with an aging population.

Policies established through the Olmstead Plan and Americans With Disabilities Act (ADA) require communities to accommodate the needs of people with disabilities. A statutory goal of meeting 90% of the need for transit service by 2025 in Greater Minnesota is also focusing more attention on exactly how to expand service around the state.

With a well-defined five-year plan, goals and ideas for improving transit service can be put into action with a clear blueprint for which routes to add or expand, specific hours of service to adjust, and how the funding can be identified to cover additional operating and capital expenses. The plans will also facilitate communication with the public and help raise awareness of how and where transit service is provided in the state, which will help encourage greater ridership.

The five-year plans are designed to be updated annually to meet changing needs and circumstances.

Transit service improves the livability and prosperity of communities across Greater Minnesota. The Five-Year Transit System Plan will bring all stakeholders together to develop a future vision that will guide the decisions that are made today.

# 3. Agency Overview

Hibbing Area Transit provides demand response and deviated route transit services within the City of Hibbing, Minnesota. As shown on Figure 2, the Hibbing Area Transit service area is in northeastern Minnesota, approximately 70 miles northwest of Duluth near US 169 and MN 73.

## 3.1 Transit Agency Background

The town of Hibbing was founded in 1893 on a rich iron ore deposit. In the early 1900s Shubat Transportation Company provided bus transportation between the booming mining town and nearby settlements. Hibbing became an incorporated city in 1980 after the annexation of the Town of Stuntz and several unincorporated communities. During that time, Shubat Transportation expanded its fleet to provide contracted school bus transportation and charter bus services. Hibbing Area Transit has existed for over 25 years as part of the city's services, with operations provided by Shubat Transportation Company.

## 3.2 Governance

Hibbing Area Transit is housed within the City of Hibbing's governmental organization. An advisory board is comprised of representatives from the City of Hibbing, MnDOT, the Arrowhead Economic Opportunity Agency, Hibbing Community College, Access North Center for Independent Living, social service agencies, employers, citizens, and Shubat Transportation.

## 3.3 Decision-Making Process

Hibbing Area Transit is managed through the City Clerk's office. The Internal Auditor position manages the transit duties with support from administrative staff. The City Clerk reports directly to the City Administrator as shown on Figure 3. Transit vehicle maintenance functions are pooled with other city departments at a centralized maintenance facility off Beltline Road at East 23rd Street.

Hibbing Area Transit's mission is "to provide travelers a safe, efficient ride to their destinations within Hibbing in a timely and courteous manner." The City Council is the decision-making body for Hibbing Area Transit. The agency's five-year plans require review and approval by the City Council. Transit service budget requests are combined with the City's annual budget approval in December of each year.

Shubat Transportation Company provides contracted bus operations for the transit service from their administrative office and bus facility located at 618 West 41st Street.

## Figure 2. Location Map

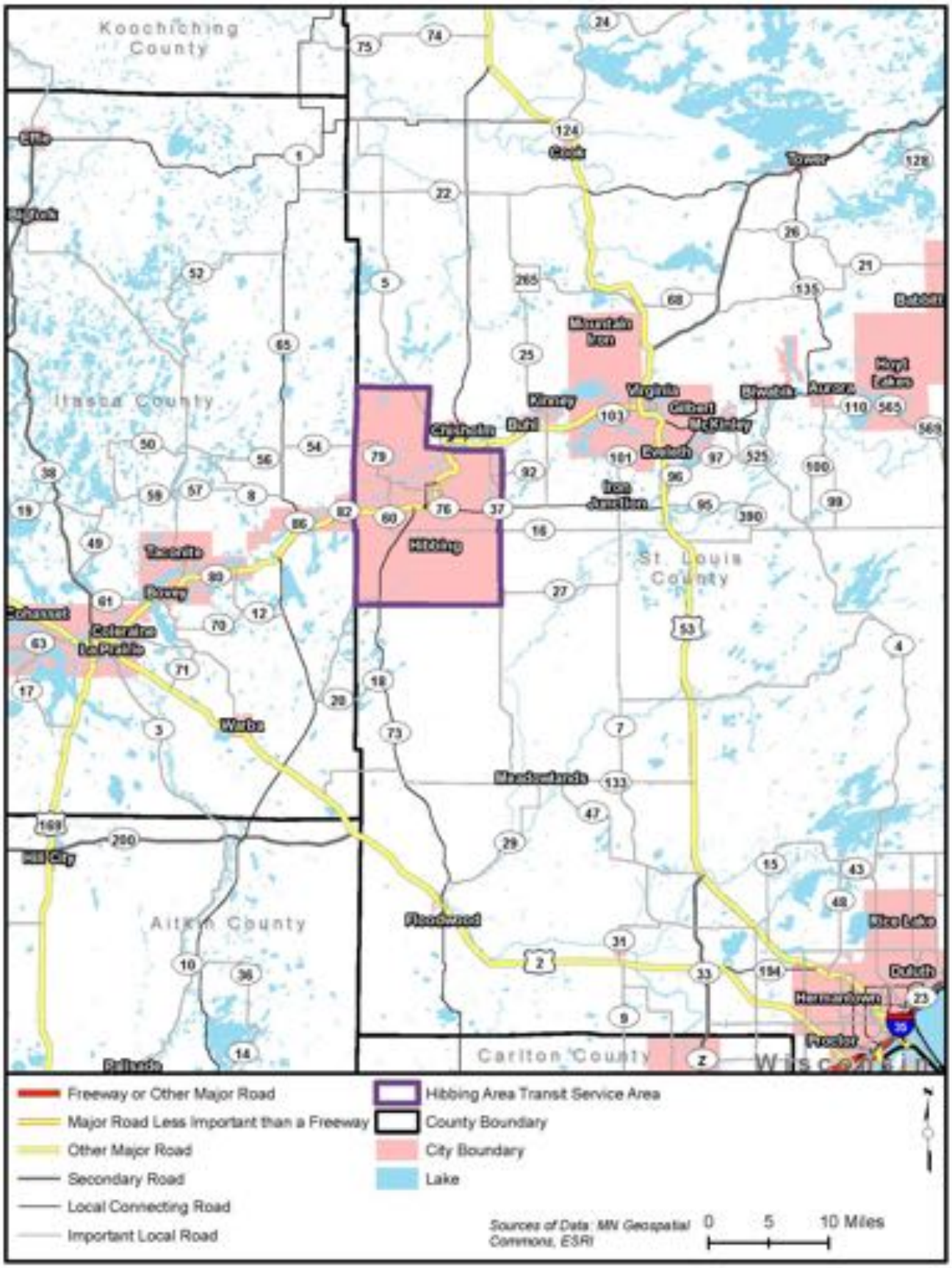
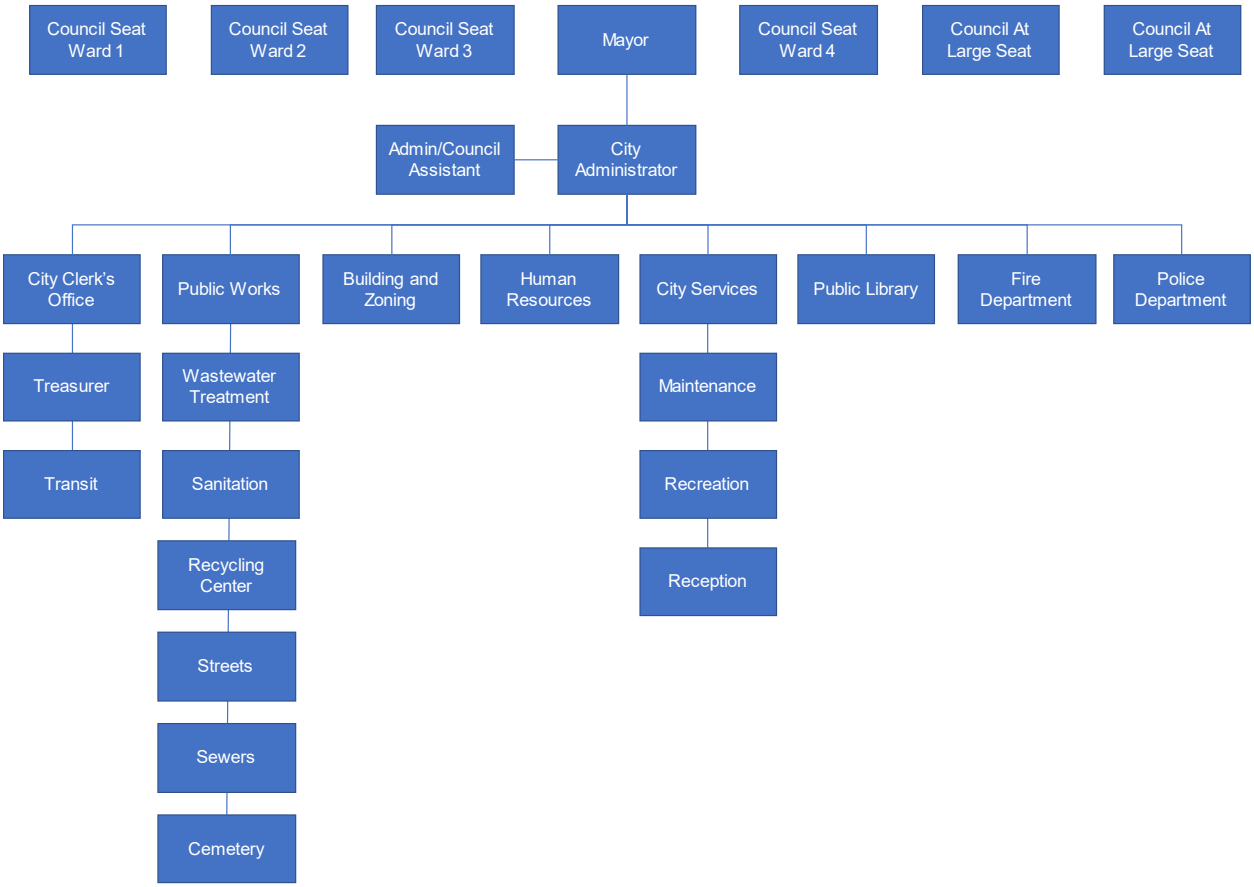


**Figure 3. Organizational Chart**




## 3.4 Service Area Overview

As shown on Figure 2, the 186 square mile service area for Hibbing Area Transit is identical to the city limits for Hibbing, Minnesota, and covers approximately 3% of St. Louis County in northeast Minnesota.

Understanding the demographics can help explain changes in transit demand and support recommendations for changes in future transit service. The US Census Bureau is a primary source of demographic data and provides valuable indications of trends and projections. Demographic data from the American Community Survey (ACS) 5-year Estimates (2016) and employment data from the 2015 Longitudinal Employer-Households Dataset (LEHD) were used to conduct this analysis. An overview of demographic conditions for Hibbing Area Transit is provided in Table 1 with more detailed information following.

**Table 1. Demographic and Socioeconomic Profile (2011-2016 ACS)**

| County/ Community | Population | Jobs | Median Household Income | People Living Below Poverty | Households without Vehicles | Seniors[a] | Disabled[b] |
|---|---|---|---|---|---|---|---|
| City of Hibbing | 16,230 | 8,229 | $42,004 | 18.2% | 11.0% | 18.3% | 18.9% |
| St. Louis County | 200,353 | 105,329 | $49,395 | 15.5% | 9.3% | 17.3% | 14.4% |
| Minnesota | 5,450,868 | 2,778,696 | $63,217 | 10.8% | 7.0% | 14.3% | 10.6% |

*Source of Data: US Census Bureau ACS 2016, LEHD 2015*

[a] *Percentage of population 65 years or older.*

[b] *Percentage of population with serious difficulty in any of four functional areas identified by the ACS (hearing, vision, cognition, ambulation).*

The City of Hibbing is home to approximately 16,000 residents. According to the US Census Bureau's 2017 estimates (population 16,041), population has declined approximately 2% since the 2010 Census (population 16,361).

Figure 4 displays the 2011-2016 ACS population density for the census block groups within the City of Hibbing. As shown, the highest concentration of population resides in the area around US 169, 1st Avenue, and Howard Street.

As shown on Figure 5, poverty is concentrated in north-central Hibbing. This block group, with a 42% concentration of poverty, is primarily non-residential but includes the Kitzville, Brooklyn, and Ruby Junction neighborhoods. Other areas with poverty over 30% include the neighborhoods north of Howard Street, along US 169 east of 1st Avenue, and (just north of the service area) on the south side of Chisholm.

Households without a vehicle are shown on Figure 6. Within the City of Hibbing, these zero-vehicle households are concentrated south of downtown, along US 169.

MnDOT produces an Economic Health Index and a Transit Dependency Index to help assess demographic characteristics across a consistent geography. The Economic Health Index, illustrated on Figure 7, is based on the average number of employers, the trend in number of employers, the adult labor participation rate, and the population change from 2010 to 2016. All areas within Hibbing have a consistent score of "Low." No areas within the Hibbing Area Transit service area were indicated as having "Very Low" economic health.

The Transit Dependency Index is based on median household income and the percentages of population with a disability, workers without access to a vehicle, and households with limited English proficiency (LEP). Most of the service area is ranked as "Mid" for transit dependency, with "High" and "Very High" scores limited to the western half of downtown Hibbing, as shown on Figure 8.

Over 1,300 businesses provide approximately 8,200 jobs within the City of Hibbing. As shown on Figure 9, jobs are concentrated downtown. Employment density extends south on US 169 to Irongate Plaza, west on MN 63 to the foundry, and east on MN 37 to the Range Regional Airport (HIB).

