

Five-Year Transit System Plan



TRUE TRANSIT
Town Rural Urban Express

Final

Prepared by:



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SRF No. 11522

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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. The Town, Rural, Urban Express (TRUE Transit) plays an essential role for people of all ages throughout the rural areas of Blue Earth, Le Sueur, and Nicollet Counties. The TRUE Transit 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 TRUE Transit 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 provided by TRUE Transit, 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 55.

Summary of Technical Memoranda

Previous technical memoranda included a description of existing conditions in the TRUE Transit 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 TRUE Transit services to identify where service is being operated efficiently and where improvements can be made to increase ridership while enhancing cost effectiveness and efficiency. TRUE Transit currently operates the following services:

- Scheduled route service offered on select weekdays in Nicollet, Blue Earth, and Le Sueur counties.
- In-town ride services offered on select weekdays within communities in Nicollet, Blue Earth, and Le Sueur counties.
- County-wide rides offered on select weekdays in Nicollet, Blue Earth, and Le Sueur counties.

Consultants conducted a series of on-site interviews with TRUE Transit staff and surveys with stakeholders identified by TRUE Transit staff to learn how well service is meeting needs and identify gaps in services as well as capital and operational needs. Through this engagement, the following potential areas for improvement were identified: service hours, service area, vehicle capacity, website and online reservation system, travel training, and outreach to groups including senior centers and civic organizations.

Recommendations

This report identifies short- and long-term recommendations for TRUE Transit to better serve its current and future users. To improve service in the near term, the following is recommended:

- Monitor key performance measures, including ridership, productivity, vehicle capacity, and any instances of service denials or re-accommodations, and purchase additional vehicles if needed.

Long-term recommendations focus on streamlining and expanding service. The following recommendations are made:

- Use performance measures to prioritize service expansions, such as additional frequency on scheduled routes, additional service days for county-wide trips, or extended service hours.
- Eliminate dedicated in-town service, instead meeting these needs by adding smaller passenger vans to existing county-wide rides, thus freeing up vehicles for higher-ridership routes.
- Add service frequency as ridership grows with an ultimate goal of having scheduled route and/or demand response service every weekday.

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

TRUE Transit provides public transportation services between the rural areas of Blue Earth, Le Sueur and Nicollet counties and the cities of Mankato, North Mankato, Saint Peter and Le Sueur.

TRUE Transit is managed and operated by VINE Faith in Action, a non-profit which started in 1995 and is governed by a board of directors. VINE supports sustainable communities and rural livability, which includes having access to dependable and affordable transportation for people to shop, go the doctor's office, attend appointments, and get to their jobs. In 2016, VINE created TRUE Transit with support from MnDOT and Blue Earth, Le Sueur, and Nicollet counties. TRUE Transit launched in January 2017 and began full service later that year.

Mission

VINE Faith in Action provides a variety of services to residents of the greater Mankato area, with a focus on serving older adults who wish to live independently as they age. The organization's mission statement is listed below:

“VINE Faith in Action promotes quality of life and a culture of caring, sustained by volunteerism, community engagement and support for neighbors in need.”

TRUE Transit expands upon VINE's mission by providing rides to the general public throughout Blue Earth, Le Sueur, and Nicollet counties.

Vision

TRUE Transit does not currently have an official vision statement.

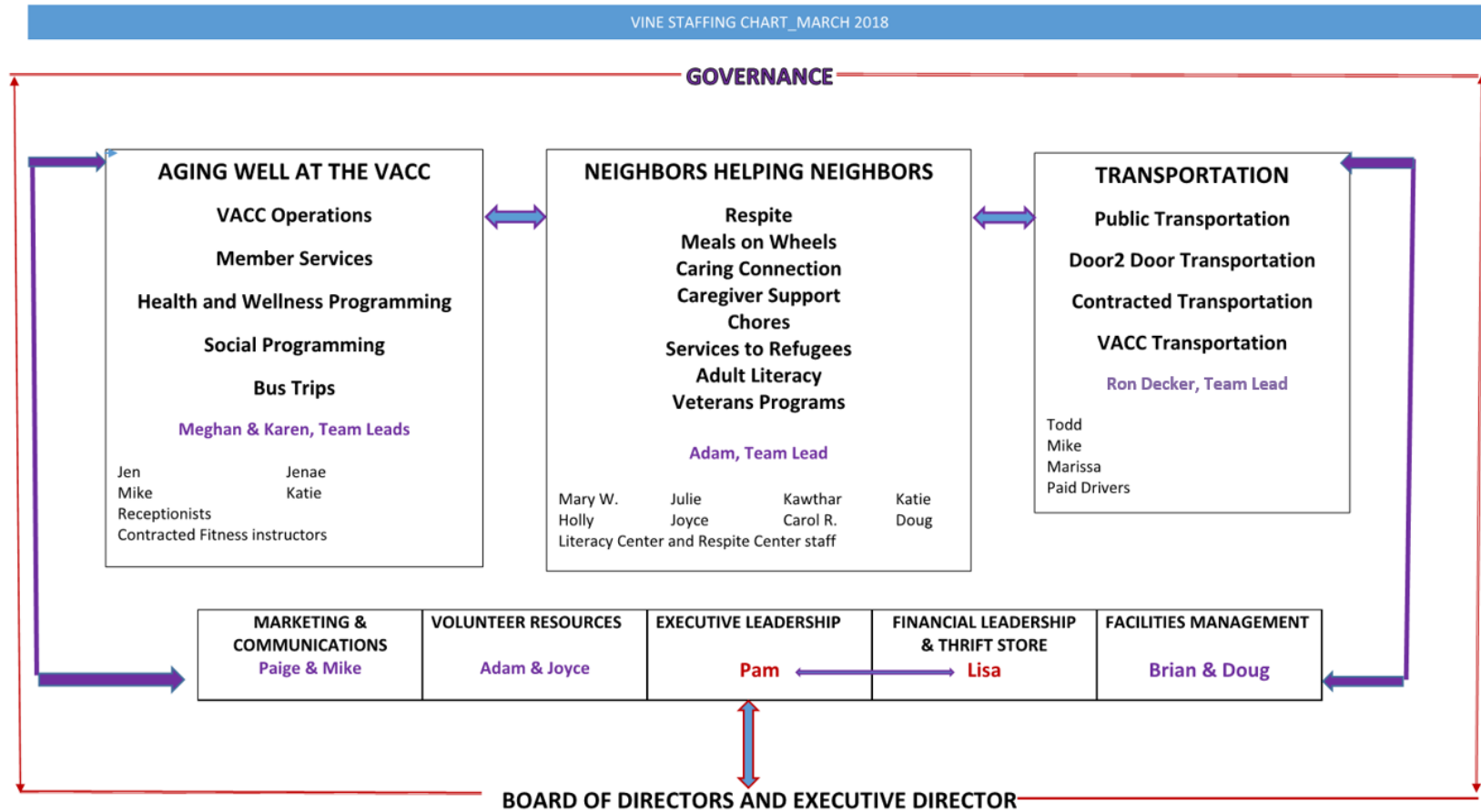
Governance and Decision-making Process

Figure 1 shows the organization structure of VINE Faith in Action, showing public transportation (TRUE Transit) as one of VINE's transportation programs managed by the board of directors. In addition, the Tri-County Transit Advisory Committee (TAC) is established to provide guidance to VINE Faith in Action's Board of Directors (VINE Board) in the development and ongoing operations of the public transportation program managed by VINE for residents of Blue Earth, Le Sueur, and Nicollet counties.

The TAC membership includes one representative from each of the service counties appointed by their respective County Board; one representative from each county who works with older adults, people with disabilities, or economically disadvantaged citizens who benefit from public transit; one member of the VINE Board; one staff member from Mankato Public Transit; one staff member from Minnesota River Valley Transit; one representative from a health care system; and one person representing the cultural diversity of the service area. VINE's Executive Director, VINE's Transit Manager, and MnDOT staff liaison attend and serve as non-voting members.

The TAC meets quarterly and the term of service for members is 24 months, with allowable re-appointment for additional terms. The transit staff brings new information or recommended changes to the attention of the TAC which presents the recommendations to the VINE Board for approval.

Figure 1. Organization Structure for VINE Faith in Action



Service Area Overview

TRUE Transit provides transportation services in the following three counties:

- Le Sueur County, located in southcentral Minnesota, is approximately 40 miles south-southwest of the City of Saint Paul, Minnesota's state capital. The county is bounded on the north by Scott County, on the west by Sibley and Nicollet counties, on the south by Blue Earth and Waseca counties, and on the east by Rice County. The county's area is 448.5 square miles and its population is 27,810.
- With a population of 65,767, Blue Earth County in south-central Minnesota spans 764 square miles and includes several lakes, rivers and, streams, as well as abundant agricultural land. The county consists of 11 cities and 23 townships, and its county seat, Mankato, serves as a regional hub for retail, education, healthcare, manufacturing, tourism, and government services.
- Nicollet County spans 467 square miles and has 33,477 residents. The county is adjacent to Le Sueur and Blue Earth counties and also includes several lakes. Saint Peter is the county seat; the majority of North Mankato and parts of the City of Mankato also lie in Nicollet County.

The communities served by TRUE Transit are listed below:

- New Prague
- Heidelberg
- Montgomery
- Kilkenny
- Waterville
- Elysian
- Le Center
- Cleveland
- Le Sueur
- Kasota
- Saint Peter
- Nicollet
- Courtland
- Lafayette
- North Mankato
- Mankato
- Eagle Lake
- Madison Lake
- St. Clair
- Pemberton
- Mapleton
- Amboy
- Vernon Center
- Good Thunder
- Rapidan
- Lake Crystal
- Beauford
- New Ulm

Demographic Characteristics

The 2017 Local Human Service Public Transit Coordination Plan for Region Nine, covering South Central Minnesota, identified Blue Earth and Nicollet counties as two of only four counties in the region to have experienced population growth between 2009 and 2015.¹ Current population growth tends to cluster around the Mankato-North Mankato metropolitan statistical area, with Blue Earth and Nicollet Counties showing the largest increase. Other nearby counties have experienced slow growth or population decline. Similar growth patterns are expected to continue, with proximity to Mankato and the Minneapolis/Saint Paul metro benefitting Blue Earth, Le Sueur, and Nicollet counties. Each of the three counties is also experiencing a rising population of older adults, especially in rural areas.

In conversations with TRUE Transit staff, it was mentioned that the refugee population is an underserved population with high transit needs, mainly within the city of Mankato. It was noted that Mankato Transit System (MTS) serves the general population and Mankato State University well, but there is a gap in service for the transit dependent population.

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, 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.

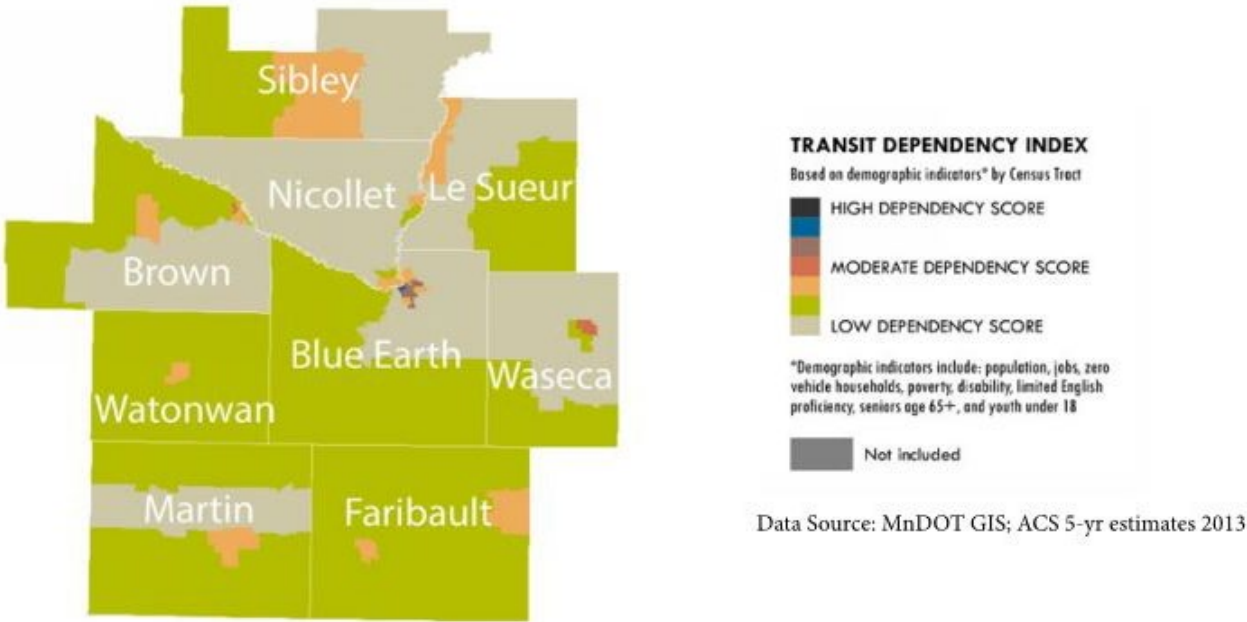
¹

http://www.coordinatemntransit.org/regional/regionalplans/2017/documents/2017_Region_9_Local_Human_Service_Public_Transit_Coordination_Plan.pdf

- Low-Income Populations – Households are considered low-income if annual household earnings equal 150 percent of the federal poverty threshold or less. 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 reliant 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.

