

Five-Year Transit System Plan



Final

Prepared by:



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Chapter 1. Executive Summary

Overview

The Minnesota Department of Transportation (MnDOT) completed the Greater Minnesota Transit Investment Plan (GMTIP) in May 2017. The GMTIP set forth a framework to expand transit service to meet critical unmet mobility needs. As part of this strategic effort, MnDOT is funding the development of short-range Five-Year Transit System Plans (FYTSP) for rural transit systems across the state. Minnesota River Valley Transit (MRVT) plays an essential role for people of all ages in Saint Peter, Le Sueur, and Kasota. The MRVT FYTSP will provide an understanding of:

- The strengths and weaknesses of the current transit system,
- Unmet needs and future transit service changes, and
- How best to deploy resources to increase ridership/usage across the network

The FYTSP will provide MRVT with a fiscally responsible framework to work with local government officials, local planning agencies, board members and other stakeholders to build local support for improving their transit system.

Summary of Major Components

The FYTSP includes a description of the governance structure, operating environment, and current services of MRVT, as well as a summary of capital and operating costs. Projected future capital and operating expenses for the years 2020 to 2025 are estimated based on recommended service expansion concepts.

Recommendations are organized by the following categories: **Service, Staffing, Facilities/Fleet, Technology, and Marketing**, and are summarized into an Action Plan beginning on page 61.

Summary of Technical Memoranda

Previous technical memoranda included a description of existing conditions in the MRVT service area, as well as a summary of public engagement efforts. Major findings from the both documents are included in this report.

Needs Assessment

Consultants conducted a performance review of MRVT services to identify where service is being operated efficiently and where improvements can be made to increase ridership while enhancing cost effectiveness and efficiency.

MRVT currently operates the following services:

- Regular route service between Le Sueur, Saint Peter, and Mankato, offered on Monday, Thursday, and Saturday.
- Dial-a-ride services in Le Sueur, Saint Peter, and Mankato.
- Shuttle for students at Gustavus Adolphus College that operates late nights on Wednesday, Friday, and Saturday.
- Subscription services for preschools.

Consultants facilitated a series of on-site interviews with MRVT staff and surveys with stakeholders identified by MRVT staff to learn how well service is meeting needs and identify gaps in service as well as capital and operational needs. Through this engagement, the following potential areas for improvement were identified: marketing and communications, door-to-door service availability, morning service capacity, service hours, availability of regular route service, lead times for dial-a-ride service, and service to North Mankato.

Recommendations

This report identifies short- and long-term recommendations for MRVT to better serve its current and future users. The following improvements are recommended for the short term:

- Prepare to add capacity, including additional vehicles and operators, to meet increasing demand for dial-a-ride service.
- Consolidate dial-a-ride trips into shared rides as often as possible to increase cost effectiveness and efficiency.
- Monitor the time users spend on the bus during their trips and add capacity or adjust trip schedules if users are spending a long time in transit, especially if travel times increase.
- Measure ridership and revenue hours per capita on a regular basis to assess its provision of service in relation to community needs.

Long-term recommendations focus on service expansion. The following recommendations are made:

- Monitor customer feedback regarding and ridership on the Le Sueur – Saint Peter – Mankato Corridor route to determine whether the existing service is sufficient and add more daily and/or weekend service if needed.
- Review Le Sueur ridership and route denials and change or eliminate stops as needed to improve service quality.
- Monitor service denials and ridership on Saint Peter Dial-a-Ride service and add vehicle capacity and/or Sunday service if needed.
- Monitor ridership on Gustavus Adolphus College service and add service if needed.

Chapter 2. Why a Five-Year Capital and Operational Plan?

Transit systems in Greater Minnesota operate in a rapidly changing environment, with new policies, funding situations, system mergers, and increased demands for services.

To address the growing need for transit service in a way that is integrated and embraced by the community, a vision for each transit system is critical. Without a plan, systems are put in the position of having to react in the moment to new circumstances. They may operate on a year to year basis without a longer-term vision to guide budgets and decision making.

A five-year plan for each transit system will provide a framework for connecting with local government officials, local planning agencies, board members, and other stakeholders to build support for improving their transit system. The FYTSP will provide each system, MnDOT and the Minnesota Public Transit Association with a clear definition of transit needs and a basis from which to request long-term commitment of local funds and leverage state and federal funding.

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. 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.

MnDOT is committed to funding consultant support for each transit provider to develop a five-year plan that is designed to meet the needs of each unique system and community. The process for developing the five-year plans is guided by a project manager (DRB), the Office of Transit and Active Transportation at MnDOT, and the Minnesota Public Transit Association. A Project Advisory Committee consisting of transit directors, staff from metropolitan planning organizations and 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. The Greater Minnesota transit system five-year plans will allow all transit service to be incorporated into the larger vision for communities as they plan for new economic development and a future with an aging population.

Policies, including the Olmstead Plan and Americans With Disabilities requirements, are leading communities to explore ways to accommodate the needs of people with disabilities. A statutory goal of meeting 90 percent of the need for transit service by 2025 in Greater Minnesota also is focusing more attention on 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 blueprint for routes to add or expand, specific hours of service to adjust, and funding to pursue to cover additional operating and capital expenses. The plans also will facilitate communication with the public which will raise awareness of how and where transit service is provided.

These five-year plans are designed to be updated annually by the service providers to meet changing needs and circumstances.

Transit service improves the livability and prosperity of communities across Greater Minnesota. The five-year transit system plans will bring stakeholders together to develop a vision that will guide the decisions made today and in the future.

Chapter 3. Agency Overview

Background

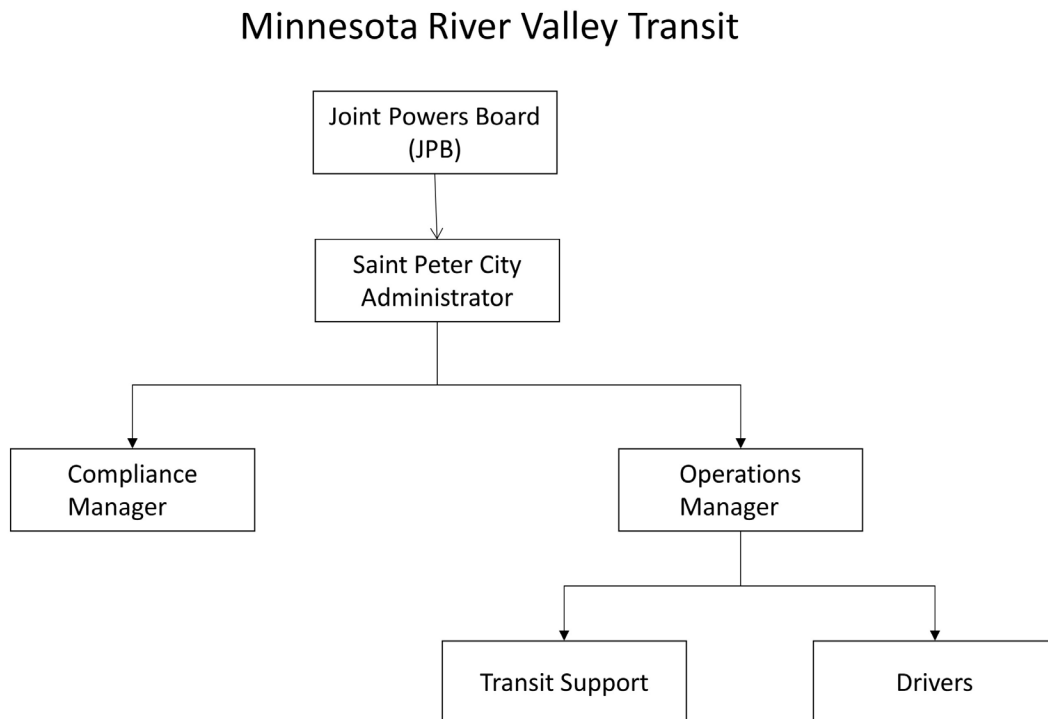
MRVT formed by a consolidation of Le Sueur Transit (City of Le Sueur) and Saint Peter Transit (City of Saint Peter) on January 1, 2017. Le Sueur Transit began service in the City of Le Sueur in 1978. The service operated within the city limits from 1978 until the consolidation. Saint Peter Transit began operation in the City of Saint Peter on March 1, 1989. Service to Kasota (across the Minnesota River) was added later.

Currently, MRVT does not have an official mission or vision statement; it is recommended that MRVT developing official mission and vision language as part of future planning and marketing efforts.

Governance

Minnesota River Valley Transit is governed by a Joint Powers Board (JPB). The board is made up of two City Council members from City of Le Sueur and two City Council members from the City of Saint Peter. All employees are employees of the City of Saint Peter, and the City of Le Sueur handles the financial matters. Figure 1 shows the organization structure of Minnesota River Valley Transit.

Figure 1. Organization Structure for Minnesota River Valley Transit



Decision-Making Process

MRVT decisions are made by the JPB. Recommendations come to the board through the Operations or Compliance Managers and then through the Saint Peter City Administrator. The JPB is the final decision maker.

The JPB passed the Advisory Committee rules at the May 2018 board meeting. The JPB meetings occur bi-monthly alternating between Saint Peter and Le Sueur.

Service Area Overview

MRVT provides transportation services in City of Saint Peter, City of Le Sueur and City of Kasota.

- The City of Le Sueur is located on the border of Le Sueur and Sibley counties along the Minnesota river and U.S. Highway 169. With a land area of 5.37 square miles, the city has an estimated population of 3,996.¹
- The City of Saint Peter, county seat of Nicollet County, is located about 10 miles north of the Mankato – North Mankato metropolitan area, at the intersection of Minnesota State Route 99 and US Highway 169. Saint Peter is the county seat of Nicollet County and the home of Gustavus Adolphus College; it has a population of 11,567.¹
- The City of Kasota is located about 2 miles south of Saint Peter, east of US Highway 169 and the Minnesota river. In 2016, Kasota had a population of 803.¹

The following sub-sections include a geographical analysis of demographic and economic characteristics of counties and the communities located in the agency service area.

Demographic Characteristics

The 2017 Local Human Service Public Transit Coordination Plan of South Central Minnesota identified Blue Earth, Nicollet, Sibley and Watonwan as the only counties with population growth between 2009 and 2015, according to the Census Bureau. This was enough to estimate a region-wide growth rate over two percent. Current population growth tends to cluster around the Mankato-North Mankato MSA, with Blue Earth and Nicollet Counties showing the largest increase, while other counties show little growth or population decline. Similar growth patterns are expected to continue, with proximity to Mankato and the Minneapolis/Saint Paul Metro primarily benefitting Blue Earth, Le Sueur, Nicollet and Sibley Counties. Blue Earth, Nicollet and Le Sueur Counties are experiencing an increased baby boomer population over the age of 65 in 2015.

MnDOT developed a transit dependency index to highlight areas with concentrated populations that may use transit. Factors considered in this analysis include densities of the following: population,

¹ American Community Survey, 2016 5-Year Estimates

employment, youth (under 18), older adults (age 65+), households without a vehicle, persons with a disability, limited English ability and low-income households.

- Population and Employment Density – Population and employment sites are key indicators of where transit may succeed.
- Youth Density – Youth, many of whom do not have a driver’s license or access to a vehicle, exhibit a higher overall need for transit than the general population.
- Older Adult Density – Older adults typically use public transportation more frequently than the general population. Older adults often exhibit higher demand for transit as they become less capable or willing to drive themselves or can no longer afford to own a car on a fixed income.
- Zero Vehicle households – One of the most influential indicators of transit need is whether a household has access to a car. This indicator may represent households without the economic means of owning a vehicle, households that choose not to own a car or individuals who are unable to drive, such as senior citizens and persons with disabilities.
- Low-Income Populations – Low-income households earn up to 150 percent of the federal poverty threshold. In Greater Minnesota, 12 percent of households are classified as low-income, slightly above the statewide share of 11.5 percent. Greater Minnesota counties with the highest percentages of low-income households include Blue Earth (19.2 percent).
- Persons with Disabilities – Persons with disabilities are often heavily dependent on public transit service. Of residents over the age of 17 in Greater Minnesota, 11.4 percent have a disability, slightly higher than the statewide average of 10.1 percent.
- Persons with Limited English Proficiency – Limited English proficiency can be another indicator of a household’s relative dependency on transit.

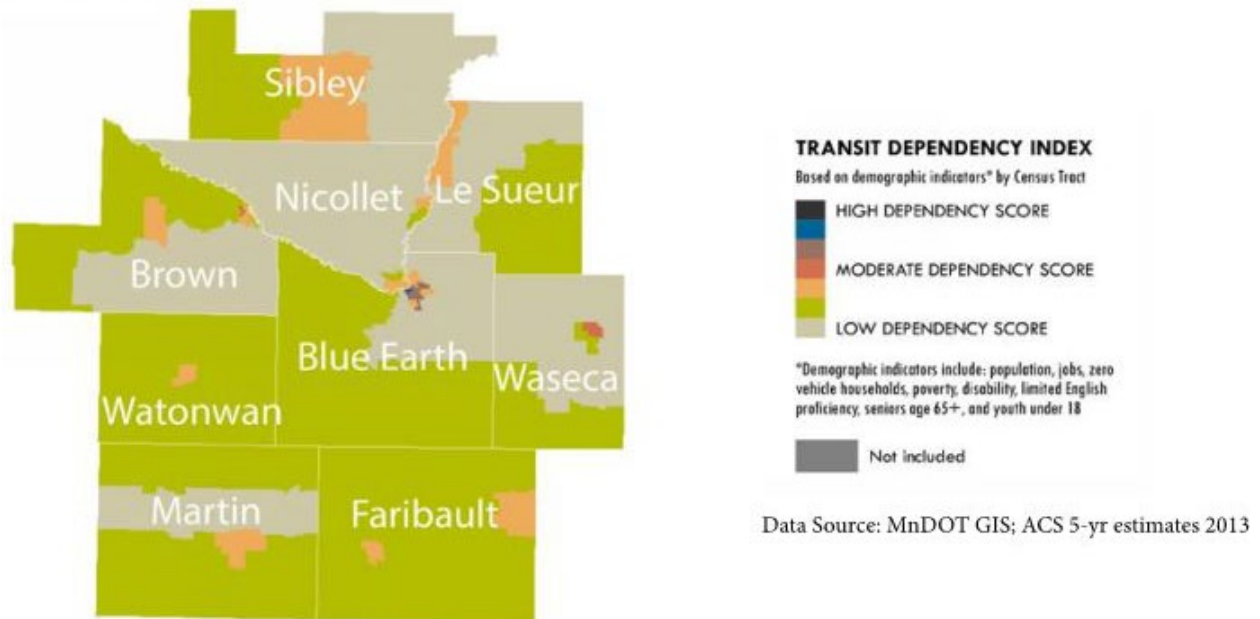
Table 1 and Figure 2 illustrates pockets of transit dependency within Nicollet, Le Sueur and Blue Earth Counties.