**Figure 4. Population Density**

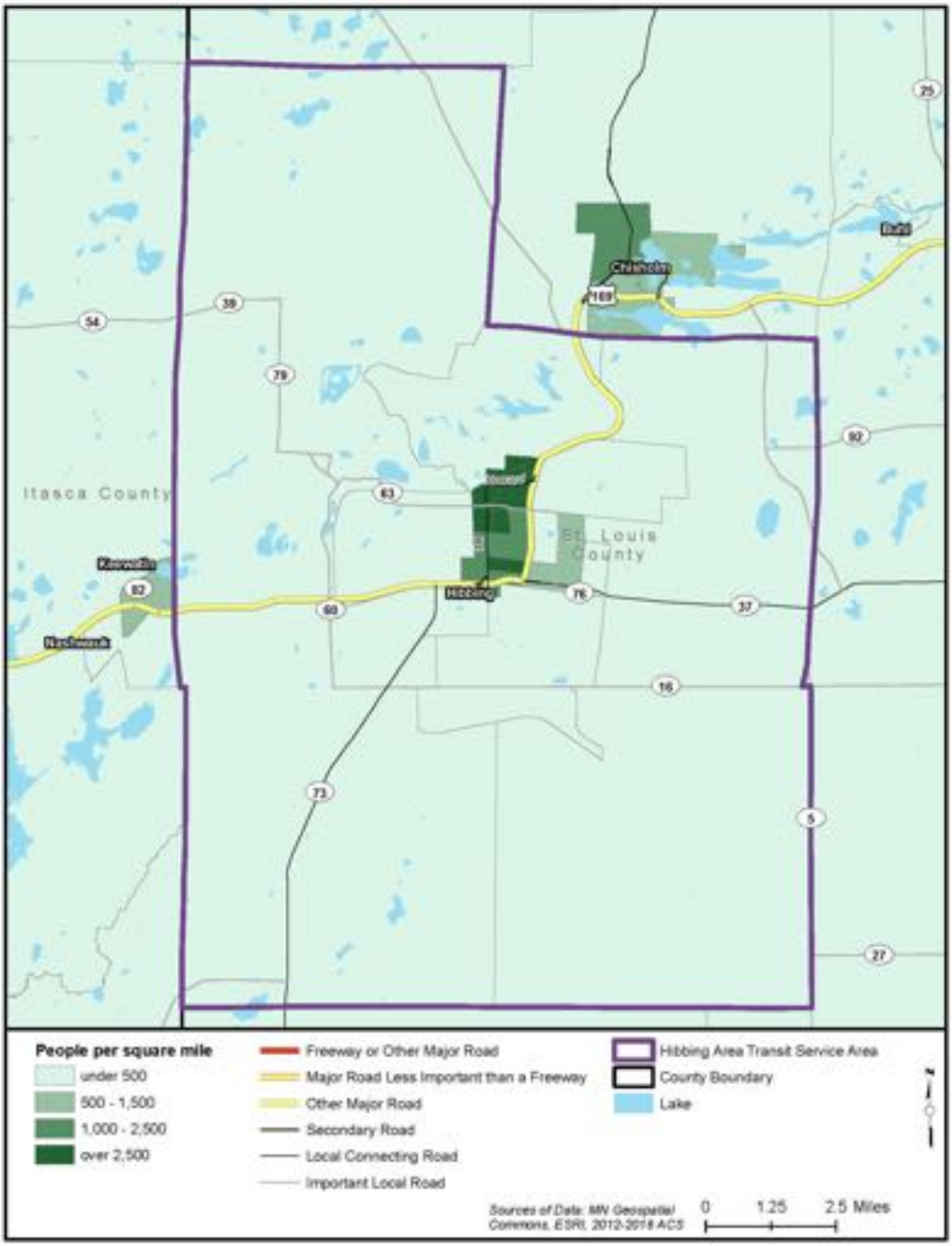


**Figure 5. Persons Living Below the Poverty Level**

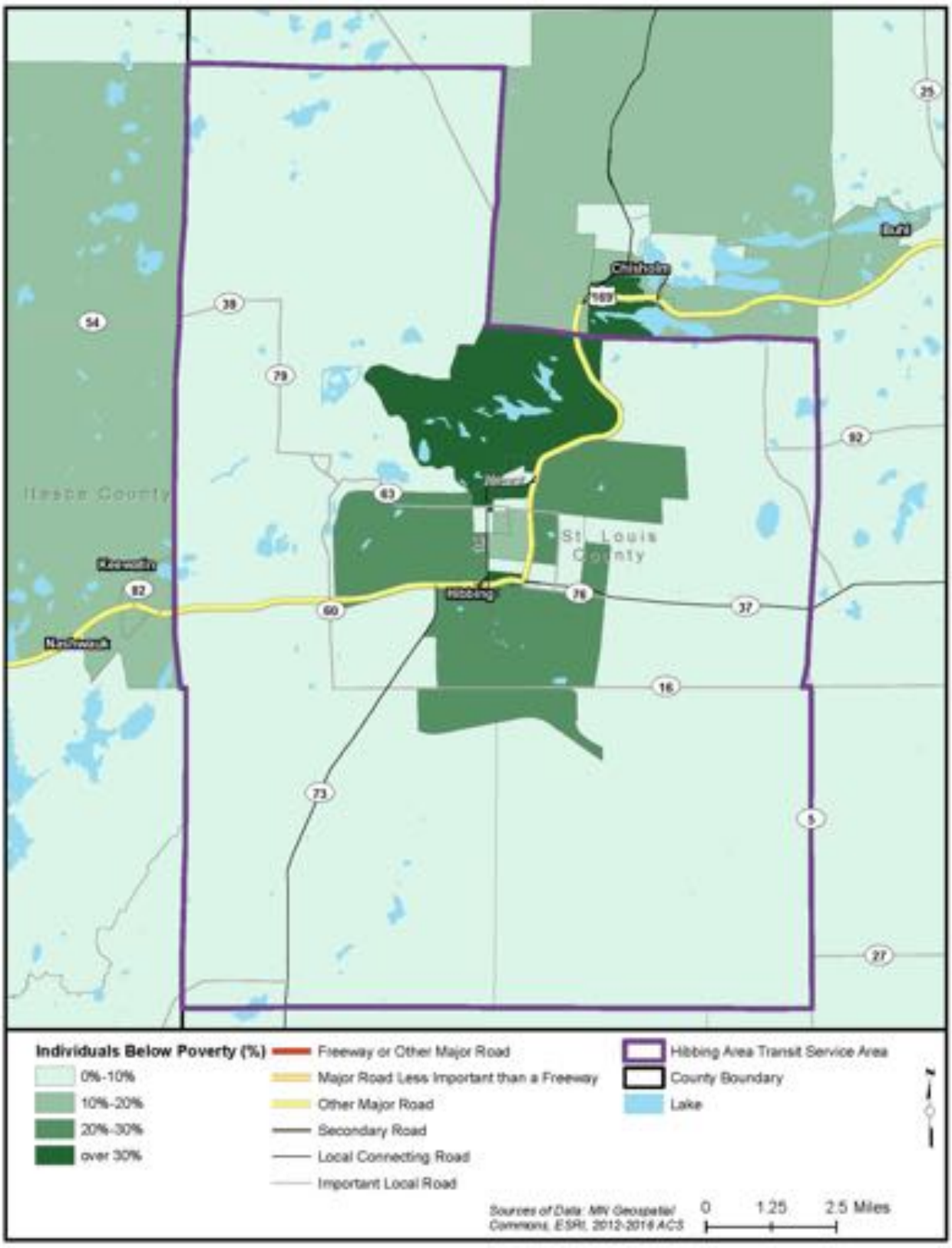


**Figure 6. Zero-Vehicle Households**

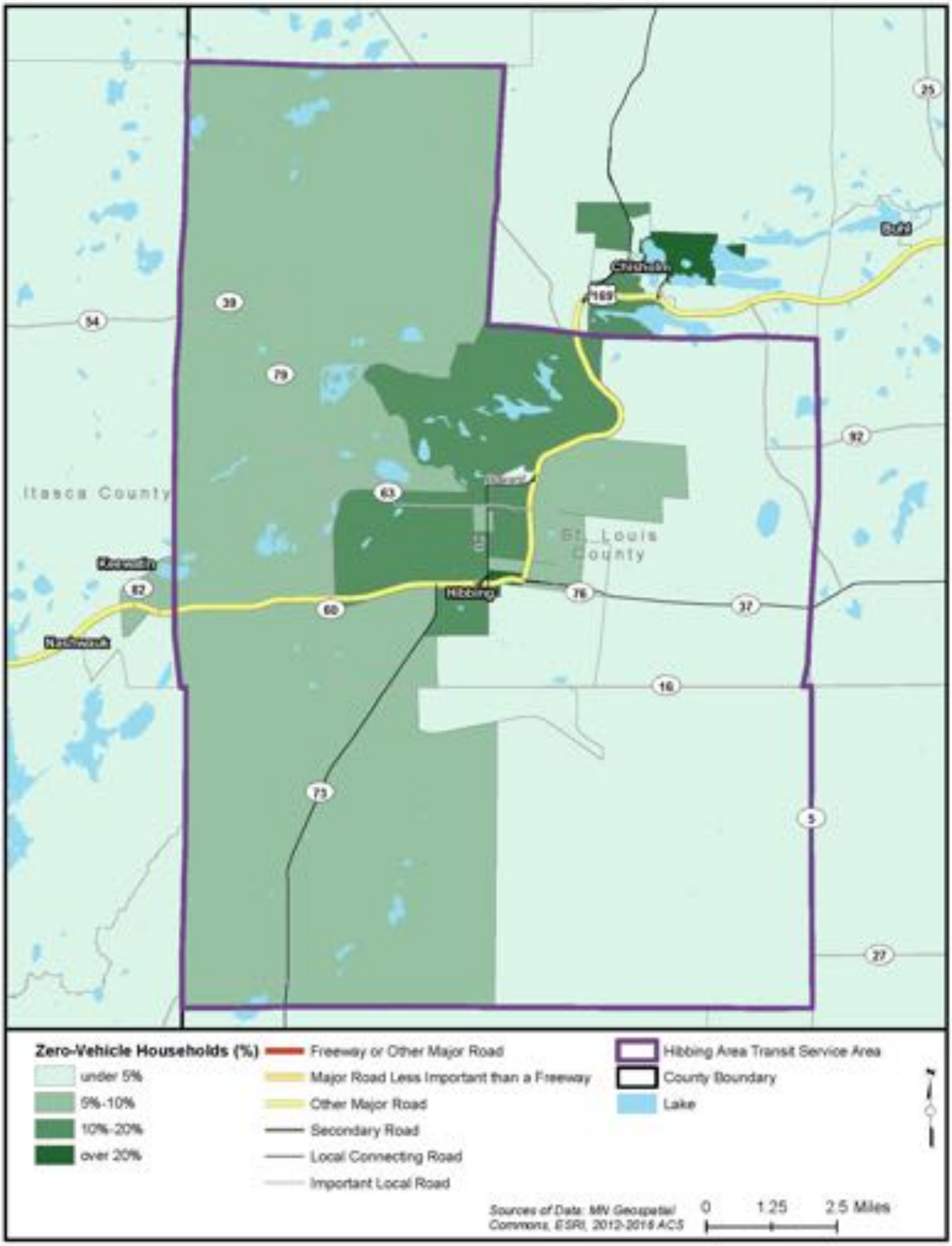


**Figure 7. MnDOT 2018 Economic Health Index**

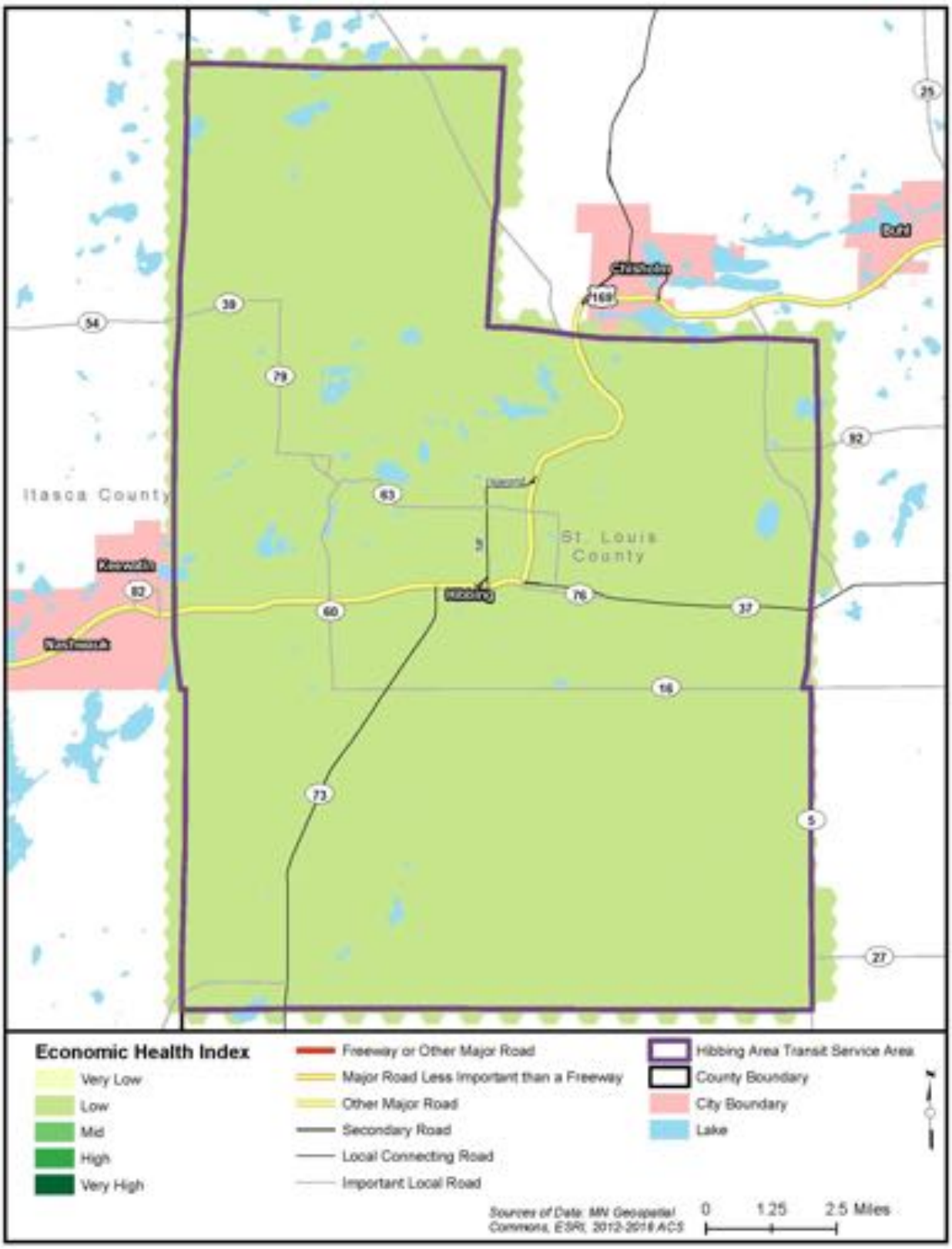


**Figure 8. MnDOT 2018 Transit Dependency Index**

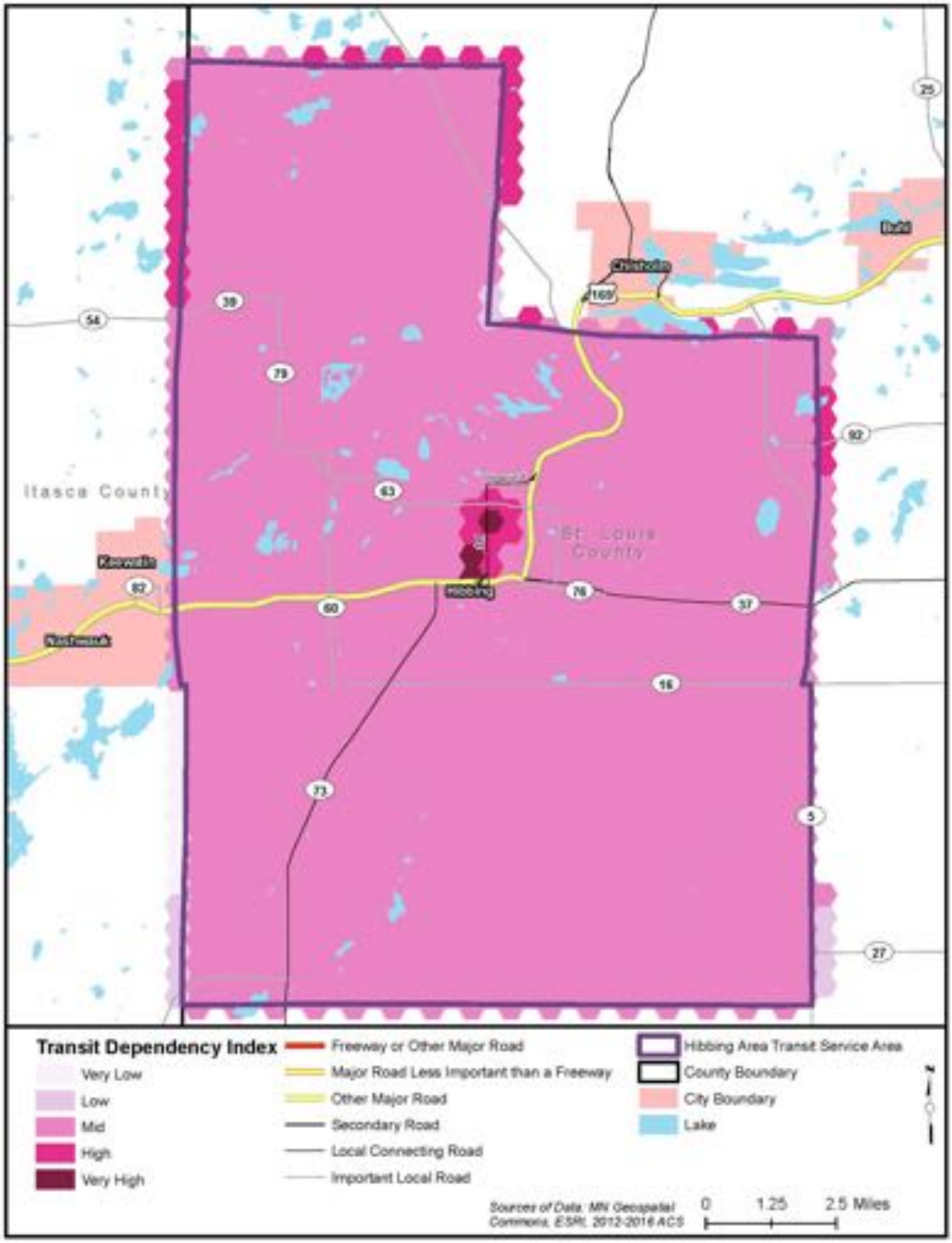
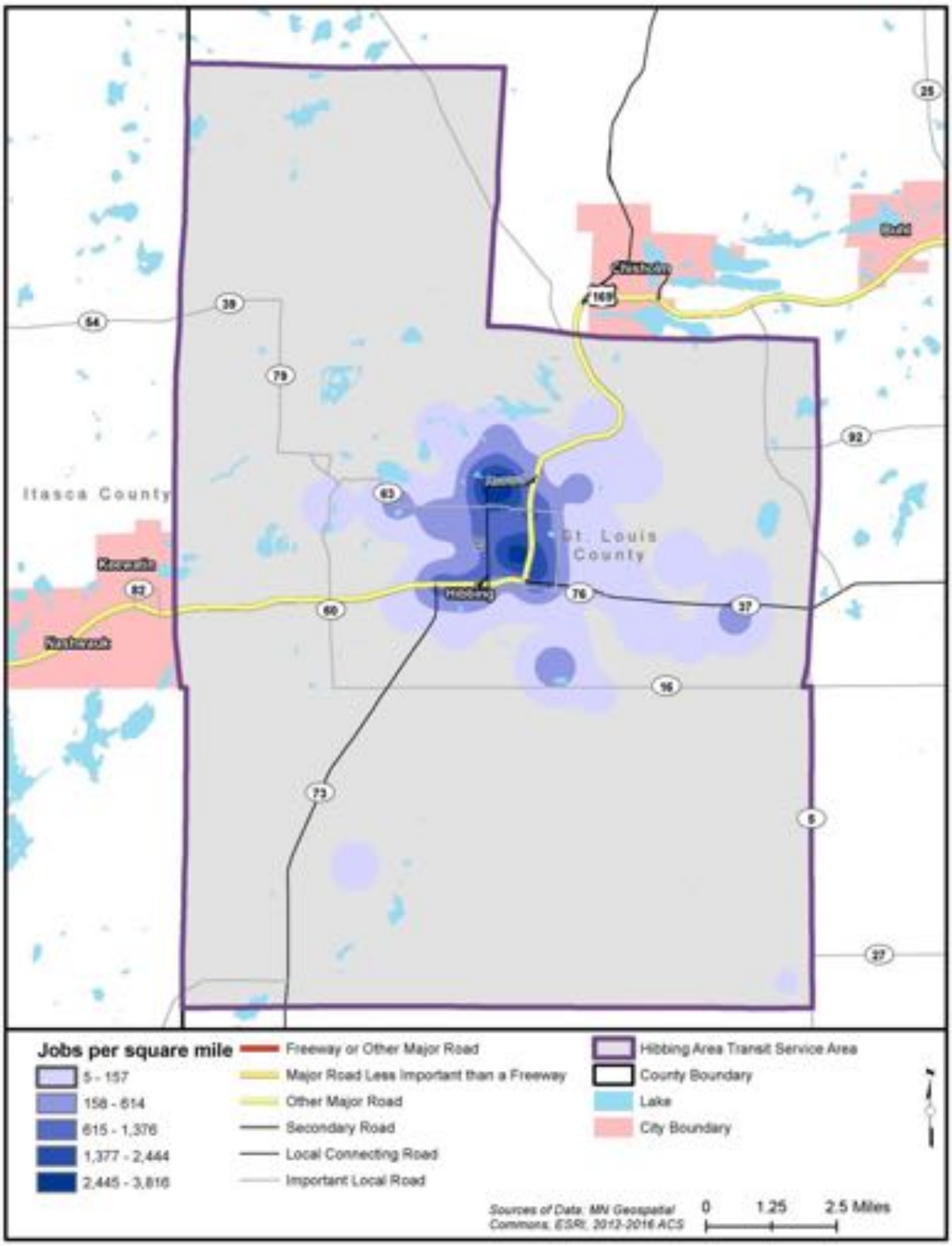


**Figure 9. Job Density**



Travel patterns are shown on Figure 10. Commuters who travel outside of Hibbing for work are most likely to commute to Duluth (7% of employees), Mountain Iron (6%), Chisholm (6%), or Virginia (5%).

Figure 11 highlights major trip generators within the City of Hibbing.

## 3.5 Regional Connections

Arrowhead Transit provides regional transit service across St. Louis County as well as connections to Aitkin, Carlton, Cook, Koochiching, Lake, and Pine counties. Greyhound Bus Lines began operating out of Hibbing as early as 1914. Currently, Greyhound (through partner Jefferson Lines) makes a curbside stop near the Country Kitchen at US 169 and East 25th Street. Jefferson Lines operates to Grand Rapids, Virginia, Duluth, and Minneapolis, where riders can connect to Greyhound's main lines to out-of-state destinations.

The Range Regional Airport is located on the eastern side of Hibbing at MN 37 and Dublin Road. This airport is served by commercial air carrier SkyWest Airlines operating as Delta Connection providing daily service to Minneapolis-St. Paul International Airport.

*Greyhound Bus Museum. Image Credit: McGhiever/CC-SA, 2014*[1]

[1] Creative Commons Share-Alike license available from https://commons.wikimedia.org/wiki/File:Greyhound_Bus_Museum_vehicles.jpg#/media/File:Greyhound_Bus_Museum_vehicles.jpg.

**Figure 10. Primary Work Destinations for Employees Residing in Hibbing**

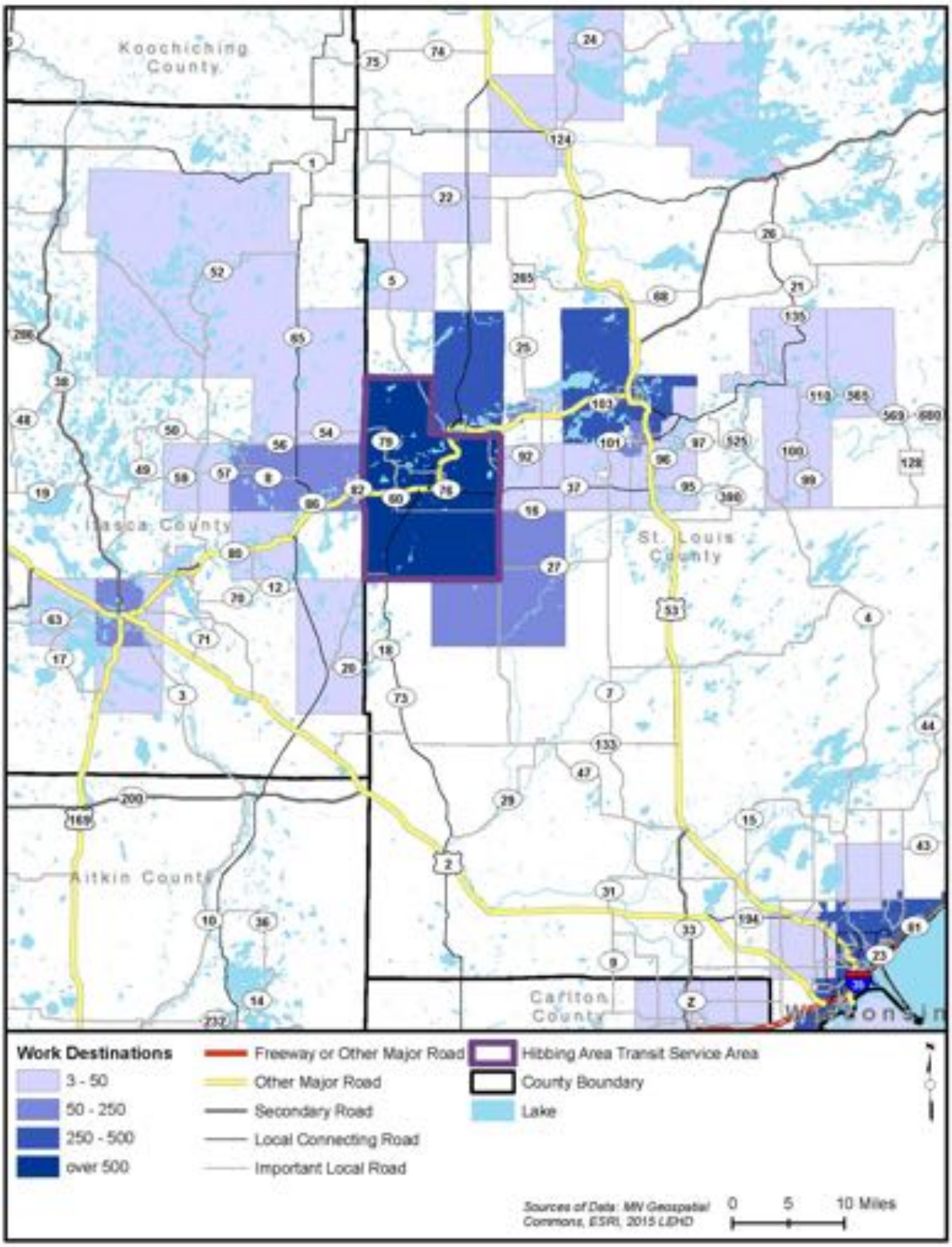
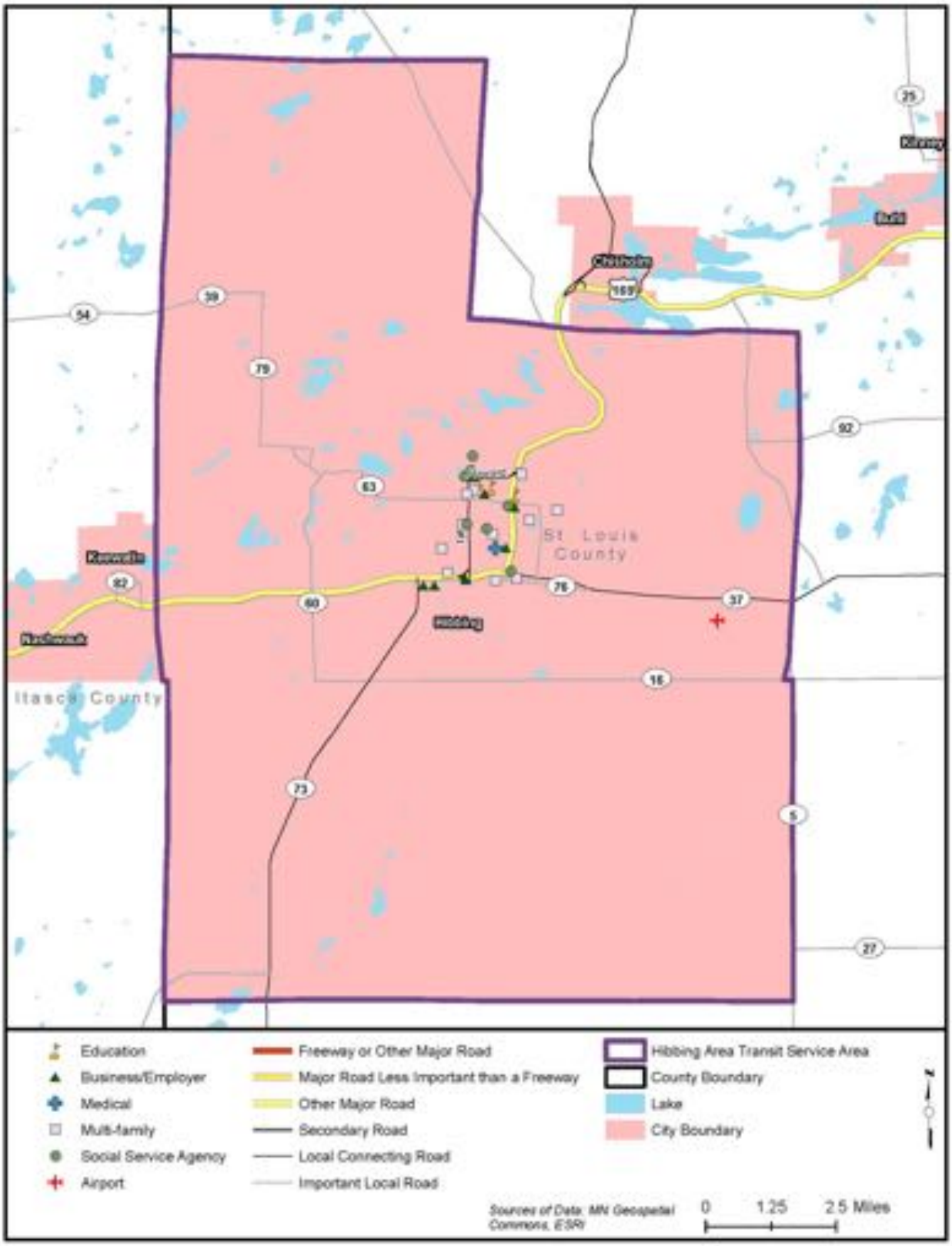


**Figure 11. Major Trip Generators**



# 4. Agency Transit Services

Hibbing Area Transit offers a deviated route service in downtown Hibbing with scheduled stops at Walmart, Irongate Plaza, Super One, the library, Salvation Army, and the Perpich Center for Arts Education, as shown on Figure 12. Additionally, demand response service is offered to the general public across Hibbing's city limits.