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

Figure 2. Transit Dependency



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 TRUE Transit service area as well as nearby areas within the Southeast transit region. Figure 3 through Figure 10 were developed using the datasets compiled and provided by MnDOT.

Table 1: Population of Counties Served by TRUE Transit

Geography	Population	Households	Zero-Vehicle Households
Blue Earth County	65,524	25,081	1,792
Nicollet County	33,226	12,559	718
Le Sueur County	27,650	10,805	467

Source: American Community Survey, 2016 5-year estimates

Table 2: Population of Communities Served by TRUE Transit

Geography	Population	Households	Zero-Vehicle Households
Mankato	40,900	15,741	1,511
North Mankato	13,451	5,742	416
New Ulm	13,279	5,657	349
St. Peter	11,567	3,648	257
New Prague	7,534	2,595	135
Eagle Lake	2,712	981	5
Lake Crystal	2,430	964	105
Le Center	2,404	955	87
Waterville	1,945	846	79
Aurora	1,714	762	87
Mapleton	1,605	601	56
Nicollet	1,040	422	5
Madison Lake	1,007	411	18
St. Clair	873	305	0
Kasota	803	321	16
Courtland	720	279	3
Cleveland	692	275	7
Elysian	655	264	6
Good Thunder	542	226	7
Lafayette	423	191	15
Vernon Center	326	135	1
Skyline	301	128	0
Pemberton	254	90	2
Kilkenny	211	78	2

Source: American Community Survey, 2016 5-year estimates

The demographic and economic indicators include in this section aid in understanding where transit services will be most beneficial to the public. In keeping with the mission of TRUE Transit to support independent living, this section analyzes the prevalence of a variety of vulnerable populations, including seniors and people with disabilities, who live in rural areas and smaller towns throughout the service area. These populations may benefit from transit services that offer connections to larger areas with opportunities for employment, shopping, healthcare, and other services.

Figure 3 shows the distribution of the senior population across the TRUE Transit service area. The highest concentrations of seniors are on the southern edge of Le Sueur County and around the western tip of Nicollet County. There are lower concentrations in the central portion of the service area around Mankato, with moderate concentrations in the southwestern half of Blue Earth County and central Le Sueur County.

Figure 3. Senior Population - Percent of Population over 65

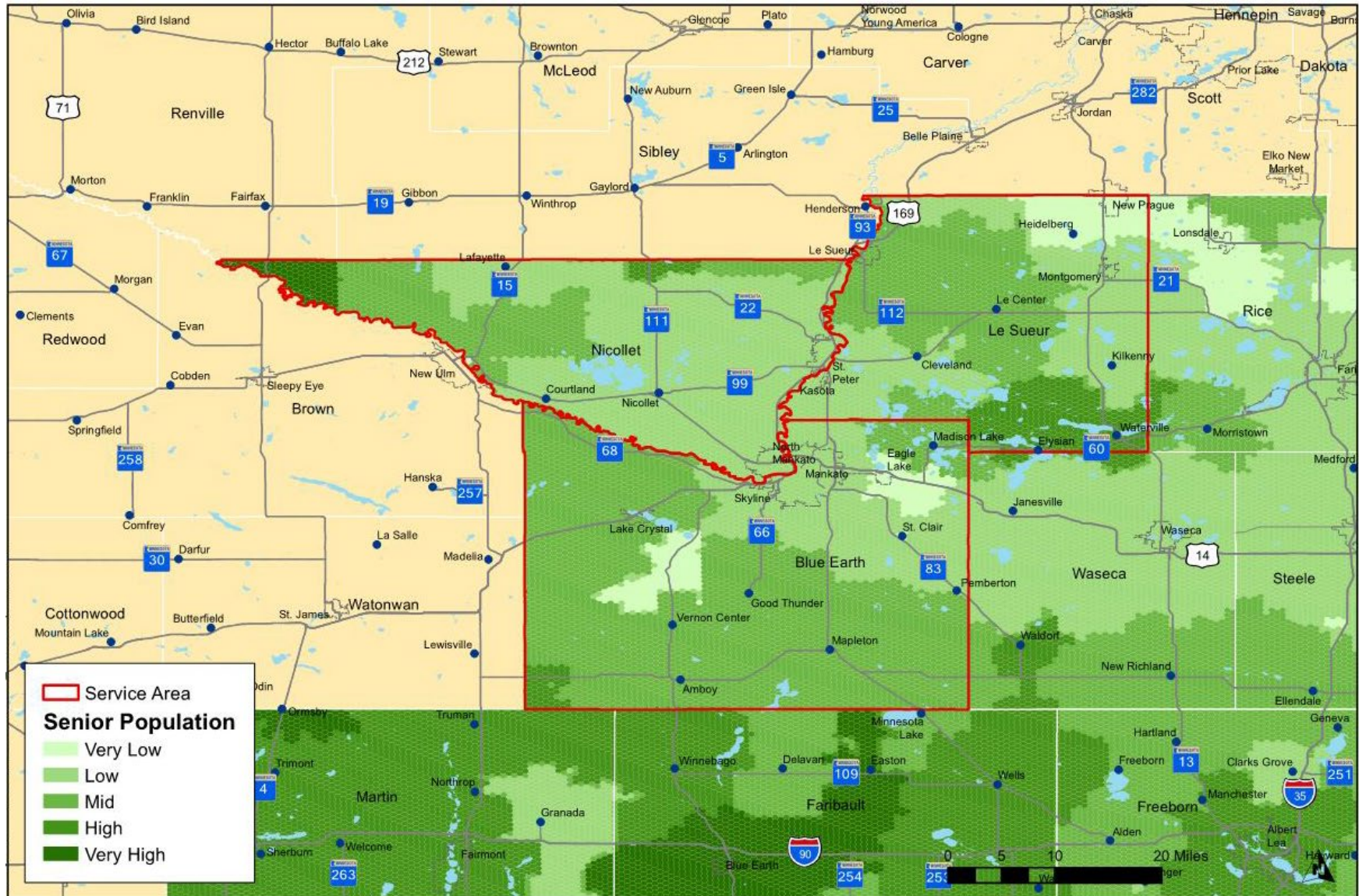


Figure 4 shows the distribution of households that lack access to a personal vehicle. Most of the TRUE Transit service area has low to very low concentrations of zero car households. There are pockets of households without vehicle access on the western edge of Blue Earth county and along the northern edge of Nicollet County near Lafayette.

Figure 5 shows the distribution of the populations with disabilities. There are high concentrations of populations with disabilities in the area surrounding Good Thunder, Mapleton and Pemberton in Blue Earth County. High concentrations can also be found near Waterville and the Saint Peter – Kasota area. The western tip of Nicollet County also has a high concentration of people living with disabilities.

Figure 6 shows the population experiencing poverty. The highest concentrations of poverty are found in Mankato and the surrounding area as well as Saint Peter and the rural area to the west of Saint Peter. There are also higher levels of poverty surrounding Amboy.

Figure 7 shows the population change in the area between 2011 and 2015. The Mankato area saw high growth, except for a pocket of population decline on the southern edge. There has been moderate population growth throughout the rest of northern Blue Earth County and eastern Nicollet County and central Le Sueur County. Western Nicollet County experienced moderate decline.