Table 1. Population of Counties and Communities Served by MRVT

Geography	Population	Households	Zero Car Households
Mankato	40,900	15,741	1,511
North Mankato	13,451	5,742	416
Saint Peter	11,567	3,648	257
Le Sueur	3,996	1,680	110
Kasota	803	321	16

Source: American Community Survey, 2016 5-Year Estimates

Figure 2. Transit Dependent Areas



Le Sueur

Le Sueur is home to many manufacturing and agriculture/food processing companies including Le Sueur Incorporated, Seneca Foods Corporation, and Le Sueur Cheese Company. Cambria Company has its headquarters outside of Le Sueur, and General Mills maintains a research facility in Le Sueur. Highway 169 is linked to Le Sueur at an interchange with Highway 112 to the north of the city, and at an interchange with Bridge Street west of the city. A summary of community characteristics is shown in Table 2 (bold figures show an indicator above the statewide average).

Table 2. City of Le Sueur Community Characteristics

Measure	City of Le Sueur	State of Minnesota
Population under 18	22.7%	23.8%
College age population (18-24)	8.4%	9.4%
Older adults (age 65+)	19.1%	13.6%
Transit commuters	2.0%	3.0%
Unemployment rate	2.2%	6.5%
Poverty status	9.3%	15.0%
Zero vehicle households	5.6%	7.3%
Foreign born population	4.5%	7.4%
Minority population	17%	18.0%

Source: American Community Survey, 2016 5-Year Estimates

Key Destinations

Ridgeview Le Sueur Medical Center is a community hospital in Le Sueur with emergency services and approximately 110 beds. Mayo Health System also operates a clinic on its campus. Additionally, Le Sueur has two eye clinics and one dental clinic.

Saint Peter

Being the county seat, Saint Peter houses various civic services (i.e., courts, permitting) and county departments. Saint Peter is also home to Gustavus Adolphus College, and several healthcare institutions. Highway 169 operates at-grade through town as Minnesota Avenue, a main thoroughfare in Saint Peter's central business district. A summary of community characteristics is shown in Table 3 (bold figures show an indicator above the statewide average).

Table 3. City of Saint Peter Community Characteristics

Measure	City of Saint Peter	State of Minnesota
Population under 18	18.8%	23.8%
College age population (18-24)	26.8%	9.4%
Older adults (age 65+)	12.8%	13.6%
Transit commuters	0.0%	3.0%
Unemployment rate	7.1%	6.5%
Poverty status	9.3%	15.0%
Zero vehicle households	4.6%	7.3%
Foreign born population	4.1%	7.4%
Minority population	13.0%	18.0%

Source: American Community Survey, 2016 5-Year Estimates

Key Destinations

Gustavus Adolphus College is a private liberal arts school located in Saint Peter, Minnesota. Recent fall enrollment consisted of approximately 2,400 students, the majority of whom live on campus. River's Edge Hospital is a community hospital with 17 inpatient beds; River's Edge Clinic is also located on the campus and offers primary and specialty care services. Additionally, Mayo Health System operates the Saint Peter Community Clinic. The city is also home to the Saint Peter Regional Treatment Center which houses the Minnesota Security Hospital and treats over 300 patients. Other destinations in Saint Peter include the county fairgrounds, a significant retail/central business district, a cooperative grocery, and a traditional supermarket.

Each of the factors used in the Transit Dependency Index analysis were also analyzed individually in this section to provide context for transit service needs throughout the MRVT service area, as well as nearby areas within the Southeast Minnesota transit region. Figure 3 through Figure 10 were developed using the datasets compiled and provided by MnDOT.

Figure 3 shows the distribution of senior populations living in and around the MRVT service area. There are generally low numbers of seniors within the service areas of MRVT. Le Sueur has the highest for the service area, being at the average level for the Southeast Minnesota transit region.

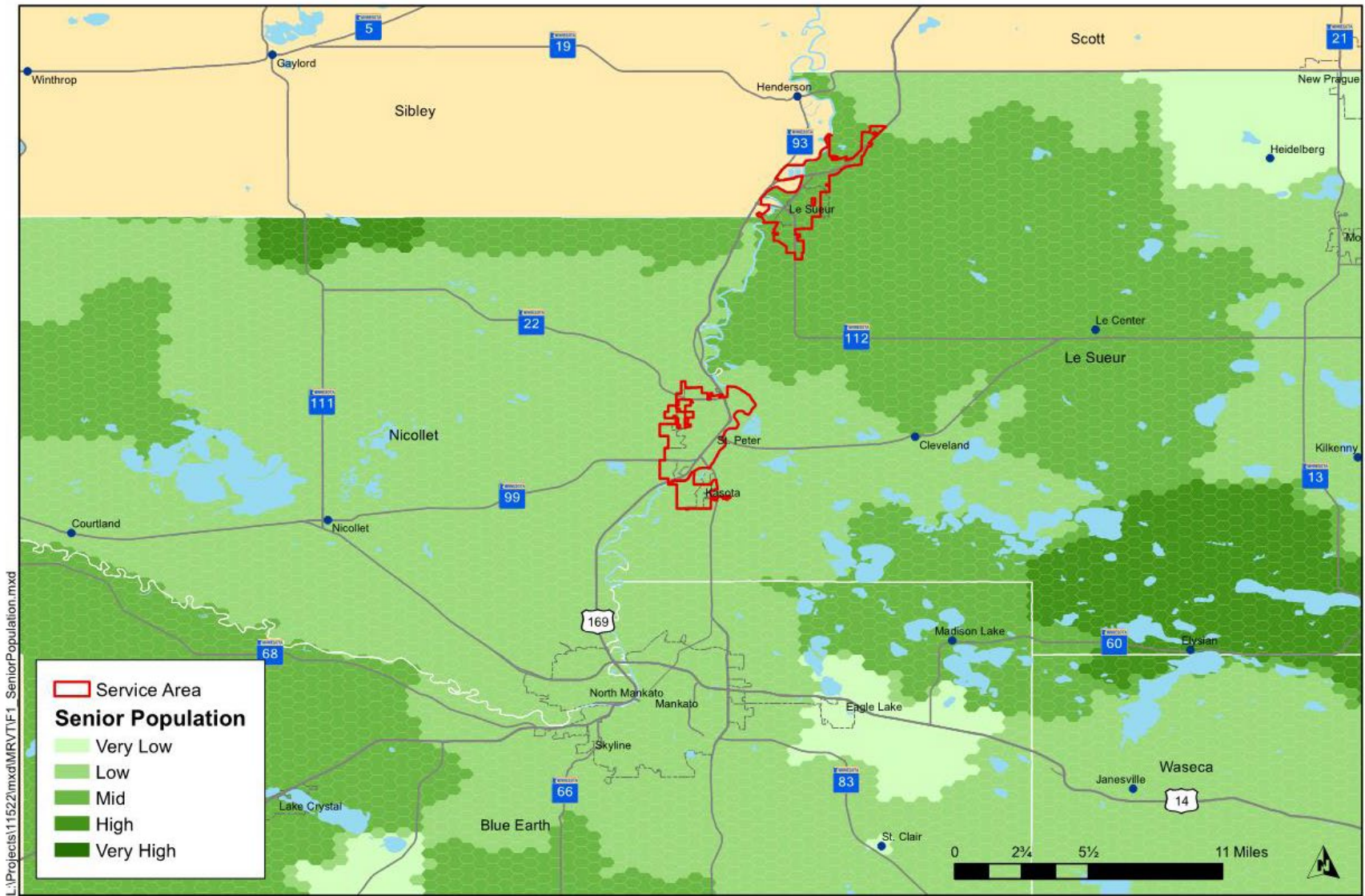
Figure 4 shows where zero vehicle households can be found in the MRVT service area. There are very low levels of zero vehicle households in Le Sueur with only slightly higher levels in Saint Peter.

Figure 5 shows the distribution of populations with disabilities. Saint Peter and Kasota have a high level of people living with a disability. Le Sueur has relatively low levels.

Figure 6 shows Saint Peter having some of the highest levels of poverty in the Southeast Minnesota transit region. Kasota has slightly lower levels than Saint Peter, but still quite high. Le Sueur has average poverty levels for the area.

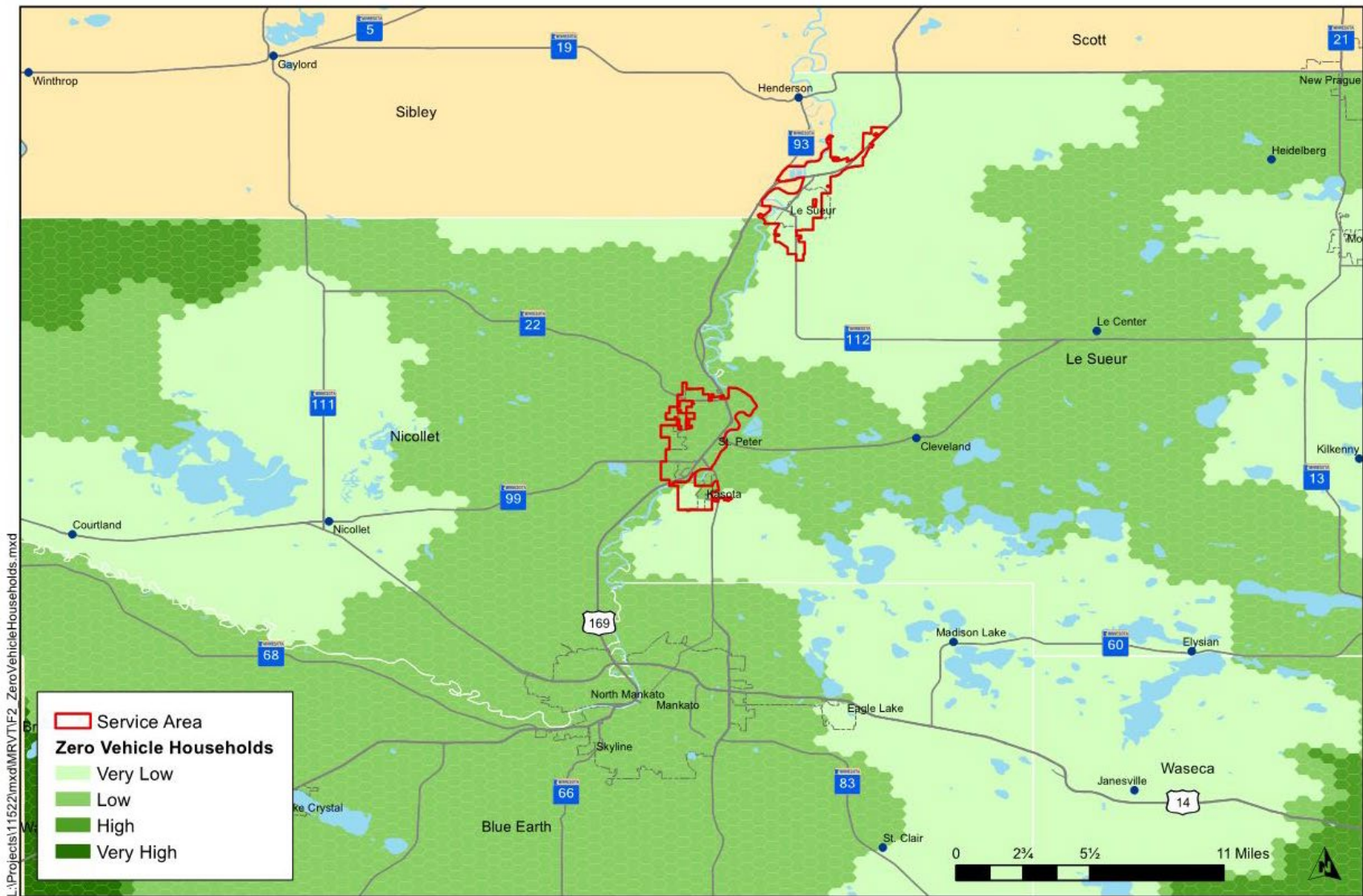
Figure 7 shows the population change in the area between 2011 and 2015. Saint Peter saw some growth while Le Sueur and Kasota remained stable.

Figure 3. Senior Population - Percent of Population over 65



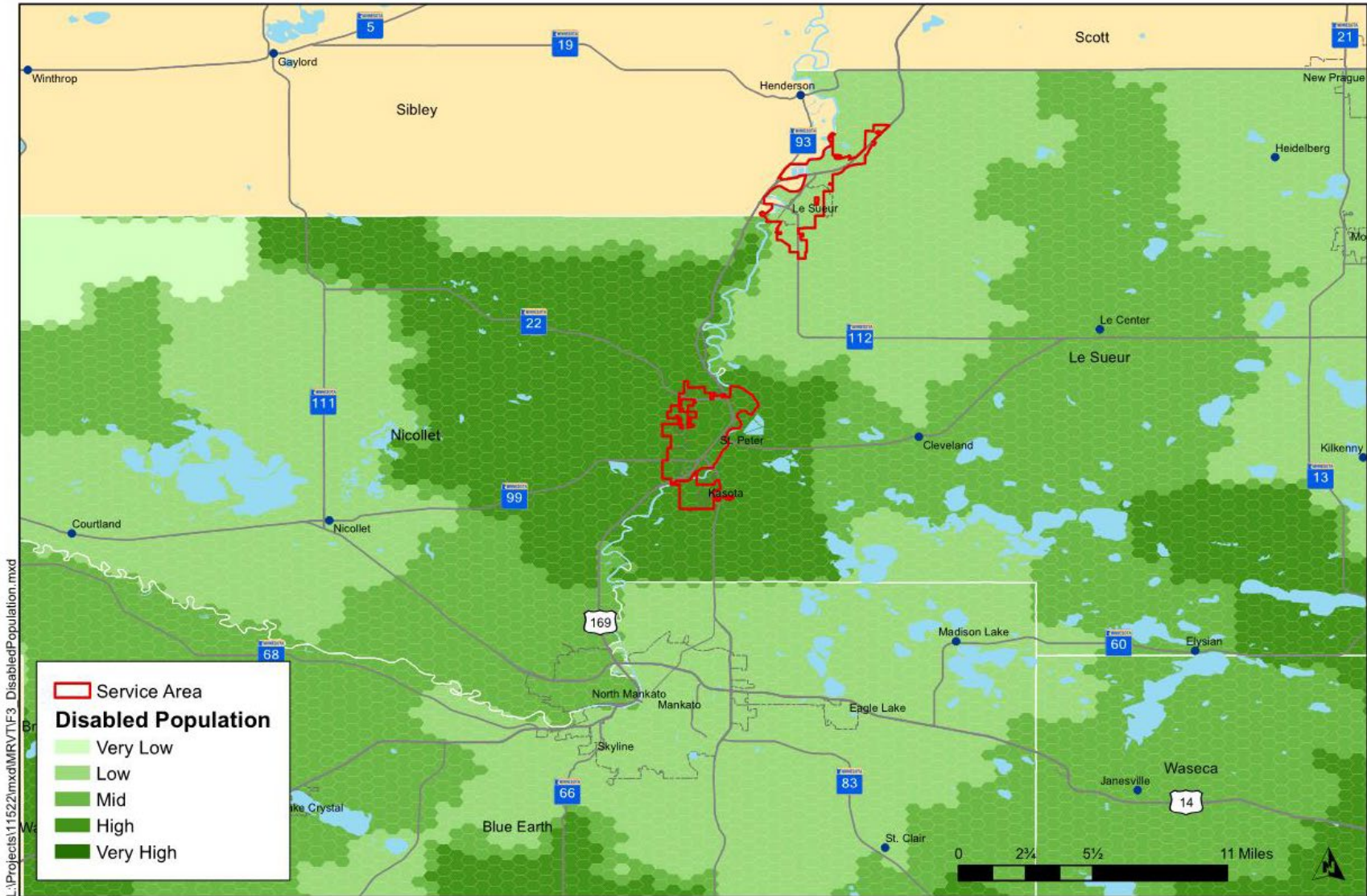
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Figure 4. Zero Vehicle Households - Percent of Households Without Access to a Vehicle