The deviated route provides service between Walmart, Super One, and the library once an hour starting at 9 a.m. every day. This service operates until 8 p.m. on weekdays, 3 p.m. on Saturdays, and 2 p.m. on Sundays. Riders can request alternate pick-up locations from 22 additional locations on this route by scheduling in advance.

Demand response service is extended to other locations in Hibbing through a Dial-A-Ride program operating as needed, seven days a week. Hibbing Area Transit has a peak pull out of three buses. In general, one bus operates the deviated route, one bus operates in south Hibbing and to the Minnesota Diversified Industries (MDI) facility, and one bus operates in north Hibbing. Depending on demand, the buses may travel into the other zones to provide backup service. Service spans and frequencies for each type of service are presented in Table 2.

**Table 2. Level of Service**

| Route/Service | Days of the Week | Span of Service | Frequency of Service |
|---|---|---|---|
| Deviated Route | Monday-Friday | 9 a.m. - 8:30 p.m. | Every hour |
| Deviated Route | Saturday | 9 a.m. – 3 p.m. | Every hour |
| Deviated Route | Sunday | 9 a.m. – 2 p.m. | Every hour |
| Demand Response | Monday-Thursday | 6 a.m. - 8 p.m. | As needed |
| Demand Response | Friday | 6 a.m. – 10 p.m. | As needed |
| Demand Response | Saturday | 3 p.m.– 6 p.m. | As needed |
| Demand Response | Sunday | 2 p.m.– 6 p.m. | As needed |

*Source of Data: Hibbing Area Transit, http://www.hibbing.mn.us/services/hibbing-area-transit, Accessed January 2019*

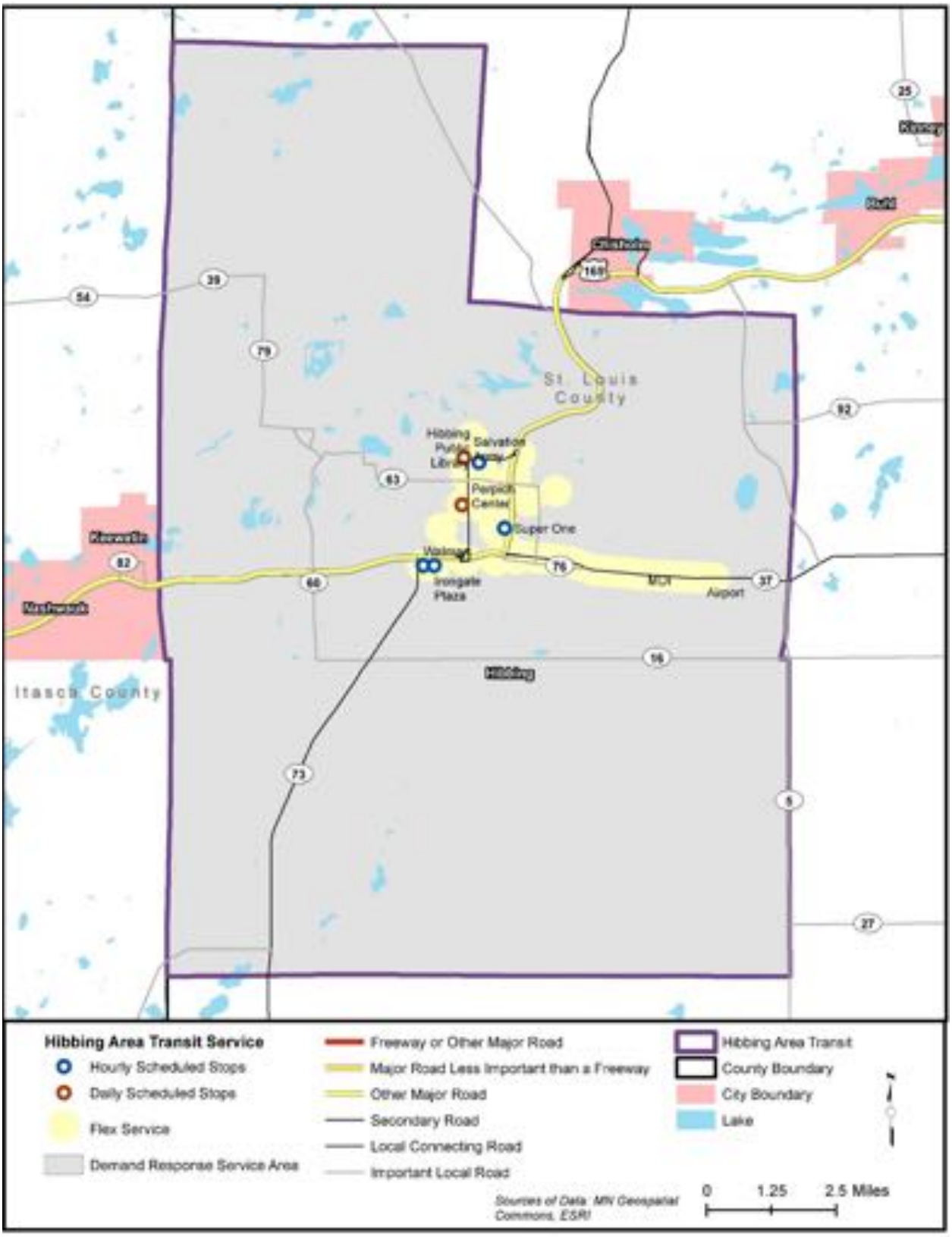
Annually, deviated route service provides 3,760 revenue hours of service and runs over 43,000 miles. Demand response provides almost 5,800 revenue hours and over 64,000 miles of service. The deviated route through the urban part of Hibbing represents approximately 40% of transit services provided and demand response represents approximately 60%. Annual operating statistics for 2018 are summarized in Table 3.

**Table 3. 2018 Operating Statistics**

| Route/Service | 2018 Annual Hours of Service | 2018 Annual Miles of Service |
|---|---|---|
| Deviated Route | 3,760 (39%) | 43,634 (40%) |
| Demand Response | 5,799 (61%) | 64,437 (60%) |
| System Total | 9,559 | 108,071 |

*Source of Data: Hibbing Area Transit, 2018*

**Figure 12. Hibbing Area Transit Services**



## 4.1 Ridership

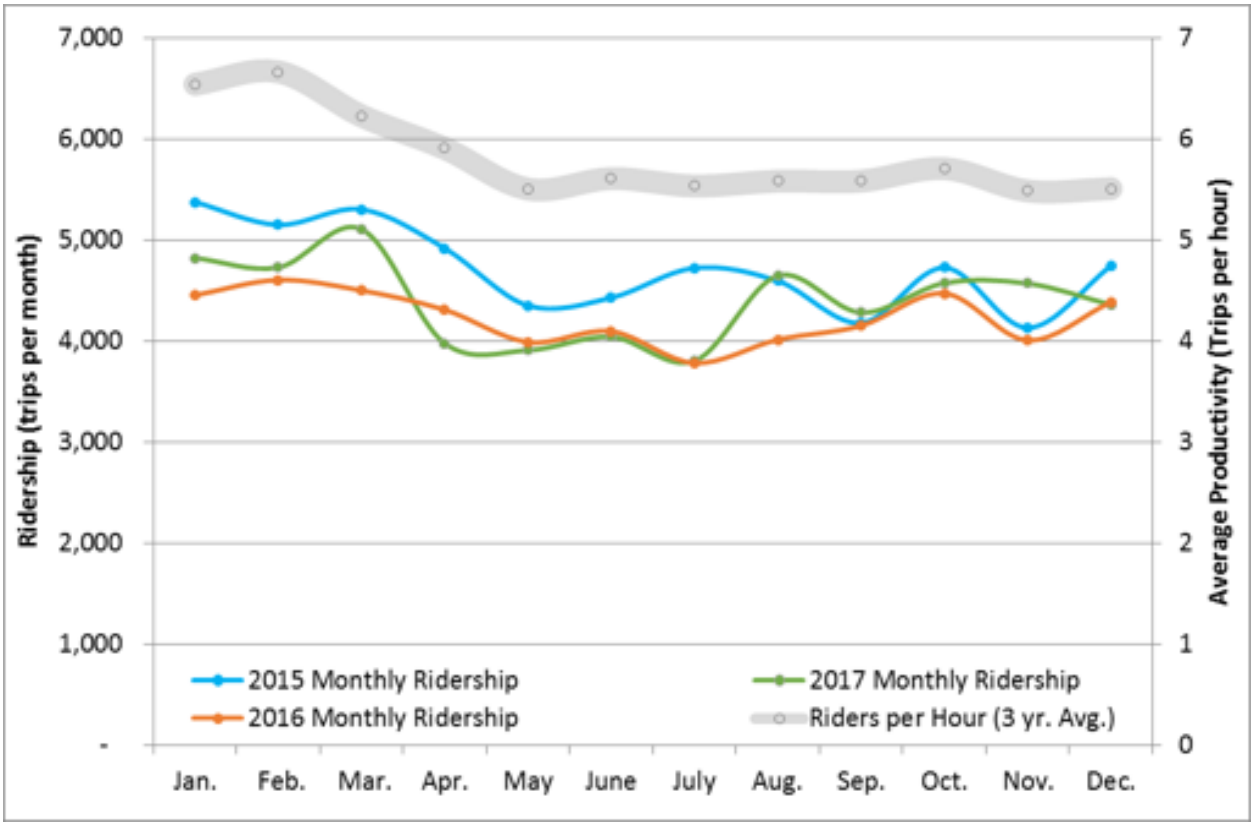
As shown in Table 4, ridership peaked in 2014 and 2015, declined in 2016, and increased slightly in 2017. Across a five-year average, the trend is a stable ridership of approximately 54,000 unlinked passenger trips per year. Each year, ridership peaks between January and March and falls off during the summer. Small surges in August and October reflect the additional service hours provided due to more weekdays in those longer months. When adjusted for service hours provided, as shown on Figure 13, February has the most ridership.

**Table 4. 2013-2017 System Ridership Trends**

| Year | Annual Ridership | Riders/Month | Riders/Hour |
|---|---|---|---|
| 2013 | 51,871 | 4,323 | 5.9 |
| 2014 | 56,588 | 4,716 | 6.2 |
| 2015 | 56,643 | 4,720 | 6.2 |
| 2016 | 50,775 | 4,231 | 5.6 |
| 2017 | 52,831 | 4,403 | 5.6 |

*Source of Data: Hibbing Area Transit, AECOM, 2018*

**Figure 13. Ridership by Month (2015-2017)**




*Source of Data: Hibbing Area Transit*

In 2017, ridership was roughly evenly split between deviated route service (52%) and demand response service (48%). Ridership performance metrics for each mode are summarized in Table 5. As shown, the deviated route service generates more riders per revenue hour and more riders per revenue mile of service provided.

**Table 5. 2017 Ridership Performance Metrics by Mode**

| Route/Service | 2017 Riders | 2017 Riders/Hour | 2017 Riders/Mile |
|---|---|---|---|
| Deviated Route | 27,352 | 7.3 | 0.6 |
| Demand Response | 25,459 | 4.4 | 0.4 |

*Source of Data: Hibbing Area Transit, AECOM, 2018*

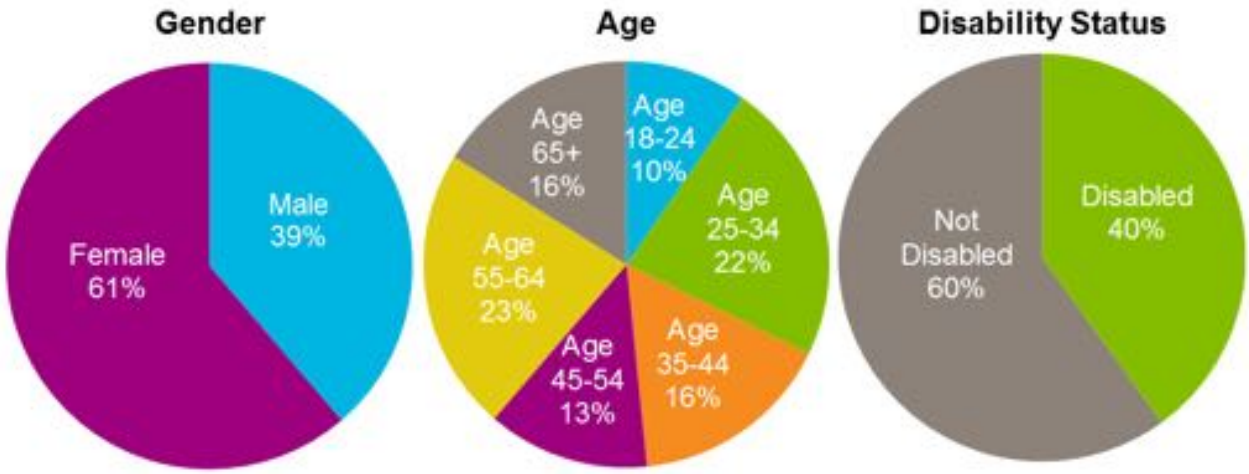
## 4.2 Service Delivery

Hibbing Area Transit contracts with the Shubat Transportation Company to operate both the deviated route and demand response services. City of Hibbing staff members are responsible for planning, administration, and marketing of the transit service, and transit vehicle maintenance is provided at the city's shared service vehicle maintenance garage. The City of Hibbing does not currently use volunteer drivers.

## 4.3 Users

The description of Hibbing Area Transit users presented in this section is based on Hibbing's 2016 on-board survey of 34 passengers. This sample size is too small to be representative of all Hibbing Area Transit riders. Sixteen (47%) were demand response customers, nine (26%) were riding the deviated route, and another nine (26%) respondents did not indicate a valid service mode. Selected demographic characteristics of riders who completed the survey are shown on Figure 14. Sixty-one percent of respondents were female and 39% were male. Survey respondents were evenly distributed across age groups, and approximately 40% of respondents identified as having a disability.

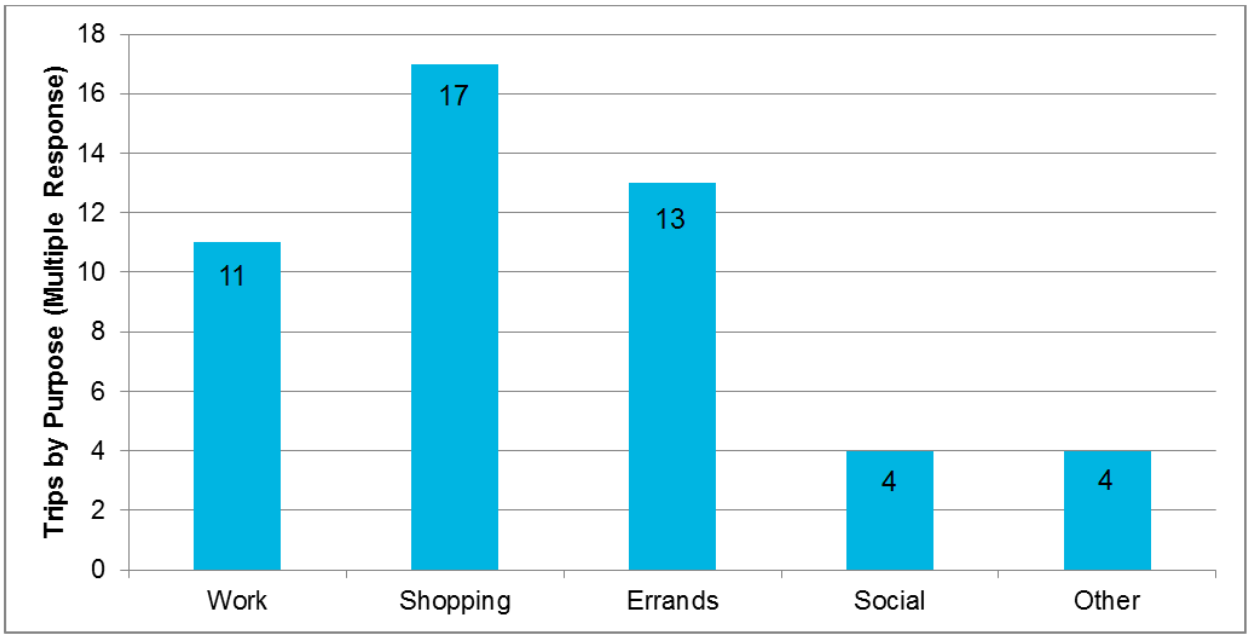
**Figure 14. 2016 On-Board Survey Selected Demographic Characteristics**




*Source of Data: Hibbing Area Transit 2016 On-Board Survey*

The most common trip purposes indicated were shopping and errands, as show on Figure 15. Approximately one-third of respondents were going to work. Other trip purposes included medical appointments, job search, and volunteer activities.

**Figure 15. 2016 Trip Purposes**




*Source of Data: Hibbing Area Transit 2016 On-Board Survey*

# 5. Capital

Hibbing Area Transit has a fleet of four 500-series gasoline engine vehicles, including spares, and uses one vehicle maintenance facility, which is owned and maintained under a joint facility agreement between Hibbing Area Transit and St. Louis County. This facility has an estimated replacement cost of approximately $500,000 and includes five maintenance bays for transit and city vehicles. Rider assets include two signed bus stops, one shelter, and three benches.

The four buses are interchangeable between Hibbing Area Transit's deviated route and demand response services. The deviated route can be operated with a single bus, and based on revenue hours and ridership, it is estimated that two buses are required to operate demand response service. One vehicle serves as a spare to accommodate rotating maintenance needs. Currently, all trips are scheduled manually, and it is unclear how often a fourth vehicle may be needed to accommodate higher volume periods for demand response. Installation of an automated dispatch system (see Section 6.6) will help Hibbing Area Transit track future need for additional vehicles. At this time, it is assumed that automated dispatch would improve scheduling efficiency, allow for more trips to be made per vehicle, and offset the need to expand the four-bus fleet beyond the five-year timeframe.

Hibbing Area Transit's Capital Plan through 2025 includes replacement of four buses. Hibbing Area Transit has an interest in smaller vehicles, possibly the 400-series of buses. There is no current need for expansion vehicles; however, performance after implementation of a new dispatch and scheduling system will confirm the assumption that an additional vehicle is not needed to address any consistent patterns of high rates of ride refusals. Two replacement vehicles will be purchased in 2020 and two in 2023, as highlighted in Table 6.