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

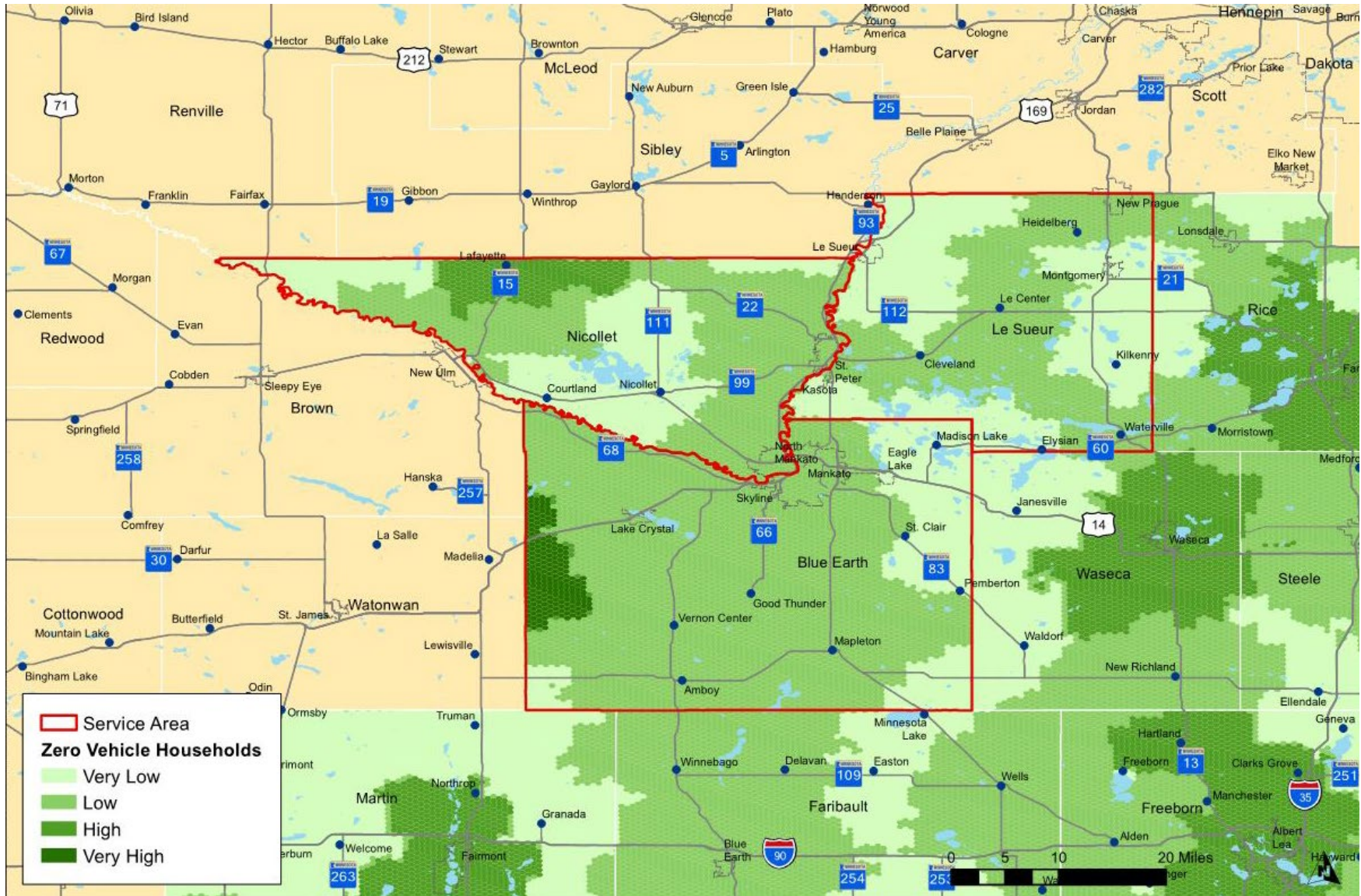


Figure 5. Disabled Population - Percent of Population With a Disability

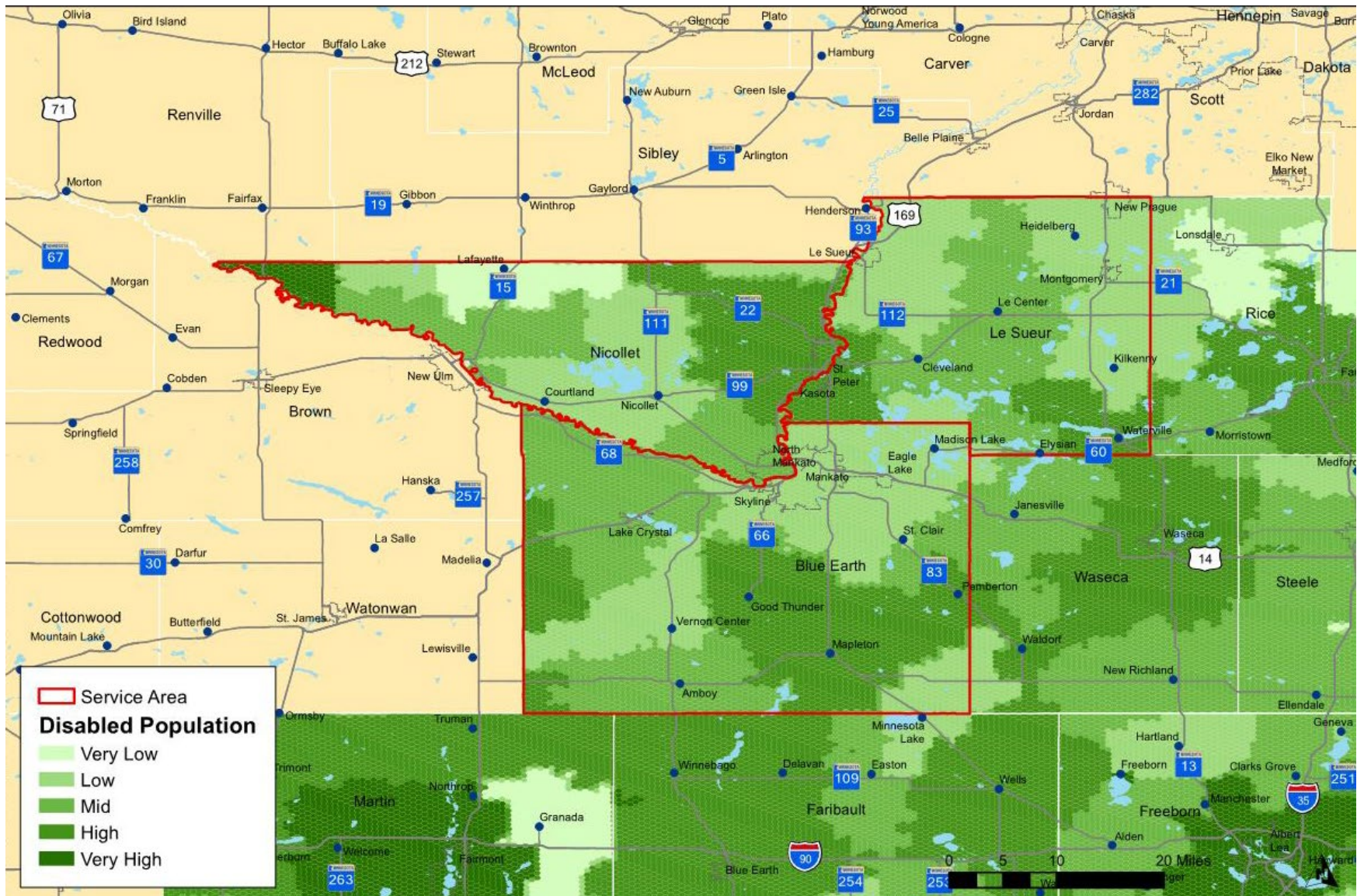


Figure 6. Population Experiencing Poverty – Percent of Population Experiencing Poverty

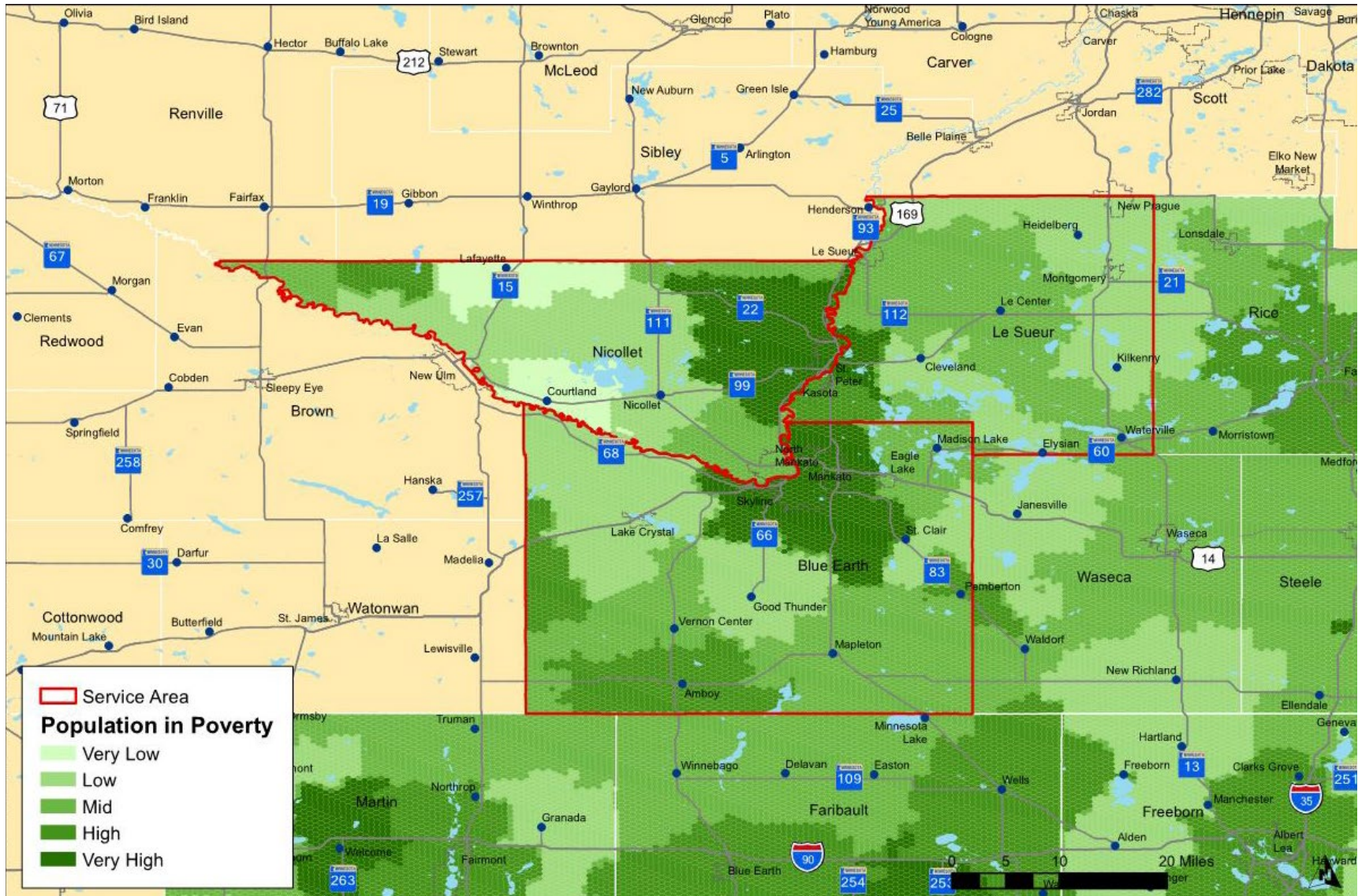
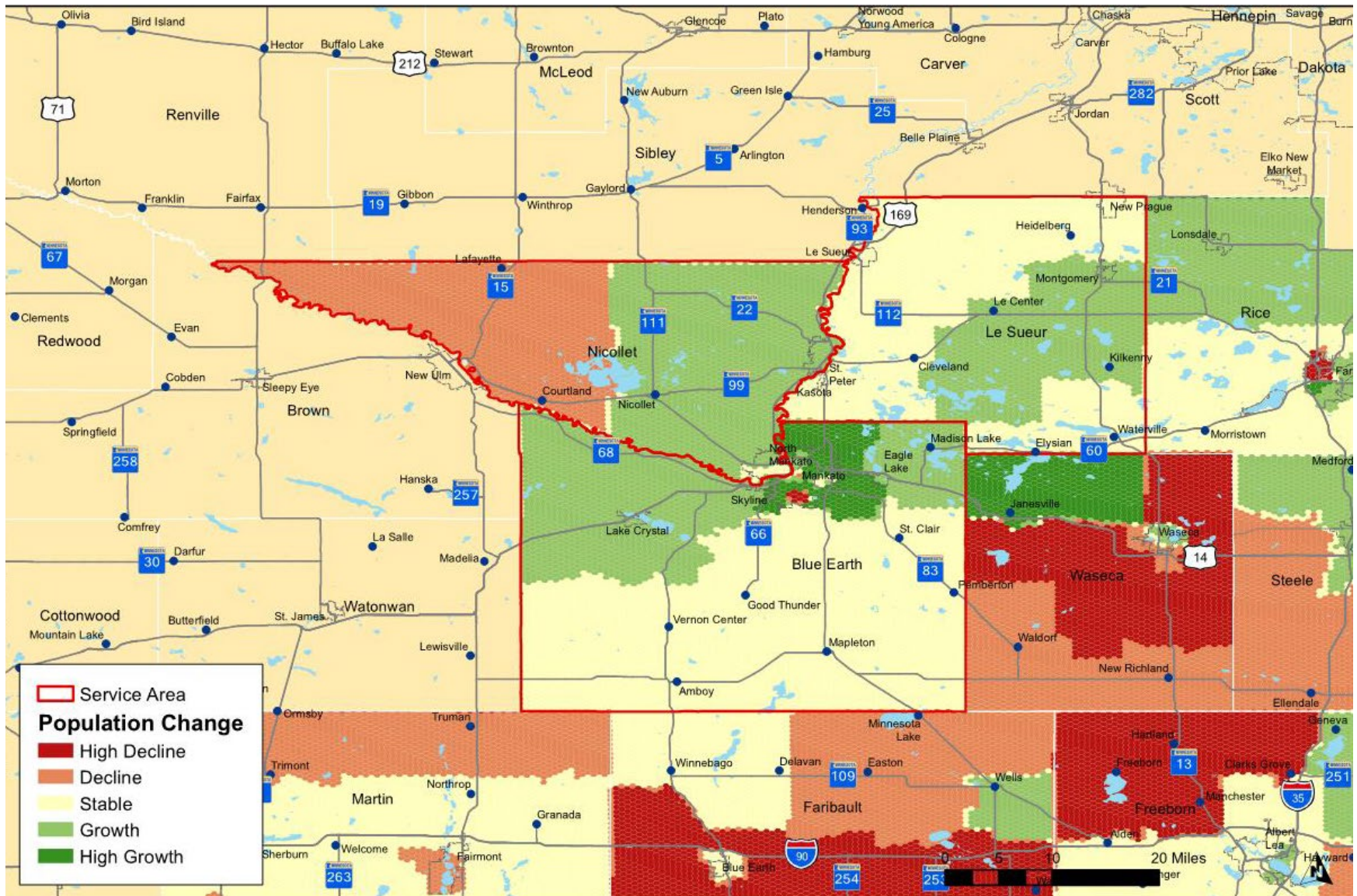


Figure 7. Population Change, 2011 to 2015



Economic Characteristics

Figure 8 shows the employment density in the transit service area. The Mankato area has the greatest concentration of employment in the area, as well as one of the highest in the southeast transit region.

Figure 9 shows the change in the number of employees from 2011 to 2015. The Mankato area experienced growth in employees over this period as well as the area around Nicollet and eastern Le Sueur County. Southern Blue Earth County experienced a decline in employees.

Figure 10 shows the per capita income across the TRUE Transit service area. Areas with lower per capita income include populations with fewer resources to dedicate to transportation and could benefit from public transit services. These areas include the eastern Mankato area, as well as much of eastern Blue Earth County, eastern Nicollet County and central Le Sueur County.

