

**RESOLUTION NO. R24-09**

**RESOLUTION OF THE CITY COUNCIL AUTHORIZING THE MAYOR TO SIGN  
A MEMORANDUM OF UNDERSTANDING FOR OPERATION AND COST  
SHARING FOR PUBLIC TRANSPORTATION SERVICES WITH THE ADULT  
RESOURCE ALLIANCE OF YELLOWSTONE COUNTY.**

WHEREAS, this Memorandum of Understanding (“Agreement”) is entered into between Yellowstone County (“County”), the City of Billings (“Billings”) and the City of Laurel (“Laurel”) (collectively “the Parties”) for purposes of creating and implementing processes and procedures for complying with requirements set forth by the Montana Legislature in the laws collectively known as House Bill 121 (“HB121”) during the 2021 Legislative session;

WHEREAS, the County, Billings and Laurel are parties to the agreement that creates the multi-jurisdictional service district created to provide health services and health department functions known as the “Interlocal Agreement”;

WHEREAS, by virtue of HB121, the Parties are subject to various rights and responsibilities created by the Interlocal Agreement; and

WHEREAS, it is the intent of the Parties to comply with HB121 and to set forth as clearly as possible the methods of doing so for each as well as for the Parties collectively.

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Laurel, Montana:

Section 1: Approval. The Memorandum of Understanding by and between the City and ARA of YC, a copy attached hereto and incorporated herein, is hereby approved.

Section 2: Execution. The Mayor is hereby given authority to execute the MOU on behalf of the City.


Introduced at a regular meeting of the City Council on the 13<sup>th</sup> day of February 2024 by Council Member Mackay.

PASSED and APPROVED by the City Council of the City of Laurel, Montana on the 13<sup>th</sup> day of February 2024.

APPROVED by the Mayor on the 13<sup>th</sup> day of February 2024.




CITY OF LAUREL

  
\_\_\_\_\_  
Dave Waggoner, Mayor

ATTEST:

  
\_\_\_\_\_  
Kelly Strocker, Clerk-Treasurer

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Michele L. Braukmann, Civil City Attorney

MEMORANDUM OF UNDERSTANDING FOR OPERATION AND COST SHARING  
FOR  
PUBLIC TRANSPORTATION SERVICES BETWEEN  
THE CITY OF LAUREL, MONTANA AND THE ADULT RESOURCE ALLIANCE OF  
YELLOWSTONE COUNTY

WITNESSETH:

WHEREAS, the City of Laurel (hereinafter "the City") and Montana and Adult Resource Alliance of Yellowstone County (hereinafter "ARA of YC") desire to work together to provide public transportation services for residents living within a one-mile radius of the City limits;

WHEREAS, the City intends to continue operation of an on-demand service for residents in addition to a regularly scheduled transportation service between the City of Laurel and City of Billings;

WHEREAS, the City and ARA of YC desire to avoid duplicating services by coordinating their services and establishing an ongoing process to allow cooperation in the operation of public transportation services;

WHEREAS, the City intends to continue operating a public transit system in FY 2024 in cooperation with ARA of YC to serve residents of the City of Laurel and Yellowstone County; and

NOW THEREFORE, based on the above recitals, the following Memorandum of Understanding is hereby entered into by the City and ARA of YC.

SECTION I

It is hereby agreed that the City of Laurel, hereinafter referred to as "City", and Adult Resource Alliance of Yellowstone County, hereinafter referred to as "ARA of YC", agree to jointly participate to provide for the operation of public transportation services as described herein, which may be altered through an amendment of this MOU. The Parties to this MOU will be referred to as the "Parties" who acknowledge they each will share a portion of the fiduciary responsibility for operation of the public transit system. Individual and shared responsibilities in this effort shall be as follows:

SECTION II

1. Each Party will be responsible for reviewing the current system and any new policies and procedures related to the provision of the public transit system including but not limited to policies, service levels, fares, budgets, services for the disabled, information systems, environmentally sensitive technologies, and other matters of concern. Meetings shall be scheduled as needed to evaluate the overall program and contents of this agreement to determine if changes are necessary to improve services provided hereunder.

2. For the term of this MOU, the Parties will share the operation of the transit service through the provision of services as follows:
  - a. The City shall provide for use, one transport vehicles, a Dodge Sprinter for everyday on demand use, with the ARA of YC bus, which is stored at the Laurel Senior Center, being used for back-up should the Sprinter break down. The City shall provide dispatching services through its existing staff. In addition, the City shall provide routine maintenance for its transport vehicles and the transport vehicle owned by the ARA of YC. Routine maintenance shall include oil changes, windshield wipers, filters, tire rotation, and basic fluids. Each Party agrees to pay for the cost of parts and major repairs after the State reimbursement rate for their respective vehicles. Major repairs are any repair costing over \$1000.00.
  - b. ARA of YC shall provide for use, one existing transport vehicle as back-up to the Laurel Transit System, one driver and back-up drivers as needed. ARA of YC shall utilize the City for dispatch services for purposes of scheduling on-demand service within Laurel and for regularly scheduled rides to/from Billings.
  - c. The City shall assist with the currently available demand/response service as needed and will additionally provide regular transit service between the City of Laurel and City of Billings.
  - d. The City will be the recipient of all funds derived from all federal and MDT (state) assistance or grants paid for the transit operation, along with any revenue received through vouchers or cash, daily.
  - e. The City shall provide marketing and public information services on transit operations including the preparation and distribution of timetables and another route and schedule information.
  - f. The City will prepare preliminary budget estimates, productivity reports and service summaries each year sufficiently in advance of City Council consideration to allow for analysis and input to the Council. These documents can be used by the Local Partners for planning in advance of the City's Recommended Annual Budget and would provide the basis for negotiating annual service agreements.
  - g. The City of Laurel will reimburse the ARA of YC quarterly at the State rate of 54% of the wage, benefits and fringe. The ARA of YC shall submit its financials to the City of Laurel by the 15<sup>th</sup> of the month following the end of the preceding quarter reflecting the reimbursement.
  - h. The current number of transit riders 60 and over is currently totaling 60% of the riders. After the 54% reimbursement from the State the ARA of YC will reimburse the City of Laurel for 60% of the remaining fuel charges. Unless the population of riders significantly changes mid-year, the fuel budget will be modified yearly.
  - i. Jointly implement policies and procedures that encourage the use of public