**Table 6. Vehicle Management Plan**

| Capital Plan | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|
| Replacement Vehicles | 0 | 2 | 0 | 0 | 2 | 0 | 0 |
| Vehicle Replacement Cost | $0 | $330,000 | $0 | $0 | $360,000 | $0 | $0 |
| Expansion Vehicles | None | None | None | None | None | None | None |
| Expansion Cost | Unknown | Unknown | Unknown | Unknown | Unknown | Unknown | Unknown |
| Total Capital Cost | $0 | $330,000 | $0 | $0 | $360,000 | $0 | $0 |

*Source of Data: Hibbing Area Transit, Capital Template*

## 5.1 Background

Table 7 summarizes Hibbing Area Transit's vehicle fleet. All vehicles are equipped with cameras, but none include automatic vehicle location or bike racks. Hibbing Area Transit does not own scheduling or dispatch software as scheduling is handled by Shubat Transportation, the operations contractor for Hibbing. Shubat Transportation currently uses a manual system for dispatch and scheduling. Tyler Technologies Incode software is used for accounting. Fleet maintenance is provided in-house at a single five-bay facility in partnership with the City of Hibbing and St. Louis County as shown in Table 8. Maintenance specific to the bus fleet requires less than one-tenth of the hours of a shared full-time maintenance staff.

**Table 7. Vehicle Fleet**

| Vehicle Type | Year | Count in Fleet | Fuel | Seats | Wheelchair Capacity | Amenities |
|---|---|---|---|---|---|---|
| Goshen Coach G Force | 2014 | 2 | Gasoline | 16 | 2 | Cameras |
| Glaval Entourage | 2016 | 2 | Gasoline | 13 | 3 | Cameras |

*Source of Data: MnDOT, Master Fleet Warehouse*

**Table 8. Facilities**

| Facility Type | Facility Location | Facility Age | Facility Amenities | Maintenance Capabilities |
|---|---|---|---|---|
| Maintenance Facility | 1425 East 23rd Street, Hibbing, MN | 14 | Offices, Garage, Maintenance | 5 bays |

*Source of Data: Hibbing Area Transit, Capital Template, MnDOT 5311 Facilities Master Document*

## 5.2 History

Hibbing Area Transit has had a fleet of four 500-series vehicles for over 20 years. Two of these were replaced in 2013 and two were replaced in 2016. Upon receiving replacement buses, older vehicles are disposed of and no longer owned by Hibbing Area Transit. The City of Hibbing maintenance facility was constructed in 2005 and underwent some reconstruction in 2017. In 2017, it had a MnDOT facility condition rating of 3.8 out of 5.0.

Agencies that receive federal financial assistance and own, operate, or manage capital assets used in the provision of public transportation are required under 49 U.S.C. 625 to create a transit asset management plan. This plan facilitates decision-making that balances needs and demands for rolling stock, facilities, and equipment. MnDOT Office of Transit and Active Transportation personnel make annual visits to each federal- or state-funded facility to inspect facility and fleet conditions and understand how assets have been maintained.

In 2017, MnDOT added a Transit Asset Management module to the BlackCat Grants Managements System that facilitates streamlined communication between MnDOT and transportation providers regarding the maintenance and depreciation of assets. Additionally, MnDOT's updated 2018 *Transit Asset Management Plan* includes:

- Inventory of the number and type of capital assets
- Condition assessment of those inventoried assets for which a provider has direct capital responsibility
- Description of analytical processes or decision support tools that a provider uses to estimate capital investment needs over time and develop its investment prioritization
- Discussion of prioritization investment direction
- Plan implementation strategies and recommendations

Prior to 2020, fleet assets were prioritized based on life expectancy. For this five-year transit system plan, the assets are identified for replacement based on the *Transit Asset Management Plan* submitted to FTA on October 1, 2018.

# 6. 2020-2025 Annual Needs

## 6.1 Needs Identification Process

To identify Hibbing Area Transit's needs for the 2020 to 2025 period, the project team met with staff from the agency three times to learn about and discuss the agency's operating structure and environment, challenges, and opportunities for improvement. The project team also had the opportunity to meet with a representative of Shubat Transportation Company, the operating contractor for Hibbing Area Transit, at two of these meetings. These discussions assumed that replacement buses would be funded as part of the Hibbing Area Transit's Capital Plan, as indicated in Table 6.

The first two meetings were a chance to gather information and begin considering strategies and opportunities for Hibbing Area Transit. Analysis and metrics were used to assess the agency's baseline conditions and performance. At the third meeting, the project team engaged with Hibbing Area Transit staff and a Shubat Transportation representative to develop a comprehensive list of the agency's needs for the five-year period and to prioritize these needs according to their relative importance to the agency's operations. The needs prioritization exercise was not conducted with fiscal constraints; it was intended to determine the investments that could enhance the agency's operational efficiency and consider how it could invest strategically to better meet the needs of the community.

Agency input was the key driver for assigning priority to each need, based on agency employees' understanding of its operations and challenges. However, each need was vetted and reviewed by the project team to ensure that available data and information about the agency and its operations support these needs.

## 6.2 List of 2020-2025 Needs

The needs identified through the prioritization activity, in order of priority, are listed in Table 9.

**Table 9. Unconstrained Needs List**

| Need | Priority Level | Purchase Year | Description of Need | Rationale | Estimated Cost (2019) |
|---|---|---|---|---|---|
| Upgraded dispatch system/ software | High | 2021 | Acquisition of new dispatch system to replace manual method | Improve efficiency in service operations<br>Mitigate or reduce ride refusals | $50,000 |
| Signage for all designated stops on deviated route | High | 2020 | Installation of signs at frequent boarding locations | Streamline pick-ups and avoid confusion<br>Enhance community awareness of the service | $4,000 ($2,000[a] + $2,000 for logo and design) |
| Shelters | Medium | 2021, 2022, 2023 (1/year) | Purchase and install three shelters at frequent boarding/waiting locations[b] | Enhance customer safety and comfort<br>Enhance ridership | $40,500 ($13,500 per shelter)[c] |
| Operations funding to continue extended hours (and/or Rural Rides or other program funding) | Medium | 2020-2025 | Lack of Rural Rides program funding could have impacts on agency; extended hours will likely end absent additional operating funds | Some riders may otherwise lose service access | No additional cost for extended hours[d]; current funding from Rural Rides program unknown |
| Website update | Medium | 2020 | Update and modernize website | Provide clearer information to the public<br>Enhance ridership | $8,000[e] |

| Need | Priority Level | Purchase Year | Description of Need | Rationale | Estimated Cost (2019) |
|---|---|---|---|---|---|
| Part-time position for marketing and other support | Medium | 2020-2025 | Position to support marketing (online/social media and traditional), data analysis, and contract oversight | Provide marketing support<br>Enhance ridership and community awareness of service | $10,000; increasing to $12,000 in 2025[f] |
| Expand demand response service | Unknown | After 2025 | Add one vehicle for additional demand response service from 12 p.m. to 6 p.m. on weekdays[g] | Reduce ride refusals<br>Enhance ridership | $165,000[h] initial vehicle purchase plus annual O&M over $70,000[i] |

*[a] Includes signs for all 22 stops at $50 per sign plus $30 for installation. Total figure rounded to develop conservative estimate. See http://onlinepubs.trb.org/onlinepubs/tcrp/tsyn17.pdf.*

*[b] Public Library, Salvation Army, Perpich Center, and/or others, as determined by Hibbing Area Transit in coordination with MnDOT.*

*[c] This cost includes $7,500 to install a concrete bus shelter base (per MnDOT, http://www.dot.state.mn.us/bidlet/avgPrice/AveragePrice2017.pdf) and $6,000 for the shelter (http://www.startribune.com/july-7-hundreds-of-metro-bus-stops-have-thousands-seeking-shelters/265979041/).*

*[d] Plan assumes current service hours will not decrease through 2025.*

*[e] See, for example https://digital.com/blog/how-much-does-website-cost/. Estimated cost includes some contingency for costs associated with the procurement process. Staff time for review and oversight is assumed to be provided through the new marketing specialist position.*

*[f] 2019 wage and benefit estimate from Hibbing Area Transit, adjusted for annual inflation.*

*[g] Per assumed 2020 vehicle costs in the MnDOT Capital Plan.*

*[h] This need is contingent upon results of an expanded agency performance monitoring process.*

*[i] Approximately $70,000 in 2019, increasing to nearly $90,000 in 2025 with 5% cost escalation.*

The project team conducted additional analysis of some service changes that were discussed at the workshop to determine the feasibility and benefits of such changes. These are described in more detail in Section 5.

## 6.3 Historical and Projected Annual Summary

Hibbing Area Transit's needs, by and large, do not require any major changes to the agency's service, structure, or assets. The agency's largest need is the new dispatch and scheduling system, which is expected to significantly enhance both the driver and customer experience, and reduce service wait times. This system would replace the manual method currently used by Shubat Transportation. Currently, Hibbing Area Transit turns riders away when it does not have adequate capacity to meet their ride requests. While the new system is anticipated to alleviate

this problem, it is not known to what extent. Therefore, additional service needs could arise during the five-year period, but they are not precisely known at this time.

Additional needs identified for Hibbing Area Transit, and described in more detail in Sections 6.5 through 6.7, for the 2020 to 2025 period include:

- Signage
- Website redesign
- Ongoing staff support (via a new, part-time position) for website updates
- Marketing
- Data collection and analysis for performance measurement and contractor oversight
- Additional shelters for riders
- Continued operational funding support to continue extended hours and ensure those who rely on the system have adequate access to the service

## 6.4 Fleet

Hibbing Area Transit's fleet consists of four bus vehicles, which carry between 13 and 16 passengers each. All vehicles are from 2014 or 2016 and are adequate or excellent condition.[2] As noted in Table 6, Hibbing Area Transit plans to replace the two vehicles from 2014 in FY 2020 and the two vehicles from 2016 in FY 2023. No additional fleet needs are anticipated at this time; however, a need could arise over the horizon of the plan if the fleet of four service vehicles is not adequate to respond to any increases in demand for service, or if ride refusals (for Dial-A-Ride service) continue to occur on a regular basis.

## 6.5 Facilities

Hibbing Area Transit has one facility to store and maintain the vehicle fleet, which is located within the City of Hibbing's garage. City of Hibbing maintenance staff members maintain the vehicles. The facility is shared among the City, St. Louis County, and MnDOT and is 14 years old. No major facility improvements are expected to be required before 2025.

Signage was identified as an important need for the Hibbing Area Transit system, both for reducing confusion about where riders should be waiting to be picked up, as well as to increase community awareness that the service is available and the locations to which it provides access. Implementation of signage is a high and relatively low-cost need that Hibbing Area Transit could implement during the first year of the plan.

Shelters for riders were identified as a need for Hibbing Area Transit riders using the deviated route service. The shelters will make waiting for the bus more comfortable by providing protection from the elements and could increase the likelihood that people will use the service in the future. They will also serve a marketing purpose, alerting people in Hibbing of available services.

## 6.6 Technology

As noted in Table 9, a new dispatch and scheduling system is the top priority for Hibbing Area Transit. Currently, dispatch is operated manually: each bus has a binder in which ride requests are recorded by dispatchers. Drivers must make a stop each hour and call in to the dispatch

[2] http://www.dot.state.mn.us/transit/reports/transit-report/pdf/OTAT%20TAM%20Plan%2010-1-18.pdf.

center to get a list of their scheduled rides for the next hour. They then record this information manually. Riders need to call in two hours in advance to request a route deviation. The agency recommends that its riders using the Dial-A-Ride service call in prior to the top of each hour so that their request is received prior to the distribution of driver assignments for the next hour. Compared to other available dispatch and scheduling systems, this method is inefficient, leads to rider complaints, and contributes to the current volume of ride refusals. For these reasons, acquiring an automated dispatch system will help improve the efficiency with which the system operates and will enable the agency to serve more riders without having to increase its fleet or staffing. This will likely increase customer satisfaction with the service and, over time, enhance ridership.

## 6.7 Other

Hibbing Area Transit's website (http://www.hibbing.mn.us/services/hibbing-area-transit) currently consists of a page on the City's website with some basic information about the service. It includes a map from 2013 at the bottom showing the deviated route stops. While the site includes basic information, it would benefit from a more user-friendly design. Investing in a website redesign would be an effective way to make the service more visible and clearer, especially given that websites are increasingly the first place most people go to get information.

Once the website is overhauled, it will need to be maintained and updated as new information becomes available. Hibbing Area Transit has a need for an additional part-time staff person who could update the website, lead marketing initiatives, perform data collection and analysis, and provide contractor oversight. Hibbing Area Transit has expressed interest in maintaining a more active online presence and using relatively inexpensive social media tools to enhance awareness of its services; this could be accomplished with the addition of this staff position. In addition, Hibbing Area Transit's contractor, Shubat Transportation, is not currently collecting data on the number of rides that are refused or its on-time performance. The new part-time staff person would work with Shubat Transportation to ensure this data are collected and analyzed to track performance and identify trends. The new staff person could also lead and conduct an annual customer satisfaction survey. As described in more detail in Section 7.2, this plan establishes several performance metrics that Hibbing Area Transit will be expected to track in the future.

Hibbing Area Transit extended its hours in 2017 through an operating grant from MnDOT. This grant and the Rural Rides program, through which Hibbing Area Transit users receive funding to use the agency's services, are both currently set to expire in 2019. Continued funding, both in 2019 and through 2025, to provide access to affordable transportation at the current hours of service is another need for Hibbing Area Transit. Hibbing Area Transit's 2019 budget award of $440,000 is expected to enable continued funding of the extended hours through 2019, but the availability of operating funds for these purposes through 2025 is not guaranteed.

# 7. System Performance

Performance measurement tracking establishes a consistent way to evaluate a route or service type, provides a regular opportunity to reflect on future needs and service improvements, and ensures compliance with the ADA, MnDOT's Olmstead Plan, and any other local performance expectations. For state-funded transit services, MnDOT requires performance tracking of annual ridership, baseline span of service, on-time performance, and asset management. Additionally, each provider is required to track denials based on the ADA trip denial definitions and process documentation in FTA Circular 4710.1, as well as service and performance indicators.

Due to the constraints of handling dispatch manually, certain system-level performance metrics, such as trip denials and wait times, have not been tracked in an easily quantifiable way.

Consistent data collection practices for these measures can be incorporated into the transition to use of an automated dispatch software system.

Cost efficiency relates to the financial performance of the system—how well each dollar of investment has translated into additional service, ridership, or revenue. The cost efficiency metrics tracked by Hibbing Area Transit for each service type include cost per mile, cost per rider, and farebox recovery, shown on Table 10. These metrics are based on estimated costs by service type calculated from an average system-wide cost per revenue hour of $39 (2017). According to the 2017 *Rural Transit Fact Book*, the national average for cost per hour for rural transit demand response service providers is $38.83. MnDOT has set a target cost of $60 per hour or less, which Hibbing Area Transit has met. Costs per mile are similar for the demand response and deviated route services, averaging $3.47, as shown in Table 10.

**Table 10. 2017 Cost Efficiency and Service Effectiveness by Route/Service**

| Route/Service | Cost/Mile | Cost/Rider | Farebox Recovery | Riders/Hour | Riders/Mile |
|---|---|---|---|---|---|
| Deviated Route | $3.39 | $5.23 | 20.3% | 7.52 | 0.65 |
| Demand Response | $3.53 | $8.26 | 12.8% | 4.75 | 0.43 |
| Total | $3.47 | $6.72 | 15.8% | 5.84 | 0.52 |

*Source of Data: Hibbing Area Transit, Service Data Template*

System-wide annual ridership increased by approximately 1,000 passenger trips between 2013 and 2017 (see Section 4.1). Cost per rider is the overall cost to operate a service divided by the number of one-way trips generated. Hibbing Area Transit's deviated route service cost $5.23 per rider in 2017, and demand response service cost $8.26 per rider. The GMTIP has set a performance metric that compares route-level costs per rider to system-level costs per rider, and is not applicable to Hibbing Area Transit, which only operates one deviated route.

Farebox recovery generally measures the percentage of operating cost covered by fares and is an outcome heavily influenced by the ridership productivity of a route against its total operating cost, as well as the fare policy of the system. It is generally calculated by dividing passenger fare revenue by operating cost. Hibbing Area Transit had an average farebox recovery of 15.8% in 2017.

Two service effectiveness indicators, passengers per mile and passengers per hour, are also summarized in Table 10. Deviated route service generates approximately 50% more riders per hour and riders per mile compared to demand response.

## 7.1 Historical Performance

Historic performance metrics for Hibbing Area Transit are shown in Table 11. Costs per revenue hour increased from $30.68 in 2013 to $37.50 in 2017. This equates to an average cost increase of 5% per year. Costs per revenue mile and costs per trip increased similarly. Farebox recovery increased in 2015 but has fallen since then as operating costs increased.

**Table 11. System Cost Efficiency by Year (2013-2017)**

| Year | Cost/Hour | Cost/Mile | Cost/Rider | Farebox Recovery | Riders/Hour | Riders/Mile |
|---|---|---|---|---|---|---|
| 2013 | $30.68 | $2.34 | $5.15 | 19.4% | 5.96 | 0.46 |
| 2014 | $33.03 | $2.84 | $5.30 | 19.3% | 6.23 | 0.53 |
| 2015 | $31.34 | $2.80 | $5.03 | 20.5% | 6.23 | 0.56 |
| 2016 | $32.53 | $2.85 | $5.81 | 18.4% | 5.60 | 0.49 |
| 2017 | $37.50 | $3.26 | $6.69 | 15.1% | 5.61 | 0.49 |

*Source of Data: Hibbing Area Transit, Financial Template*

## 7.2 Projected Performance

If Hibbing Area Transit's needs for 2020-2025 are met, it is reasonable to expect that the quality and level of service it provides to residents will increase. To ensure transparency, accountability, and informed decision-making, it is critical that Hibbing Area Transit continue to track the metrics it is already using, as well as a few additional metrics for which a baseline still needs to be established. Metrics for Hibbing Area Transit used to measure its quality and level of service, as well as efficiency, are described in Table 12. Target performance measures are generally provided as ranges to identify not only when a service is underperforming against goals, but also when it exceeds expectations, possibly indicating a need for expanded services.

**Table 12. Hibbing Area Transit Performance Metrics**

| Performance Measure | Current Baseline | Goal/Target | Frequency of Measurement |
|---|---|---|---|
| Farebox recovery | 20.3% and 12.8% for deviated route and demand response, respectively | 20-24% and 10-15% for deviated route and demand response, respectively[a] | Monthly |
| Cost per rider | $8.26 for demand response and $5.23 for deviated route | $7-10 for demand response and $5-7 for deviated route[b] | Monthly |
| Annual ridership | 52,831 | 52,800 - 57,000[c] | Monthly and annually |
| Riders per revenue hour | 7.3 and 4.4 for deviated route and demand response, respectively | 7-15 for deviated route and 4-6 for demand response[d] | Monthly |
| Average rider wait times for Dial-A-Ride service | Not known - baseline must be established | TBD | Monthly |

| Performance Measure | Current Baseline | Goal/Target | Frequency of Measurement |
|---|---|---|---|
| On-time performance for deviated route service | Not known - baseline must be established | TBD | Monthly |
| Number of ride refusals | Not known - baseline must be established | TBD | Monthly |
| Rider satisfaction, via short annual customer satisfaction survey (jointly with on-board survey when possible) | Not known - baseline must be established | TBD | Annually |
| Marketing metrics: number of postings, social media advertising results (e.g., number of impressions, cost per click), and/or other metrics (TBD per marketing plan) | Not yet applicable - marketing plan must be established | TBD | Monthly |

[a] *Nationally, in 2016, the average farebox recovery for fixed route bus services was 23.9%; for demand response service, it was 7.3%; and for demand response service operated by taxi, it was 14.8%. Hibbing Area Transit's current 20.3% farebox recovery rate is high, given both the agency's size and the fact that this service is a deviated route and yet is close to the average for fixed route service. Hibbing Area Transit's achievement of 12.3% farebox recovery rate for its demand response service is in line with national averages. For more information, see https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/ntd/66011/2016-ntst.pdf.*

[b] *In 2016, the national average cost per passenger trip was $4.43 for fixed route bus service, $43.79 for demand response service, and $28.71 for demand response service operated by taxi. Hibbing Area Transit's current cost per trip of $5.23 is similar to the national average, which is impressive given the agency's small size (compared to the average size nationally) and the fact that the route includes deviations. Hibbing Area Transit's cost per demand response trip of $8.26 is significantly below the national average; therefore, it is recommended that Hibbing Area Transit maintain its performance with respect to this metric. For more information, see https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/ntd/66011/2016-ntst.pdf.*

[c] *Given national trends of declining transit ridership, maintaining or increasing current ridership is a reasonable goal for Hibbing Area Transit. Hibbing Area Transit ridership increased from 2016 to 2017, indicating that increasing its ridership, especially given the extended service hours, is a reasonable goal, despite national trends.*

[d] *Hibbing Area Transit's demand response service currently exceeds many other agencies' performance with respect to riders per hour, even in more densely populated areas across the country. For example, see https://humantransit.org/2018/02/is-microtransit-a-sensible-transit-investment.html. For this reason, maintaining or increasing its current riders per hour is a reasonable goal for the agency. While Hibbing Area Transit's performance with respect to riders per hour on its deviated route is in line with performance of peer agencies, increasing riders per hour is a reasonable goal as additional investments in the system are made.*

These metrics will enable Hibbing Area Transit to assess its performance and identify benefits that are being achieved from investments in the system and operating improvements and investments.

# 8. Operations

Hibbing Area Transit operates general public Dial-A-Ride and deviated route transit service for the City of Hibbing. A third party contractor provides scheduling, operating support, and drivers. The City of Hibbing has three full-time staff (management, administration, and vehicle maintenance) who split time between transit and other city functions.