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Figure 5. Population with a Disability - Percent of Population With a Disability



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Figure 6. Population Experiencing Poverty – Percent of Population Experiencing Poverty

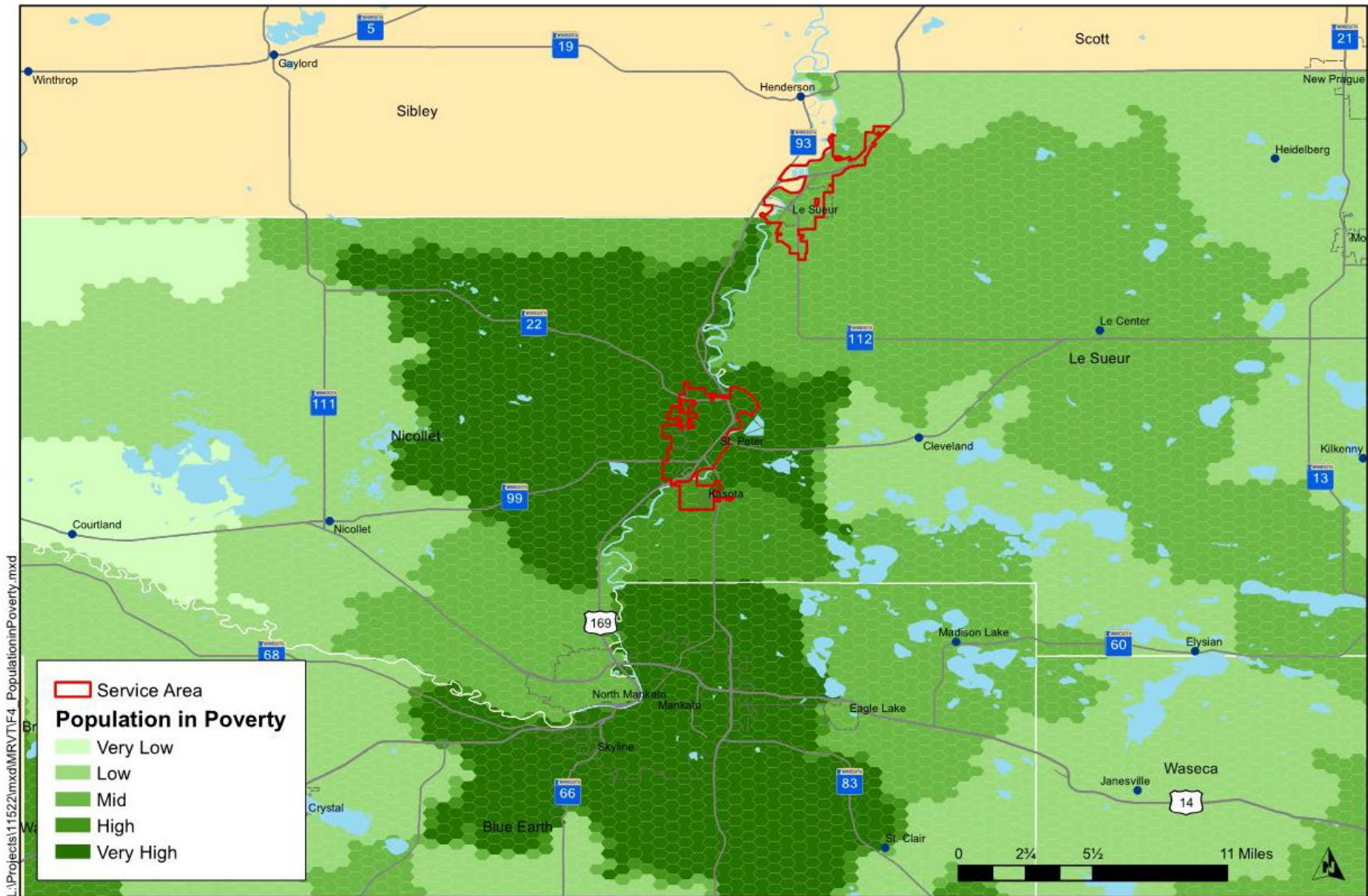
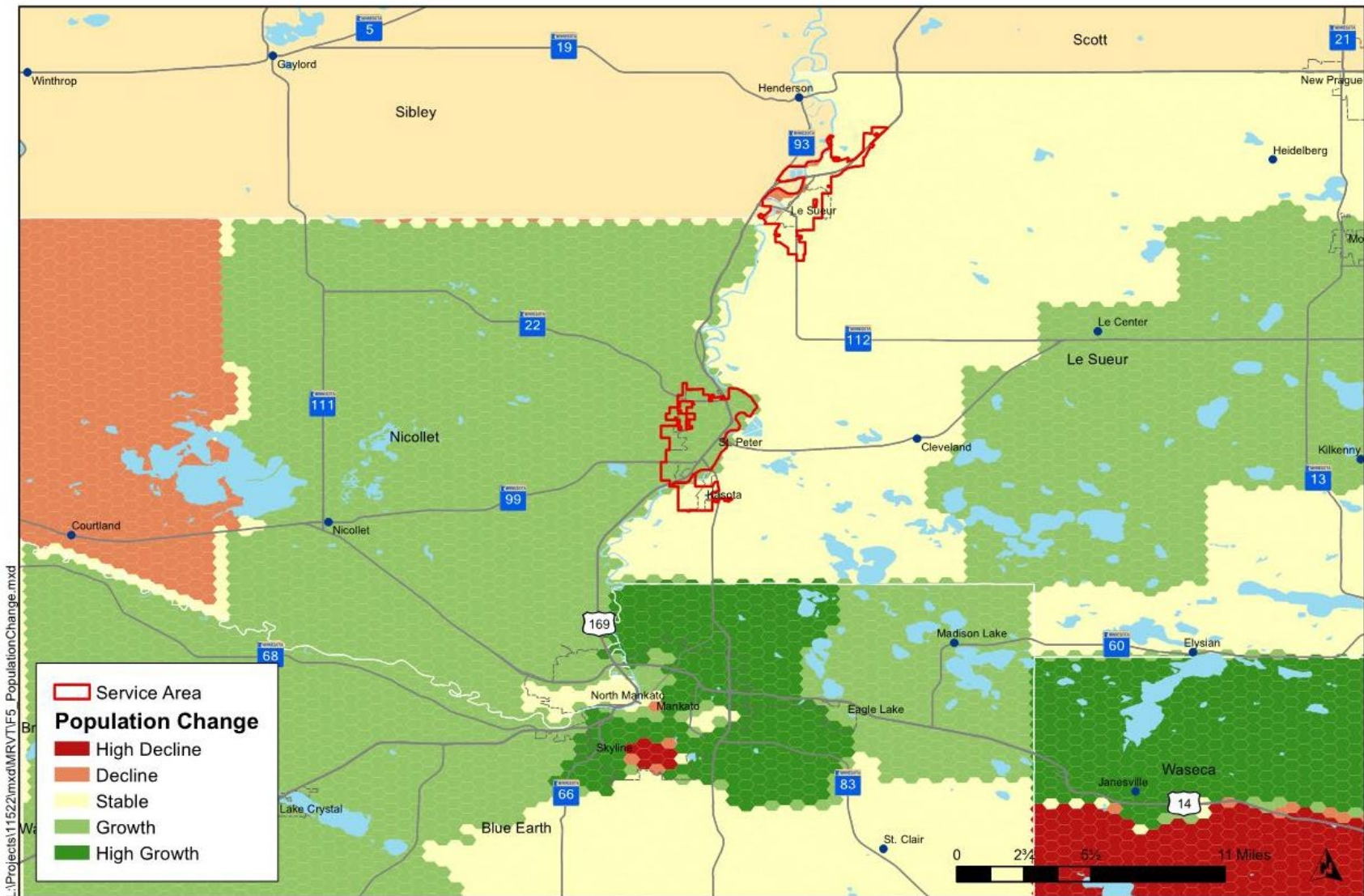


Figure 7. Population Change 2011 to 2015



Economic Characteristics

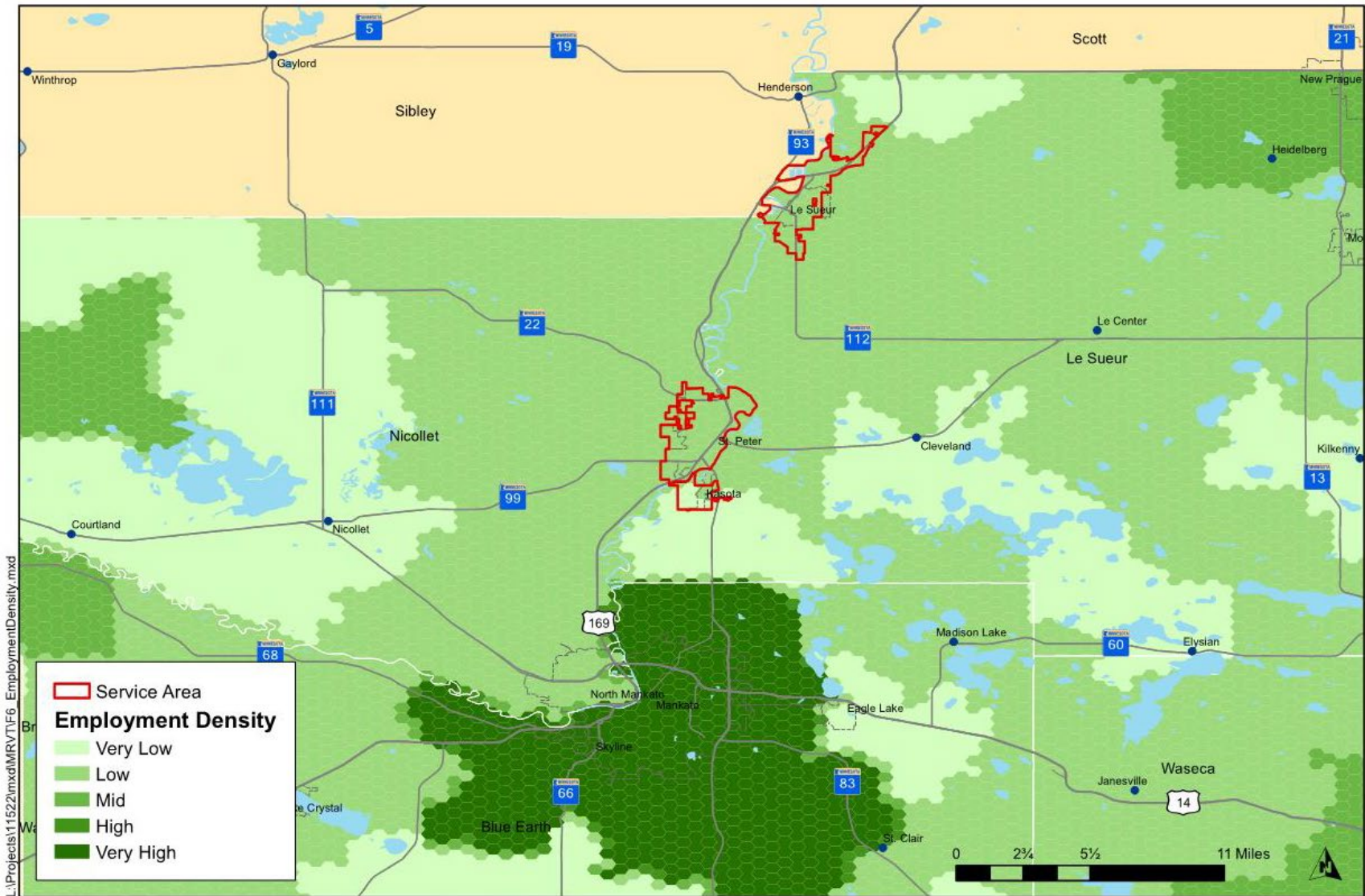
Figure 8 shows the employment density in the area surrounding the MRVT service area. The service cities have relatively low levels of employment opportunities. There are very high concentrations of employment in Mankato, which serves as an important transit destination for both employment and services for transit riders.

Figure 9 shows the change in the number of employees from 2011 to 2015. This change echoes Figure 8. Employment in Le Sueur, Saint Peter, and Kasota has remained stable with growth in Mankato. There is also employment growth in other nearby centers, such as Nicollet, that could serve as potential destinations.

Figure 10 shows the per capita income in the service area. It shows Le Sueur and Kasota having per capita incomes at average levels for the region, while Saint Peter has slightly lower than average incomes.

The demographic and economic characteristics shown here illustrate a need for transit focusing on connections to economic opportunity and serving people with disabilities. All three cities in the MRVT service area have elevated poverty, low incomes, and higher than average populations with disabilities. Emphasizing strategies that connect these populations to areas with good employment opportunities will be beneficial to these places.