Figure 8. Employment Density

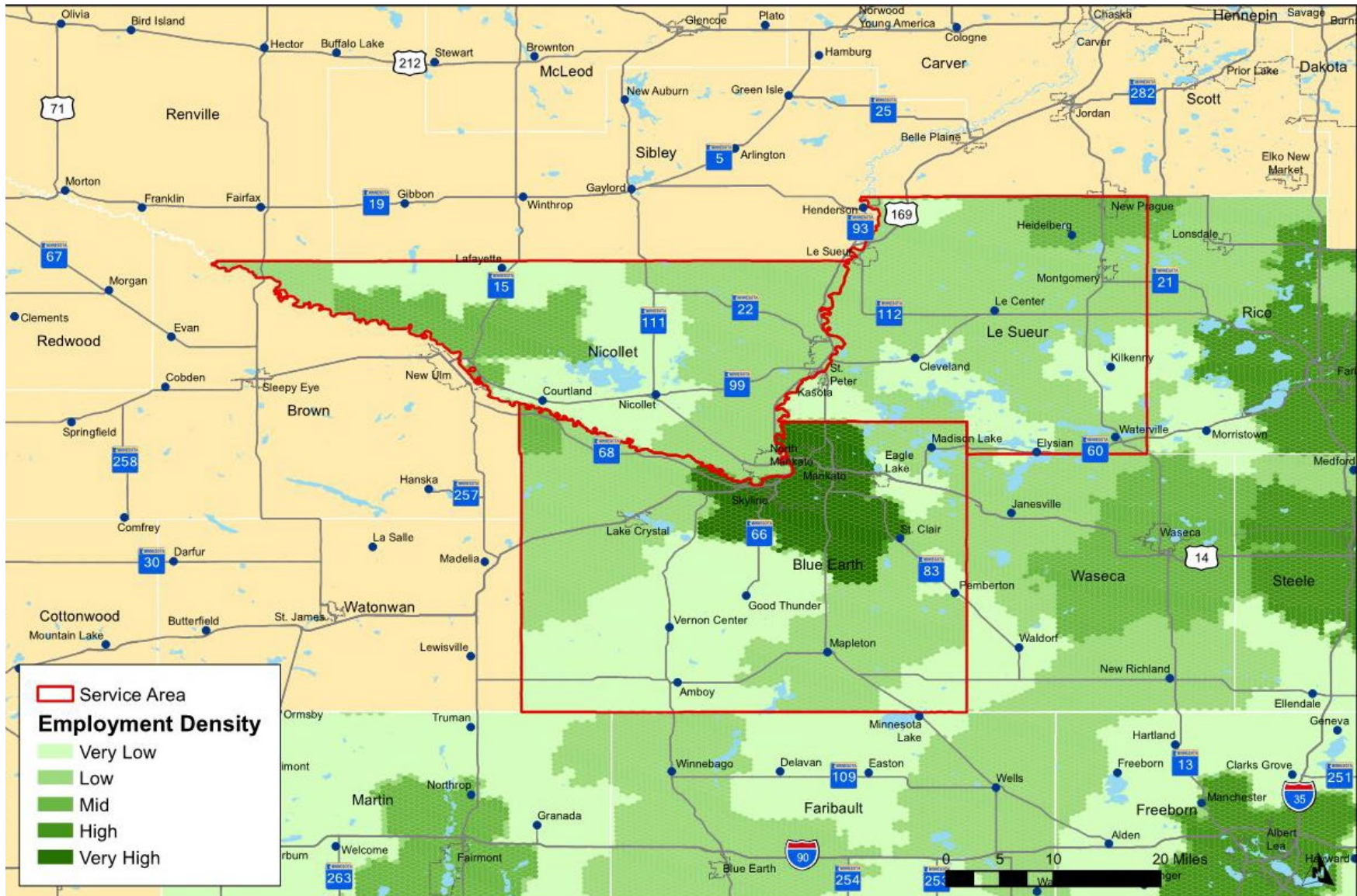


Figure 9. Employment Growth, 2011 to 2015

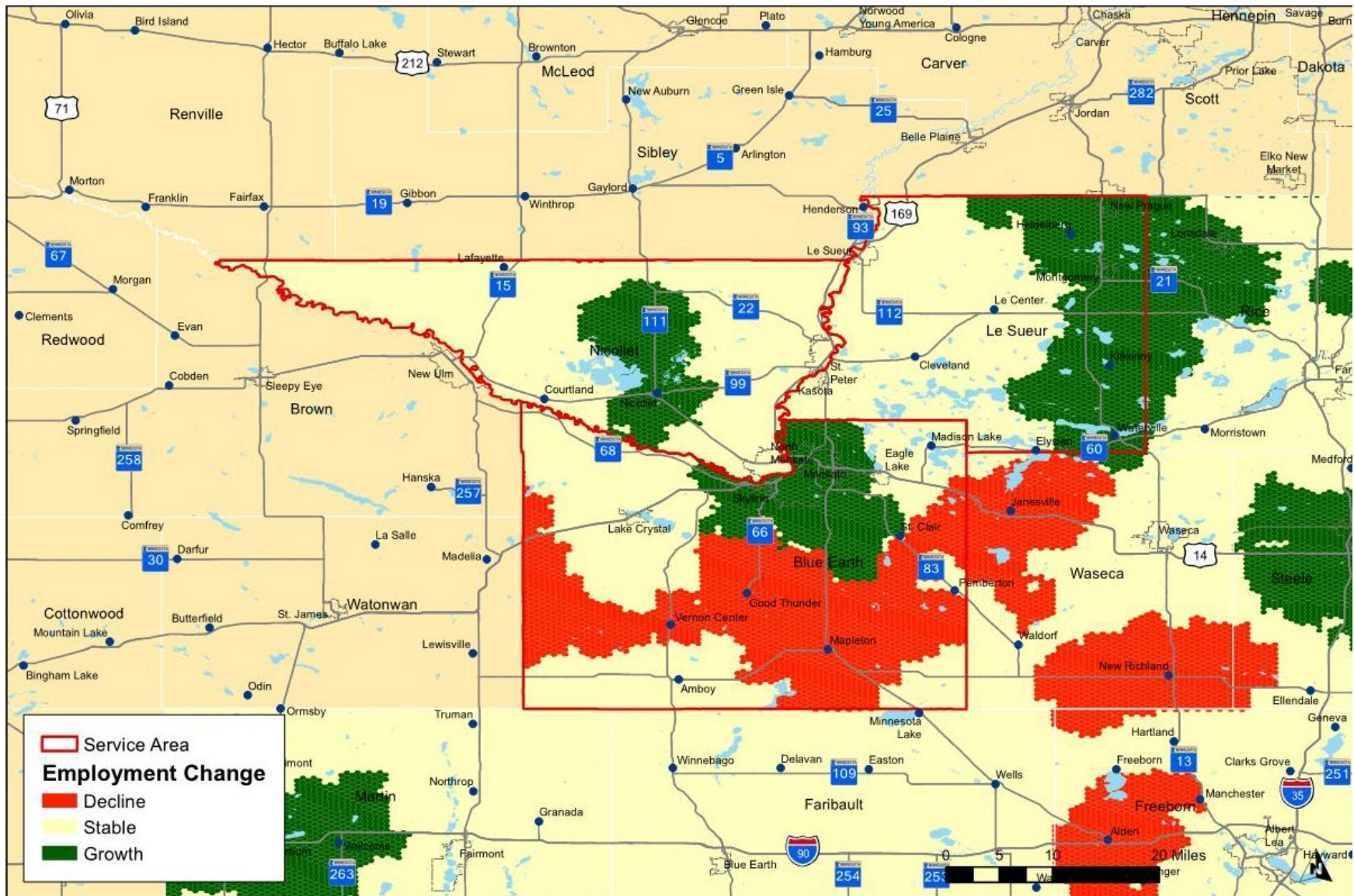
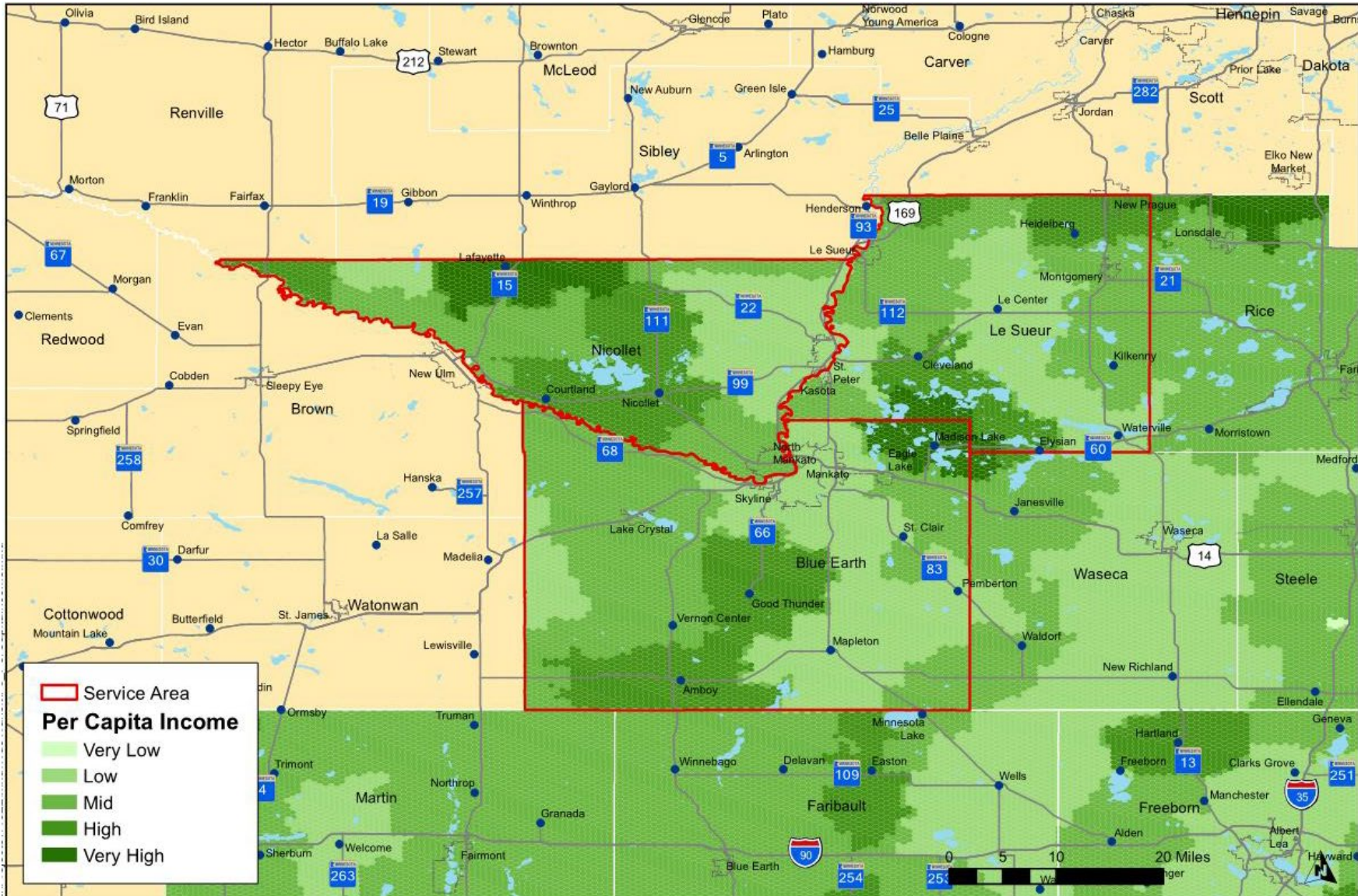


Figure 10. Per Capita Household Income



Chapter 4. Agency Transit Services

Figure 11 shows the service area for TRUE Transit. TRUE Transit provides affordable rides to citizens of the rural areas of Nicollet, Blue Earth, and Le Sueur counties and does not operate within the boundaries of Mankato Public Transit or Minnesota River Valley Transit (MRVT). TRUE Transit passengers traveling to these communities must have origins or destinations in the rural portions of Nicollet, Blue Earth, and Le Sueur counties, the core TRUE Transit service area.