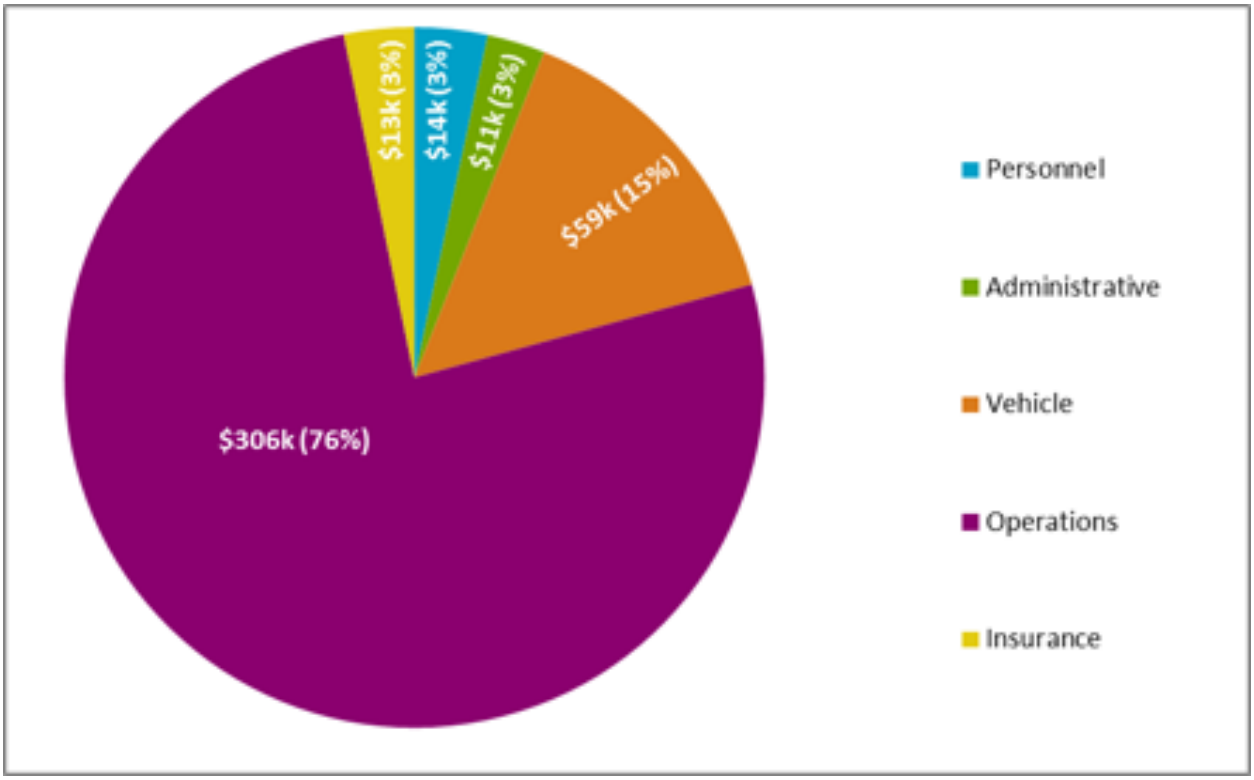
## 8.1 Background

For 2018, Hibbing Area Transit budgeted $402,947 in operating costs (after fuel tax reimbursement). As shown on Figure 16, these costs consist primarily of operations costs, including a $305,275 contract for operating and dispatch.

## 8.2 Historical and Projected Annual Summary

Table 13 highlights the changes in revenue service and costs from 2013 to 2017, as well as projected service and costs through 2020. Service for Hibbing Area Transit has been stable with projected 2020 service within a few percent of their current levels. Operating costs grew by 12% in 2014 and 20% in 2017, when evening service hours were extended.

**Figure 16. 2018 Operating Cost Categories**




*Source of Data: Hibbing Area Transit 2018 Operating Budget*

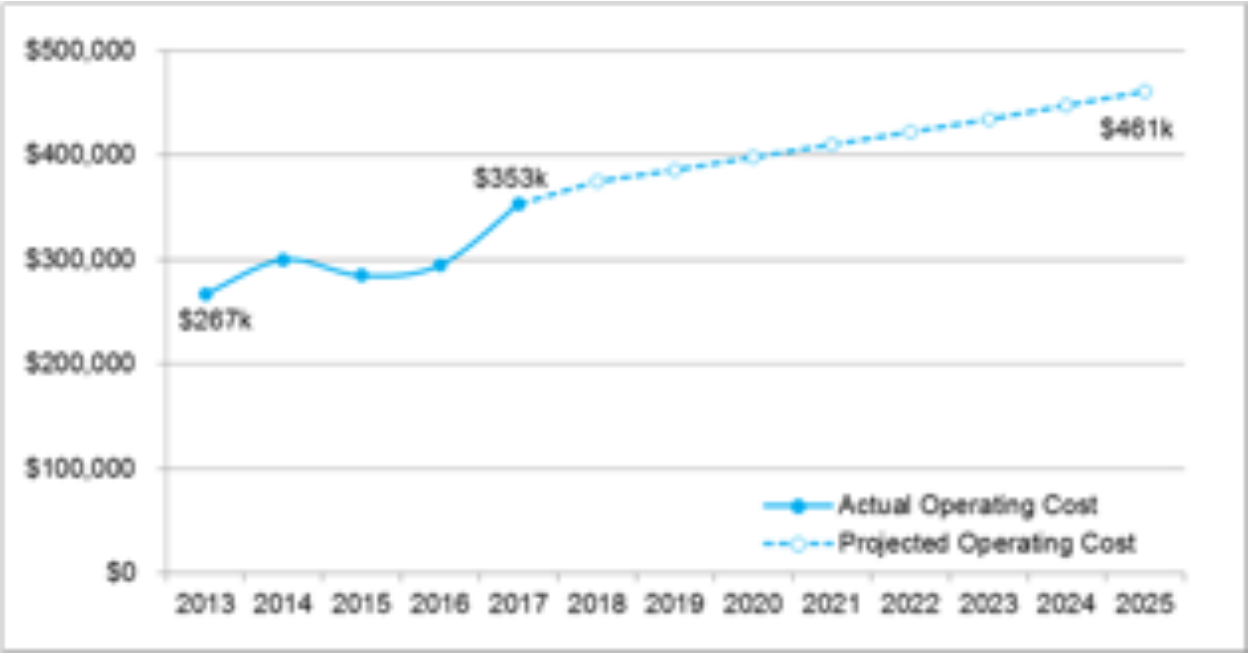
**Table 13. System Cost Efficiency by Year (2013-2020)**

| Year | Revenue Hours | Percent Change Revenue Hours | Revenue Miles | Percent Change Revenue Miles | Operating Cost | Percent Change Operation Cost |
|---|---|---|---|---|---|---|
| 2013 | 8,710 | – | 114,000 | – | $267,215 | – |
| 2014 | 9,083 | 4.3% | 105,781 | −7.2% | $300,054 | 12.3% |
| 2015 | 9,087 | 0.0% | 101,579 | −4.0% | $284,758 | −5.1% |
| 2016 | 9,066 | −0.2% | 103,656 | 2.0% | $294,904 | 3.6% |
| 2017 | 9,425 | 4.0% | 108,272 | 4.5% | $353,438 | 19.8% |
| 2018-estimated | 9,559 | 1.4% | 108,071 | −0.2% | $375,093 | 6.1% |
| 2019-projected | 9,600 | 0.4% | 109,152 | 1.0% | $386,346 | 3.0% |
| 2020-projected | 9,600 | 0.0% | 110,243 | 1.0% | $397,936 | 3.0% |

*Source of Data: Hibbing Area Transit, Financial Template*

Hibbing Area Transit has operated the same Dial-A-Ride and deviated route services, with only minor variations in revenue hours, since 2013. In 2015, the service area was expanded to include the MN 37 corridor, without increasing service hours. In 2017, Hibbing Area Transit extended evening hours and revised dispatch practices, both of which contributed to higher growth in operating costs that year. Historic and projected operating costs are shown on Figure 17. Projected costs are expected to grow by approximately $14,000 per year after 2017 based on trends for similar services.

**Figure 17. Actual and Projected Operating Costs by Year (2013-2025)**




*Source of Data: Hibbing Area Transit, Financial Template*

## 8.3 Staffing

Hibbing Area Transit requires very few direct staff hours, as management, administrative, and maintenance functions are split with other city departments, and all other operator and dispatch staff are hired through a third party contract. Table 14 summarizes the staffing needs required to support transit by labor category in terms of the proportion of a full-time equivalent position. In practice, three city office staff and five city maintenance staff have duties that include transit functions in addition to their other responsibilities for the City of Hibbing. In addition to direct staffing, Shubat Transportation employs eight drivers, four dispatchers, and three office personnel who work on the Hibbing Area Transit's contract. These contract staff may split their time for school bus operation or charter services.

**Table 14. Hibbing Area Transit Staffing (does not include contract employees)**

| Type of Staff | Management/ Supervising | Drivers | Dispatch/ Scheduling | Administrative/ Support | Maintenance | Total |
|---|---|---|---|---|---|---|
| Full-Time Equivalent City Staff | 0.12 | 0 | 0 | 0.05 | 0.05 | 0.22 |

*Source of Data: Hibbing Area Transit, Operations Template*

## 8.4 2020-2025 Annual Operations Needs

The Transportation Research Board's Transit Cooperative Research Program (TCRP) Report 161 outlines methods for quantifying need and forecasting demand for rural passenger transportation[3]. Transportation need, summarized in Table 15, is defined as the total number of households without a vehicle times the difference between the daily trip rate for rural households having one personal vehicle and rural households having no personal vehicle. Within the City of Hibbing, there is an annual need for 442,900 one-way trips. Transportation needs can be met through a variety of options, including taxi service, volunteer drivers, community partners, or transit providers such as Hibbing Area Transit or Arrowhead Transit.

**Table 15. Transit Need by Jurisdiction**

| Transit Need/Mobility Gap by Jurisdiction | Annual Number of One-Way Trips Needed |
|---|---|
| Hibbing (city) | 442,900 |

*Source of Data: Hibbing Area Transit, 2017 ACS 5-Year Estimates, AECOM*

In 2010, the state legislature asked MnDOT to determine the level of funding required to meet at least 80% of public transit need in Greater Minnesota by 2015, and 90% of need by 2025. The legislature set the goal but did not provide additional funding or mandate that the need must be met. The transit providers participated in developing the strategies to increase ridership in Greater Minnesota. However, the GMTIP does not include detailed direction for the transit providers as transit service is based on local needs and resources. This Five-Year Transit System Plan for Hibbing Area Transit complements the GMTIP by identifying the need for public transit and priorities unique to the transit provider. Recommendations and investments listed in this plan were developed with input from the community, stakeholders, and transit provider staff and are opportunities to improve current transit service and expand service as appropriate.

[3] Transportation Research Board, TCRP Report 161, *Methods for Forecasting Demand and Quantifying Need for Rural Passenger Transportation: Final Workbook*, http://www.trb.org/Publications/Blurbs/168758.aspx.

TCRP Report 161 provides several methods for estimating categories of transit demand, provided in Table 16. Small city fixed route demand is based on total population, college enrollment, and revenue hours of service provided. This estimate of demand is above Hibbing Area Transit's 2017 ridership of 52,831 (see Section 4.1). This reflects the reality of additional Arrowhead Transit services operating within Hibbing Area Transit's service area, which may be accommodating some of that total transit demand. Accordingly, ridership targets and revenue estimation for future service expansions should be based on demonstrated performance of the system rather than national indicators.

**Table 16. Transit Demand by Service Area**

| Transit Demand Type | Annual Number of One-Way Trips In Demand |
|---|---|
| Small City Fixed Route Demand | 77,100 |

*Source: Hibbing Area Transit, 2017 ACS 5-Year Estimates, LEHD 2015, AECOM*

Hibbing Area Transit's operations needs are described in this section. Meeting these needs will help to achieve many of the benefits that transit service is known to bring to communities. It is widely acknowledged that transit service alleviates traffic congestion, reduces air pollution, generates economic development, and provides access to employment.[4] The benefits of transit service grow the longer the service is operational as a rider base grows and economic development impacts are realized. Being able to sustain the service for the long-term is paramount to realizing the benefits of transit in the region. Sustaining the service involves securing multi-year investments from funding partners and fostering a strong group of transit supporters in the region. Hibbing Area Transit plans to implement a strong marketing program that cultivates a positive public image of the service. Sustaining the service is also dependent on the quality of the service, which should provide direct links between residents and their destinations, work or otherwise. The service must also be affordable, comfortable, and reliable. The operational needs described in this section will help to bring these benefits to the residents of Hibbing.

### 8.4.1 Staffing Needs

Hibbing Area Transit would benefit significantly from an additional part-time staff person. This person would be primarily responsible for website updates, marketing initiatives, data collection and analysis to support performance measurement and reporting, and contractor oversight. Significant potential benefits can be achieved by maintaining a more active online presence and using social media tools to enhance awareness of its services. The new part-time staff person will work with Shubat Transportation to ensure this data are being collected and analyzed to track performance and identify trends. The new staff person can also lead and conduct an annual customer satisfaction survey. As described in more detail in Section 7.2, this plan establishes a number of performance metrics that Hibbing Area Transit will be expected to track in the future, and the person in this new position would take primary responsibility for these activities, under the guidance of management from the City Clerk's office, as well.

### 8.4.2 Operations Funding Needs

Hibbing Area Transit extended its hours in 2017 through an operating grant from MnDOT. This grant and the Rural Rides program, through which Hibbing Area Transit users receive support, are both currently set to expire in 2019. Continued funding to provide access to affordable transportation at the current hours of service is an important need for the users of Hibbing Area

[4] Victoria Transport Policy Institute. *Transit Demand Management Encyclopedia*. 2011.

Transit's services. This plan assumes Hibbing Area Transit's current service hours will not be reduced.

### 8.4.3 Service Change Recommendations

No significant changes to the patterns or types of service provided by Hibbing Area Transit over the horizon of this plan are anticipated. Hibbing Area Transit would like to continue the extended service hours it implemented in 2017, which will require ongoing operational funding support. Potential service changes were discussed at the prioritization workshop and studied through the process of developing the plan; these are discussed in more detail in the following sections.

#### 8.4.3.1 Reduce Kelly Lake Service to Once per Week

Hibbing and Shubat Transportation staff have noted that ridership from Kelly Lake, a neighborhood west of downtown Hibbing, is very low, and that service is offered to this area twice a week. To offset the cost of meeting some of the needs outlined in this plan, Hibbing Area Transit may reduce its service to this area from twice a week to once a week.

#### 8.4.3.2 Contingent Need: Additional Weekday Dial-A-Ride Service

As previously described, expanding service on the deviated route during the busiest hours, to reduce ride refusals, was noted as a potential need. However, it is unclear whether this need will be addressed through implementation of a new dispatch and scheduling system. Hibbing Area Transit anticipates that the new system may help to alleviate ride refusals by more efficiently, quickly, and dynamically matching riders with available in-service vehicles. For that reason, no vehicle purchases in addition to the replacement vehicles already planned are called for at this time. Hibbing Area Transit will revisit the need for an additional vehicle and operator(s) if, after implementation of the new dispatch and scheduling system, there is still a volume of ride refusals during key hours throughout the week that justifies additional service. As noted in Section 7.2, Hibbing Area Transit will track its performance to make a determination on this potential need.

# 9. Financial

As shown in Table 17, gross operating costs for Hibbing Area Transit in 2017 were $353,438. These costs were offset by $53,205 in fare revenue for a net operating expenditure of $300,233. Hibbing Area Transit receives federal and state operating assistance and generates $48,747 in local revenue. Total operating revenues from fares and other sources exceeded net expenditures by $9,652. This reserve can be used to fund the local share of capital improvements or to bridge potential future revenue shortfalls as needed.

In 2017, farebox revenue accounted for 15.1% of operating costs. Across both services, $1.01 of fare revenue was generated per passenger trip. The fare structure for specific services and rider categories is shown in Table 18.

**Table 17. 2017 Operating Financial Profile**

| Expense/Revenue Category | Amount | Percentage of Net Expenditure |
|---|---|---|
| Operating Costs | ($353,438) | — |
| Fare Revenue | $53,205 | — |
| Net Operating Expenditure | ($300,233) | 100.0% |
| Federal Revenue Share | $74,484 | 24.8% |
| State Revenue Share | $167,350 | 55.7% |
| Local Revenue to Support Operations | $48,747 | 16.3% |
| Excess Local Revenue (Reserve Account) | $9,652 | 3.2% |

*Source of Data: Hibbing Area Transit, Financial Template*

**Table 18. Fare Structure**

| Route/Service | Cash Fare | Child Fare (with adult) | Frequent Rider Passa | Senior Pass (unlimited monthly) |
|---|---|---|---|---|
| Deviated Route | $2.00 | free | $1.00 | $15.00 |
| Demand Response | $2.00 | free | $1.00 | $15.00 |

*Source of Data: Hibbing Area Transit*

[a] *Book of 15 rides for $15.00.*

## 9.1 Background

Transit providers serving Greater Minnesota receive funding from several sources at the federal, state, and local levels. Specifically, transit funding is comprised of:

- Federal Transit Funding, United States Department of Transportation (USDOT) (FTA)
- State General Fund appropriations
- State Motor Vehicle Sales Tax (MVST)
- State Motor Vehicle Lease Sales Tax (MVLST)
- Local Share: farebox recovery, local tax levies, local contracts for service

Transit providers in Greater Minnesota generally receive federal funding through the Section 5311 Non-urbanized Area Formula Program, which provides capital and operating funding for small urban and rural areas, including intercity bus transportation. MnDOT is responsible for distributing federal funds to transit providers in Greater Minnesota.

MnDOT also distributes state funding from the General Fund and Transit Assistance Fund to Greater Minnesota transit providers. Transit services have received funding from the state's General Fund every year for decades. However, most of the state funding for Greater Minnesota

transit providers comes from the Transit Assistance Fund, which receives revenue through the MVST and MVLST.

Minnesota State law requires local participation in funding public transit services in Greater Minnesota. A statutory fixed-share funding formula sets a local share of operating costs by system classification as noted in Table 19. Local revenue sources that can provide the local match include farebox revenues, local property taxes, local sales taxes, contracted route revenues, advertising revenue, or program revenue.

**Table 19. Local Share Requirements**

| Program (Recipient Classification) | Percentage of Required Local Match |
|---|---|
| Elderly and Disabled | 15% |
| Rural (population <2,500) | 15% |
| Small Urban (population >2,500 and <50,000) | 20% |
| Urbanized (population > 50,000) | 20% |

*Source of Data: MnDOT Greater Transit Funding in Minnesota*

State and federal funding for public transit should cover the remaining 80% or 85% of operating costs. The percentage of total funds spent on transit that are provided locally is higher than the mandated local share. Transit systems in Greater Minnesota often provide additional service that is not recognized in the funding formula, thus the total percentage of local funding for transit service in Greater Minnesota is more than 20%.

## 9.2 History

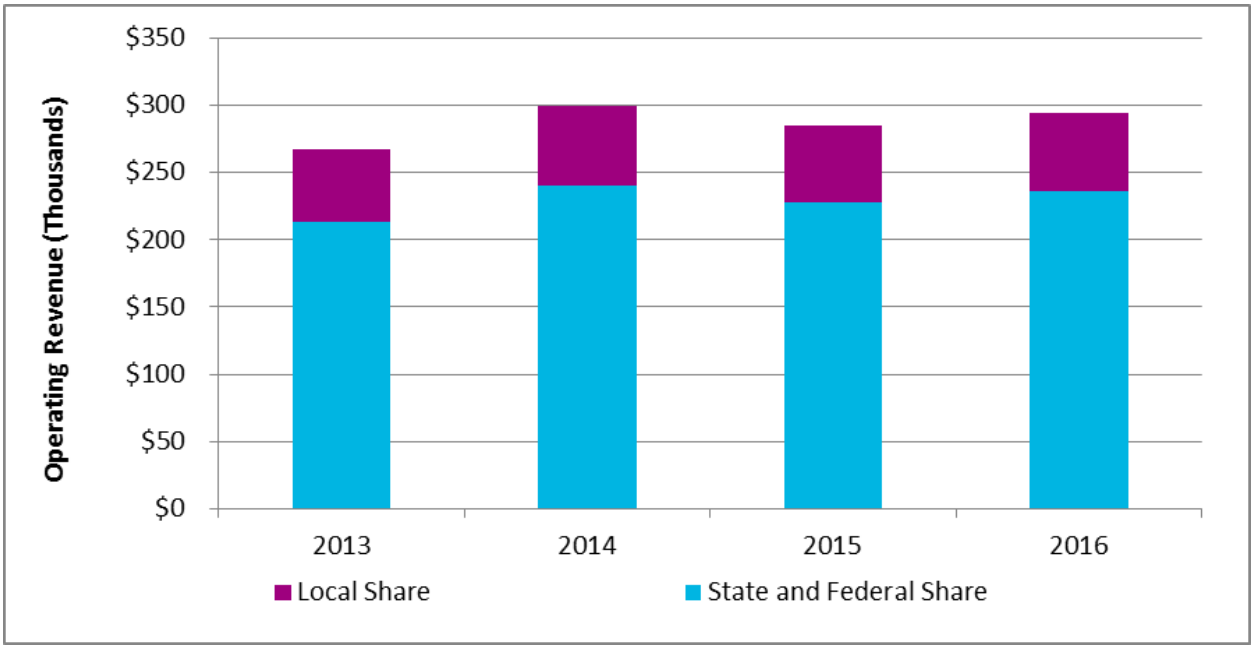
Table 20 provides the annual operating expenditures for Hibbing Area Transit as well as operating revenue sources for 2013 to 2016. The federal share of operating expenditures increased between 2013 and 2015 from 24% to 40%. The local share has been constant at 20% of operating expenditures each year. Figure 18 illustrates the distribution of operating revenue sources for 2013 to 2016.

