



## Legislation Details (With Text)

<b>File #:</b>	81916	<b>Version:</b>	1	<b>Name:</b>	Authorizing the Mayor and the City Clerk to execute agreements with current and future partner municipalities, institutions, and organizations for provision of transit service benefiting these partners, as well as Authorizing the General Manager of Metro
<b>Type:</b>	Resolution	<b>Status:</b>			Passed
<b>File created:</b>	2/5/2024	<b>In control:</b>			Metro Transit
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<b>Enactment date:</b>	3/13/2024	<b>Enactment #:</b>			RES-24-00156
<b>Title:</b>	Authorizing the Mayor and the City Clerk to execute agreements with current and future partner municipalities, institutions, and organizations for provision of transit service benefiting these partners, as well as Authorizing the General Manager of Metro Transit to maintain such agreements through Memorandum(s) of Understanding				
<b>Sponsors:</b>	MGR Govindarajan, Dina Nina Martinez-Rutherford, Derek Field, Charles Myadze, Nasra Wehelie, Juliana R. Bennett, Amani Latimer Burris				
<b>Indexes:</b>					
<b>Code sections:</b>					
<b>Attachments:</b>					

Date	Ver.	Action By	Action	Result
3/5/2024	1	COMMON COUNCIL	Adopt Unanimously	Pass
2/26/2024	1	FINANCE COMMITTEE	RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER	Pass
2/13/2024	1	COMMON COUNCIL	Referred	
2/5/2024	1	Metro Transit	Referred for Introduction	

### Fiscal Note

The proposed resolution updates agreements with organizations, such as partner municipalities, utilizing Metro Transit service. Previous contracts utilized a contingency reserve shared by all partners to fund unanticipated increases in expenses. Under new contracts, unexpected cost increases will be handled by automatic adjustments to future rates. Metro has coordinated with partners over the course of 2023 and 2024 to structure the updated contracts.

These updated contracts will not change Metro's current budget. Metro's 2024 adopted operating budget includes \$9.6m in partner revenues. A separate resolution (File #81915) being considered simultaneously would increase budgeted partner revenues due to expanded service to partners.

### Title

Authorizing the Mayor and the City Clerk to execute agreements with current and future partner municipalities, institutions, and organizations for provision of transit service benefiting these partners, as well as Authorizing the General Manager of Metro Transit to maintain such agreements through Memorandum(s) of Understanding

### Body

In order to update contracts with partners to match current practice, provide ease of administration, allow

partners to more effectively budget and plan for transit service, ensure compliance with applicable law, and ensure good accounting practice, Madison and Partners have updated the existing standardized contracts for bus service.

The standard contract for each partner, which will automatically renew in five-year periods, will be supplemented with Memorandums of Understanding to address costs, revenues, hours, rates, routes, service, mileage, and estimates, as well as to ensure legal, accounting, and/or regulatory compliance.

Metro will bill partners a flat fee, or flat per hour fee, which appropriately shares risks of cost and funding fluctuations with the partner to streamline the calculations of appropriate costs for these entities within the City of Madison.

For Municipal Partners and MMSD, Metro will compare fees paid to actual costs to provide the service, and potentially trigger future automatic rate adjustments as appropriate. This will ensure that Metro is paid in full for transit service provided. For ease of budgeting future costs for service partners, changes in actual costs compared to budget may result in automatic adjustments or MOUs that will clearly forecast budget impacts.

In order to maintain a system that doesn't put undue costs on remaining partners should one wish to leave the system, any partner who terminates their agreement will forfeit amounts paid under the estimated cost formula, except in the case that Metro's service is transferred to a private entity.

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WHEREAS, partnerships with municipalities, institutions, and organizations for the provision of transit services have been successful for both Madison and partners for many years; and

WHEREAS, all parties wish to continue the service with some administrative improvements; and

WHEREAS, Metro has coordinated with the partners over the course of 2023 and 2024 to structure contracts that reduce risks for all parties and streamline budgeting processes;

NOW, THEREFORE, BE IT RESOLVED that the Mayor and the City Clerk are authorized to execute automatically renewing contracts, and the Metro Transit General Manager is authorized to execute the related Memorandums of Understanding with current partners and future partners who would like to contract with Metro Transit for service. Current partner contracts will be replaced and superseded by the new agreement, which shall continue until the agreement is terminated in writing by either party. Contracts with future partners will begin upon execution by the Mayor. All contract documents, including any MOUs, shall be in a form approved by the City Attorney.