transportation.

- j. Jointly implement policies and procedures that follow the City of Laurel Transportation Program policies and procedures.
3. During the term of this agreement, the Parties may seek to add additional parties to this agreement in order to further enhance the provision of transit services provided hereunder. Further, the Parties may seek additional riders to expand the service.
4. The Parties will be responsible and cooperative in considering any requests for changes in service including additional services, as well as, service reductions if financially necessary. However, the Parties agree that this agreement requires service (service is defined as a split between dispatch and drivers) to be provided for 40 hours per week and no reduction in service may result in the service being offered less than 40 hours per week.
5. The Parties shall carry over any losses from the operation of the transportation system and incorporate such losses in the next year's budget for transit services allocating such losses proportionately to the Parties, taking into consideration all routes provided.
6. The City will on a timely basis review and negotiate its annual contract for public transportation services with terms in substantial agreement with the terms of this MOU.
7. The Parties shall support the operation of public transit services consistent with the terms of this MOU and any associated annual agreements.
8. The Parties agree that there will be fares charged to customers utilizing the transit system to off-set the cost of operation. The fares shall be reviewed as needed and increased to reflect the costs of the system.

### SECTION III

1. The Parties agree that the term of this MOU shall be one year, and will auto renew each January 1<sup>st</sup> unless terminated by either party. Either party may terminate its participation in this MOU by giving at least 180 days written notice of termination. The termination of the MOU will not affect the responsibilities established in any existing or future annual operating contract for transportation services that may be in effect at that time, such as a vanpool service, or contracts for service with public and/or private businesses within the City of Laurel.
2. In the event of any dispute, claim, question, or disagreement arising from or relating to this Contract or the breach thereof, the parties hereto shall use their best efforts to settle the dispute, claim, question, or disagreement. To this effect, they shall negotiate informally to resolve the dispute. If such informal negotiations are not successful, the parties shall jointly select a mediator to mediate their dispute within 30 days of the dispute. If they do not reach such solution within a period of 60 days following the mediation, or if the parties cannot agree on a mediator, then, upon notice by either party

to the other, all disputes, claims, questions, or differences shall be finally settled by arbitration administered by the American Arbitration Association in accordance with the provisions of its Commercial Arbitration Rules.

3. Controversy arising from this contract may result in litigation. Arbitration is not available. This Contract shall be governed by Montana law.
4. In the event of litigation concerning this Agreement, venue shall be in the First Judicial District of the State of Montana, Yellowstone County.

#### SECTION IV

1. ARA of YC understands this contract includes requirements specifically prescribed by Federal law or regulation and does not list all Federal laws, regulations, and directives that may apply to ARA of YC or its project. A comprehensive list of those Federal laws, regulations and directives is contained in the current FTA Master Agreement MA(24) at the FTA website:  
<https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/funding/grantee-resources/sample-fta-agreements/114766/fta-master-agreement-fy2018.pdf>.  
The clauses in this contract have been streamlined to highlight the most prevalent regulations that govern this award, however additional Federal laws, regulations and directives contained in the Master Agreement will apply. ARA of YC's signature upon this document acknowledges they have read and understand the Master Agreement.
2. No employee, officer, board member or agent of ARA of YC shall participate in the selection, award, or administration of a contract if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:
  - a. The employee, officer, board member or agent;
  - b. Any member of his or her immediate family;
  - c. His or her partner; or An organization which employs or is about to employ any of the above; has a financial or other interest in the firm selected for award. ARA of YC's employees, officers, board members or agents shall neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties of Sub-agreements.

#### SECTION V

Any party to this MOU may request an amendment to the MOU by written request to the other Party. The Parties shall meet to discuss any requested amendment within thirty days of receipt of such request. Amendments to this MOU will be effective only after approval in writing by all parties and subsequent City Council approval.

IN WITNESS WHEREOF, the parties to this Memorandum of Understanding have been authorized to sign the same, the Mayor for the City as authorized by the City Council and ARA

of YC Board of Directors.

CITY OF LAUREL

Dave Waggoner

Dave Waggoner, Mayor

2/12/24

Date

ATTEST

Kelly Strecker

Kelly Strecker, Clerk/Treasurer

2/12/2024

Date

ADULT RESOURCE ALLIANCE OF YELLOWSTONE COUNTY

Mike Larson

Mike Larson, Executive Director

02/12/2024

Date