**Table 20. Hibbing Area Transit Operating Expenditures (2013-2016)**

| Year | Operating Expenditures | State and Federal Share | Local Share | Percentage of Local Share |
|---|---|---|---|---|
| 2013 | $267,215 | $213,772 | $53,443 | 20.00% |
| 2014 | $300,054 | $240,044 | $60,011 | 20.00% |
| 2015 | $284,758 | $227,807 | $56,952 | 20.00% |
| 2016 | $294,904 | $235,923 | $58,981 | 20.00% |

*Sources of Data: 2014 MnDOT Annual Transit Report, 2015 MnDOT Annual Transit Report, 2016 MnDOT Annual Transit Report, 2017 MnDOT Annual Transit Report*

**Figure 18. Hibbing Area Transit Operating Revenue Sources (2014-2016)**




*Sources of Data: 2014 MnDOT Annual Transit Report, 2015 MnDOT Annual Transit Report, 2016 MnDOT Annual Transit Report, 2017 MnDOT Annual Transit Report*

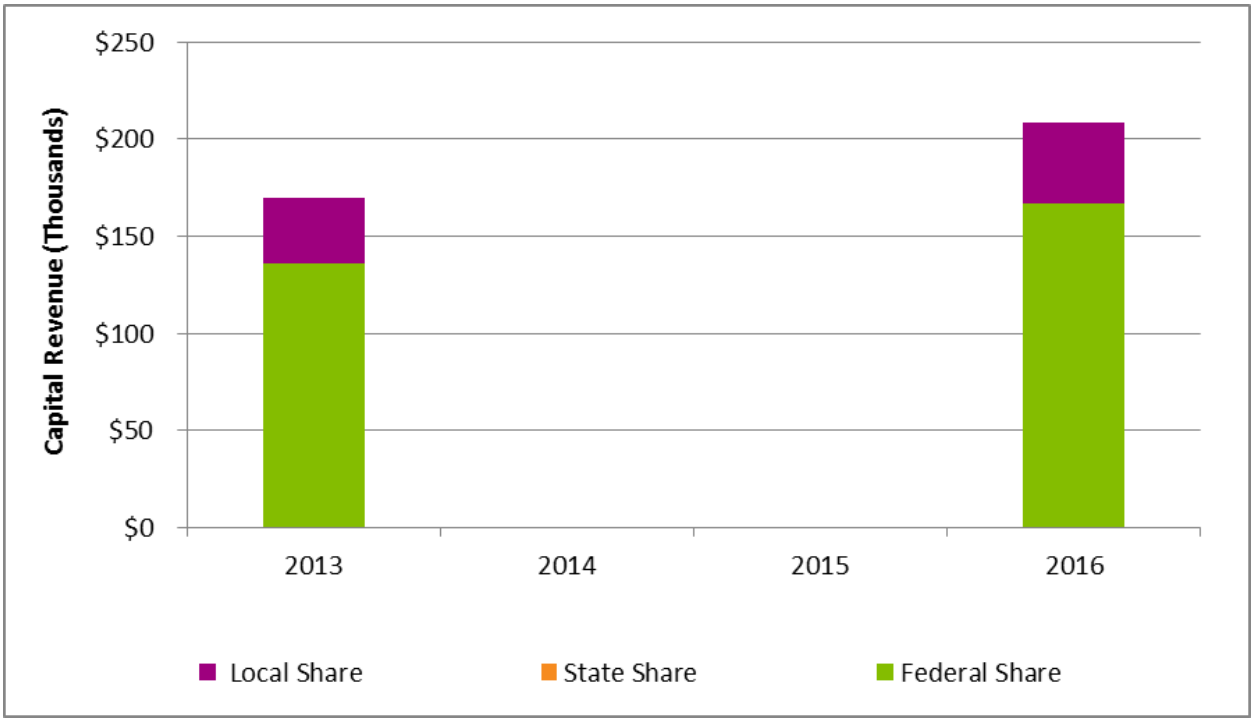
Capital expenditures and revenue sources are provided in Table 21 and shown on Figure 19. Hibbing Area Transit's only recent capital expenditures were replacement of two vehicles in 2013 and two vehicles in 2016. The local share for each purchase was 20% ,with federal revenues used to fund the remaining 80%.

**Table 21. Hibbing Area Transit Capital Expenditures (2013-2016)**

| Year | Asset Category | Total Expenditures | Federal Share | State Share | Local Share |
|---|---|---|---|---|---|
| 2013 | Buses | $169,866 | $135,893 | $0 | $33,973 |
| 2014 | N/A | $0 | N/A | N/A | N/A |
| 2015 | N/A | $0 | N/A | N/A | N/A |
| 2016 | Buses | $208,602 | $166,881 | $0 | $41,720 |

*Sources of Data: 2014 MnDOT Annual Transit Report, 2015 MnDOT Annual Transit Report, 2016 MnDOT Annual Transit Report, 2017 MnDOT Annual Transit Report*

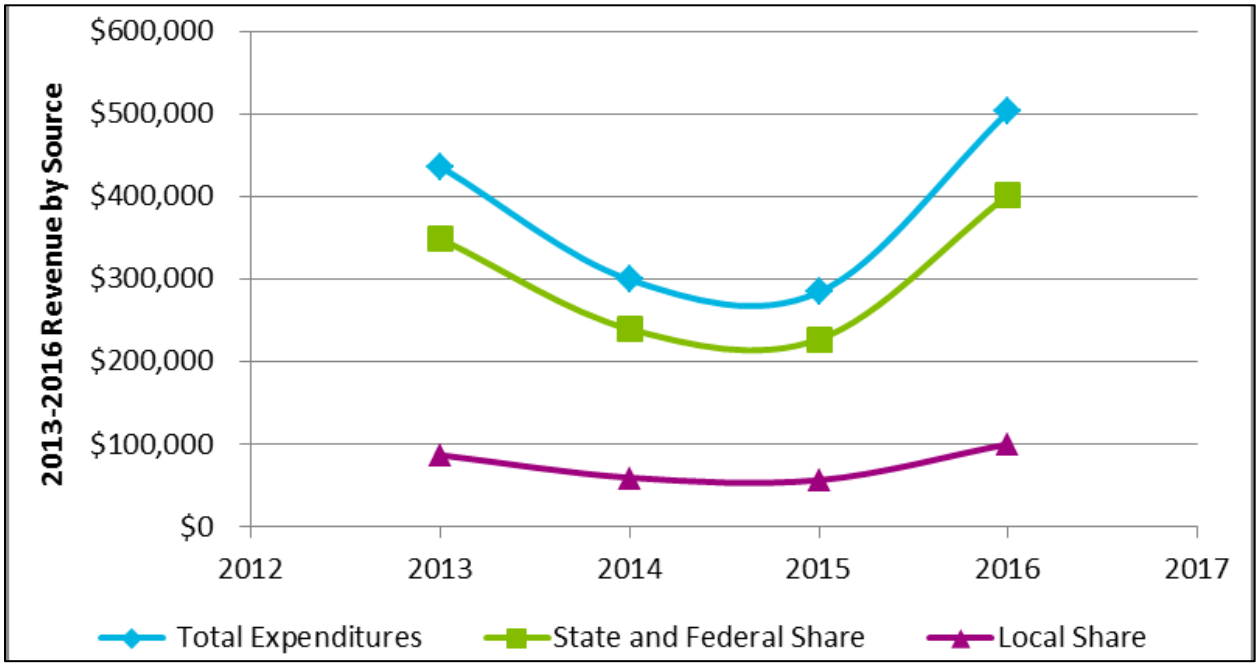
**Figure 19. Hibbing Area Transit Capital Revenue Sources (2013-2016)**




*Sources of Data: 2014 MnDOT Annual Transit Report, 2015 MnDOT Annual Transit Report, 2016 MnDOT Annual Transit Report, 2017 MnDOT Annual Transit Report*

Figure 20 illustrates annual changes to the total available capital and operating revenue by revenue source. As shown, total required funding varies considerably from year to year depending on the vehicle replacement schedule. Local revenue sources have been between $50,000 and $100,000 per year.

**Figure 20. Hibbing Area Transit Capital and Operating Revenue Sources (2013-2016)**

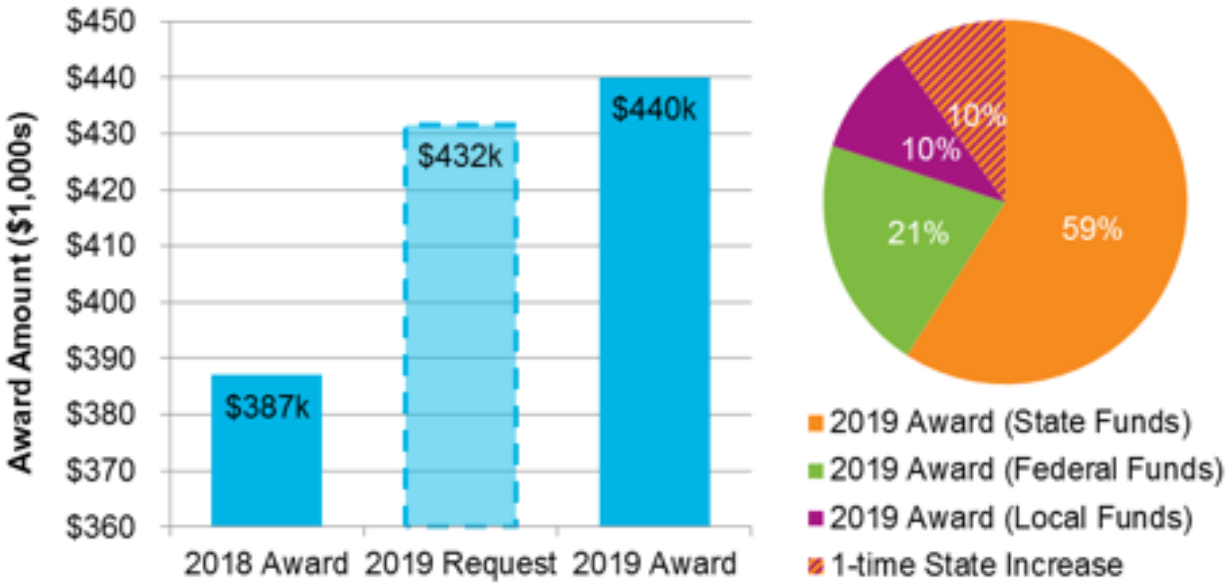



*Sources of Data: 2014 MnDOT Annual Transit Report, 2015 MnDOT Annual Transit Report, 2016 MnDOT Annual Transit Report, 2017 MnDOT Annual Transit Report*

## 9.3 Budgeted Revenue

MnDOT has approved a one-time across-the-board 10% reduction in the local share required for Greater Minnesota transit providers' 2019 Public Transit Operating Grant. This means that the local share for Hibbing Area Transit has been reduced from 20% to 10% for 2019 only. Figure 21 illustrates requested and granted funds from 2018 to 2019. The 2019 grant award is approximately $8,400 more than the amount requested by Hibbing Area Transit and represents a 14% increase from the 2018 award.

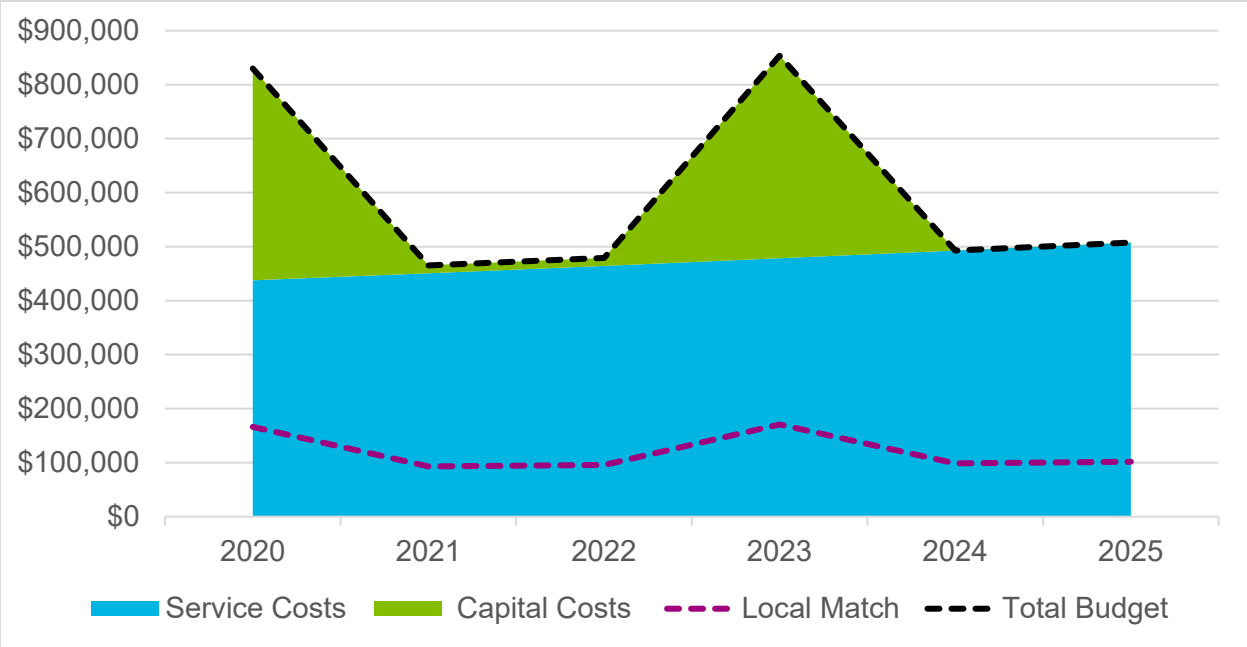
**Figure 21. Grant Requests and Awards (2018-2019)**




## 9.4 2020-2025 Needs vs. Projected Revenues

Capital and operating plans for 2020 through 2025 are included in Appendix A. The combined capital and operating expenses are summarized on Figure 22. As shown, planned costs are expected to surge in 2020 and 2023 when vehicles are scheduled for replacement. Operating costs assume approximately 5% cost escalation per year, consistent with historic costs for similar services. Financial plans assume a 20% local match from fares and contract revenue sources, and 80% of revenue from state and federal sources. Local revenue requirements would not exceed $100,000 in any plan year.

**Figure 22. 2020-2025 Plan Local Revenue Requirement**




**Includes approximately 10,000 annually for a new marketing support position.*

# 10. Agency Strategic Direction

The five-year planning process for all the rural transit service providers (FTA Section 5311) in Greater Minnesota, the first of its kind, has identified and quantified the transit services being operated around the state, which vary greatly in size and scope, and identified potential areas for improvement, expansion, and regional coordination. The provision of transit service is subject to many federal and state guidelines, which may impact how improvements, expansion, and coordination recommendations are implemented. This section describes both overarching areas of potential improvement and opportunities identified across the state as well as those specific to Hibbing Area Transit in addition to local, state, and federal requirements.

## 10.1 Requirements

The provision of transit service is subject to many local, state, and federal guidelines.

### 10.1.1 Federal Transit Administration (FTA)

FTA Section 5311 provides formula-based grants to support rural and small urban areas for transit capital, planning, and operating assistance. Guidance on the grant, requirements, compliance, and application process is available online and through MnDOT Office of Transit and Active Transportation.

FTA is a major funder of rural transit service in Greater Minnesota. MnDOT operates as the primary recipient of FTA Section 5311 funds. As such, all Greater Minnesota transit service providers (sub-recipients) receiving FTA Section 5311 funds, through MnDOT as the recipient, must comply with FTA regulations. FTA regulations pertain, but are not limited to, major topic areas, including training, safety, maintenance, service, and procurement. Any contracted service by transit agencies, including taxi services, must also comply with FTA requirements.

Hibbing Area Transit is not aware of any issues related to FTA compliance.

### 10.1.2 Olmstead Plan

In 1999, the Supreme Court affirmed that mental illness is a type of disability, that individuals with disabilities, including those with mental illness, have a right to live in their communities as opposed to forcing institutionalization, and are covered by the ADA in *Olmstead vs. L.C and E.W.*[5] The State of Minnesota is one of the more progressive states in instituting a specific Olmstead Plan. Minnesota's Olmstead Plan was updated most recently in March 2018[6].

For transit providers in Greater Minnesota, the Olmstead Plan requires that people with disabilities, including those with mental illness, are covered by the same requirements of the ADA (discussed in Section 10.1.4). It means that the level of transit service available to the general public (the span of service, frequency of service, and service area coverage) is also available to people with disabilities, including mental illness. It also means that social and human service agencies and public transit agencies should coordinate as much as possible to provide service to individuals with disabilities.

Hibbing Area Transit's demand response and deviated route services are available to all persons with disabilities, including mental illness, at the agency's standard fares (i.e., no additional fee). Continued and enhanced coordination with local human service agencies is a recommended component of the marketing and public education action plan discussed in Section 11.2.

### 10.1.3 Title VI

FTA requires recipients and sub-recipients to comply with USDOT Title VI regulations, based on Title VI of the Civil Rights Act of 1964. Title VI requirements for transit services are generally related to supplying language access to persons with LEP.[7] In Greater Minnesota, MnDOT is the primary recipient of FTA funds, so all Section 5311 transit service providers are sub-recipients. Thus, MnDOT has the primary responsibility for Title VI compliance. MnDOT may request information related to Title VI compliance, including language assistance plans or activities, public participation plans or activities including language access, etc., from the transit service providers as needed.

In Greater Minnesota, with primarily deviated route and demand response service, Title VI responsibilities pertain to identifying communities with LEP and providing materials and outreach in appropriate languages.

Hibbing Area Transit staff have not noted a demand for materials in other languages. Based on 2017 ACS data, less than 1% of households in the City of Hibbing report LEP. All LEP households identified as fluent in Asian and/or Pacific Island languages. Developing targeted outreach and marketing materials for this language group is included in the marketing and public education action plan discussed in Section 11.2.

### 10.1.4 Americans with Disabilities Act (ADA)

The ADA is designed to prohibit discrimination based on disability. In terms of FTA and the provision of transit service, the ADA is structured to ensure equal opportunity and access for

[5] https://supreme.justia.com/cases/federal/us/527/581/.
[6] https://www.dhs.state.mn.us/olmstead/.
[7] https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/FTA_Title_VI_FINAL.pdf.

persons with disabilities.[8] ADA requirements apply to facilities, vehicles, equipment, bus stops, level of service, fares, and provision of service.

In Greater Minnesota, with most service provided via deviated route or demand response, most service-related requirements (i.e., complementary paratransit service associated with fixed route service) are inherently met by mode. Any contracted service by transit agencies, including taxi services, must also comply with FTA and ADA requirements.

MnDOT defines the types of vehicles that are available for service provision in Greater Minnesota. All the vehicles on the list are ADA compliant. Any new facilities or bus stops must be constructed to be ADA compliant. All transit service providers must complete required training.

Service provision-related equivalencies include the following for demand response service:

- The response time, fares, geographic area of service, hours and days of service, trip purpose restrictions, and availability of information and reservations capability must be the same for all riders, including those with disabilities.
- With regard to capacity denials (denials within the existing service parameters in the above bullet), denials are allowed for demand response service, as long as the frequency of denials is the same as the frequency for riders without disabilities.
- Any priority given to persons with disabilities or higher levels of service is a local decision.
- Requirements for demand response service are different than those required for ADA complementary paratransit associated with fixed route service.

Service provision-related practices include the following for deviated route service:

- Advertise route deviation policies, including distance and availability.
- Establish a reasonable service area in which deviations are permitted (e.g., ¾ mile).
- Establish reasonable limits on numbers of deviations per trip to ensure that the fixed route portion of the service can operate on time.
- Apply reasonable surcharges for deviations (e.g., deviation surcharges no more than twice the base fare).

All Hibbing Area Transit vehicles are ADA compliant. Capital cost estimates associated with bus stop improvement recommendations are inclusive of ADA standards. Hibbing Area Transit does not provide fixed route service. The addition of automated scheduling and dispatch software will provide Hibbing Area Transit with the data needed to demonstrate that capacity denials are not disproportionally impacting individuals with disabilities.

### 10.1.5 Agency

MnDOT is responsible for making sure each provider (sub-recipient) complies with FTA Section 5311 requirements. MnDOT also has additional requirements for the transit service providers, including:

- Service data for National Transit Database (NTD)
  - Monthly and annually
  - By mode
- Grant management

[8] https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/Final_FTA_ADA_Circular_C_4710.1.pdf.

- Fleet inventory
- Denials
  - Capacity
  - Unmet Need
- On-time performance (pickup window)
- Percentage of communities with baseline span of service
- Performance metrics (required, but not tracked)
  - Passengers per hour
  - Cost per service hour
  - Cost per trip
  - Others (three at the discretion of the transit service provider)

MnDOT reports annual NTD statistics and created and maintains the *Transit Asset Management Plan* for all FTA Section 5311 transit service providers.

Hibbing Area Transit also has the following internal guidelines, policies, and requirements in place:

- The agency tracks basic metrics including hours, miles, and riders. Other issues are tracked informally through customer complaints on the website or Facebook page.
- Issues from drivers are submitted on a one page report twice a month.