Figure 8. Employment Density



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Figure 9. Employment Growth 2011 to 2015

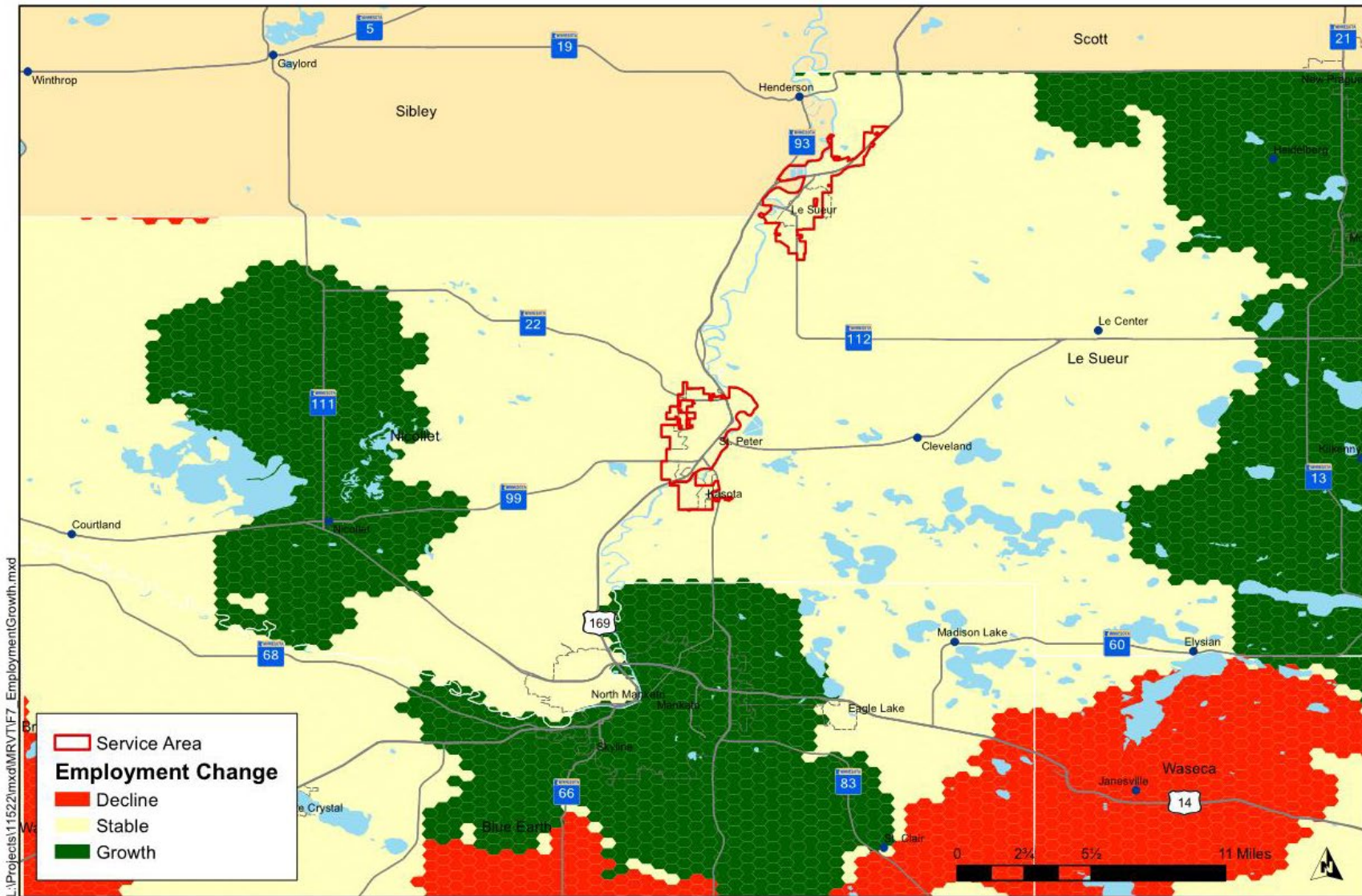
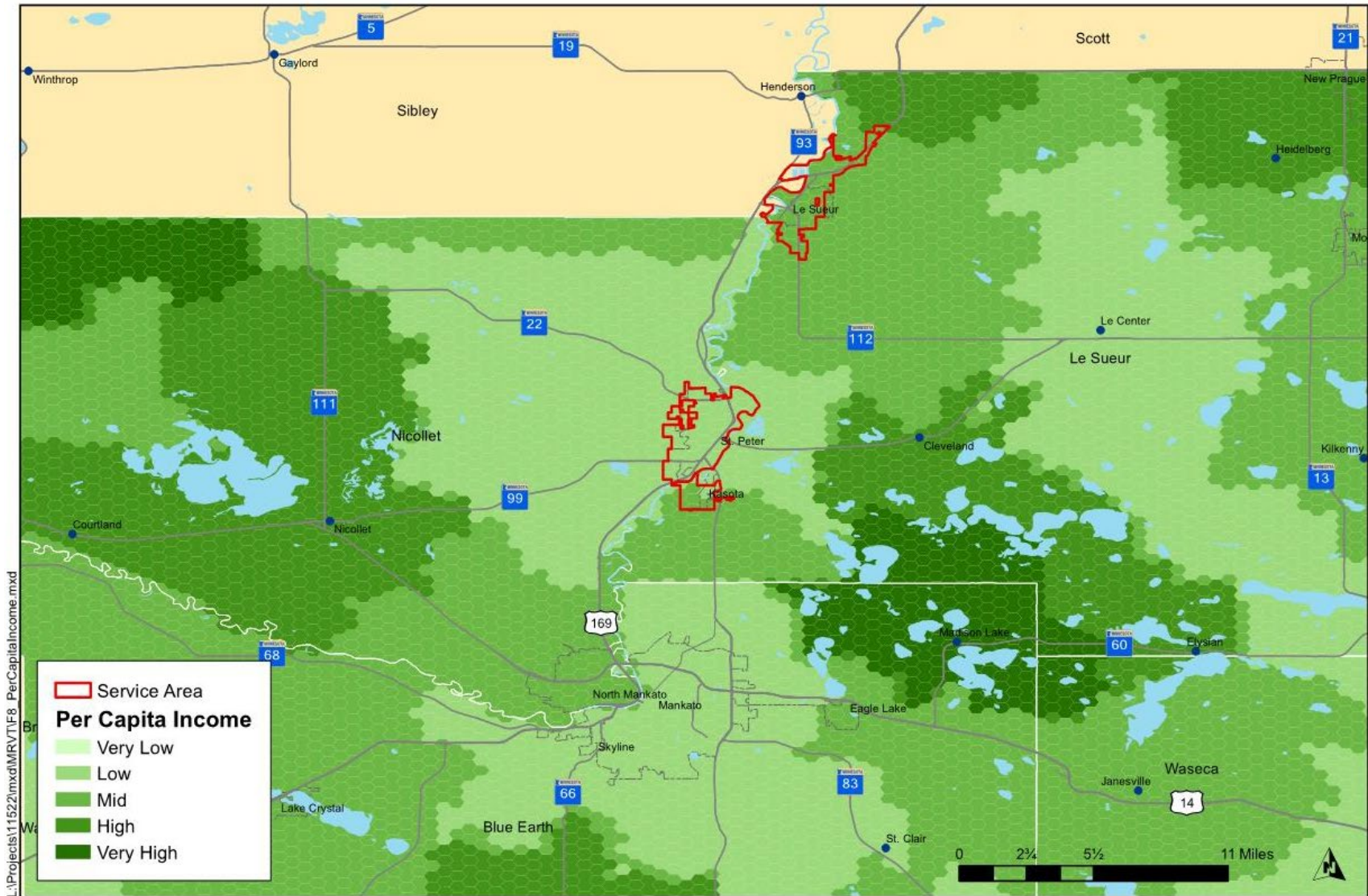


Figure 10. Per Capita Household Income



Chapter 4. Agency Transit Services

Figure 11 shows the service area for MRVT, including the City of Saint Peter, City of Le Sueur and City of Kasota. The available service types include local Le Sueur transit routes, local Saint Peter transit routes, and the Le Sueur to Saint Peter to Mankato corridor route. The riders are strongly encouraged to make reservations to ensure they can make their trip using transit; however, non-scheduled riders can ride the bus if the bus is running below capacity.

General Overview

Types of Services

Le Sueur to Saint Peter to Mankato Corridor Route

The service runs each week on Mondays and Thursdays as well as on the second Saturday of the month (Saturday start times are at 10:30 a.m. as opposed to regular start time of 8:30 a.m.). The route departs every two hours until the last run starting at 4:30 p.m. The agency encourages and strongly suggests that passengers schedule their rides for the Mankato Route. The buses for the Mankato Route have two wheelchair positions, and wheelchair passengers must schedule their rides both ways to ensure availability.

Saint Peter Transit Routes

In Saint Peter, MRVT operates Dial-a-Ride service Monday through Friday from 7 a.m. until 8 p.m., and Saturday from 9 a.m. to 7 p.m. On weekdays, two buses operate from 7 a.m. to 6:30 p.m., and one continues running until 8 P.M. In addition, MRVT runs three pre-school routes and an evening college shuttle service for Gustavus Adolphus students.

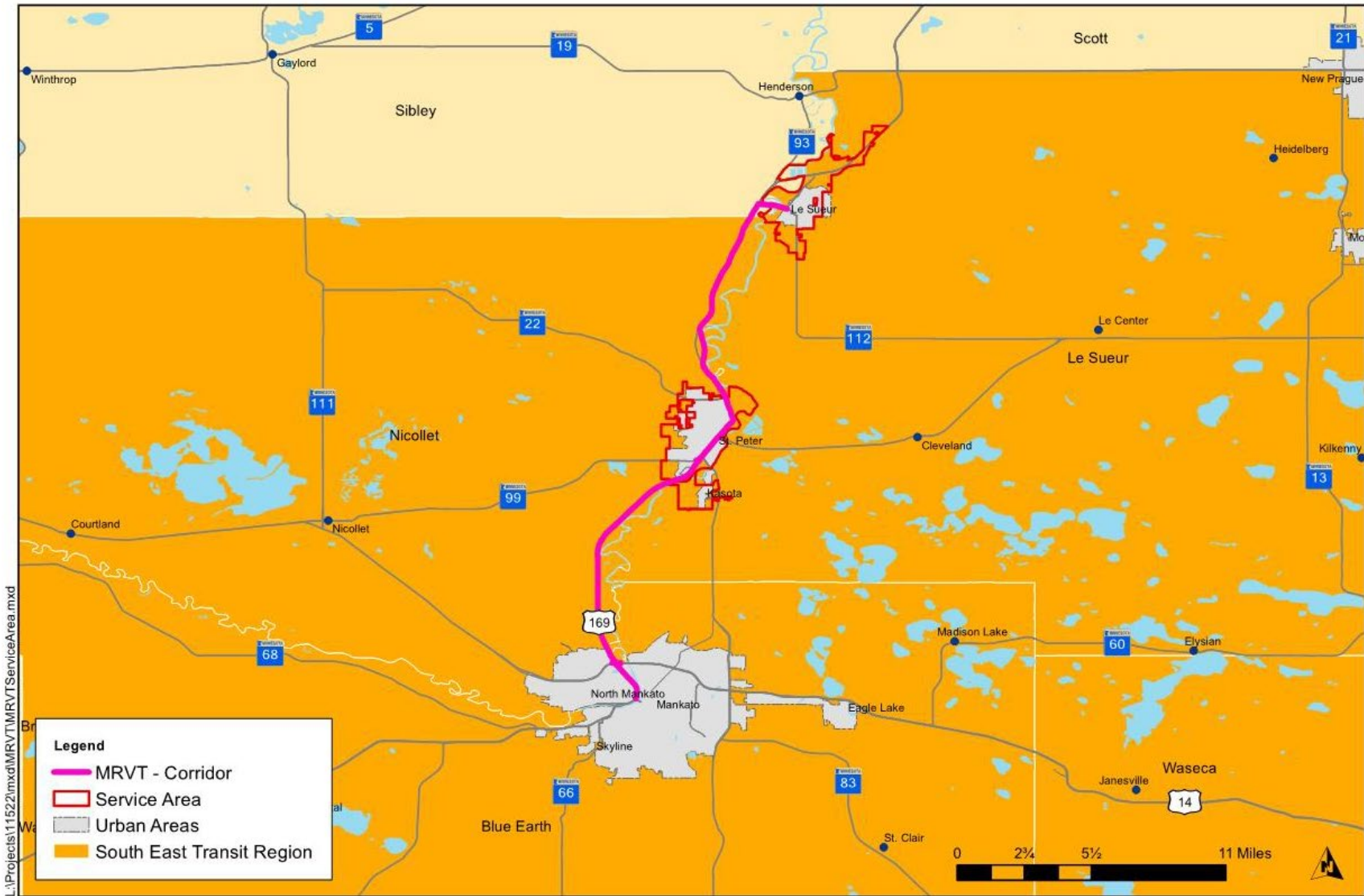
On January 1, 2019, MRVT discontinued its former deviated route service in Saint Peter, which had operated since 2013. Given strong customer preferences for Dial-a-Ride service and lagging performance of the route deviation services, a local decision was made to focus resources on dial-a-ride services in St. Peter and restructure those operations accordingly. This enables a renewed focus on improving transit management practices and integrating services in St. Peter and Le Sueur.

City of Le Sueur Transit Routes (changed in 2019)

City of Le Sueur provides route and demand-response or Dial-a-Ride (DAR) service. DAR is provided two times/day with scheduled pickups at four locations then back to DAR. The DAR route has fixed locations and times for bus service to/from Sunrise Plaza, Hillside Court, Radermachers and Valley Green Square Mall. There is no need to call dispatch for this service. The DAR route also

allows minor deviations beyond the fixed stops through pre-determined subscription and arranging by calling dispatch.

Figure 11. Minnesota River Valley Transit Service Area



Service Contracts

Minnesota River Valley Transit currently holds a biennial contract with Gustavus Adolphus College (Gustavus) for providing service focused on transit needs of the college students. Although the service is open to public, the non-student ridership is very low on the school routes. The Gustavus student senate decides the service schedule (named Gus Bus) for the school year in the spring semester of the previous school year. For 2018-2019 school year, the Gus Bus operates on

- Wednesday Night: 10:00 p.m. to 2:00 a.m. (Thursday)
- Friday Night: 9:00 p.m. to 2:00 a.m. (Saturday)
- Saturday Night: 9:00 p.m. to 2:00 a.m. (Sunday)

Based on the current contract, MRVT recovers an average of \$35,000 – \$40,000 per year from Gustavus Adolphus College (In 2017, the annual contract revenue amount was \$33,200). Although the total operating cost per hour averages at \$50-\$55, MRVT recovers at \$37.50 per hour from Gustavus College which includes cost of fuel, driver and maintenance). In addition, for each service hour in Gus Bus service, the cost recovery per hour also includes the cost of dispatch. A new contract with Gustavus will be negotiated in 2019. (note: MRVT has proposal in to Gustavus: \$37.50 to \$40/hr, and \$25 to \$28/hr for dispatcher. The new hourly rates will hold – Gustavus will reduce hours to meet their budget if required.)

Fare Structure

Table 4 shows the fare structure for all services provided by Minnesota River Valley Transit.

Table 4. Fare Structure for all Minnesota River Valley Transit Services

Le Sueur to Saint Peter to Mankato Corridor Route

	Ages 6 years and older	Ages under 6 years
One-way Fare	\$6.00	\$2.00

Saint Peter Transit Routes

	Saint Peter DAR	Kasota DAR
Adult	\$3.50	\$5.25
Senior (55 and over)	\$2.25	\$3.50
Preschool (0 - 5 years old)	\$1.00	\$1.50

General Fare Payment from 10 Ticket Book (\$17.50 Adults; \$11.25 Seniors)	2 Tickets	3 Tickets
--	-----------	-----------

City of Le Sueur Transit Routes

	Cash	Tickets
One-way Fare	\$2.25	\$30 for a book of 25

Fare Payment Options

Tickets are sold individually and in the form of ticket books. They are available from all drivers on all buses, City of Saint Peter City Hall, Saint Peter Recreation Department in the Community Center, and City of Le Sueur. Currently, the fares can only be paid by cash or ticket (no cards) for one-way rides. The ticket books prices are listed below:

- 10 Tickets - \$17.50 (regular)
- 10 Tickets - \$11.25 (Senior)

At the September 12, 2018 JPB meeting, fare changes were approved. Starting on January 2019 for the Saint Peter service, there will be no discounts for books and the senior cost will be increased by \$0.25 for DAR. For Le Sueur service, the fare increase is \$0.25 for all riders on any route. This increase will help cover the 20 percent local share and to simplify the fares. There was a big discrepancy between Saint Peter and Le Sueur fares.

Ridership

Table 5 and Table 6 below shows the ridership trends between 2013 and 2018. In 2017 (when MRVT was formed), the revenue hours increased by 19 percent while the total passenger trips decreased by about 13 percent.

