

2026 OPERATIONS AGREEMENT BETWEEN THE CITY OF LA CROSSE
AND THE CITY OF LA CRESCENT, MINNESOTA
PERTAINING TO PUBLIC TRANSPORTATION BY BUS

THIS AGREEMENT is made by and between the City of La Crosse acting through the La Crosse Municipal Transit Utility, hereinafter referred to as “MTU”, and the City of La Crescent, Minnesota, hereinafter referred to as “LA CRESCENT.”.

WITNESSETH

WHEREAS, La Crosse currently owns and operates a transit system.

WHEREAS, the purpose of this agreement is to set forth the terms and conditions under which transit service is provided by the City of La Crosse, through the MTU, to the City of La Crescent, Minnesota.

NOW, THEREFORE, the parties hereto agree as follows:

1. The MTU shall provide route deviation bus service in conformance with this agreement to the City of La Crescent. Routes, schedules, fare structure, and other policy issues will be as determined by the City of La Crosse and the MTU with input from the City of La Crescent.
2. The MTU shall be responsible to complete, with advice and assistance of La Crescent, any forms for federal assistance, assistance from the State of Minnesota, reports required by federal or state agencies, and all grant applications related to furnishing of bus service in the City of La Crescent.
3. La Crosse and La Crescent agree that each participating community will pay its portion of the local share of the operating costs of providing bus service. The number of hours of service and the local share cost shall be calculated on an annual basis as provided on attached Exhibit “A” which is incorporated herein by reference.
4. Any dollar amount over or under budget shall be distributed annually to each respective municipality based upon the cost per hour formula at the time the year end audit has been completed. If additional capital funding is made available after the budget has been approved and cost allocation has been determined, the funding must be approved by the MTU. The funding must then be approved by the governing bodies of La Crosse and La Crescent, respectively, before the capital grant application may proceed.
5. The services to be rendered hereunder shall commence on January 1, 2026 and terminate December 31, 2026, unless the parties hereto agree on or before September 1, 2026, to provide service beyond such date.
6. Payment of local share shall be made by La Crescent to the MTU on a quarterly basis. Such quarterly payments will be made on the 31st day of

March, the 30th day of June, the 30th day of September, and the 31st day of December.

7. Interest of members of/or Delegates to Congress: No members of/or delegates to the Congress of the United States shall be admitted to any share or part of this contract or to any benefit therefrom.
8. Equal Employment Opportunity: In connection with the execution of this contract, the MTU shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, or nation of origin. The MTU shall take affirmative action to insure that applicants are employed and that employees are treated during their employment, without regard to their race, color, sex, or nation of origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or advertising; layoff, or termination; rates of pay, or other forms of compensation; and the selection for training.
9. Audit and Inspection of Records: MTU and La Crescent shall permit the authorized representatives of the City, the U.S. Department of Transportation; and the Comptroller General of the United States to inspect and audit all data and records of the MTU relating to this contract until the expiration of three (3) years after the final payment under this contract.
10. Disadvantaged Business Enterprise: In connection with the performance of this contract, the City of La Crescent will cooperate with the City of La Crosse in meeting its commitments and goals with regard to maximum utilization of disadvantaged business enterprises and will use its best efforts to insure that disadvantaged business enterprises shall have maximum practicable opportunity to compete for sub-contract work under the contract.
11. To the extent applicable and in accordance with the attached June 29, 2023 communication from the U.S. Department of Labor, the parties hereto agree as a condition of the contract and a condition to the release of assistance with the terms and conditions contained in said certification letter and any corresponding protective arrangements. Said terms and conditions are incorporated as part of this agreement to the extent applicable.

IN WITNESS WHEREOF, this agreement has been duly executed this _____ day of _____, 2025.

WITNESS:

CITY OF LA CRESCENT BY:

Mikel Poellinger, Mayor

Bill Waller, City Administrator

WITNESSES:

CITY OF LA CROSSE
MUNICIPAL TRANSIT UTILITY

Shaundel Washington-Spivey, Mayor

Nikki Elsen, City Clerk

Attachments

Exhibit A

EXHIBIT A

2026 MTU SERVICE TO LA CRESCENT, MINNESOTA

THIRTEEN TRIPS (HOURS) DAILY, MONDAY - FRIDAY EIGHT TRIPS (HOURS) DAILY, SATURDAY

CALCULATION OF COST PER HOUR - La Crosse Municipal Transit Utility

MTU OPERATING COST	<i>MTU Budget - Specialized Transportation Cost</i>	\$7,054,797
CAPITAL COST	<i>Estimate of Local Share of Capital Cost</i>	\$307,600
TOTAL COST		\$7,362,397
TOTAL ROUTE HOURS		67,646
SERVICE COST PER HOUR		\$105.49

Prepared by: La Crosse MTU: 13-Aug-25

	Budget
TOTAL ANNUAL LA CRESCENT HOURS	3,897
TOTAL ANNUAL LA CRESCENT COST	\$411,095
REVENUE	\$58,725
<i>Estimated System Average</i>	
FEDERAL SHARE	\$86,336
MINNESOTA STATE SHARE	\$213,178
GREATER MINNESOTA TRANSIT FUND	\$0

Local capital bus purchase reimbursement (20% \$150,311 over 7 years = \$4,295
LA CRESCENT LOCAL SHARE \$48,560 *

**This amount was calculated using the estimated MTU Budget on 6/26/2025.*

Due to the impact of COVID-19 on our partnering Communities the City of La Crosse MTU would like to propose a 4.8% increase in the cost for this contracted service from the 2025 rates (which had been frozen since 2020) for 2026 to help ease the burden to your Community. The amount of Local share is now to be capped at 15% in 2026 by Minnesota State Statutes, section 174.24, subd.3b.

\$48,560