The available service types include scheduled trips between the cities of Mankato, North Mankato, Saint Peter and Le Sueur. The rural areas of Blue Earth, Le Sueur, and Nicollet counties have demand-response services by TRUE Transit. The hours of operation are Monday through Friday, 8 a.m. – 5 p.m. For rides falling outside of service hours, riders are requested to contact the agency to request special arrangements to find out if their needs can be accommodated. The rides must be reserved at least two business days in advance or up to one month in advance.

According to the Region 9 Local Human Service Public Transit Coordination Plan (2017), transportation systems work through complicated formal and informal relationships for transportation coordination and most efforts occur via phone call.

TRUE Transit receives frequent requests for service within the City of Mankato and the City of North Mankato, including in areas not currently served by Greater Mankato Transit. TRUE Transit is interested in further coordination with MnDOT, city governments, and the Mankato/North Mankato Area Planning Organization (MAPO) to enable it door-to-door trips in these areas.

General Overview

Services by County

Nicollet County Routes

The service runs each week on Mondays starting at 8 a.m. with service between Mankato and New Ulm. The intermediate stops include Nicollet, Courtland, and Lafayette. The vehicle runs three roundtrips until 5 p.m.

On Wednesdays, rides to Saint Peter, Mankato, or New Ulm from anywhere in Nicollet County are provided between 8 a.m. and 5 p.m.

Blue Earth County Routes

The service runs two routes, one on Tuesday starting at 8 a.m. in Mankato with stops in Saint Clair, Pemberton, Mapleton, and Beauford. The Thursday loop includes Lake Crystal, Good Thunder,

Amboy, Vernon Center, Rapidan, and Garden City. The routes run a morning and an afternoon loop.

On Fridays, rides to Mankato from anywhere in Blue Earth County are provided between 8 a.m. and 5 p.m.

Additionally, in-town rides are provided in Lake Crystal three times a week between 8 a.m. and noon on Monday, and 1 – 5 p.m. on Wednesday and Friday. In-town service is available in Mapleton from 8 a.m. to noon on Wednesdays.

Le Sueur County Routes

The service runs each week on Thursdays starting at 8 a.m. in Le Center reaching Mankato at 9 a.m. via Cleveland. Return route via same path occurs between 1 and 2:30 p.m. Other towns such as Kilkenny, Waterville, Elysian, and Madison Lake get service to Mankato between 9:30 – 11:30 a.m. and 3:15 – 5 p.m.

On Mondays, rides to Le Sueur and Le Center from anywhere in Le Sueur County are provided between 8 a.m. and 5 p.m.

Rides within city limits are available for Le Center 8 a.m. – 12 p.m. on Tuesdays and 1 – 5 p.m. on Wednesdays.

Rides between cities of Heidelberg, Montgomery, and New Prague are available three times a week between 1 – 5 p.m. on Tuesdays and Fridays and 8 a.m. – 12 p.m. on Wednesdays.

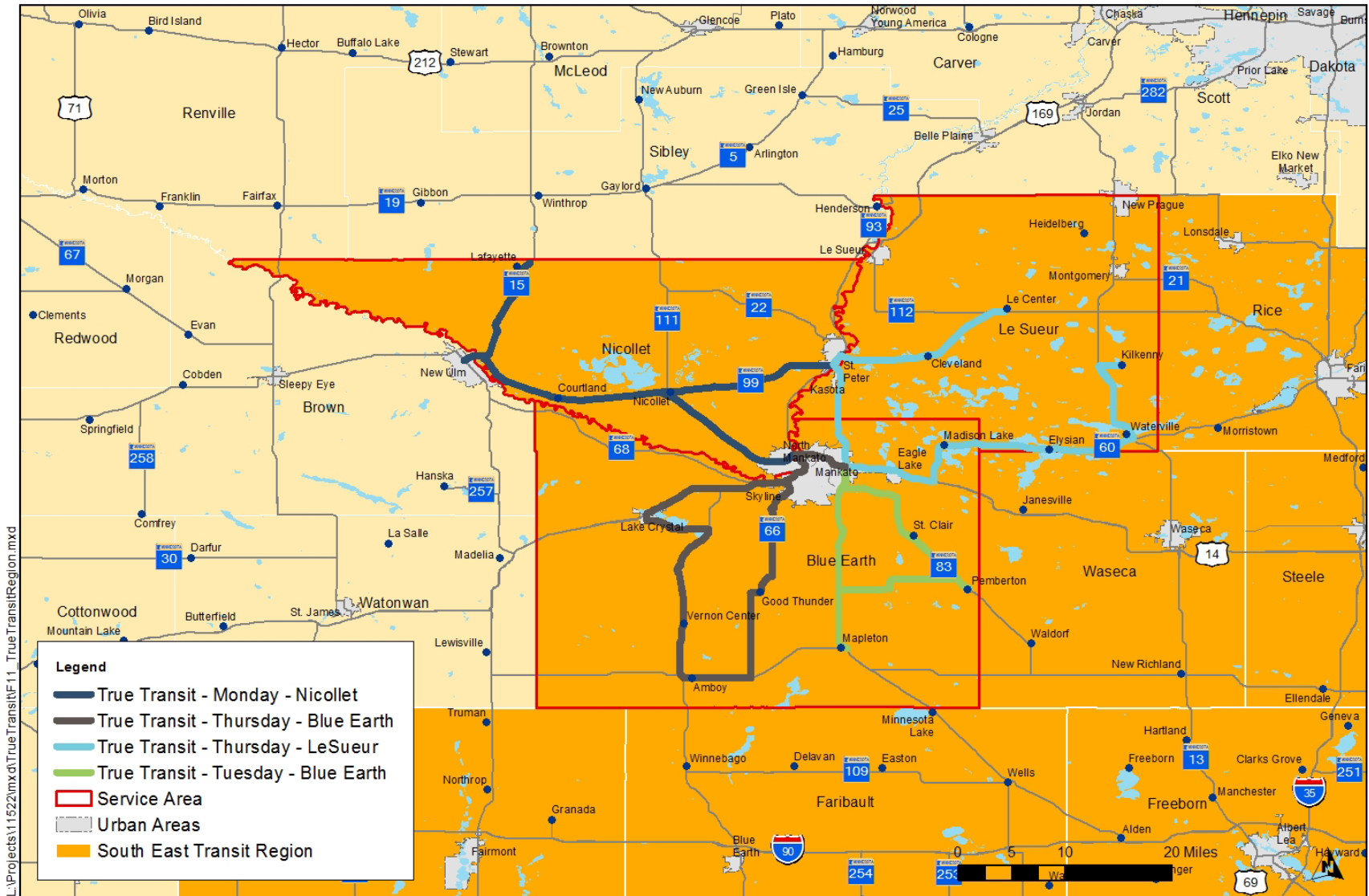
Summary of Current Services

Current services provided by TRUE Transit typically operate one to two days per week. A summary of schedules by weekday is listed in Table 3 below.

Table 3: Current Service Summary by Weekday

Service Type	Monday	Tuesday	Wednesday	Thursday	Friday
Scheduled Routes	Nicollet County Route	Blue Earth East Route	--	Le Sueur County Route Blue Earth West Route	--
In-Town Rides	Lake Crystal (AM)	Le Center (AM) Montgomery/ Heidelberg/ New Prague (PM)	Mapleton (AM) Montgomery/ Heidelberg/ New Prague (PM) Lake Crystal (PM) Le Center (PM)	--	Lake Crystal (PM) Montgomery/ Heidelberg/ New Prague (PM)
County-Wide Rides	Le Sueur County	--	Nicollet County	--	Blue Earth County

Figure 11. TRUE Transit Service Area and Service Types



Service Contracts 5-Year

Currently, TRUE Transit does not have any service contracts.

Fare Structure

Table 4 shows the fare structure for all services provided by True Transit. The volunteer fare structure is same as regular service.

Table 4: Fare Structure for TRUE Transit Services

Base fare – Deviated Routes	\$3.00 (one-way)
Distance-Based Fares (Outside Scheduled Routes and Times)	
0 – 10 miles	\$6.00
11 – 20 miles	\$7.00
21 – 30 miles	\$8.00
31 – 40 miles	\$9.00
41 miles or more	\$10.00

Fare Payment Options

Passengers can pay for their either in advance or on the bus. Fare payment options include cash, checks, tokens, bill out and credit card.

Fare payment using credit card and checks (made out to VINE Faith in Action) need to be made at least three business days prior to the transit ride by sending payment form and card information or check via postal mail. Customers can also pay by credit card over the phone Monday - Friday between 8 a.m. and 5 p.m. The on-board fare payment options include cash and tokens (the tokens can be purchased locally in most of the communities served by TRUE Transit).

A Note on 2019 Service Changes

Over the course of this plan’s development, TRUE Transit has made significant changes to their service structure that are not captured in the previous sections, as the occurred near the plan’s finalization. The mode of service has shifted to a dial-a-ride operation serving the rural portions of Nicollet, Le Sueur, and Blue Earth Counties. The purpose of this is to better align transit services with demand and allow for TRUE Transit to deploy vehicles on a more flexible basis. Ridership and revenue have grown as a result, and the agency has seen improved cost-effectiveness. Additionally, having data on ridership patterns within the service area will help TRUE Transit re-establish routes, subscription rides, and coordinated services as markets emerge for these trips. Therefore, the service recommendations outlined in this plan are still applicable, and TRUE Transit staff and management

are optimistic about future service development and improved coordination of services in the Mankato region.

With this more flexible service also came a shorter reservation window and a simplified fare structure. Instead of requiring a two-day advance reservation, trips can now be booked until noon on the day before the trip. Fares are now a flat rate of \$3.00 each way for all riders.

Ridership

Table 5 shows the 2017 ridership, mileage and revenue hours by county and program for TRUE Transit service. A month-by-month sum of passenger trips on TRUE Transit is shown in Table 6 and Figure 12.

Out of the total 1,213 passenger trips, 438 (36 percent) were made by passengers with a disability and 686 (57 percent) by elderly passengers. To record the rider demographics, the agency documents the date of birth of riders and their need for assistance at the time of reservation.

In September of 2017, TRUE Transit began providing scheduled shopping trips from Lake Crystal to Mankato. In October of 2017, a shopping trip from Mapleton in Le Sueur County was added, further increasing ridership. Both ridership and productivity (passengers per hour) are expected to grow as TRUE Transit achieves greater public awareness.

Table 5: TRUE Transit Ridership by County or Program, 2017

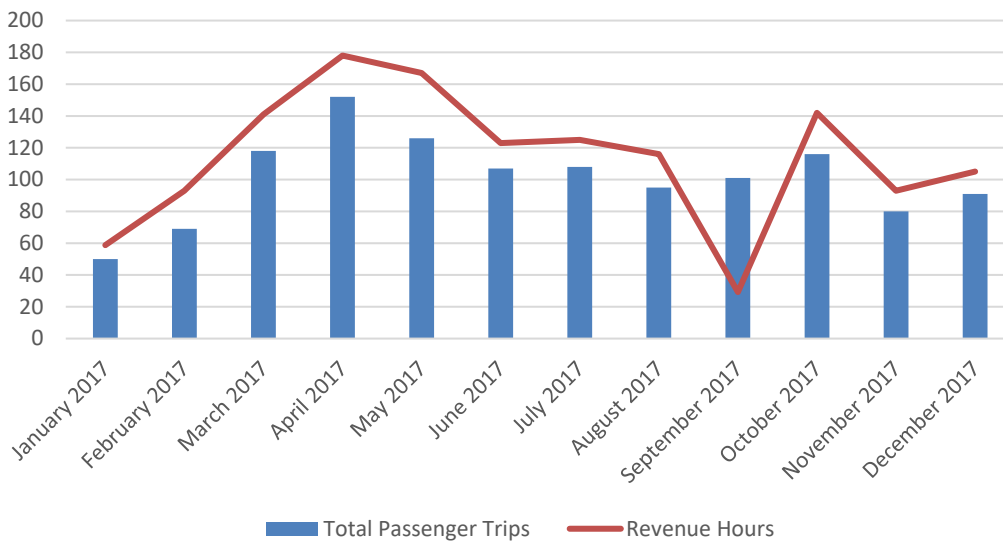
Route	Annual Passenger Trips	Annual Revenue Miles	Annual Revenue Hours	Passengers Per Hour
Blue Earth County	54	871	72	0.75
Nicollet County	1	60	1	1
Le Sueur County	16	872	40	0.4
Volunteer Drivers Program	1,142	28,830	1,258	0.91
TOTAL	1,213	30,633	1,371	0.88

Table 6: TRUE Transit Monthly Ridership and Revenue Hours, 2017

Month	Total Passenger Trips	Revenue Hours
January 2017	50	58.75
February 2017	69	93
March 2017	118	141
April 2017	152	178
May 2017	126	167

June 2017	107	123
July 2017	108	125
August 2017	95	116
September 2017	101	29.25
October 2017	116	142
November 2017	80	93
December 2017	91	105

Figure 12. TRUE Transit Monthly Ridership and Revenue Hours



System Rider Characteristics

Based on the 2017 rider information provided by TRUE Transit, 438 (36 percent) passengers with disabilities and 686 (57 percent) elderly passengers used the service. The remaining 7.3 percent of customers were adults; no student or child passengers were reported.