Table 5. Historical Ridership (2013 - 2018) and Revenue Hours for MRVT

Year	Le Sueur & Mankato Trips	Saint Peter Trips	Annual Total Passenger Trips	Annual Revenue Hours
2013	32,228	65,749	97,977	6,934 (St. Peter Only)
2014	27,249	60,508	87,757	6,997 (St. Peter Only)
2015	28,258	62,587	90,845	11,161 (St. Peter + Le Sueur)
2016	30,903	58,482	89,385	11,128 (St. Peter + Le Sueur)
2017	25,105	52,940	78,045	13,297 (MRVT)
2018	21,625	53,371	74,996	Not Yet Reported

Table 6. 2017 Annual Passenger Trips for MRVT

2017 Annual Passenger Trips by Service Type	Total Passenger Trips	% of Total Ridership
Demand Response/Dial-A-Ride (public)	46,721	60%
Flex/Deviated Route (public)	6,219	8%
Le Sueur	25,105	32%
Total Trips provided by System	78,045	

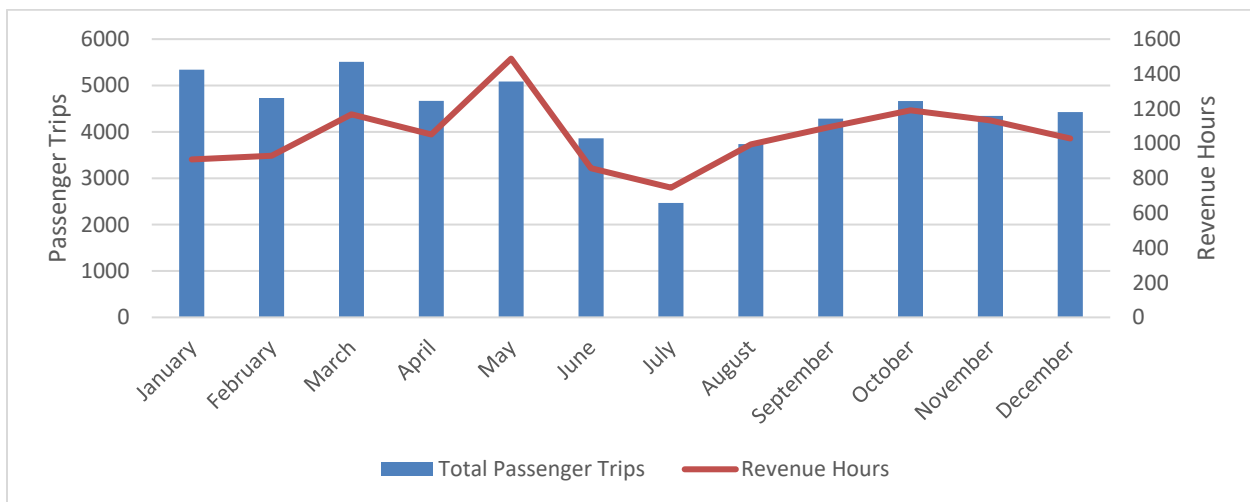
Ridership and productivity on services in Saint Peter and Le Sueur have fluctuated as MRVT and its predecessor agencies introduced various service types. In August 2013, Saint Peter introduced fixed-route bus service, which was converted into a deviated route service in May 2014. Overall productivity for Saint Peter reached 3.7 trips per hour in 2015 but began declining in 2017 when the agency introduced an additional afternoon Dial-A-Ride service.

A possible explanation for this is that passengers find Dial-A-Ride service more convenient and are willing to pay more for curb-to-curb trips; Dial-A-Ride fares are twice the price of the previous deviated route service. In 2019, MRVT eliminated the deviated route, switching to Dial-A-Ride service in Saint Peter. This may result in further reductions in overall productivity but may be an appropriate response to low ridership on the deviated route.

Figure 12 shows MRVT’s total ridership and revenue hours by month for 2017. January and March are the highest-ridership months, while the lowest ridership was observed in June, July, and August. Like many agencies, MRVT’s total ridership and revenue hours are lower in summer due to the reduction in school-related trips.

Table 7 on the following page provides a historical summary of ridership on MRVT’s scheduled route service in Saint Peter (data prior to 2017 is from the City of Saint Peter).

Figure 12. Monthly Trend of Ridership and Revenue Hours for MRVT, 2017



Source: MRVT, 2017

Table 7. Monthly Ridership (Saint Peter Deviated Route)

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
2013 Ridership	--	--	--	--	--	--	--	297	236	371	390	451	1,745
2014 Ridership	358	386	528	564	503	564	498	567	590	776	656	751	6,741
2015 Ridership	576	541	573	559	524	626	658	688	659	763	683	714	7,564
2016 Ridership	591	601	683	666	663	653	540	726	639	599	549	570	7,480
2017 Ridership	618	580	633	545	595	502	392	485	446	552	463	408	6,219
2018 Ridership	463	434	497	570	512	450	407	501	408	--	--	--	4,242

Source: MRVT, 2019. Includes the Saint Peter Deviated Route only. For years prior to 2017, this service was operated by the City of Saint Peter.

Table 8. Monthly Service Hours (Saint Peter Deviated Route)

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Totals
2013 Service Hours	--	--	--	--	--	--	--	177	160	184	160	166	847
2014 Service Hours	176	160	168	176	168	168	176	168	168	184	160	174	2,046
2015 Service Hours	168	160	176	176	160	176	184	168	160	176	168	174	2,046
2016 Service Hours	160	166	184	168	168	176	160	184	168	168	168	176	2,046
2017 Service Hours	176	160	184	160	176	176	160	184	160	176	168	160	2,040
2018 Service Hours	172	160	174	168	176	168	168	184	152	--	--	--	1,522

Source: MRVT, 2019. Includes the Saint Peter Deviated Route only. For years prior to 2017, this service was operated by the City of Saint Peter.

Table 9. Monthly Productivity – Trips Per Hour (Saint Peter Deviated Route)

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Totals
2013 Trips Per Hour	--	--	--	--	--	--	--	1.68	1.48	2.02	2.44	2.72	2.06
2014 Trips Per Hour	2.03	2.41	3.14	3.20	2.99	3.36	2.83	3.38	3.51	4.22	4.10	4.32	3.29
2015 Trips Per Hour	3.43	3.38	3.26	3.18	3.28	3.56	3.58	4.10	4.12	4.34	4.07	4.10	3.70
2016 Trips Per Hour	3.69	3.62	3.71	3.96	3.95	3.71	3.38	3.95	3.80	3.57	3.27	3.24	3.66

2017 Trips Per Hour	3.51	3.63	3.44	3.41	3.38	2.85	2.45	2.64	2.79	3.14	2.76	2.55	3.05
2018 Trips Per Hour	2.69	2.71	2.86	3.39	2.91	2.68	2.42	2.72	2.68	-	-	-	2.79

Source: MRVT, 2019. Includes the Saint Peter Deviated Route only. For years prior to 2017, this service was operated by the City of Saint Peter.

System Rider Characteristics

Based on the demographic information provided by MRVT, Table 8 shows the passenger demographic trends from 2015 to 2018. To record the rider demographics, the agency documents the date of birth of riders and their need for assistance at the time of reservation.

Table 10. MRVT Passenger Demographics (2013 - 2018)

Year	Experiencing a Disability	Elderly	Adult	Student	Children	Total Passenger Trips
2015 (Saint Peter)	13,584	12,502	13,195	13,513	9,793	62,587
2016 (Saint Peter)	14,059	11,589	12,296	10,970	9,568	58,482
2017 (MRVT)	12,742	10,249	36,009	10,044	9,001	78,045
2018 (MRVT)	11,417	10,212	35,034	9,950	8,383	74,996

Source: MRVT. Data prior to 2017 was collected for City of Saint Peter services only; City of Le Sueur did not report data by passenger type.

MRVT defines each category of riders as follows:

- Riders Experiencing a Disability: Based on MnDOT guidelines, an individual with a disability as defined by the ADA is a person who:
 - Has a physical or mental impairment that substantially limits one or more major life activities;
 - Has a record of such an impairment; or
 - Is regarded as having such an impairment.
- Elderly Riders: Defined as people age 55 years or older,
- Adult Riders: Ages 18 to 54 years,
- Students: Ages 6 to 18 years
- Children: Ages 6 years and younger.

The Greater Minnesota Transit Survey provided more information about MRVT passengers. Since MRVT was established in 2017 and the data used in the survey analysis was collected in Spring 2015 (for MnDOT District 6) and Fall 2015, the MRVT rider information could not be extracted from the dataset. However, as MRVT formed by consolidating Le Sueur Transit (City of Le Sueur) and Saint Peter Transit (City of Saint Peter) and both agencies were surveyed as part of the transit study, the rider information reported by MRVT and the on-board survey information provided by Le Sueur Transit and Saint Peter Transit are deemed sufficient.

The transit survey included 41 responses from Le Sueur Heartland Express and 42 responses from Saint Peter Transit. By consolidating the responses of both agencies, the key rider attributes could be analyzed. Table 9 below shows the summary of responses.

Table 11. Summary of Rider Characteristics, Greater Minnesota On-Board Survey of 2015

Profile	
Age and Sex	A majority of respondents were female (65 percent) and half of the respondents were either under 18 (28 percent) or 65 years or older (22 percent). The remaining 50 percent share of the respondents distributed almost evenly in the age categories of 18-24, 25-34, 35-44, 45-54 and 55-64 years.
Household Income	About 45 percent of the respondents indicated an annual household income under \$25,000 and 12 percent fell in the \$25,000 to \$49,000 category. 27 percent preferred not to answer the question.
Disability and Possession of Driver's License	About 64 percent respondents did not have a driver's license and about 69 percent identified themselves as someone with a disability.
Rider Behavior	
Trip Purpose	School trips constitute approximately 42 percent, while shopping (30 percent) and work (25 percent) generate high numbers of trips as well.
Riding Frequency and Duration	About 43 percent of the respondents rode transit 5 - 7 days per week and 42 percent rode 2 - 4 days a week. About 75 percent of riders have been riding transit for at least a year.
Attitudes and Opinions	
Transit Service Satisfaction	Almost all respondents showed satisfaction with the transit services and on average, about 75 percent of their transportation needs are served by the bus.
Transit Improvement	Asked about transit improvements, approximately 35 percent indicated 'longer service hours (earlier or later)' as the single improvement that would make them ride the bus more frequently.

Modes of Transportation

MRVT provides bus service only, including Dial-a-Ride, regional trips to Mankato, head start school service, and late-night college student service.

Unmet Service Needs and Gaps

As part of the FYTSP, consultants conducted an inclusive public engagement effort to understand the perception of MRVT and the demands for transit across the service area. Public engagement associated with the FYTSP included engagement with local and regional stakeholders, meetings with

oversight groups and MRVT staff. Table 11 provides a summary of the identified needs from the stakeholder and staff interviews, the Greater Minnesota Transit Survey, the MPTA Annual Meeting Survey, and the Region 9 Local Human Service-Public Transit Coordinated Plan.

The stakeholder engagement conducted in October 2018 included representatives from Gustavus Adolphus College, Minnesota Valley Action Council, Nicollet City Public Health, Rivers Edge Hospital and Clinic (St. Peter) and MRVT staff. Individuals were asked to share their perceptions and ideas related to transit in City of St. Peter, City of Le Sueur and the City of Kasota. The interviews were informal, with questions intended to foster discussion. The question topics included:

- Experience with MRVT
- Current transit service meeting the needs
- Use of transit or other transportation services
- Important current and future destinations in the region
- Elements of a convenient transportation service
- Attracting potential riders
- Ensuring success of a new or expanded transit service

After the interviews, general themes extracted from conversations included: customer service, transit information or awareness, transit perception, governance, potential destinations, system capacity and state assistance.

Based on stakeholder engagement (see [Summary of Public Engagement Memorandum](#)), stakeholders showed satisfaction with the MRVT service and acknowledged it fulfills a great need in the community. Many MRVT users are regular customers who depend on the service. Increasing elderly populations and medical needs may increase transit demand in the future.

Awareness of existing services is limited among people who do not use MRVT regularly. While staff distributes flyers when people ask or walk up to the bus, most people in the service area are unaware of the service or believe it is only available to seniors. College students would like regular service between Saint Peter and Mankato, especially for medical appointments, but college ridership to Mankato is low currently. Additionally, students would need service when school is not in session and campus offices are closed.

Regular users would like to see a more consistent scheduled service, as well as monthly pass programs. The corridor service between Le Sueur and Mankato is not well known. There is some confusion among potential customers with having multiple transit providers in the area, such as Land-To-Air Highway 169 Connection, TRUE Transit, and the urban Mankato system. A website with centralized information for all regional transit services was mentioned as well.

Those without access to cars have the greatest mobility challenges, and many in the region believe that transportation is perhaps the foremost issue affecting employment, health, and overall well-

being, particularly for senior citizens and youth in the service area. Making transit safe, accessible and easy to use will help these populations.

Offering the corridor service at a discount between Saint Peter and Mankato may be more equitable than the current flat fare no matter where the customer boards or alights. MRVT experiences a capacity shortage during the mornings for service in Saint Peter. Clients are sometimes asked to call back later or to schedule an appointment earlier. An additional bus would also benefit the system in case a bus is experiencing maintenance issues.

In the Greater Minnesota Transit Survey (2015), one question asked current riders about marketing preferences, with the results for Le Sueur and Saint Peter transit customers shown in Table 10. These are comments from current riders and may not indicate how to reach new potential riders.

Table 12. Marketing Preferences, Current Customers

Flyer/Newsletter	55%
Newspaper	18%
Radio	7%
Television	6%
Email	20%
Text Message	16%
Facebook/Twitter	11%
Transit Website	21%
Other	8% (City utility bill, on bus, word of mouth, driver)

Table 11 on the following page shows a summary of service needs and gaps identified through stakeholder and staff interviews, the Greater Minnesota Transit Survey, the MPTA Annual Meeting Survey, and the 2017 Region 9 Local Human Service – Public Transit Coordination Plan. These identified needs serve as a basis for the service planning recommendations featured later in the FYTSP.

Table 13. Needs and Gaps Summary – Minnesota River Valley Transit

Needs and Gaps	Stakeholder & Staff Interviews	Greater MN Transit Survey	MPTA Annual Meeting Survey	Region 9 Local Human Service-Public Transit Coord. Plan
Address Insufficient Service Span with Evening and Weekend Gaps	●	●		●
Address Insufficient Geographic Coverage, Access Destinations Outside the Service Area	●	◐		
Expand Scheduled Route Trips (Instead of Demand Response)	●			
College Service Outside School Semesters	●			
Schedule Conflicts	●			●
Improve Reliability/On-Time Performance		◐		
Larger Bus – Capacity for Two Wheelchairs	●			
Shorter Reservation Time	●			
Monthly Pass Program	●			
Low-Income Fare Discount	●	◐		
Limited Space for Strollers and Grocery Bags on Bus	●			
Door-to-Door Assistance	●			
Increase the Awareness of Transit Service (Marketing)	●			●
Perceived to be Only for Seniors	●			
Distinguish Between Overlapping Regional Transit Providers	●			●
Centralized, Regional Dispatch				●
Expand Travel Training	●			
Increase in Demand from Growing Elderly Population and Medical Needs	●			
Difficulty Finding Drivers			◐	
Finding Local Match Money, Educating Boards About Needs and Benefits	●		◐	
Promote the Benefit of Aging in Place and Importance of Service	●	●	◐	
Need Additional Staff			●	

New Dispatch Software			●	
New Mobile Technology			○	
New Fareboxes			○	
New Capital Facility with Wash Bay	●			
Establish / Continue Regular Communication Between Stakeholders in Region	●			
Destinations:				
In-Town Transit Service	●			
St. Peter	●	●		
(North) Mankato	●	●		●
Henderson		●		
Rochester/DMC		○		○
New Ulm				●
Watonwan County				●
Shakopee				○
Savage				○

Legend: ● - High Priority Need/Gap ○ - Moderate Priority Need/Gap

Chapter 5. Capital

Background

Fleet Characteristics

MVRT currently owns nine class 400 vehicles. The oldest of these vehicles (contract year of 2002 and the only diesel-powered vehicle in the fleet) is used as a spare or back-up vehicle. All vehicles have surveillance cameras installed on them but none of the vehicles have bike-racks. Automatic Vehicle Location (AVL) is coming in 2019. Table 12 shows a summary of the MVRT fleet.