## 10.2 Opportunities

In discussing opportunities with transit service providers throughout Greater Minnesota, several overarching opportunities were identified. They are discussed in Section 10.2.1. Opportunities specific to Hibbing Area Transit are discussed in Section 10.2.2.

### 10.2.1 Northeast Region

Across Greater Minnesota, several themes emerged related to the following opportunities:

- Regional coordination
- Marketing
- Mobility management
- Data standardization and tracking
- Transit manager handbook
- Succession planning
- Technology
- Online trip planner/apps/general transit feed specification (GTFS)
- Bulk procurement

Regional connections for employment, medical appointments, socialization, and other trip purposes have been identified by many transit service providers as both a need and a challenge to operate. Many of the longer distance trips are not being completed by public transit but rather by volunteer drivers. Some providers do provide regional services into metropolitan areas or into

neighboring counties. As the volunteer driver pools decrease over time, identifying a public transit solution to regional connectivity will be vital. One effort to fill regional transportation gaps is already underway. The Minnesota Departments of Transportation and Human Services, in collaboration with other state agencies, are working with the Metropolitan Council and other local governments and organizations, to create regional transportation coordinating councils as appropriate throughout Minnesota. Coordination between transportation providers and service agencies has been a goal and strategy to fill transportation gaps, provide more service with the same or fewer resources, streamline access to transportation, and provide customers more options of where and when to travel.

Getting the word out about the services that are available and how to use the transit service are themes that emerged from every transit service provider in Greater Minnesota. Developing marketing plans and getting out into the community is very time-consuming. Many providers could use additional staff for marketing activities, either a full-time staff position, or a shared regional staff position. Another solution may be to hire individuals in a mobility management role or train schedulers to all serve a mobility management role. Mobility managers are well versed in all types of transportation services in a community and work with customers to identify the best program for that customer. Mobility managers also work with community organizations, human service agencies, major employers, and others to get the word out about transit services and how to use them, including providing travel training for potential riders in some cases.

Data collection, organization, and reporting varies greatly from transit service provider to transit service provider. This inconsistency comes from different modes, different operating models, different types and level of technology, among other reasons. MnDOT has the opportunity through this five-year transit system planning process to identify and incorporate data standards, definitions, and tracking procedures. These could be documented in a Transit Manager's Handbook, something that would be helpful to guide transit managers in planning, operating, and reporting transit services. Staff turnover and the need for succession were mentioned by several transit agencies, both from the perspective of new staff and older staff nearing retirement age. A Transit Manager's Handbook would be helpful in both cases.

Technology also varies greatly from provider to provider; sometimes because of the size of the organization, sometimes because of technical support, sometimes because of staff size. New technology is becoming available and more affordable by the day. Transit service providers and MnDOT have many opportunities to increase the efficiency of service provision and improve customer service through investment in technology. Two primary opportunities came up with regard to technology with many providers:

- Increase awareness of the service and ability to understand how the service works by developing and publishing general transit feed specifications for flexible service (GTFS-Flex) for each transit service provider. This would enable anyone using Google Maps or Apple Maps or other mainstream online trip planners to see a transit service provider's service area or routes, hours of operation, and trip reservation procedure when they enter in an origin and a destination. It would automatically show whether transit service was available and how to use it.
- Save money, connect adjacent systems, and build regional connectivity and collaboration through bulk procurement of technology, especially scheduling/dispatching software.

### 10.2.2 Hibbing Area Transit

Opportunities identified specific to Hibbing Area Transit included:

- Enhance and streamline data collection through automated dispatch software
- Increase ridership on existing services through updated outreach and marketing techniques

- Improve regional connections on Arrowhead Transit routes
- Reduce marketing costs on media campaigns in partnership with Arrowhead Transit

## 10.3 Risks/Challenges

As with opportunities, risks and challenges were also identified. Risks and challenges are summarized in this section in terms of themes throughout Greater Minnesota (Section 10.3.1) and specific to Hibbing Area Transit (Section 10.3.2).

### 10.3.1 Northeast Region

Potential risk and challenge themes identified across Greater Minnesota included:

- Funding
  - Longevity and dependability
  - Local match
  - Contracts
  - Performance-based
- Staffing
  - Drivers
  - Professional staff
- Fleet
  - Vehicles, number of wheelchair positions
  - Expansion
  - Replacement
  - Fleet classification/spare ratio
- Data collection/data tracking
- Performance tracking

Funding is a frequently cited concern in Greater Minnesota. Concerns are related to the longevity and dependability of state and federal funding; use of tax revenue for local match vs. fare and contract revenue; contracts, including multi-year contracts; and any future performance-based requirements for funding. Historically, some transit service providers have been conservative about instituting new services because of perceived performance pitfalls and longevity of funding. Moving forward, focusing on improvement and expansion of service and the opportunities identified in the previous section, funding dependability, diversification, and documentation will be important.

Several providers mentioned difficulty in finding, hiring, and retaining drivers – both professional drivers and volunteer drivers. Training drivers and supporting drivers while working towards a commercial driver's license is also a challenge and can be costly. Additionally, finding qualified staff to fill roles associated with operations, management, dispatching/scheduling, marketing, technology, etc., can be challenging in rural areas. Generally, people with the higher technical skills are living in the metropolitan areas and are less interested in living and working in the more rural areas. The labor pool is much smaller in a rural area.

Other potential challenges focus on fleet. Some transit service providers operate in rural areas with high proportions of disabled riders. As such, some require vehicles with more than two

wheelchair positions. Diversifying vehicles available for use in Greater Minnesota may be required to implement some of the solutions identified in the five-year transit system plans and to realize the opportunities described in the previous section. Other areas for concern regarding fleet include being able to expand the fleet based on unmet needs; replacing vehicles that have higher-than average maintenance costs even if they have not exceeded their useful life; policies for classifying fleet and using retired fleet in service or as spares; and maintaining an appropriate spare ratio. Several transit service providers reported service reductions due to an ineffective spare ratio or the inability to expand the fleet.

Finally, potential challenges exist with regard to data collection, data tracking, and performance tracking. As mentioned in the previous section, an opportunity exists to standardize data collection, reporting, and tracking. This is an ambitious goal due to the variety of scheduling software that is being used, the lack of any software in some cases, and the variety of operating models that exist. To realize some of the opportunities, some level of standardization would be required.

### 10.3.2 Hibbing Area Transit

Potential risks and challenges identified by provider included staffing at both the city and contract level as well as technology-related limitations to data tracking.

# 11. Increasing Transit Use for Agency

As the goal set forth by state legislature is to understand what level of funding it would take to meet 90% of the transportation needs in Greater Minnesota by 2025, the primary assumption in the development of the five-year transit system plans is that transit agencies need to expand and grow ridership. Strategies to improve transit services and increase ridership were described in detail in previous chapters. Another crucial element to increasing ridership and growing transit mode share in an area is a comprehensive marketing and education strategy. Ridership will not increase if the community does not know that the service exists or how to use it.

Section 11.1 describes the elements of a comprehensive marketing and education program that could help Hibbing Area Transit grow ridership and community awareness. Section 11.2 describes an action plan for growing ridership and community awareness.

## 11.1 Marketing

Complementing the recommendations previously described in this five-year transit system plan, continuous marketing and education on the transit services available and how they work are crucial to the success of the transit program and to entwining the service into the fabric of the community. Some goals for marketing and education could include:

- Increase awareness, understanding, and utilization of the transit service by residents, employees, and visitors
- Promote transit service as both a fiscally responsible and green choice
- Position Hibbing Area Transit as *the* bus service in the community

Possible strategies to achieve these goals include:

- Update website
  - Include concise, clear instructions on how to use the service and who is eligible (everyone!)
  - Include easy-to-understand schedules and maps of services

  - Link to website from other town/city/county/partner websites
  - Provide downloadable brochures
  - Embed an online trip planner or link to an online trip planner
  - Add a 'Where's my Bus' option to the website
- Develop a social media presence
  - Post/update regularly
  - Advertise changes
  - Profile riders
  - Introduce new programs
  - Announce weather delays or cancellations
  - Promote the benefits of transit service
- Consider smartphone apps
  - Develop GTFS so that provider services show up as an option in common mapping apps (e.g., Google Maps, Apple Maps) and/or online trip planners. GTFS-Flex is the appropriate specification for deviated route or demand response service
  - Add a 'Where's my Bus' option to the website or a separate app so that customers can track their rides
  - Allow customers to request trips/negotiate trips with schedulers
- Embrace the mobility management role in the community
  - Train schedulers and dispatchers to function as mobility managers
  - Educate on all services/programs available in the service area and beyond
  - Train to negotiate and make connections until the customer has a viable option to meet their request/need
- Increase brand recognition of the Hibbing Area Transit service by adding branded signage at regular deviated route stops

## 11.2 Action Plan

A marketing and education strategy for Hibbing Area Transit should be based on input from existing riders and the larger community. Based on discussions with Hibbing Area Transit, stakeholder outreach, and survey results, the following ideas were identified:

- Website redesign with updated route and schedule information
- Branded bus stop signs and shelters
- Enhanced coordination with local human services agencies on marketing campaigns
- Continued coordination with Arrowhead Transit on dual-purpose marketing
- Targeted outreach and marketing materials for Asian-Pacific Island language groups

Other possible strategies include:

- Put together a marketing campaign that 'speaks' to potential customers – identify local advocates who have positive stories to share about their use of Hibbing Area Transit bus service. Some examples may include:

  - Provide an example of a rider who used to spend X on commuting costs, but riding the bus to commute only costs Y, a savings of % percent annually
  - Work with local senior groups to identify benefits to seniors in longevity and quality of life when mobility options are available that allow them to get out of their homes and attend events, run errands, and make it to medical appointments
- Include a 'Benefits of Transit Service' section on the website and brochures
  - Use national research statistics on the benefits of transit service
  - Identify different themes to capture the attention of different audiences and strategically utilize the themes in materials publicized with community partners and on Hibbing Area Transit materials
  - For mainstream materials, periodically focus on different themes to capture different audiences and re-engage others
  - Benefit themes may include: economic development, aging in place, reduction in air pollution, technology, community building, access to education and employment opportunities, quality of life for seniors and disabled persons, reduction in dependence on personal vehicles, mobility options for people living in rural areas, attraction of international tourists who will only visit destinations that do not require the use of personal vehicles, etc.

Based on the marketing and education priorities identified for provider, the top three action items towards implementing a new or improved marketing strategy are:

- Hibbing Area Transit will procure updated website in 2020. New Hibbing Area Transit support staff (hired 2020) would oversee website development and be responsible for ongoing maintenance and content updates.
- Hibbing Area Transit staff will procure design services for branded bus stop signage and coordinate with City of Hibbing maintenance staff to install the signage at regular deviated route bus stop locations, starting in 2020.
- Hibbing Area Transit will continue to participate in collaborative marketing campaigns with Arrowhead Transit.

## 11.3 Technical Memoranda

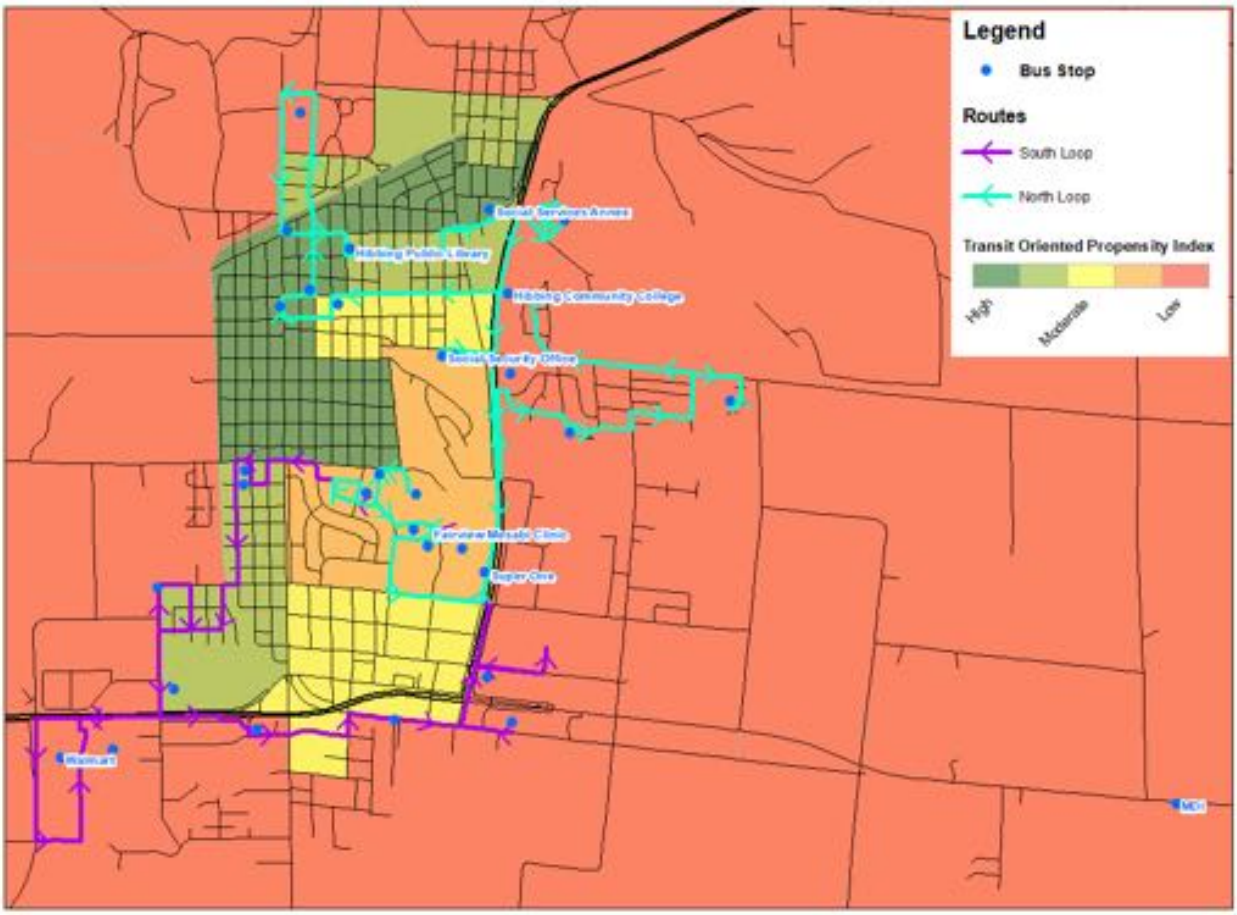
### 11.3.1 Survey Outreach and Themes

An online survey of Hibbing residents was completed as part of the Five-Year Transit System Plan. The results are provided in Appendix B.

### 11.3.2 Service Change Not Recommended for Implementation

At the prioritization workshop, Hibbing Area Transit and Shubat Transportation staff noted an operator's suggestion to change the current deviated route service to create a "north loop," which would serve the stops and pick-up locations north of the Mesabi Mall, and a "south loop," which would serve the stops and pick-up locations located south of the Mall. The two potential loops, as shown on Figure 23, would meet at the Mall, the transfer point between the loops, and each run on a half-hour basis.

**Figure 23. Potential Two-Loop Service Pattern**




The project team studied this potential change to assess feasibility and benefits. The project team found that this recommendation does not have adequate benefits to justify the change. These are a few reasons for this finding:

- Creating two loops will force many transfers, as many residential areas of the city would be served by the north loop and many destinations such as Walmart, Irongate Plaza, and the Workforce Center are on the south loop. Research indicates that riders are less likely to use a public transportation service if transfers are required.[9] This is likely especially true in a location such as Hibbing with harsh winter weather conditions.
- Both loops would likely need to serve the medical facilities adjacent to Super One, further diminishing any potential advantages of having two loops.
- Changing existing service is burdensome to both the agency and riders and can cause confusion for riders, which can impact the quality of service in the short-term.

Hibbing Area Transit also raised the possibility of implementing a feeder service to bring people into downtown to transfer to the deviated route service to get around town. After studying this change, the project team does not recommend implementing it. One reason for this is that forcing transfers makes many people, particularly those with mobility challenges, less likely to use the service. Secondly, the marginal additional distance that must be driven within the downtown area to bring those from the outer parts of the city is minimal.

[9] See, for example https://trid.trb.org/view.aspx?id=174502.

# Appendix A Capital and Operating Plans for 2020 through 2025

## Five Year Capital Plan
## Hibbing Area Transit

| Line Number | Line Item Name | 2020 | 2020 (local match) | 2021 | 2021 (local match) | 2022 | 2022 (local match) | 2023 | 2023 (local match) | 2024 | 2024 (local match) | 2025 | 2025 (local match) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1711 | Vehicle Cost | $ 330,000 | $ 66,000 | $ - | $ - | $ - | $ - | $ 360,000 | $ 72,000 | $ - | $ - | $ - | $ - |
| 1712 | Farebox(es) | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| 1713 | AVL/MDT | $ 50,000 | $ 10,000 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| 1714 | Camera(s) | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| 1715 | Logos | $ 8,240 | $ 1,648 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| 1716 | Radio (Communication Equipment) | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| 1717 | Other Bus Related Equipment | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| 1720 | Lift, Ramp Expenses, etc. | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| 1730 | Radio Equipment Expenses | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| 1740 | Fare Box Expenses | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| 1750 | Other Capital Expenses | $ 4,120 | $ 824 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| 1760 | Facility Purchase and/or Construction Cost | $ - | $ - | $ 14,322 | $ 2,864 | $ 14,752 | $ 2,950 | $ 15,194 | $ 3,039 | $ - | $ - | $ - | $ - |
| **Total Capital Budget** | | **$ 392,360** | **$ 78,472** | **$ 14,322** | **$ 2,864** | **$ 14,752** | **$ 2,950** | **$ 375,194** | **$ 75,039** | **$ -** | **$ -** | **$ -** | **$ -** |

**Operations PLANNING - Hibbing summary table**

| | | 2018 | 2020 | | 2021 | | 2022 | | 2023 | | 2024 | | 2025 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | total cost | local share | total cost | local share | total cost | local share | total cost | local share | total cost | local share | total cost | local share |
| | | $ | plus 3% | 20% | plus 3% | 20% | plus 3% | 20% | plus 3% | 20% | plus 3% | 20% | plus 3% | 20% |
| **Status Quo (Constrained)** | | $ 402,947 | $ 427,486 | $ 85,497 | $ 440,311 | $ 88,062 | $ 453,520 | $ 90,704 | $ 467,126 | $ 93,425 | $ 481,140 | $ 96,228 | $ 495,574 | $ 99,115 |
| | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | |

| | Implementation Y | 2018 | 2020 | | 2021 | | 2022 | | 2023 | | 2024 | | 2025 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | total cost | local share | total cost | local share | total cost | local share | total cost | local share | total cost | local share | total cost | local share |
| | | $ | plus 3% | 20% | plus 3% | 20% | plus 3% | 20% | plus 3% | 20% | plus 3% | 20% | plus 3% | 20% |
| **Expand/Grow** | | | | $ - | | $ - | | $ - | | $ - | | $ - | | $ - |
| New staff position (mktg., contract mgmt., a | 2020 | $ 9,709 | $ 10,300 | $ 2,060 | $ 10,609 | $ 2,122 | $ 10,927 | $ 2,185 | $ 11,255 | $ 2,251 | $ 11,593 | $ 2,319 | $ 11,941 | $ 2,388 |
| **Expansion/Growth Cost** | | **$ 9,709** | **$ 10,300** | **$ 2,060** | **$ 10,609** | **$ 2,122** | **$ 10,927** | **$ 2,185** | **$ 11,255** | **$ 2,251** | **$ 11,593** | **$ 2,319** | **$ 11,941** | **$ 2,388** |
| **NEW TOTAL BUDGET** | | | **$ 437,786** | **$ 87,557** | **$ 450,920** | **$ 90,184** | **$ 464,448** | **$ 92,890** | **$ 478,381** | **$ 95,676** | **$ 492,733** | **$ 98,547** | **$ 507,515** | **$ 101,503** |