TRUE Transit defines each category of riders as follows:

- Riders Experiencing a Disability: Based on the type of assistance needed.
- Elderly Riders: Defined as people age 60 years or older,
- Adult Riders: Ages 19 to 59 years,
- Students: Ages 9 to 18 years
- Children: Ages 8 years and younger.

In the future, the Greater Minnesota Transit Survey will provide additional information on TRUE Transit passengers. Since TRUE Transit was established in 2017, the agency's data was not included in the most recent survey, which was conducted in 2015.

Modes of Transportation

TRUE Transit provides a variety of reservation-based demand-response services, including four deviated routes, county-wide rides, and local in-town trips in select communities.

Unmet Service Needs and Gaps

As part of the FYTSP, consultants conducted an inclusive public engagement effort to understand the perception of TRUE Transit service and the demands for transit in the service area. Public engagement associated with the FYTSP included engagement with prominent local and regional stakeholders and meetings with oversight groups and TRUE Transit staff. Table 7 provides a summary of the identified needs from the stakeholder and staff interviews, the MPTA Annual Meeting Survey, and the Region 9 Local Human Service-Public Transit Coordination Plan.

The stakeholder engagement conducted in October 2018 included representatives from Le Sueur County, Nicollet County, Mankato United Way, local businesses, and TRUE Transit staff. Individuals were asked to share their perceptions and ideas related to transit in Le Sueur, Blue Earth and Nicollet counties. The interviews were informal, with questions intended to foster discussion. The question topics included:

- Experience with TRUE Transit
- 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 and state assistance.

Based on stakeholder engagement (See [Summary of Public Engagement Memorandum](#)), the stakeholders were satisfied with the service and acknowledged TRUE Transit fulfilling a great need in the region. Employees need to get to their jobs, and refugees need mobility services to get adjusted to life in America. Without TRUE Transit service, some customers may not be able to keep

a job or apply for new positions in the area. Customers would like expanded weekend and night service options, as lack of transit prevents them from applying to some job openings. Increasing elderly populations and medical needs may increase transit demand in the future.

Trips are requested to and from Watonwan County, as well as to Shakopee and Savage, which are the regional centers for residents of northeast Le Sueur County. This poses a challenge for the system since it is not allowed to provide service across county boundaries to Watonwan County or Scott County, with the exception of the City of New Prague. Some residents of northeast Le Sueur County are not aware of the transit service available to them, and those areas are mostly oriented towards Scott County and the Twin Cities area; the opposite direction of TRUE Transit service focused on Mankato. TRUE Transit must deny trips within Mankato for people who are not familiar with or cannot access the urban Mankato bus system; these customers are currently required to use Greater Mankato Transit or paratransit.

TRUE Transit currently is not experiencing capacity issues, although a smaller van for low-ridership trips could be beneficial. The system is considering adding more regular routes in the future as ridership continues to grow. The buses are currently stored in Mankato, as it is hard to find a place to store the buses in the rural areas. Since the agency is a nonprofit, it cannot use tax exempt fuel or county facilities. Most reservations are made by phone, and the online reservation system and website could use some improvements. However, recent technology improvements simplified the accounting and dispatch systems.

Table 7: Needs and Gaps Summary

Needs and Gaps	Stakeholder & Staff Interviews	MPTA Annual Meeting Survey	Region 9 Local Human Service- Public Transit Coord. Plan
Address Insufficient Service Span with Evening and Weekend Gaps	●		●
Improve Reliability	●		
Schedule Conflicts			●
Identify and Survey Potential Riders	●		
Increase the Awareness of Transit Service (Marketing, Especially Rural Areas)	●		●
Distinguish Between Overlapping Regional Transit Providers	●		●
Centralized, Regional Dispatch			●
Bilingual Dispatch and Marketing	●		
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		●	
Add One Smaller Van for Single Person Trips	●		
FDifficulty finding Bus Storage in Rural Areas	●		
Online Reservation System and Website Improvements	●		
New Dispatch Software		●	
New Mobile Technology		◐	
New Fareboxes		◐	
Establish / Continue Regular Communication Between Stakeholders in Region	●		
Destinations:			
In-Town Transit Service	●		
Mankato	●		●
New Ulm (Nicollet County Residents)	●		●
Watonwan County	◐		●
Shakopee	◐		◐
Savage	◐		◐
Rochester			◐

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

Chapter 5. Capital

Background

Fleet Characteristics

TRUE Transit currently owns six Class 400 vehicles. The oldest of these, which began service in 2009, has a current mileage of 68,558 miles. Except the oldest vehicle, all vehicles have surveillance cameras installed, but none of the vehicles have Automatic Vehicle Location (AVL) or bike racks. Table 8 summarizes the characteristics of the TRUE Transit fleet.

Table 8: Summary of Current TRUE Transit Fleet Characteristics

	Vehicle Contract Year	Current Mileage	Vehicle Condition Rating (fair - excellent)	Total Purchase Price (includes all line items)	Local Share of Purchase Price
1	2009	68,558	4- Good	\$57,843	\$11,569
2	2017	6,483	5- Excellent	\$77,041	\$15,408
3	2017	7,695	5- Excellent	\$77,041	\$15,408
4	2017	3,714	5- Excellent	\$78,496	\$15,699
5	2017	1,850	5- Excellent	\$78,496	\$15,699
6	2015	6,173	5- Excellent	\$69,325	\$13,865

Maintenance Costs

TRUE Transit contracts the maintenance services for their fleet and plan to stay on contract through 2019. About four percent of the total maintenance cost included preventative maintenance in 2017 when the service was started. However, in 2018 the estimated share of preventative maintenance cost was 25 percent. Table 9 shows the summary of current and projected maintenance cost for TRUE Transit.

Table 9: Summary of Current and Estimated Maintenance Costs

	2017	2018 (Estimated)
Annual preventative maintenance	\$225	\$2,000
Annual cost of corrective maintenance	\$6,218	\$6,000
Total annual maintenance costs	\$6,473	\$8,000

Facilities and Assets

TRUE Transit currently has no assigned bus stops, bus shelters or benches, and has no plans of adding these facilities in future. TRUE Transit currently leases a privately-owned bus storage facility located at 55 Star Street, Suite B, Mankato, MN 56001. The rent expense for the facility is \$2,250 per month with a capacity to store four buses, but no maintenance bays or space for administrative functions. Two buses are stored outside the facility. There is a need for additional bus storage in Mankato so all buses can be stored inside; additional bus storage in rural areas could also help TRUE Transit more easily provide service in outlying communities. In 2019 or 2020, TRUE Transit would like to pursue an agreement with the City of Mankato to use storage space in its transit facility, if possible.

Capital Plan

TRUE Transit currently has enough fleet capacity for existing services, and five of their six vehicles are new and in excellent condition.

To better match fleet capacity to existing demand and allow for future expansion, it is recommended that TRUE Transit also purchase at least 2 ADA-accessible passenger vans for use on in-town rides or other low-ridership trips, at an estimated cost of \$60,000 per vehicle. This would allow the agency to use existing 400-class vehicles for higher-productivity services.

Advertising Materials

The TRUE Transit website (www.truetransit.org) contains transit service information and an online reservation tool. In addition, printed versions of the system information are available in the form of a brochure and a rider policies document. The agency runs radio, video, print, online, and billboard ads periodically. Currently, the agency does not have any billboards or ongoing radio and television advertising, but a marketing budget is currently in place to use these options.

In 2017, TRUE Transit partnered with Minnesota River Valley Transit (MRVT) 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.

TRUE Transit employs a part-time marketing staffer who coordinates the agency's marketing materials and campaigns, including the website and Facebook page. In 2018, TRUE Transit added more grassroots marketing strategies by offering free rides to county fairs and by adding a TRUE Transit bus to the local community parades, where coupons are handed out to potential riders. TRUE Transit plans to invest more in online advertising in 2019.

History

TRUE Transit service began in January 2017 with one bus. Since the service is in its early stages, TRUE Transit does not have a historical summary for capital characteristics.

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 TRUE Transit service through 2025. The TRUE Transit capital plan is funded through a combination of local, federal and state funding sources. The capital plan is included as a working Microsoft Excel spreadsheet and is summarized in Table 10 below.

Table 10: Summary of Five-Year Capital Needs

Category	2019 Needs	2020-2025 Needs
Facilities	No immediate needs projected; Additional vehicle storage could be leased and included in operating costs if needed	No immediate needs projected; Additional vehicle storage could be leased and included in operating costs if needed
Fleet	None projected	2020: \$143,000 (1 van, 1 cutaway) 2022: \$83,000 (1 vehicle) 2023: \$83,000 (1 vehicle) 2024: \$83,000 (1 vehicle)
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 TRUE Transit 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 TRUE Transit, as described in the following sections.

Facilities

TRUE Transit currently leases private facilities to store its public transit buses. In the future, the agency would like to explore the possibility to store the vehicles in the city of Mankato's new, expanded, transit storage facility. It did not identify any additional facilities needs for the period from 2020 to 2025.

Fleet

TRUE Transit expects to replace approximately five vehicles between 2020 and 2025. Additionally, TRUE Transit has expressed interest in additional vehicle purchase flexibility under MnDOT statewide contracts, including the ability to purchase smaller vehicles as needed. This plan recommends that TRUE Transit purchase at least one ADA-accessible passenger van in 2020 (or as soon as possible), in order to offer greater flexibility in providing single-passenger trips.

Table 11: Fleet Needs (2020-2025)

Year	Vehicles needed	Price per unit	Total cost
2020	1 ADA-Accessible Passenger Van 1 400/500 Series Cutaway	\$60,000 \$83,000	\$143,000
2022	1 400/500 Series Cutaway	\$83,000	\$83,000
2023	1 400/500 Series Cutaway	\$83,000	\$83,000
2024	1 400/500	\$83,000	\$83,000
Total	--	--	\$392,000

Staffing

TRUE Transit's two full-time and ten part-time employees include managers, drivers, dispatchers, schedulers, and administrative staff. TRUE Transit does not employ maintenance/mechanics, data analysts, accounting staff, or technology staff. TRUE Transit has not identified any staff needed to provide its existing services, but additional staff will be required for future service expansions. Based on the service expansion recommended in this FYTSP, TRUE Transit should expect to hire the equivalent of at least three full-time drivers by 2025.

Technology

2019

TRUE Transit partnered with MRVT and Brown County to purchase Routematch software that performs data acquisition, reporting, and automatic billing functions. It is anticipated that Routematch software will make the trip assignments more efficient. The software will also allow for online ticket sales, but the payment structure must be confirmed with MnDOT. Employees will be trained on the use of the software and the tablets for the buses. As part of the software rollout, TRUE Transit will also add Automatic Vehicle Location (AVL) technology to the fleet in 2019.

2020 - 2025

TRUE Transit did not identify any technology needs for the period from 2020 to 2025.

Marketing

TRUE Transit has well-developed marketing materials, including a modern website that allows for online trip reservations. Current route brochures include legible maps and clear, concise descriptions of the agency's services and hours. The agency holds frequent informational sessions in the communities it serves to increase awareness of the services available. Fare tokens are also distributed to assisted living centers. TRUE Transit currently has one marketing staffer who is employed 50 percent by VINE Faith in Action and 50 percent by TRUE Transit (funded by a MnDOT grant). This personnel funding has been essential to the agency's marketing efforts.

Scheduling rides currently requires reservations two business days in advance; this is longer than most other public transit providers in the state. TRUE Transit should work towards allowing trip requests up to one business day in advance, preferably up to two hours in advance on a space-available basis.