Table 14. Summary of Current MVRT Fleet Characteristics

	Vehicle Contract Year	Current Mileage	Vehicle Condition Rating (fair - excellent)	Total Purchase Price (includes all line items)	Local Share of Purchase Price	Planned Replacement year	Replacement Cost
1	2002	98,105	3- Adequate	\$47,960	\$9,592	2019	\$83,000
2	2008	115,425	3- Adequate	\$54,606	\$10,921	2020	\$85,000
3	2009	115,654	3- Adequate	\$60,711	\$0	2021	\$87,000
4	2015	45,200	4- Good	\$66,232	\$13,246	2022	\$89,000
5	2015	136,160	4- Good	\$67,563	\$13,512	2023	\$91,000
6	2015	82,746	4- Good	\$67,563	\$13,512	2024	\$93,000
7	2016	82,851	4- Good	\$71,793	\$14,358	2025	\$95,000
8	2017	26,530	5- Excellent	\$73,959	\$14,792	2026	\$97,000
9	2018	4,728	5- Excellent	\$77,930	\$15,586	2027	\$99,000

Maintenance Cost

MVRT contracts the maintenance services for their fleet and plan to stay on contract through 2019. About 18 percent of the total maintenance cost included preventative maintenance in 2016 and 17 percent in 2017, while the projected share for 2018 - 2019 is higher around 23 - 25 percent, as the fleet ages further. Table 13 shows the summary of current and projected maintenance costs for MVRT.

Table 15. Summary of Current and Projected Maintenance Cost

	2016	2017	2018 - projected	2019 - projected
Annual Preventative Maintenance	\$2,938	\$3,000	\$8,500	\$10,000
Annual Cost of Corrective Maintenance	\$13,451	\$14,500	\$28,500	\$30,000
Total Annual Maintenance costs	\$16,389	\$17,500	\$37,000	\$40,000

Facilities and Assets

Table 14 shows the summary of MRVT’s facilities, currently leased from the cities of Saint Peter and Le Sueur. MRVT has identified a need for capital facilities, including a joint administrative, maintenance, and dispatch facility, as well as a bus garage in Saint Peter.

Table 16. Summary of MRVT Facilities

	Saint Peter Municipal Building	Le Sueur Joint Services Building
Full Address	227 S. Front Street, Saint Peter, MN 56082	601 S. 5th Street, Le Sueur, MN 56058
What entity owns the land the facility is on? (City, County, Transit Provider)	City of Saint Peter	City of Le Sueur
Annual Lease Expense	\$14,310	\$20,563
Facility Vehicle Storage Capacity (# of bus stalls for garaging)	3	3
Number of Vehicles Stored Outside Facility	2	1
Maintenance (How many bays?)	0	0
Space for Admin Function?	Yes	Yes

Advertising Materials

MRVT added advertising to three buses in July 2018. MRVT receives \$10,000 for this through a 12-month agreement at \$200 per bus per month. The MRVT website needs to be updated. MRVT’s highest priority need related to marketing is adding a marketing specialist, similar to the marketing position at TRUE Transit/VINE.

In 2017, MRVT partnered with TRUE Transit for a Commuter Challenge Grant. TRUE Transit and MRVT produced and aired video commercials on television and online, ran radio commercials on three local radio stations, social media ads on Facebook, online ads through Google, print ads in local newspapers and magazines and print brochures for both agencies.

History

MRVT’s history as two separate systems in Saint Peter and Le Sueur leaves it with unique operating and capital needs, including joint facilities that could better integrate the agency’s various functions. These needs are described in more detail in Chapter 6.

Five-Year Capital Plan

The capital program includes vehicles, facilities, and enhancements to support agency operations. The Five-Year Capital Plan described in this section provides an overview of historical capital expenses and projected need to support MRVT service through 2025. The MRVT capital plan is funded through a combination of local, federal and state funding sources; funding levels were identified by agency staff. The capital plan is included as a working Microsoft Excel spreadsheet and is summarized in Table 15 below.

Table 17. Summary of Five-Year Capital Needs

Category	2019 Needs	2020-2025 Needs
Facilities	None projected	\$6,000,000 (est.) (New administration and maintenance facility)
Fleet	\$80,000 (1 vehicle)	2020: \$83,000 (1 vehicle) 2021: \$85,490 (1 vehicle) 2022: \$264,164 (3 vehicles) 2023: \$90,696 (1 vehicle) 2024: \$93,417 (1 vehicle) 2025: \$96,220 (1 vehicle) Total: \$712,987 (8 vehicles)
Technology	None projected	None projected

Chapter 6. 2020-2025 Annual Needs

As stated in Chapter 2, the five goals of this transit service plan are as follows:

- Improve coordination of services to meet transportation needs.
- Increase ridership/usage across the network.
- Promote fiscal responsibility as a transit funding agency.
- Anticipate and plan 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.

The five key components needed for MRVT to achieve these goals are facilities, fleet, staffing, technology, and marketing. These categories were used to identify specific short-term and long-term needs for MRVT, as described in the following sections.

Facilities

MRVT currently leases its Saint Peter and Le Sueur facilities, which provide space for vehicle storage and operations. However, pending availability of local match funding, the agency would like to construct a new facility could host combined administrative offices, dispatch, and maintenance areas (vehicle storage and operations would remain at separate facilities). MRVT plans to conduct a feasibility study to identify potential sites for the new facility, as well as functions that might be accommodated. This facility is included in the 2020-2025 annual capital needs at an estimated cost of \$6,000,000.

Fleet

One new vehicle will arrive in 2019, for a cost of \$80,000. Bike racks may be added in the future. MRVT plans on replacing one vehicle every year between 2019 and 2025. An additional two vehicles are projected for the year 2022 to provide additional capacity on MRVT's existing demand-response services.

Staffing

MRVT employs four full-time and 31 part-time employees as supervisors, drivers, dispatchers/schedulers, administrative and support staff, maintenance staff, and mechanics. MRVT did not identify additional staffing needs for the five-year period. Additional marketing is necessary but may be contracted out instead of executed by internal staff. MRVT should expect to hire the equivalent one full-time driver for every 2,000 hours of service provided. This service plan will call

for approximately one additional full-time driver by 2025. Additionally, MRVT should hire at least one full-time marketing staffer to coordinate and improve the agency's outreach programs.

Technology

2019

MRVT partnered with TRUE Transit and Brown County to purchase Routematch software that performs data acquisition, reporting, and automatic billing functions. The Routematch software will make the trip assignments more efficient. The software will also allow for online reservations and ticket sales, but the payment structure must be confirmed with MnDOT, and the reservation system must be compatible with the city's website. Employees will be trained on the use of the software and the tablets for the buses. The software will also add Automatic Vehicle Location (AVL) technology to the fleet when implemented.

2020 - 2025

MRVT did not identify any additional technology needs for 2020 to 2025.

Marketing

MRVT maintains a website and marketing brochures where passengers can find transit information for Le Sueur and Saint Peter as well as for transportation to the Twin Cities and rural Nicollet, Le Sueur, and Blue Earth counties. MRVT also maintains a Facebook account to primarily share service updates. Both the brochures and the website need to be updated for a more user-friendly experience.

In the future, MRVT should consider hiring an additional full-time staff member to coordinate regular updates to marketing materials and conduct outreach with customers and stakeholders, including local governments, businesses, and civic groups. Outreach could include a presence at local events, travel training for interested customers, and paid media campaigns. To the degree possible, MRVT should coordinate with other transit agencies on joint marketing campaigns in order to communicate the full array of trip options available in the region.

Chapter 7. System Performance

Historical and Projected

This chapter explores the ridership productivity and financial performance goals of the system.

Performance Measures and Indicators

The GMTIP provided the following System Performance Standards to evaluate the productivity and efficiency of services provided. To be responsible and dynamic, a transit system must consistently measure and adjust service accordingly. These standards serve as indicators of route performance and call attention to routes that may need adjustment. The use of multiple performance standards provides better insight into the operational and financial performance of services and allows transit providers to balance the cost and ridership of each route in the system’s service network. The examples below, passengers per hour, passengers per trip, cost per passenger and cost recovery describe the basic concept and why the information is valuable to collect.

Productivity: Passengers per Hour

Productivity is measured as the number of passengers per hour. Productivity is calculated by the total number of passengers carried divided by the total service hours. A high number of passengers per hour show a route is serving more people. The passengers per hour metric is calculated at both the route and trip level but can be also viewed on a per bus basis to establish a minimum standard of route performance. Table 16 shows the minimum passengers per hour. Passengers per hour is applicable for all service types and in all communities.

Table 18. Productivity Measure: Passengers per Service Hour

Service Type	GMTIP Target*
Fixed Route	15
Commuter Bus	15
Route Deviation (Urban/Community)	8
Route Deviation (Rural)	5
Dial A Ride (Urban/Community)	3
Dial A Ride (Rural)	2

*GMTIP Target represents a recommended average productivity for one route over an entire day. Individual hours may fall below the standard. Service hours are defined as one bus operating for one service hour.

Source: GMTIP (2017); National Transit Database (2017)

Cost Effectiveness: Cost per Passenger

Cost effectiveness is measured by the cost required to deliver service on a per passenger basis. MnDOT’s recommended standards for cost effectiveness compare individual routes to overall system averages and focus on corrective action for those services falling below average. Table 16 shows the cost per passenger thresholds and possible corrective actions. To ensure ridership has time to develop, new routes and services should be assessed after being in operation for one year.

Table 19. Cost Effectiveness Measure: Cost per Passenger

Cost per Passenger	Monitoring Goal	Possible Action
20 to 35 percent over system average	For quick review	Minor modification to route
35 to 60 percent over system average	For intense review	Major changes to route
Greater than 60 percent over system average	For significant change	Restructure or eliminate route

Source: GMTIP (2017)

Cost Effectiveness: Cost Recovery

The percentage cost recovery for a route is the revenue divided by its expense. Cost recovery calculates the amount of revenue generated by a service to cover the operating expense. Revenue typically includes fares, contract revenue, local contributions or local tax subsidy.

MnDOT recommends transit systems generate a minimum of five percent excess revenue on their services (20 percent rural/25 percent urbanized). By increasing the revenue beyond the amount needed to pay the local share for the service (15 percent rural/20 percent urbanized), the excess revenue is available for capital match or match on service expansions that do not have a revenue source for the local share.

Baseline Service Improvement Indicator

To address the transit needs in Greater Minnesota, MnDOT established a service plan to identify a baseline span of service for municipalities based on their population. Table 18 shows the baseline span of service improvement goals by community size.

Table 20. Baseline Service Improvements by 2025

Baseline Service Improvements	Description	Annual Hours
Urban Areas Weekday	20 hrs./day	54,700
Urban Areas Saturday Service	12 hrs./day	5,000
Urban Areas Sunday Service*	9 hrs./day	13,500
Small Urban 2,500-50,000 Weekday	12 hrs./day (7,000-49,999); 9 hrs./day (2,500-6,999)	126,500

Small Urban 2,500-50,000 Saturday Service	9 hrs./day	40,200
Small Urban 7,000-50,000 Sunday Service*	9 hrs./day	18,200
Rural, County Seat Towns < 2,500*	8 hrs./day; 3 days per week	19,200
Total Baseline		277,300

*As demand warrants based on individual system performance policies.

Source: GMTIP (2017)

MRVT provides 13 hours of service on weekdays and ten hours of service on Saturday with additional contract hours with Gustavus on weekends. This meets the small urban criterion of 12 hours of service per weekday.

Other Indicators and Performance Targets

Although MRVT does not currently track a reliability measure for on-time performance (OTP), the agency plans to collect OTP data after Routematch software is installed and in use. The specific target for OTP would align with the MnDOT recommendation of 90 percent on time within published pickup window based on GMTIP (2017).

As part of this FYTSP effort, and per the consultant team's recommendation, MRVT has selected three performance targets to achieve in the next five years. These include service hours per capita, advance reservation time, and trip cancellations. MnDOT targets for these performance measures are shown in Table 19.

Table 19. Provider Performance Targets

Measure	Target	Current Status
Service Hours per Capita*	0.45	0.85
Advanced Reservation Time	Minimum 24 hours in advance – Next day service	On-Demand - Agency should set a reservation policy
Trip Denials/Cancellations	Bus trips should only be cancelled due to lack of riders or extreme weather	Agency should track cancellations and trip denials

*ACS 2017 populations of Saint Peter, Le Sueur and Kasota. MRVT 2017 revenue hours.

Historical Performance

MRVT's 2017 productivity and performance statistics by route are included in Table 20 on the following page. Notable findings include the following:

- **MRVT's Gustavus Adolphus College contracted service (Gus Bus)** is the agency's most productive service, with an average of 34.68 passengers per revenue hour in 2017. It is also the single highest-ridership route, contributing nearly one-third of the agency's 78,045 annual passenger trips. MRVT should continue to monitor and expand this service in coordination with Gustavus Adolphus College, adding additional capacity if needed.
- **The Saint Peter and Le Sueur Dial-A-Ride (DAR) services** carry approximately 20,000 and 15,000 riders, respectively, and average between 4 and 5 passengers per hour. These services are more productive than many on-demand services, which typically carry approximately 3 passengers per hour. To the extent possible, MRVT should monitor ridership and trip denials on these Dial-A-Ride services to ensure that an appropriate level of capacity is being provided.
- **The Le Sueur – Saint Peter – Mankato Corridor deviated route** is the agency's least-productive service, carrying less than 0.5 passengers per hour on weekdays. This route is much more productive on Saturdays, however, when it carries over 1.5 passengers per hour. MRVT should examine whether weekday service is being provided on appropriate days (currently Monday and Thursday) and consider reducing weekday service if productivity does not improve.
- **The Saint Peter deviated route** carried approximately 3 passengers per hour in 2017. This is lower than desirable for deviated-route service, and lower than the productivity of the Saint Peter Dial-A-Ride during the same year. The Saint Peter Deviated route was discontinued beginning January 1, 2019.

In the future, MRVT will be consolidating some services for reporting purposes, such as the pre-school routes; the agency should track performance measures over time to guide service decisions.

Peer Performance Comparison

To provide additional context on the agency's performance, a peer analysis was conducted to compare MRVT to other Midwest transit agencies with similar service. Six peer agencies were selected, including three systems in Minnesota (Hubbard County, Becker County, and Isanti County), as well as three outside Minnesota: SESDAC, Inc. (South Dakota); Chase County (Nebraska), and Box Butte County (Nebraska).