| Five Year Transit Sytem Plan -- Constrained Operating Budget | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Provider** | | | | | | | | | | | | | | | | | | |
| **Line Item** | **Operating Expenses** | **2018 Budget** | **2018 (local match)** | **2019 Projected** | **Cost Factor** | **Inflation Factor (3% / year)** | **2020** | **2020 (local match)** | **2021** | **2021 (local match)** | **2022** | **2022 (local match)** | **2023** | **2023 (local match)** | **2024** | **2024 (local match)** | **2025** | **2025 (local match)** |
| 1010 | Admin, Management & Supervisory Salaries | $3,650.00 | $ - | $ 3,759.50 | Fixed | 3% | $ 3,872.29 | $ 774.46 | $ 3,988.45 | $ 797.69 | $ 4,108.11 | $ 821.62 | $ 4,231.35 | $ 846.27 | $ 4,358.29 | $ - | $ 4,489.04 | $ 897.81 |
| 1020 | Operator's Wages | $0.00 | $ 730.00 | $ - | $ / Hour | 3% | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 871.66 | $ - | $ - |
| 1030 | Vehicle Maintenance and Repair Wages | $5,540.00 | $ 1,108.00 | $ 5,706.20 | $ / Mile | 3% | $ 5,877.39 | $ 1,175.48 | $ 6,053.71 | $ 1,210.74 | $ 6,235.32 | $ 1,247.06 | $ 6,422.38 | $ 1,284.48 | $ 6,615.05 | $ 1,323.01 | $ 6,813.50 | $ 1,362.70 |
| 1040 | General Office Support Wages | $2,600.00 | $ 520.00 | $ 2,678.00 | Fixed | 3% | $ 2,758.34 | $ 551.67 | $ 2,841.09 | $ 568.22 | $ 2,926.32 | $ 585.26 | $ 3,014.11 | $ 602.82 | $ 3,104.54 | $ 620.91 | $ 3,197.67 | $ 639.53 |
| 1050 | Operations Support Wages | $0.00 | $ - | $ - | Fixed | 3% | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| 1060 | Fringe Benefits | $1,786.00 | $ 357.20 | $ 1,839.58 | variable | 3% | $ 1,894.77 | $ 378.95 | $ 1,951.61 | $ 390.32 | $ 2,010.16 | $ 402.03 | $ 2,070.46 | $ 414.09 | $ 2,132.58 | $ 426.52 | $ 2,196.55 | $ 439.31 |
| **Personnel Services** | Total 1000 (1010 - 1060) | $ 13,576.00 | $ 2,715.20 | $ 13,983.28 | | | $ 14,402.78 | $ 2,880.56 | $ 14,834.86 | $ 2,966.97 | $ 15,279.91 | $ 3,055.98 | $ 15,738.30 | $ 3,147.66 | $ 16,210.45 | $ 3,242.09 | $ 16,696.77 | $ 3,339.35 |
| 1110 | Management Fees | 0 | $ - | $ - | Variable | 3% | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| 1120 | Drug and Alcohol Testing and Administration Fee Expenses | 0 | $ - | $ - | Variable | 3% | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| 1130 | Advertising, Marketing and Promotional Charges | $5,706.00 | $ - | $ 5,877.18 | Variable | 3% | $ 6,053.50 | $ - | $ 6,235.10 | $ 1,247.02 | $ 6,422.15 | $ 1,284.43 | $ 6,614.82 | $ 1,322.96 | $ 6,813.26 | $ 1,362.65 | $ 7,017.66 | $ 1,403.53 |
| 1140 | Legal, Auditing, and Other Professional Fees | $0.00 | $ 1,141.20 | $ - | Variable | 3% | $ - | $ 1,210.70 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| 1150 | Staff Development Costs | $1,500.00 | $ 300.00 | $ - | Variable | 3% | $ 1,591.35 | $ 318.27 | $ 1,639.09 | $ 327.82 | $ 1,688.26 | $ 337.65 | $ - | $ 347.78 | $ 1,791.08 | $ 358.22 | $ 1,844.81 | $ 368.96 |
| 1160 | Office Supplies | $380.00 | $ 76.00 | $ 1,545.00 | Variable | 3% | $ 403.14 | $ 80.63 | $ 415.24 | $ 83.05 | $ 427.69 | $ 85.54 | $ 1,738.91 | $ 88.10 | $ 453.74 | $ 90.75 | $ 467.35 | $ 93.47 |
| 1170 | Leases and Rentals - Administrative Facilities | $0.00 | $ - | $ - | Variable | 3% | $ - | $ - | $ - | $ - | $ - | $ - | $ 440.52 | $ - | $ - | $ - | $ - | $ - |
| 1180 | Utilities | $3,200.00 | $ 640.00 | $ 3,296.00 | Variable | 3% | $ 3,394.88 | $ 678.98 | $ 3,496.73 | $ 699.35 | $ 3,601.63 | $ 720.33 | $ 3,709.68 | $ 741.94 | $ 3,820.97 | $ 764.19 | $ 3,935.60 | $ 787.12 |
| 1190 | Other Direct Administrative Charges | $0.00 | $ - | $ - | Variable | 3% | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| **Administrative Charges** | Total 1100 (1110 - 1190) | $ 10,786.00 | $ 2,157.20 | $ 11,109.58 | Variable | | $ 11,442.87 | $ 2,288.57 | $ 11,786.15 | $ 2,357.23 | $ 12,139.74 | $ 2,427.95 | $ 12,503.93 | $ 2,500.79 | $ 12,879.05 | $ 2,575.81 | $ 13,265.42 | $ 2,653.08 |
| 1210 | Fuel | $37,866.00 | $ 7,573.20 | $ 39,001.98 | $/mile | 3% | $ 40,172.04 | $ 8,034.41 | $ 41,377.20 | $ 8,275.44 | $ 42,618.52 | $ 8,523.70 | $ 43,897.07 | $ 8,779.41 | $ 45,213.98 | $ 9,042.80 | $ 46,570.40 | $ 9,314.08 |
| 1220 | Preventive Maintenance (PM) Labor, Parts and Material Expenses (Vehicles | $5,706.00 | $ 1,141.20 | $ 5,877.18 | $ / Mile | 3% | $ 6,053.50 | $ 1,210.70 | $ 6,235.10 | $ 1,247.02 | $ 6,422.15 | $ 1,284.43 | $ 6,614.82 | $ 1,322.96 | $ 6,813.26 | $ 1,362.65 | $ 7,017.66 | $ 1,403.53 |
| 1230 | Corrective Maintenance (CM) Labor, Parts and Materials Expense (Vehicles) | $17,119.00 | $ 3,423.80 | $ 17,632.57 | $ / Mile | 3% | $ 18,161.55 | $ 3,632.31 | $ 18,706.39 | $ 3,741.28 | $ 19,267.59 | $ 3,853.52 | $ 19,845.61 | $ 3,969.12 | $ 20,440.98 | $ 4,088.20 | $ 21,054.21 | $ 4,210.84 |
| 1240 | Tires | $3,745.00 | $ 749.00 | $ 3,857.35 | $ / Mile | 3% | $ 3,973.07 | $ 794.61 | $ 4,092.26 | $ 818.45 | $ 4,215.03 | $ 843.01 | $ 4,341.48 | $ 868.30 | $ 4,471.73 | $ 894.35 | $ 4,605.88 | $ 921.18 |
| 1250 | Other Vehicle Charges | $0.00 | $ - | $ - | $ / Mile | 3% | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| **Vehicle Charges** | Total 1200 (1210 - 1250) | $ 64,436.00 | $ 12,887.20 | $ 66,369.08 | | | $ 68,360.15 | $ 13,672.03 | $ 70,410.96 | $ 14,082.19 | $ 72,523.29 | $ 14,504.66 | $ 74,698.98 | $ 14,939.80 | $ 76,939.95 | $ 15,387.99 | $ 79,248.15 | $ 15,849.63 |
| 1310 | Purchase of Service | $305,275.00 | $ 61,055.00 | $ 314,433.25 | $ / Hour | 3% | $ 323,866.25 | $ 64,773.25 | $ 333,582.23 | $ 66,716.45 | $ 343,589.70 | $ 68,717.94 | $ 353,897.39 | $ 70,779.48 | $ 364,514.31 | $ 72,902.86 | $ 375,449.74 | $ 75,089.95 |
| 1330 | Mileage Reimbursement for Public Transit Service | $100.00 | $ 20.00 | $ 103.00 | Fixed | 3% | $ 106.09 | $ 21.22 | $ 109.27 | $ 21.85 | $ 112.55 | $ 22.51 | $ 115.93 | $ 23.19 | $ 119.41 | $ 23.88 | $ 122.99 | $ 24.60 |
| 1340 | Repair and Maintenance of Other Property | $1,000.00 | $ 200.00 | $ 1,030.00 | Variable | 3% | $ 1,060.90 | $ 212.18 | $ 1,092.73 | $ 218.55 | $ 1,125.51 | $ 225.10 | $ 1,159.27 | $ 231.85 | $ 1,194.05 | $ 238.81 | $ 1,229.87 | $ 245.97 |
| 1350 | Leases and Rentals of Facilities or Equipment | $0.00 | $ - | $ - | Variable | 3% | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| 1360 | Other Operations Charges | $0.00 | $ - | $ - | $ / Hour | 3% | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| **Operation Charges** | Total 1300 (1310 - 1360) | $ 306,375.00 | $ 61,275.00 | $ 315,566.25 | | 3% | $ 325,033.24 | $ 65,006.65 | $ 334,784.23 | $ 66,956.85 | $ 344,827.76 | $ 68,965.55 | $ 355,172.59 | $ 71,034.52 | $ 365,827.77 | $ 73,165.55 | $ 376,802.61 | $ 75,360.52 |
| 1410 | Public Liability and Property Damage on Vehicles | $13,000.00 | $ 2,600.00 | $ 13,390.00 | Fixed | 3% | $ 13,791.70 | $ 2,758.34 | $ 14,205.45 | $ 2,841.09 | $ 14,631.61 | $ 2,926.32 | $ 15,070.56 | $ 3,014.11 | $ 15,522.68 | $ 3,104.54 | $ 15,988.36 | $ 3,197.67 |
| 1420 | Public Liability and Property Damage - Other than on Vehicles | $0.00 | $ - | $ - | Fixed | 3% | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| **Operation Charges** | Total 1400 (1410 - 1420) | $ 13,000.00 | $ 2,600.00 | $ 13,390.00 | | | $ 13,791.70 | $ 2,758.34 | $ 13,791.70 | $ 2,841.09 | $ 14,631.61 | $ 2,926.32 | $ 15,070.56 | $ 3,014.11 | $ 15,522.68 | $ 3,104.54 | $ 15,988.36 | $ 3,197.67 |
| 1510 | Vehicle Registration and Permit Fees | $ 75.00 | $ 15.00 | $ 77.25 | Fixed | 3% | $ 79.57 | $ 15.91 | $ 81.95 | $ 16.39 | $ 84.41 | $ 16.88 | $ 86.95 | $ 17.39 | $ 89.55 | $ 17.91 | $ 92.24 | $ 18.45 |
| 1520 | Federal Fuel and Lubricant Taxes and Excise Taxes on Tires | $ - | $ - | $ - | Fixed | 3% | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| 1540 | Other Taxes and Fees | $ - | $ - | $ - | Fixed | 3% | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| **Taxes and Fees** | Total 1500 (1510 - 1540) | $ 75.00 | $ 15.00 | $ 77.25 | | | $ 79.57 | $ 15.91 | $ 79.57 | $ 16.39 | $ 84.41 | $ 16.88 | $ 86.95 | $ 17.39 | $ 89.55 | $ 17.91 | $ 92.24 | $ 18.45 |
| 1594 | Fuel Tax Refunds | $ (5,301.00) | $ (1,060.20) | $ (5,460.03) | Fixed | 3% | $ (5,623.83) | $ (1,124.77) | $ (5,792.55) | $ (1,158.51) | $ (5,966.32) | $ (1,193.26) | $ (6,145.31) | $ (1,229.06) | $ (6,329.67) | $ (1,265.93) | $ (6,519.56) | $ (1,303.91) |
| 1596 | Insurance Reimbursement | $ - | $ - | $ - | Fixed | 3% | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| | **TOTAL OPERATING BUDGET** | $ 402,947.00 | $ 80,589.40 | $ 415,035.41 | | | $ 427,486.47 | $ 85,497.29 | $ 439,894.93 | $ 88,062.21 | $ 453,520.40 | $ 90,704.08 | $ 467,126.01 | $ 93,425.20 | $ 481,139.79 | $ 96,227.96 | $ 495,573.98 | $ 99,114.80 |

# Appendix B Hibbing Area Transit Online Survey Results

The survey questions were prepared in consultation with Hibbing Area Transit. The online survey opened on June 3, 2019 and was available through June 21, 2019. The survey was open to all individuals who live, work, or visit the Hibbing Area Transit service area regardless of current bus usage. Individuals where asked about their knowledge of and usage of the system and based on the response they were directed to the appropriate set of questions. All were then asked to provide any additional comments they might have. Responses were received from 19 individuals.

**1. Have you heard about Hibbing Area Transit?**

Question was asked of all survey takers, there were 19 respondents.

- Yes – 16 (84%)
- No – 3 (16%)

**2. How did you hear about Hibbing Area Transit?**

Question was asked of only those who responded yes in question 1, there were 12 respondents and multiple responses were allowed.

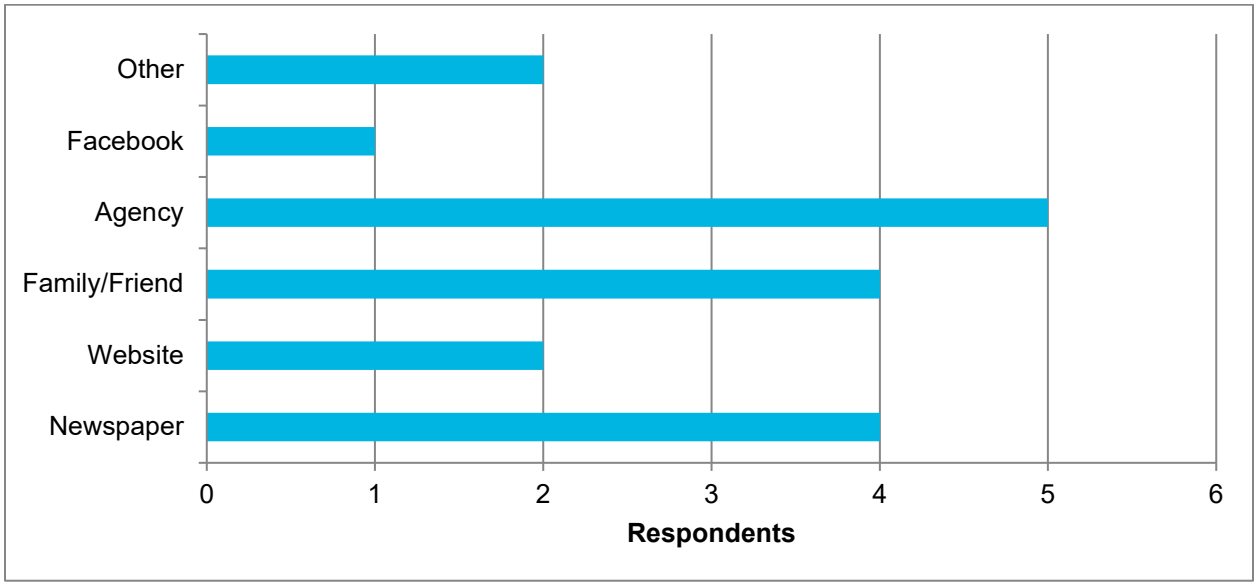



**Figure 24. Online Survey Results: How Individuals Heard About Hibbing Area Transit**

Those that choose other wrote in the following:

- Seeing it around town
- See buses in the street

**3. Do you use Hibbing Area Transit?**

Question was asked of only those who responded yes in question 1, there were 15 respondents.

- Yes – 3 (21%)
- No – 11 (79%)

**4. Which bus service do you use?**

Question was asked of only those who responded yes in question 1 and have used Hibbing Area Transit, there were 3 respondents.

- Dial-a-Ride – 1 (33%)
- Regular Bus Route – 1 (33%)
- Both – 1 (33%)

**5. What type of trips do you use the bus for most often?**

Question was asked of only those who responded yes in question 1 and have used Hibbing Area Transit, there were 3 respondents.

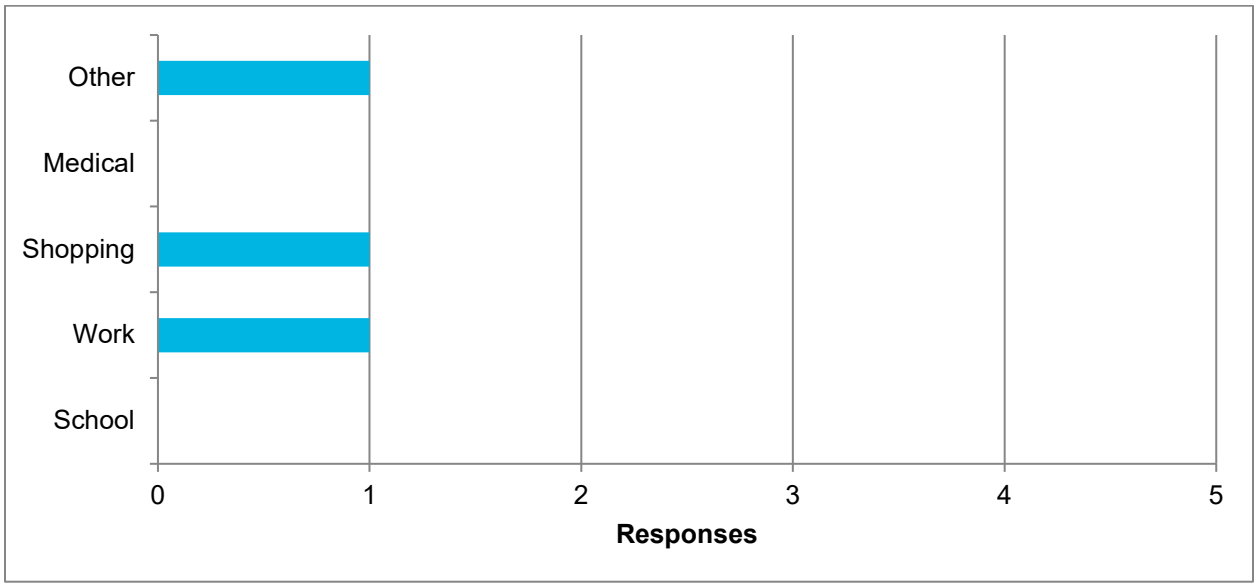



**Figure 25. Online Survey Results: Trip Purpose**

Those that choose other wrote in the following:

- All of them

**6. Why don't you currently use transit?**

Question was asked of only those who responded yes in question 1 and have not used Hibbing Area Transit, there were 11 respondents. More than one response was allowed.

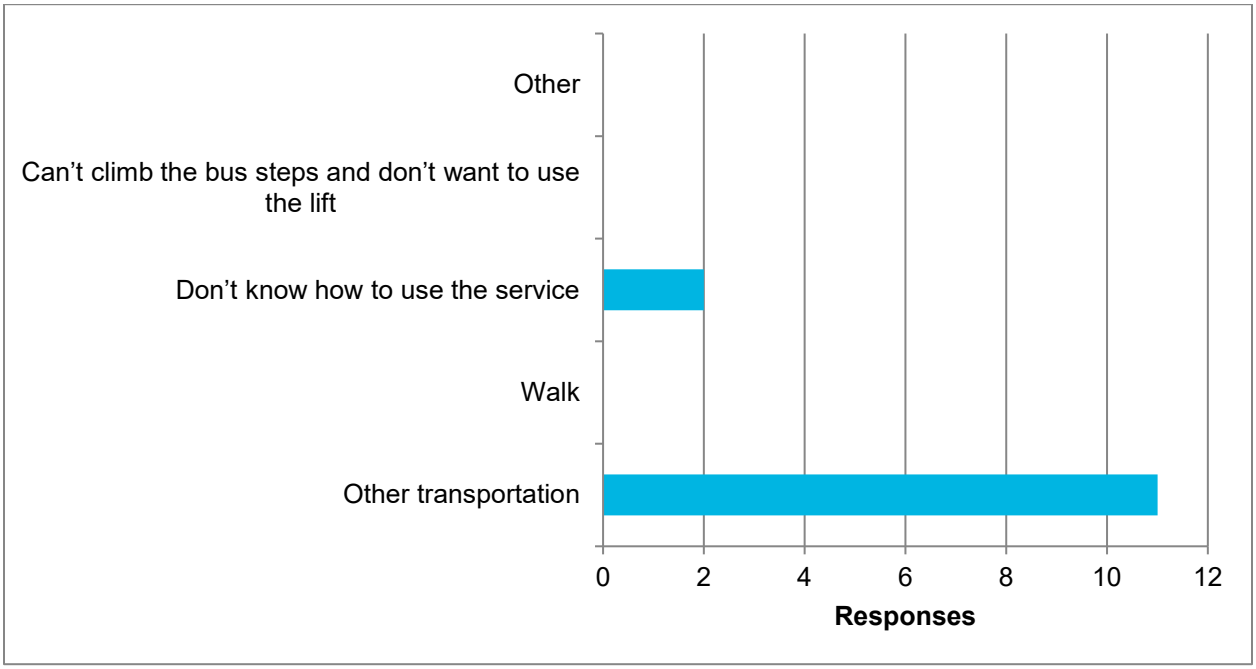



**Figure 26. Online Survey Results: Why Respondents Don't Currently use Transit**

**7. Thank you for your time and participation. Do you have any suggestions for improved public transportation in Hibbing?**

Question was asked of all survey takers, and was open-ended. There were 2 respondents, below lists their comments.

- I know it isnt  transits thing to do, but fix superone mall parking lot.
- More cooperation with Arrowhead transit.  Increase cost of monthly passes.

# Appendix C Transit Need and Demand Analysis (TCRP 161)

| **Transportation need/ Mobility Gap in each County** | the annual number of trips (1-way) needed because no access to a vehicle. |
|---|---|
| Hibbing (city) | 442,900 |
| **Total Need for service area** | **442,900** |
| | |
| **Demand for Public Transit (tab "3. Demand)** | Demand only occurs in places where public transit service already exists. |
| Hibbing (city) | 77,100 |
| **Total Demand for public transit in service area** | **77,100** |
| | |
| **Target Ridership = ½ mobility gap * 90%** | |
| 2020 ridership target | 90,323 |
| 2021 ridership target | 105,814 |
| 2022 ridership target | 123,961 |
| 2023 ridership target | 145,221 |
| 2024 ridership target | 170,127 |
| 2025 ridership target | 199,305 |