TRUE Transit plans to invest in additional advertising in 2019. From 2020 to 2025, TRUE Transit did not identify any marketing expansion needs, but will seek to continue receiving existing personnel funding for its marketing employee.

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 performance standards 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 following performance measures and their importance are described below:

- Productivity (passengers per hour)
- Cost effectiveness (cost per passenger)
- Cost effectiveness (cost recovery)

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 revenue hours of service provided. High productivity indicates that a service serves customer needs with an efficient use of operating hours. 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 12 shows MnDOT's recommended minimum productivity standards for each type of service.

Table 12: Productivity (Passengers per Service Hour)

Service Type	Route Average*
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

*Route Average represents the average passengers per service hour over the entire day. Individual hours may fall below the standard.

Service hours defined as one bus operating for one hour.

Source: GMTIP (2017)

Cost Effectiveness: Cost per Passenger

Cost effectiveness is measured by the cost required to deliver service on a per passenger basis. This standard identifies the possible cost ranges when comparing overall system averages and focuses on corrective action for those services falling below average. Table 13 shows the cost per passenger thresholds and possible corrective action. Routes and services should be assessed after being in operation for one year.

Table 13: Cost Effectiveness: 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 14 shows the baseline span of service improvement goals by community size.

Table 14: Baseline Service Improvements by 2025

Baseline Service Improvements	Description	Additional 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.

TRUE Transit primarily provides service to rural areas, including county seat towns; however, the agency's significant service to and from Mankato likely warrants increased service frequency. Overall, TRUE Transit operates nine hours of service per weekday, but most services operate only once or twice a week.

Historical Performance

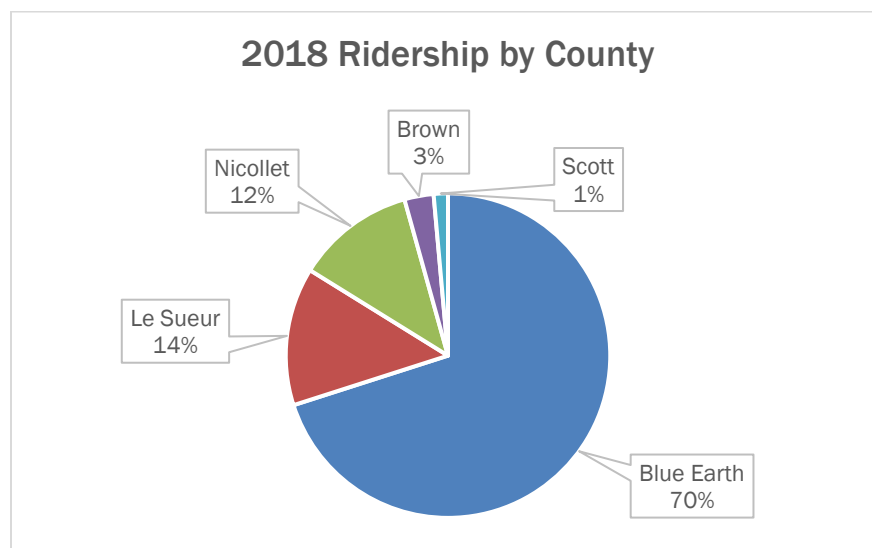
In 2018, TRUE Transit provided a total of 2,813 passenger trips over 3,054 revenue hours of service, yielding an average productivity of 0.9 passengers per hour. Since the system is relatively new, this productivity is expected to be lower than MnDOT’s goal of 2 passengers per hour. Table 15 shows TRUE Transit’s performance by route and service in 2018.

Table 15: 2018 Performance by Route/Service

Route/Service	Annual Passenger Trips	Annual Revenue Miles	Annual Revenue Hours	Passengers Per Hour
Blue Earth County Routes	993	27,623	1,134	0.9
Nicollet County Route	458	9,491	358	1.3
Le Sueur County Route	255	15,662	623	0.4
County-Wide Rides	823	15,705	660	1.2
In-Town Rides	76	1,882	81	0.9
Volunteer/Other	208	3,394	198	1.1
TOTAL	2,813	73,757	3,054	0.9

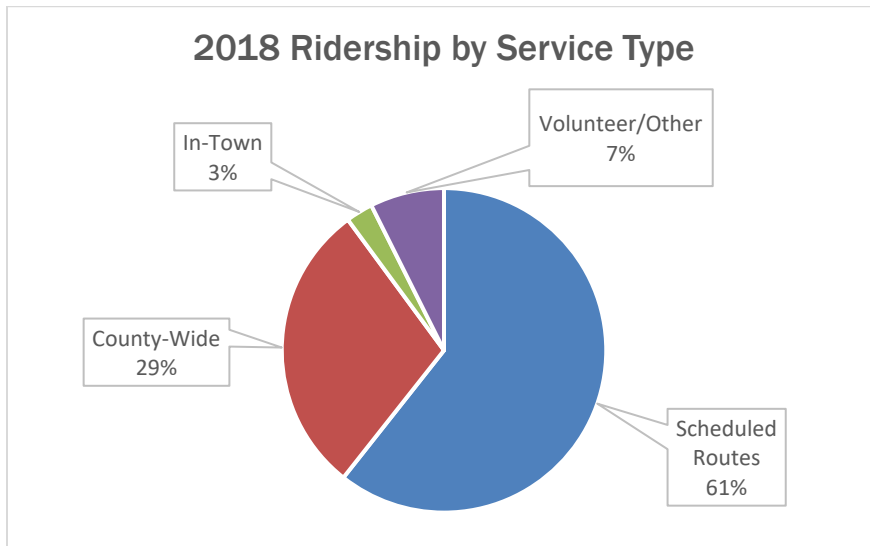
In 2018, 70 percent of TRUE Transit’s ridership consisted of deviated-route and demand-response trips within Blue Earth County, with Le Sueur and Nicollet Counties accounting for 14 and 12 percent, respectively. Incidental trips provided to Brown County (New Ulm) and Scott County (New Prague) made up the remaining four percent. The full breakdown of ridership by county is displayed in Figure 13 below.

Figure 13. TRUE Transit 2018 Ridership by County



In 2018, 61 percent of TRUE Transit trips were made via the four scheduled deviated routes, which each operate one day per week. An additional 29 percent of rides occurred on the agency's County-Wide services, which provide service to or from county seat towns. TRUE Transit has seen limited ridership on In-Town services (3 percent) and has expressed interest in transitioning away from that particular service model in the future.

Figure 14.TRUE Transit 2018 Ridership by Service Type



Peer Performance Comparison

To provide additional context on the agency's performance, a peer analysis was conducted to compare TRUE Transit to other Midwest transit agencies with similar service. Six peer agencies were selected, including three systems in Minnesota (Rock County, Ecumen/Litchfield, and Kanabec County), as well as three outside Minnesota: Southeast Nebraska Community Action Partnership, Fillmore County (NE), and Hartford City Transit (SD). These agencies were selected based on their operating characteristics in 2017, the most recent year for which data were available in the National Transit Database.

In 2017, TRUE Transit compared favorably against peer systems in terms of operating cost, but annual ridership, productivity (passengers per hour), and cost-effectiveness (operating cost per trip) show room for improvement. Performance is already improving as customers become familiar with the service, but TRUE Transit should continue to monitor these metrics to determine whether service revisions are needed. A summary of key statistics for TRUE Transit and peer agencies is shown in Table 16 on the following page.

Table 16: Productivity and Performance for TRUE Transit and Peer Systems, 2017

Peer 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
Rock County, MN	3	9,635	31,464	2,464	\$126,624	3.9	\$51.39	\$13.14
SENCA (Humboldt, NE)	3	6,887	20,395	1,869	\$85,467	3.7	\$45.73	\$12.41
Fillmore County, NE	4	5,568	23,677	1,747	\$90,084	3.2	\$51.57	\$16.18
City of Hartford, SD	1	1,494	6,510	1,055	\$46,801	1.4	\$44.36	\$31.33
Ecumen (Litchfield, MN)	8	2,047	7,787	571	\$32,567	3.6	\$57.04	\$15.91
Kanabec County, MN	7	2,511	1,430	377	\$45,059	6.7	\$119.52	\$17.94
PEER SYSTEM AVERAGE	4	4,690	15,211	1,347	\$71,100	3.7	\$61.60	\$17.82
TRUE TRANSIT TOTAL/AVERAGE	1	1,213	30,633	1,371	\$27,000	0.9	\$19.69	\$22.26

Source: National Transit Database, 2017; TRUE Transit, 2017.

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

Agencies are listed in order of annual revenue hours.

Chapter 8. Operations

Historical and Projected Annual Summary

TRUE Transit is a new system, so historical operations data does not exist for years before 2017. Prior to the establishment of TRUE Transit, the primary transportation option for rural residents in its service area was the VINE Faith in Action volunteer driver program, intended for older adults.

Background

Operating Budget

Table 17 shows a summary of the 2018 operating budget for the TRUE Transit.

Table 17: TRUE Transit Operating Budget Summary, 2018

Item	Request Amount
Personnel	\$479,603.77
Administrative	\$78,951.04
Vehicle	\$258,313.00
Operations	\$27,000.00
Insurance	\$9,368.44
Taxes and Fees	\$1,500.00
Expense Subtotal	\$854,736.25
Operating Revenue	\$91,500.00
Revenue Subtotal	\$91,500.00
Refunds	(\$0.00)
Less Refund Subtotal	(\$0.00)
Total	\$854,736.25

Software and Technology

The agency currently uses Mobilitat software for scheduling. The agency uses paper-based manifests for dispatch but is transitioning to Routematch in the spring of 2019. The accounting department uses QuickBooks software.

TRUE Transit partnered with MRVT and Brown County to purchase Routematch, which is rolling out in the spring of 2019. This new software-based dispatching will facilitate easier trip reservations, data collection, and potentially fare payment; it also includes automated billing. TRUE Transit 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 18, the agency currently employs two full-time employees and 10 part-time employees. A future increase in transit staff will depend on service expansion plans, with approximately one full-time driver hired for every 2,000 hours of service provided. Based on the service expansion recommended in this FYTSP, TRUE Transit should expect to hire the equivalent of at least three full-time drivers by 2025.

Table 18: Current TRUE Transit Employees

	Full Time Employees	Part Time Employees
Management/ Supervising	2	2
Drivers	0	5
Dispatch/ Scheduling	0	2
Admin/ Support	0	1
Maintenance	0	0
Other	0	0
Total Number of Staff	2	10

Volunteers

VINE uses volunteer drivers to fill gaps in mileage and transportation needs. For instance, if a person needs a ride where TRUE Transit does not have a bus availability, a volunteer driver is a cost-effective method to provide the ride. Also, when a rider needs more assistance than what a bus driver can provide due to time constraints, a volunteer driver, who is able to provide more time for that person, is more suitable for client needs. Table 19 shows a summary of TRUE Transit’s volunteer driver utilization, which decreased from 2017 to 2018.

In 2017, most of the rides were provided using volunteer drivers, while in 2018, the public transit component of VINE took over a large portion of the ridership. However, the agency expects that as their ridership increases, they will use more volunteers as demand outgrows the public transit offerings.

Table 19: Summary of VINE Volunteer Driver Service

Volunteer Drivers	2017	2018 (projected)
Number of Active Drivers	56	25
Total Number of Passenger Trips (unlinked)	1,142	300
Number of In-county Trips	1,142	300
Number of Out-of-county Trips	0	0
Total Annual Miles Completed	28,830	5,500
Total Annual of Hours Completed	1,258	250
Total Number of Vehicles Used by Volunteer Drivers	56	25

Five-Year Operating Plan

The five-year operating plan for TRUE Transit would aim to expand service, with a goal of providing demand-response service in each county every weekday, combined with a phased expansion of scheduled routes. In September 2019, TRUE Transit began offering demand-response service in all three counties, five days per week. Eventually, in-town rides will be replaced by improved county-wide service, with trips allocated dynamically based on demand. TRUE Transit also plans to pursue service coordination with other nearby transit providers, including SMART.

These recommendations are summarized in Table 20 below.