MRVT compares favorably against peer systems on a number of metrics, including annual ridership, productivity (passengers per hour), and cost-effectiveness (operating cost per trip). A summary of key statistics for MRVT and peer agencies is shown in Table 21.

Table 22. Productivity and Performance Statistics by Route for MRVT (2017)

Route	Year of Service Initiation	Annual Passenger Trips	Annual Revenue miles	Annual Revenue Hours	Annual Operating Cost	Passengers per Hour	Operating Cost per Hour	Operating Cost per Trip
Saint Peter DAR	1989	19,844	50,957	3,900	\$225,654.00	5.09	\$57.86	\$11.37
Saint Peter Deviated Route	2013	6,219	25,519	2,080	\$120,348.80	2.99	\$57.86	\$19.35
Gus Bus Contract Service	2006	25,105	9,125	724	\$43,973.60	34.68	\$60.74	\$1.75
Pre-School 1 - Saint Peter (Deviated Route)	2004	500	1,800	180	\$10,414.80	2.78	\$57.86	\$20.83
Pre-School 2 - Saint Peter (Deviated Route)	2004	1,000	3,750	270	\$15,622.00	3.7	\$57.86	\$15.62
Pre-School 3 - Saint Peter (Deviated Route)	2004	500	1800	180	\$10,414.80	2.78	\$57.86	\$20.83
LS/SP/Mankato Deviated Route	2017	500	26,000	1,040	\$60,174.40	0.48	\$57.86	\$120.35
LS/SP/Mankato Saturday Deviated Route	2017	150	2,400	96	\$5,554.60	1.56	\$57.86	\$37.03
New Service Expansion DAR	2017	1,650	10,400	910	\$52,652.60	1.81	\$57.86	\$31.91
Le Sueur DAR	1978	15,750	21,640	3,505	\$202,799.30	4.49	\$57.86	\$12.88
Pre-School LS Deviated Route	1978	5,500	3,850	516	\$29,855.80	10.66	\$57.86	\$5.43
Pre-School Hendersen Deviated Route	2017	900	5,130	595	\$34,426.70	1.51	\$57.86	\$38.25
Saturday DAR Le Sueur	2017	100	1,200	120	\$6,943.20	0.83	\$57.86	\$69.43
Safe Rides DAR	2000	650	414	50	\$2,893.30	13	\$57.87	\$4.45
TOTAL		78,045	163,985	14,166	\$821,727.90	N/A	N/A	N/A
SYSTEM AVERAGE						5.53	\$58.01	\$10.53

Source: MRVT, 2017.

Table 23. Productivity and Performance Statistics for MRVT and Peer Systems (2017)

System	Vehicles Operated in Max. Service	Annual Passenger Trips	Annual Revenue Miles	Annual Revenue Hours	Annual Operating Cost	Passengers per Hour	Operating Cost per Hour	Operating Cost per Trip
Hubbard County, MN	15	34,240	130,771	9,823	\$360,849	3.5	\$36.74	\$10.54
SESDAC, Inc. (Vermilion, SD)	5	67,164	90,168	8,738	\$408,194	7.7	\$46.71	\$6.08
Becker County, MN	5	39,269	86,542	8,138	\$453,355	4.8	\$55.71	\$11.54
Chase County, NE	5	27,019	57,596	4,720	\$157,141	5.7	\$33.29	\$5.82
Box Butte County, NE	6	22,754	59,601	4,202	\$238,596	5.4	\$56.78	\$10.49
Isanti County, MN	11	15,730	40,116	4,026	\$320,443	3.9	\$79.59	\$20.37
PEER SYSTEM AVERAGE	8	34,363	77,466	6,608	\$323,096	5.2	\$51.47	\$10.81
MRVT (Demand Response)	6	40,987	53,101	5,361	\$305,092	7.6	\$56.91	\$7.44
MRVT (Bus)	1	3,639	27,293	1,550	\$27,087	2.3	\$17.48	\$7.44
City of Saint Peter (Demand Response)	2	24,567	29,808	2,326	\$149,071	10.6	\$64.09	\$6.07
City of Saint Peter (Bus)	1	4,717	15,939	1,300	\$28,622	3.6	\$22.02	\$6.07
City of Le Sueur (Demand Response)	2	7,536	11,713	1,302	\$89,502	5.8	\$68.74	\$11.88
City of Le Sueur (Bus)	1	3,562	4,081	491	\$42,304	7.3	\$86.16	\$11.88
MRVT TOTAL/AVERAGE	7	85,008	141,935	12,330	\$641,678	6.9	\$52.04	\$7.55

Source: National Transit Database, 2017.

Peer systems were selected from among Midwest rural transit providers with between 5 and 15 vehicles in maximum service, and between 0 and 10,000 annual revenue hours.

MRVT data was reported separately for bus and demand-response services; and data was reported under the City of Saint Peter and City of Le Sueur for part of 2017.

MRVT TOTAL/AVERAGE includes data for MRVT as well as any data reported for City of Saint Peter and City of Le Sueur.

Chapter 8. Operations

Historical and Projected Annual Summary

This chapter provides an overview of the MRVT operating budget and staffing, and provides a five-year operating plan. Table 22 shows 2017 ridership and operating costs for MRVT, as well as historical ridership for the City of Saint Peter in 2015 and 2016 (similar data for Le Sueur was not available). MRVT data from 2017 onward includes routes previously operated by both cities.

Table 22. MRVT Operating Cost and Ridership, 2015 – 2017

Year	Annual Passenger Trips	Annual Operating Cost	Operating Cost per Trip
2017 (MRVT)	78,045	\$821,727.90	\$10.53
2016 (Saint Peter)	58,482		
2015 (Saint Peter)	62,587		

Background

The operating budget and technology improvements of MRVT are shown below.

Operating Budget

Table 23 shows a summary of the 2018 operating budget for the agency. The largest investment of the agency is in its personnel, followed by vehicles and administrative costs.

Table 25. MRVT Operating Budget Summary for 2018

Item	Balance	Percentage
Personnel	\$593,000.00	70%
Administrative	\$52,865.44	6%
Vehicles	\$137,500.00	16%
Operations	\$36,707.52	4%
Insurance	\$25,000.00	3%
Taxes and Fees	\$400.00	0%
Operating Expenses	\$845,472.96	100%
Grant Revenue	\$670,772.93	79%
Farebox	\$117,000.00	14%

Gustavus Service Contract	\$30,500	4%
Fuel Refund	\$7,200.00	1%
Operating Revenue	\$845,472.96	100%
Surplus/Deficit	\$0	70%

Software and Technology

The agency currently uses paper-based scheduling and dispatch methods, while accounting is software based. In addition, MRVT recently acquired Routematch, a computer-aided dispatch (CAD)/AVL software, in partnership with TRUE Transit and Brown County.

Once implemented, Routematch will facilitate easier trip reservations, data collection, and potentially fare payment; it also includes automated billing. MRVT dispatchers will coordinate the use of Routematch and can override the system if needed.

No additional technology needs have been identified for the period between 2020 and 2025.

Staffing

As shown in Table 24, the agency currently employs four full-time employees and 31 part-time employees. MRVT is finding it difficult to hire drivers because other companies in the city offer higher salaries. Le Sueur has five drivers and they frequently work 9.5 hour days. It is especially difficult to find drivers for the evening hours on the Gustavus route. Even with increased compensation, many retirees looking for a part-time job do not want the late-night hours. The administration is very lean, and the organization would like to compare administrative staff levels to other rural transit providers. MRVT should expect to hire the equivalent of one full-time employee for every 2,000 hours of service provided, or approximately one full-time employee by 2024-2025.

Table 26. Current MRVT Employees

	Full Time Employees	Part Time Employees
Management/Supervising	2	0
Drivers	1	24
Dispatch/Scheduling	1	4
Admin/Support	0	2
Maintenance	0	1
Other	0	0
Total Number of Staff	4	31

Five Year Operating Plan

The Five-Year Operating Plan for MRVT calls for the continuation of existing service levels, improved performance monitoring, and coordination with other nearby service providers. New vehicles purchased for expansion are recommended to add capacity to existing demand-response services, with minimal increases to annual service hours.

These recommendations are summarized in Table 25 below.

Table 27. Five-Year Operating Plan Summary

1-Year Plan (2020)	3-Year Plan (2022)	5-Year Plan (2024)
Monitoring: Monitor ridership, productivity, and vehicle capacity	Fleet Capacity: Purchase 2 400-series buses for capacity expansion on high-productivity services	Service Expansion: Introduce Sunday service in Saint Peter and Le Sueur, and service every Saturday on the Mankato corridor route
Marketing: Pursue joint marketing with TRUE Transit and other regional providers	Service Coordination: Consider implementing scheduled connections with TRUE Transit or other providers as appropriate	Service Expansion: Expand Gus Bus service as warranted based on performance (25 percent increase estimated)
Total Revenue Hours: 14,201.5 (Same as 2019)	Total Revenue Hours: 14,201.5 (Same as 2019)	Total Revenue Hours: 15,319.5 (+1,118)
Additional FTEs Required: 0	Additional FTEs Required: +0	Additional FTEs Required +0.6

Chapter 9. Financial

Background

This chapter looks at current and future projected revenue sources, and the ability to enhance revenue streams for expanded service. While federal and state funding sources may increase in the future, service expansions proposed will likely also require an increase in the local match funding beyond the current farebox revenue. Additional local match funding sources (such as annual funding from local governments or other regional organizations) may be required.

History

MRVT provides its local match funding share through its farebox revenues and through contracts for services. The revenues for 2018 are listed in Table 26 below.

Table 28. Operating Revenue, 2018

Item	Revenue	Percentage
Grant Revenue	\$670,773	79%
Farebox	\$117,000	14%
Gustavus Service Contract	\$30,500	4%
Fuel Refund	\$7,200	1%
Operating Revenue	\$845,473	100%

Projected Needs and Revenues

The proposed service expansion in this plan will require an additional \$77,240 annually by 2025. Twenty percent of this expansion, or \$15,448 per year, will need to be covered by local sources, which can include farebox revenue, contracts, and funding from local governments. MRVT will also need to find additional local funding to cover any projected operating deficits; however, future projections currently show a slight operating surplus. Table 27 on the following page shows the projected operating revenues and expenditures from 2019 to 2025.

MRVT should also explore opportunities to expand local match funding by marketing the benefits of aging in place and community benefits to local governments and human services providers in the region. By building partnerships to diversify and expand the local match funding available, MRVT will be able to leverage a larger portion of state and federal funding for service expansion. Additional contract revenues could be pursued as well, to the extent that they do not impact the agency's provision of public transit services.

Table 29. Projected Operating Expenses and Revenues, 2019 – 2025

Year	2019	2020	2021	2022	2023	2024	2025
Operating Expenses – Current Level of Service ²	\$821,728	\$846,380	\$871,771	\$897,924	\$924,862	\$952,608	\$981,186
Operating Revenue – Current Level of Service ³	\$822,894	\$847,581	\$873,008	\$899,198	\$926,174	\$953,960	\$982,578
Deficit	-\$1,166	-\$1,201	-\$1,237	-\$1,274	-\$1,312	-\$1,352	-\$1,392
Additional Operating Expense – Service Expansion ⁴	--	--	--	--	--	\$74,991	\$77,240
Expansion Local Share (20%)	--	--	--	--	--	\$14,998	\$15,448
Additional Local Operating Funding Necessary (Deficit + Expansion Local Share)	-\$1,166	-\$1,201	-\$1,237	-\$1,274	-\$1,312	\$13,646	\$14,056

² 2019 projected operating expenses by route were provided by MRVT.

Projected future per-hour operating expenses for current service levels were increased by 3 percent per year to account for expected inflation.

³ Projected operating revenue for 2019 were provided in MRVT’s annual budget.

Projected future operating revenue for current service levels were increased by 3 percent per year to account for improved marketing and awareness efforts.

⁴ Additional operating expenses for future service expansions on existing routes were calculated by multiplying the projected increase in revenue hours for each route by its projected 2019 cost per hour, then increased by 3 percent per year to account for expected inflation.

For new routes, cost per hour was estimated as MRVT’s 2019 systemwide average cost per hour, then increased by 3 percent per year.

Chapter 10. Agency Strategic Direction

The five-year planning process included all of the rural transit service providers (FTA Section 5311) in Greater Minnesota. The process of developing the five-year transit system plans was the first for 5311 providers in Greater Minnesota. The Plan identifies and quantifies the transit services being operated around the state, which varies greatly, and identifies potential areas for improvement, expansion and regional transit and mobility coordination. Transit services are subject to many federal and state guidelines, which may impact how improvements, expansion, and coordination is implemented. This section describes both overarching areas of potential improvement and opportunities identified across the state as well as those specific to MRVT, including local, state, and federal requirements.

State and Federal Requirements

The provision of transit service is subject to many local, state and federal guidelines, including the following:

Federal Transit Administration (FTA)

FTA Section 5311 provides formula-based grants to support rural areas for transit capital, planning, and operating assistance.⁵ Guidance on the grant, requirements, compliance and the application process is available online⁶ and through MnDOT Office of Transit and Active Transportation (OTAT).⁷

The FTA is one of the funders for 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, is facilitated through MnDOT as the recipient. MnDOT assists in compliance to FTA regulations. FTA regulations such as: training, safety, maintenance, service, and procurement. Any contracted service by transit agencies, including taxi services, must also comply with FTA requirements.

FTA also requires compliance with the American's with Disabilities Act (ADA), Olmstead Plan, and Title VI, described in more detail below.

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

⁵ <https://www.transit.dot.gov/rural-formula-grants-5311>

⁶ <https://www.transit.dot.gov/regulations-and-guidance/fta-circulars/formula-grants-rural-areas-program-guidance-and-application>

⁷ <https://www.dot.state.mn.us/transit/>

to forcing institutionalization, and are covered by the Americans Disabilities Act of 1990 (ADA) in *Olmstead vs. L.C and E.W.*⁸ 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 2018.⁹

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 Americans with Disabilities Act (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.

Title VI

FTA requires all recipients and sub recipients to comply with U.S. Department of Transportation Title VI regulations, based on the 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 limited English proficiency (LEP).¹⁰ In Greater Minnesota, MnDOT is the primary recipient of FTA funds, so all the 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 fixed route and demand response service, Title VI responsibilities pertain to identifying communities with limited English proficiency and providing materials and outreach in appropriate languages.

For reference go to MnDOT's Web site <https://www.dot.state.mn.us/civilrights/titlevi.html>

ADA

The Americans with Disabilities Act (ADA) of 1990 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 persons with disabilities.¹¹ 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 fixed 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.

