

**AGREEMENT BETWEEN THE METROPOLITAN COUNCIL AND THE CITY OF  
MINNEAPOLIS FOR THE MANAGEMENT AND OPERATION OF NO FARE  
CIRCULATOR SERVICE IN DOWNTOWN MINNEAPOLIS**

This Agreement is entered into by and between the City of Minneapolis, (“the City”) and the Metropolitan Council (“the Council”), hereinafter collectively referred to as the “Parties”.

Whereas, the Parties wish to cooperate to begin an ongoing Downtown Circulator service with a focus on the Nicollet Mall in Downtown Minneapolis; and

Whereas, the Parties have executed the “Hiawatha Corridor Light Rail Transit Supplementary Project Cooperation Agreement”, which Agreement states in part, “Minneapolis and Met Council will develop a finance plan to underwrite the capital costs and operation of the Downtown Circulator Bus System, which is to be ready for operation at or before the opening of the (LRT) Project.”; and

Whereas, the City and the Council have entered into a Bus Purchase Agreement providing for the purchase of buses to serve as the Downtown Circulator as defined herein; and

Whereas, the Downtown Circulator Task Force appointed by the City Council has developed a Downtown Circulator plan providing for north-south collection/distribution services to serve the transit needs of LRT patrons and Downtown workers, residents, and visitors and to connect the many destinations along this corridor including the Convention Center, LRT, and the North Terminal; and

Whereas, the Parties agree that the Circulator buses will be owned by the Council and are therefore under the ultimate authority of the Council; and

Whereas, the Downtown Circulator operating funds come from a variety of sources and the City has a vital interest in how these funds are expended within it’s Downtown.

**NOW, THEREFORE IT IS AGREED:**

**Article I – Transit Service Management**

1. There is created a Management Committee to administer this Agreement. The responsibilities of this Committee shall include but not be limited to the following:
  - Approve and maintain a Downtown Circulator Service Plan;
  - Modify Downtown Circulator service as appropriate to respond to changing conditions and Downtown transit needs;
  - Recommend an annual operating budget for these services.

2. The membership of the Management Committee shall consist of the following:
  - The Metro Transit General Manager, who shall serve as Committee Chair;
  - The Minneapolis City Engineer, who shall serve as Vice-Chair;
  - A member of the professional staff of Metro Transit appointed in writing by the General Manager;
  - A member of the professional staff of the City appointed in writing by the City Engineer;
  - A Downtown resident appointed by the Minneapolis City Council; and
  - A Downtown business person appointed by the Minneapolis City Council.

## **Article II – Service Plans**

1. The Council shall prepare and the Management Committee shall approve, a Transit Service Plan for the Downtown Circulator. This Plan shall be reviewed and updated as necessary as directed by the Management Committee.
2. The Transit Service Plan shall consist of at least the following:
  - a. Identification of Downtown Circulator bus service routes;
  - b. Identification of Downtown Circulator bus service frequencies and hours of operation;
  - c. Identification of Downtown Circulator bus stop locations;
  - d. The approved estimate of the annual operating cost for the current year.
3. The Council has prepared an estimate of the operating cost of the Downtown Circulator service for the Year 2004. Beginning in Year 2004, the Council shall prepare an annual estimate of the operating cost of Downtown Circulator services for the upcoming calendar year and present it to the Management Committee not later than September 1.
4. The Management Committee shall consider the current Downtown Circulator service levels, the cost estimate presented by the Council for that service, the funding available, and shall update the Service Plan, including the operating budget, for the coming year.

## **Article III – Payment for Transit Services**

1. The Council shall document the actual cost of providing Downtown Circulator services and report these costs to the Management Committee on a monthly basis.
2. The City shall create an account for Downtown Circulator operations. Funding for Circulator operations from the proceeds of the sale or lease of the Nicollet Hotel Block or from any other City source shall be deposited into this account. The City shall issue payment to the Council from this account as requested by the Management Committee.
3. The Council shall create an account for Downtown Circulator operations. The

Council shall deposit into this account its share of the revenue from Circulator advertising and such other funds which may be provided to it or which it shall choose to use for Circulator operations.

4. The Council shall bill the City monthly for the City share of the Circulator service cost for the previous month. This Agreement shall be amended annually to reflect the City share for the upcoming year. Payment by the City shall be required under this Agreement only for service provided through Year 2008.
5. Failure to provide Circulator operating funds in accordance with the approved budget shall release the Council from any obligations to continue to provide the Circulator transit services.

**IN WITNESS WHEREOF**, the parties have caused this agreement to be executed by their duly authorized representatives.

**METROPOLITAN COUNCIL**

**CITY OF MINNEAPOLIS**

By: \_\_\_\_\_ By: \_\_\_\_\_  
Thomas H. Weaver Mayor  
Regional Administrator

Date: \_\_\_\_\_ Attest \_\_\_\_\_  
City Clerk

Countersigned \_\_\_\_\_  
Finance Officer

Approved as to form:

Approved as to form and execution:

\_\_\_\_\_  
Office of General Counsel

\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
Klara A. Fabry, P.E.,  
City Engineer, Director of Public Works