Table 20: Five-Year Operating Plan Summary*

	1-Year Plan	3-Year Plan	5-Year Plan
Scheduled Routes	Evaluate current trends using performance measures to determine the feasibility of any fixed routes.	Evaluate current trends using performance measures to determine the feasibility of any fixed routes.	Evaluate current trends using performance measures to determine the feasibility of any fixed routes.
In-Town Rides	Purchase 1 small passenger van for use on in-town trips	Continue marketing efforts and monitor ridership	Combine with county-wide rides and allocate trips based on demand.
County-Wide Rides	Starting September 1, 2019, begin offering rides in all 3 counties, 5 days per week	Continue marketing efforts and monitor ridership	Add expansion vehicles as necessary; pursue service coordination with nearby transit agencies
Revenue Hour and Staffing Impact	Total Revenue Hours: 8,100 Additional FTEs Required: +0.0 (Current Service)	Total Revenue Hours: 10,000 Additional FTEs Required: +1.5	Total Revenue Hours: 13,000 Additional FTEs Required: +2.5

Note: This table was updated based on feedback from TRUE Transit on September 23, 2019.

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, additional service expansions proposed in this plan will require an increase in the local match funding beyond the current farebox revenue. Service expansion will most likely increase farebox revenue, but not at the current farebox recovery ratio.

History

TRUE Transit provides local match funding through fare revenues, as well as operating assistance from Blue Earth County (50 percent), Nicollet County (25 percent), and Le Sueur County (25 percent).

Projected Needs and Revenues

The proposed service expansion in this plan will require an additional \$211,007 annually by 2025. Twenty percent of this expansion, or \$42,201 per year, will need to be covered by local sources, which can include farebox revenue, contracts, and funding from participating local governments. TRUE Transit will also need to find additional local funding to cover current and projected operating deficits. Table 21 shows the projected operating revenues and expenditures for both current service and the service expansion scenario.

TRUE Transit can 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, TRUE Transit could leverage potential future increases in 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 21: Projected Operating Expenses and Revenues, 2019-2025

Year	2019	2020	2021	2022	2023	2024	2025
Operating Expenses – Current Level of Service ²	\$112,211	\$115,577	\$119,044	\$122,616	\$126,294	\$130,083	\$133,985
Operating Revenue – Current Level of Service ³	\$91,500	\$94,245	\$97,072	\$99,985	\$102,984	\$106,074	\$109,256
Deficit	\$20,711	\$21,332	\$21,972	\$22,631	\$23,310	\$24,009	\$24,729
Additional Operating Expense – Service Expansion ⁴	--	\$110,837.31	\$114,162.43	\$137,761	\$141,894	\$204,861	\$211,007
Expansion Local Share (20%)	--	\$22,167.46	\$22,832.49	\$27,552	\$28,379	\$40,972	\$42,201
Additional Local Operating Funding Necessary (Deficit + Expansion Local Share)	\$20,711	\$43,499	\$44,804	\$50,183	\$51,689	\$64,981	\$66,931

² Projected 2019 operating expenses for most current services were provided by TRUE Transit. For services lacking route-specific costs, estimates were created using True Transit’s average operating cost of \$27.72 per hour. This hourly cost was increased by 3 percent per year to account for expected inflation.

³ Projected operating revenue for 2019 was estimated as a 3 percent increase from 2018 actual revenue.

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 the projected operating cost per hour for each year (increased by 3 percent per year to account for expected inflation).

For new routes, cost per hour was estimated as TRUE Transit’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 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 TRUE Transit, including local, state, and federal requirements.

State and Federal Requirements

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

Federal Transit Authority (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.

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/>

Olmstead Plan

In 1999, the Supreme Court affirmed that mental illness is a type of disability, that individuals with disabilities, including those with mental illness, have a right to live in their communities as opposed to forcing institutionalization, and are covered by the 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

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

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.

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)

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

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 TRUE Transit)
 - Service hours per capita, advance reservation time, and trip denials/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

Monitor Ridership, Productivity, and Capacity

As awareness of TRUE Transit's current service offerings continues to grow, agency staff should monitor key performance measures, including ridership, productivity, vehicle capacity, and any instances of service denials or re-accommodations. The implementation of Routematch software should allow timely access to performance data for each service type, including scheduled routes, in-town rides, and county-wide service, and should also enable TRUE Transit to dispatch vehicles more efficiently.

In the event that continued ridership growth results in frequent denials or re-accommodations, additional vehicles (starting with passenger vehicles/vans) could be purchased at relatively low cost

to serve in-town rides or other low-capacity trips. Allocating inefficient trips to this auxiliary fleet could enable TRUE Transit’s primary vehicles to serve more passengers.

Long-Term Service Recommendations

Performance-Based Service Expansion

As ridership grows, TRUE Transit should use performance measures to prioritize service expansions, such as additional frequency on scheduled routes, additional service days for county-wide trips, or extended service hours. In particular, services that achieve high productivity or experience increasingly frequent service denials should be targeted for additional investment.

Transition from In-Town to County-Wide Service

TRUE Transit has expressed interest in transitioning away from its current local service in select rural towns. These in-town rides have seen low ridership and productivity and could potentially be better served by lower-capacity vehicles. This plan recommends that TRUE Transit eliminate dedicated in-town service, instead meeting these needs by adding smaller passenger vans to existing county-wide rides. Smaller vehicles could serve customers on low-ridership trips, freeing up capacity on full-size vehicles for additional customers.

Move Toward Weekday Service

Over the next five years, TRUE Transit should add service frequency as ridership grows. While current demand may not support full weekday service, the relationship between service frequency and ridership is nonlinear. Offering a more comprehensive array of trip options throughout the service area (with a goal of providing scheduled routes and/or demand response service every weekday) could help make TRUE Transit a more attractive and viable option for travelers.

An example five-year service plan is included in Table 22.

Table 22: Example Five-Year Service Plan

Service Type	Monday	Tuesday	Wednesday	Thursday	Friday
Scheduled Routes	Blue Earth County Routes	Nicollet & Le Sueur Routes	Blue Earth County Routes	Nicollet & Le Sueur Routes	Blue Earth County Routes
In-Town Rides	As Needed (small vehicles)	As Needed (small vehicles)	As Needed (small vehicles)	As Needed (small vehicles)	As Needed (small vehicles)
County-Wide Rides	All 3 Counties	All 3 Counties	All 3 Counties	All 3 Counties	All 3 Counties

Opportunities

Service Coordination

As it grows, TRUE Transit is interested in exploring opportunities to coordinate with other transit agencies and local governments to provide service across county boundaries as needed. The agency is already providing service to New Ulm (Brown County) and New Prague (Scott County). While TRUE Transit's current funding structure supports trips within Nicollet, Le Sueur, and Blue Earth counties, future service agreements could enable TRUE Transit or another provider to operate cross-county trips as needed.

Workforce Shuttles

TRUE Transit has expressed interest in developing programs or partnerships to provide workforce shuttle transportation, including possible funding participation by local employers or human service providers. It is recommended that TRUE Transit work with MnDOT to identify service models and local match requirements for these services; if offered, they should not be at the expense of general public transit provision.

Risks & Challenges

Lack of Awareness of Existing Services

As a new agency, one of TRUE Transit's most important challenges is building public awareness of the services it provides. So far, the agency has seen moderate ridership growth aided by a strong marketing presence. To continue this growth, TRUE Transit should continue to expand marketing efforts along with its service offerings. The following chapter explores marketing recommendations in greater detail.

Chapter 11. Increasing Transit Use for Agency

Marketing

With the rollout of the new system, TRUE Transit has excellent branding materials efforts and an attractive, easy-to-use website that allows for online reservations. This website is fully ADA-compliant for use by customers with visual impairments. The online payment system component is yet to be implemented; an interagency agreement with MRVT may need to be considered.

The agency held many presentations in the communities it serves to bring awareness and travel training to the counties. Additional marketing efforts could include brochures specific for each county. Within Mankato, there are some populations with limited English proficiency, which VINE serves through its other programming. The rural transit component sees few limited English customers thus far. Its fares are set for now, and tokens are distributed to assisted living centers.

Scheduling rides currently requires reservations two business days in advance; this is longer than most other public transit providers in the state. TRUE Transit should work towards allowing trip reservations up to one business day in advance, preferably up to two hours in advance.

Action Plan

Summary of Recommendations by Category

Service

In the near term, TRUE Transit should continue focus on marketing and expanding ridership on existing services. Over the next three to five years, the agency should pursue service expansions that extend the frequency of service, with a goal of providing either deviated route or county-wide demand response service to each county every weekday. Additionally, TRUE Transit should pursue opportunities to work with other regional transit agencies, human service transportation providers, and major employers in order to build awareness, coordinate service, and/or pursue operating partnerships where feasible.

Staffing

TRUE Transit 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, TRUE Transit should expect to hire an additional three full-time drivers by 2025.

Many transit agencies have reported difficulty in hiring CDL-qualified drivers in the current

economic climate. If TRUE Transit can procure smaller vehicles for low-ridership services, it may be able to hire non-CDL drivers at a lower hourly rate.

Facilities/Fleet

TRUE Transit currently leases a private facility in Mankato to store its vehicles; while additional facilities could allow indoor storage of all vehicles (or stationing of vehicles in rural areas), no immediate facility needs are expected.

TRUE Transit's current fleet of 400-series cutaways is sufficient for existing operations. The majority of vehicles are from model years 2015 or newer, while one vehicle dates to 2009. It is recommended that TRUE Transit purchase one new 400-series vehicle in 2020, with an additional three vehicle purchased by 2025.

Additionally, TRUE Transit has identified a need for additional flexibility in its fleet, including the ability to acquire smaller ADA-accessible passenger vans for low-ridership services. This plan proposes that TRUE Transit acquire at least one ADA-accessible van by 2020 to provide additional capacity and flexibility to in-town or county-wide demand-response trips.

Technology

TRUE Transit is in the process of implementing Routematch software, which will streamline trip reservations and scheduling. In the future, Routematch could be used to offer online payment via the TRUE Transit website. This would require coordination with MRVT, which shares the Routematch contract, as well as MnDOT approval.

Marketing

As a new service, TRUE Transit is aware of the importance of marketing to achieving growth. The agency has attractive and well-designed branding materials, a modern website with online trip reservations, and a history of effective outreach to local governments and community partners. As it grows, TRUE Transit should continue to engage with community residents, employers, and other transit agencies to help deliver services that meet the region's most pressing transportation needs.

Implementation

Specific strategies to improve transit use and service for TRUE Transit are outlined in Table 23 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 23: TRUE Transit Improvement Strategies & Screening Criteria

Category	Improvement Strategy	Need	Ease of Implementation	Local Support	Capital Cost	Operating Cost
Service	Expand Hours & Days of Service	●	○	◐	◐	○
Service	Expand Scheduled Regional Trips	◐	◐	◐	◐	○
Service	Shorter Reservation Time – Up to One Day, Preferably Up to Two Hours in Advance	●	◐	◐	●	◐
Service	Explore Opportunities for Workforce Shuttle Services in Partnership with Local Employers	◐	○	●	◐	◐
Service	Pursue Service Coordination with Other Regional Transit Agencies, Including Cross-County Trips as Needed	●	◐	●	◐	◐
Staffing	FTA/MnDOT Policy Workshops – Employer Local Match, Agency/Intergovernmental Coordination	◐	●	●	●	●
Staffing	Continue Recruiting Bilingual Staff	◐	◐	●	◐	◐
Facilities/Fleet	Smaller Vehicles for One-Passenger, Long-Distance Trips	◐	◐	●	○	●
Facilities/Fleet	Finding Bus Storage in Rural Areas	◐	○	●	◐	●
Facilities/Fleet	Shared Bus Storage with Mankato Transit	◐	○	●	◐	◐
Facilities/Fleet	Add Bike Racks to Buses	◐	●	◐	●	●
Technology	AVL, Farebox, Security Cameras, Communication Systems,	◐	◐	●	◐	◐
Marketing	Posters/Flyers/Branding Include Map, Schedules, Contact Information, Clear Font and Colors	◐	●	●	◐	◐
Marketing	Multi-Lingual Advertising	◐	◐	●	◐	●
Marketing	Promote Community Benefits of Service – Economic Development, Aging in Place, Property Taxes	●	◐	●	●	◐
Marketing	Target Marketing Beyond Seniors	◐	●	◐	◐	●

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

Plan Approval (Pending)

The TRUE Transit 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, staff will present this document to the TRUE Transit governing board for approval. Following final approval, the TRUE Transit board president and transit manager will each sign below:

Signature	Name (Print)	Role	Date
<hr/>			

Signature	Name (Print)	Role	Date
<hr/>			