⁸ <https://supreme.justia.com/cases/federal/us/527/581/>

⁹ <https://www.dhs.state.mn.us/olmstead/>

¹⁰ https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/FTA_Title_VI_FINAL.pdf

¹¹ https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/Final_FTA_ADA_Circular_C_4710.1.pdf

MnDOT defines the types of vehicles that are available for service provision in Greater Minnesota. All of 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 fixed route service:

- Route deviation policies, including distance and availability, must be advertised
- Establish a reasonable service area in which deviations are permitted (e.g. $\frac{3}{4}$ mile)
- Establish reasonable limits on numbers of deviations per trip to ensure that the fixed route portion of the service is able to operate on-time
- Apply reasonable surcharges for deviations (e.g. deviation surcharges no more than twice the base fare)

Agency

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

- Data Tracking
 - Service data for National Transit Database (NTD)
 - Monthly and annually
 - By mode
 - Grant management
 - Fleet inventory / Facility inventory
 - Denials
 - Capacity
 - Unmet Need
 - On-Time Performance (pickup window)
 - Percent of communities with baseline span of service
 - Performance metrics (required, but not tracked)
 - Passengers per hour
 - Cost per service hour
 - Cost per trip
 - Others (at the discretion of MRVT)
 - Service hours per capita, advance reservation time, and trip cancellations

MnDOT reports annual NTD statistics and also created and maintains the Transit Asset Management (TAM) Plan for all FTA Section 5311 transit service providers, which can be found here: <http://www.dot.state.mn.us/transit/reports/transit-report/pdf/OTAT%20TAM%20Plan%2010-1-18.pdf>.

Fiscally Constrained, Near-Term Service Recommendations

Service Monitoring / Performance Measures (Highest Priority)

In the near term, MRVT should continue to operate existing services while improving monitoring and performance measurement efforts. MRVT should establish a performance dashboard to facilitate regular monitoring of essential customer service metrics, including the following:

Service Denials and Re-accommodations: For demand-response services, denials and re-accommodations are critical factors in determining whether adequate capacity is being provided. If a high or growing number of service denials are observed, MRVT should prepare to add capacity (including additional vehicles and drivers) to ensure all passengers can be accommodated. This may require additional operating and capital funding.

Shared vs. Individual Rides: In order maximize ridership and productivity, transit trips should be provided on a shared-ride basis as often as possible. This is a natural feature of scheduled fixed-route bus service, but demand-response services depend on efficient scheduling and trip pooling in order to achieve reasonable efficiency. MRVT should monitor the percentage of transit trips made in shared vehicles; a high rate of single-passenger trips could indicate a need to more efficiently schedule or dispatch vehicles.

Passenger In-Vehicle Time: From a customer perspective, in-vehicle time is a key factor in deciding whether to use transit. In addition to monitoring shared vs. individual rides (an indicator of efficiency), MRVT should track passenger in-vehicle time. Excessively long (or increasingly long) in-vehicle trip times can indicate inconvenient service or a need for additional vehicle capacity.

Market Capture: MRVT should measure ridership and revenue hours per capita on a regular basis to assess its provision of service in relation to community needs.

Service Coordination

In addition to monitoring existing operations, MRVT should explore opportunities to coordinate marketing efforts and service provision with other nearby providers, including TRUE Transit, Land to Air Express (Highway 169 Connection), and the Mankato Transit System. Joint marketing can increase awareness of all available transit options and assist customers in selecting the most efficient option for their travel needs. In the future, opportunities may exist to coordinate services, including by providing timed transfer connections, introducing jointly-operated routes, or developing an integrated fare payment system. MRVT should establish regular lines of communication with nearby providers and pursue mutually beneficial projects as they arise.

Long-Term Service Recommendations

Performance-Based Service Expansion

As ridership grows, MRVT should use performance measures to prioritize service expansions, such as adding vehicles to existing on-demand services or frequency on fixed routes. Services that achieve high productivity or experience increasingly frequent service denials should be targeted for additional investment.

Service revisions could include the following:

- **Le Sueur – Saint Peter - Mankato Corridor Route:** MRVT should monitor ridership and customer feedback to determine whether the existing Monday and Thursday weekday and monthly Saturday service are sufficient. Based on performance, MRVT could add additional weekday service or expand from one Saturday per month to every Saturday (included in the operating plan for 2024-2025).
- **Le Sueur Deviated Routes:** MRVT should review ridership and service denials by time of day to determine whether existing scheduled timepoints are meeting customers' needs. If certain timed connections have low ridership but impede customers' ability to reserve trips to other destinations, MRVT should consider changing or eliminating these timepoints. In addition, MRVT should monitor vehicle capacity to determine whether more frequent service is needed. Sunday service could also be added (included in the operating plan for 2024-2025).
- **Saint Peter Dial-a-Ride (DAR) Service:** MRVT should monitor productivity, service denials, and the percentage of shared rides on the Saint Peter Dial-a-Ride service. If a high or increasing level of service denials are observed, MRVT should add vehicle capacity, starting with the specific hours and days where denials are most frequent. Additionally, MRVT could consider adding Sunday service (included in the operating plan for 2024-2025).
- **Gustavus Adolphus College (Gus Bus) Service:** MRVT should monitor capacity and productivity on the Gustavus Adolphus College service to determine whether additional trips and days of service may be needed. While Gus Bus schedules are currently determined by the Gustavus Student Senate, MRVT should review operating data and provide recommendations for future service revisions as appropriate. A 25 percent increase in Gus Bus service is included in the operating plan for 2024-2025.

Opportunities

Agency Fares/Non-Emergency Medical Transportation (NEMT)

An agency fare is an amount charged to human service organizations purchasing transit services on behalf of their clients. A common type of agency fare in rural transit is that which is arranged through a Day Training and Habilitation (DTH) facility, Medicaid waiver program, or for Non-Emergency Medical Transportation. MRVT is interested in becoming an NEMT provider, but is unsure of the regulatory environment and whether it would be beneficial to their local community. Each public transit service sponsor determines whether to charge agency fares and at what amount. The agency fare rate is higher than those for the general public (i.e. full adult, elderly, disabled, child, student, veteran, etc.) due to FTA regulations stating revenues from the incidental use of vehicles for agency rides should at least cover the federal share of the incurred expenses. Ultimately this is a local decision and dependent on the characteristics of each transit provider. Agency rides cannot displace public transit trips. Only after the needs of public transit riders are met can these resources be used to meet the transportation needs of social service agency clients (e.g., Medicaid recipients), providing this incidental use does not interfere with the public transit service. There cannot be a reduction in the service quality or availability of public transit as a result of transporting human service clients. However, in many instances NEMT riders, for example, can be accommodated by adding them as extra riders to pre-existing routes or times of day with excess capacity. In many cases, agency trips can be a stable source of revenue for a transit system and ultimately provide efficient, coordinated transportation service.

On-Board Surveys

In addition to analyzing service data, MRVT can conduct customer surveys to provide guidance on future service changes. This could enable MRVT to better understand the needs of current and/or potential customers and to design more effective route and schedule changes.

Technology and Data Improvements

MRVT does not use performance measures for service planning, and the recent service changes were solely based on ridership. Currently, a majority of the rides are requested on-demand, but scheduled trips take priority. The agency does not keep track of service denials or pick up negotiations, but does have a service denial policy based on not following the rider guide for passenger behavior.¹² The new Routematch dispatch software will allow the agency to keep track of individuals with a history of not showing up for their rides.

Risks & Challenges

Transit Network Companies (TNCs)

Recently, a decline in ridership on the Gustavus Adolphus College (Gus Bus) service caused MRVT's systemwide ridership and performance to trend downward overall. This may be due to the increase of Transportation Network Company (TNC) services by college students. While TNC ridership in small urban areas is typically most prevalent on weekend evenings, MRVT should monitor the impact of these services on systemwide ridership and allocate its own transit dollars accordingly.

Overlapping Service Areas / Providers

MRVT operates in a service area that is home to other transportation providers, including local city transit, rural transit, nonprofit providers, and intercity bus services as follows:

- Mankato Transit System (City of Mankato)
- TRUE Transit (Rural Nicollet, Le Sueur, and Blue Earth counties)
- VINE Faith In Action (Volunteer and human service transportation)
- Land to Air Express / Highway 169 Connection (Service to Minneapolis)

To the extent that these services appear fragmented to users, each agency will struggle to communicate the advantages of a seamless transit system and attract the greatest number of potential customers. However, with better coordination, joint marketing, and clearly defined service offerings, MRVT and other agencies can better leverage the resources of all available providers to meet the needs of the region's residents as efficiently as possible.

Chapter 11. Increasing Transit Use for Agency

Marketing

MRVT is in need of improvements to its existing marketing content, programming, and staffing.

Marketing Content and Website

MRVT's current marketing brochures and website are relatively basic; most materials are hosted on the City of Saint Peter's website, with additional information on Le Sueur services featured on the City of Le Sueur website. MRVT should explore developing more robust information on a single website, ideally one that is agency-specific. This website overhaul and other marketing materials should include clear branding, including the agency's logo and colors, as well as clear fonts, maps and schedules. The website should be visually pleasing and user-friendly and should enable online trip reservations and payment once the necessary software is implemented.

MRVT is in the process of working with TRUE Transit to implement the agencies' newly-purchased Routematch software. The online payment system still needs to be set up, which will require tracking fare revenue separately for each system. A potential interagency agreement with TRUE Transit may be necessary and should be completed as soon as possible.

Programming and Policy

MRVT currently does not have an official mission or vision statement. It is recommended that the agency adopt an official mission and vision as part of future planning or marketing efforts.

MRVT provides outreach and travel training upon request, but management staff are focused mainly on the day-to-day operations of the agency. Ideally, MRVT should consider adding staff and/or developing an ongoing outreach program to provide regularly scheduled travel training in Saint Peter and Le Sueur. Additional outreach should also be conducted to inform area governments, businesses, and customers about current and future services available.

A simplified fare system was implemented on January 1, 2019, with old tickets expiring February 1, 2019. There are only adult, senior, and student fares available now. College students only get special consideration for the college-sponsored service. There has been no consideration of a monthly pass program. New tablets for drivers will allow customers to set up customer profiles, which can keep a fare balance, as drivers do not carry change. These developments are an improvement for the agency, creating a better customer experience.

Staffing

MRVT does not currently have a dedicated marketing staff. Between 2020 and 2025, MRVT should hire at least one full-time marketing staffer to coordinate outreach programs and complete regular

updates to the agency’s website and marketing materials. If desired, MRVT could explore contracting with an outside firm or agency (such as TRUE Transit) for marketing services.

Action Plan

Summary of Recommendations by Category

Service

In the near term, MRVT will continue to focus on service monitoring. Over the next three to five years, MRVT should add capacity to existing demand-response services as warranted by performance measures. To the greatest extent possible, MRVT should work with other regional transit and human service transportation providers to improve marketing, coordinate service, and/or pursue operating partnerships where feasible.

Included in the five-year operating plan are the following service revisions:

- **Le Sueur – Saint Peter – Mankato Corridor Route:**
Expand Saturday service from one Saturday per month to every Saturday (2024-2025).
- **Le Sueur Deviated Routes:** Add Sunday service (2024-2025)
- **Saint Peter Dial-a-Ride (DAR) Service:** Add Sunday service (2024-2025).
- **Gustavus Adolphus College (Gus Bus) Service:**
Expand service as warranted by performance (25 percent increase forecast by 2024-2025).

Staffing

MRVT should aim to hire the equivalent of one full-time driver for every 2,000 hours of scheduled transit service. Based on the service expansions proposed above, MRVT should expect to hire at least one additional driver by 2024. Additionally, MRVT should hire at least one full-time marketing staffer.

Facilities/Fleet

MRVT has identified a need for a new administration and maintenance facility that would provide a dedicated space for agency staff, as well as additional vehicle storage. While local match funding could be a challenge, this facility is included in MRVT’s 2020-2025 annual needs at an estimated cost of \$6 million.

MRVT’s current fleet of 400-series cutaways is sufficient for existing operations. In order to maintain this fleet, the agency plans to replace one vehicle every year through 2025. Additionally, it is expected that improved marketing and attention to performance measures (including productivity,

denials, and cancellations) may result in additional capacity needs for existing demand-response services by 2025. Capital expansion plans call for two additional vehicles to be purchased in 2022.

Technology

MRVT is in the process of installing Routematch software for dispatch, in partnership with Brown County and TRUE Transit. This software will eventually enable enhanced data analysis, as well as online fare payment, which will require coordination with TRUE Transit. MRVT should ensure that all new features available in Routematch are online as soon as possible.

MRVT should also seek to update and improve its website, as noted in the Marketing section below.

Marketing

MRVT has indicated that one obstacle to maintaining and growing transit ridership is a lack of awareness of current services. MRVT has a basic level of information available on its website, and current customers have indicated that they prefer to receive printed information. However, the agency should aim to provide improved maps and schedule information online, as well as pursue direct outreach to local governments and potential customers.

Between 2020 and 2025, MRVT should hire at least one full-time marketing staffer to coordinate regular improvements to marketing materials, as well as local outreach. Most transit agencies spend between 1 and 2 percent of their budget on marketing. With improvements in funding, MRVT could hire additional staff and/or consultants to ensure that services are advertised effectively to as many potential riders as possible. If desired, MRVT could explore a shared marketing agreement or contract with TRUE Transit, which has a well-developed marketing presence in the area.

Implementation

Specific strategies to improve transit use and service for MRVT are outlined in Table 28 on the following page. Included are indications of need, ease of implementation, level of local support, and capital and operating costs. This chart can be used as a tool to identify priority strategies for near-term implementation, as well as long-term strategies that will require local cooperation and/or additional resources.

Table 30. MRVT Improvement Strategies

Category	Improvement Strategy	Need	Ease of Implementation	Local Support	Capital Cost	Operating Cost
Service	Expand Hours & Weekend Service	○	○	◐	◐	○
Service	Expand Scheduled Regional Trips	○	◐	○	●	○
Service	College Service Outside School Semesters	◐	◐	○	◐	◐
Service	Improve On-Time Performance Tracking (± 45 Min)	●	◐	◐	○	●
Service	Track Service Denials, Establish Reservation Policy, No-Show	●	●	○	○	●
Service	Online Reservation System	●	◐	●	◐	◐
Service	Centralized Reservations and Dispatch	◐	◐	◐	◐	◐
Staffing	Volunteer Driver/Escort Program	○	○	○	◐	●
Staffing	Recruit Bilingual Staff	◐	◐	◐	◐	◐
Facilities/Fleet	New Joint Administration & Maintenance Facility	●	○	○	○	◐
Facilities/Fleet	Additional Vehicles to Expand Capacity on Current Services	◐	◐	●	○	●
Facilities/Fleet	Add Bike Racks to Buses	◐	●	◐	●	●
Technology	AVL, Farebox, Security Cameras, Communication Systems,	◐	◐	●	◐	◐
Marketing	Add Marketing Staff	●	◐	◐	●	◐
Marketing	Improved Posters/Flyers/Branding	●	●	●	◐	◐
Marketing	Multi-Lingual Advertising	◐	◐	◐	◐	●
Marketing	Promote Community Benefits of Service – Economic Development, Aging in Place, Property Taxes	●	◐	●	●	◐
Marketing	Target Marketing Beyond Seniors	●	●	●	◐	●
Marketing	Implement Travel Training Program	◐	◐	●	●	●
Marketing	Monthly Pass Program	◐	◐	◐	●	●

○ - Low/Unsupportive/High Cost ◐ - Moderate/Neutral/Moderate Cost ● - High/Supportive/Low Cost

Plan Approval

The MRVT Five-Year Transit System Plan recommends future service improvements that reflect local priorities and advance MnDOT’s vision for Greater Minnesota transit. As an indication of local support, the Joint Powers Board has reviewed and accepted the FYTSP and the following member(s) have signed below:

Signature	Name (Print)	Role	Date

Signature	Name (Print)	Role	Date

Signature	Name (Print)	Role	Date

