



TRANSPORTATION COMMITTEE AGENDA

City of Brainerd, Minnesota
City Hall, 501 Laurel Street, Council Chambers
Thursday, September 10, 2026 @ 2:00 PM

The public is invited to attend these meetings in person

Meetings are broadcast on CTC ch 8, Charter ch 181, YouTube, AppleTV, Roku, and Amazon FireTV

1. **Call To Order**

2. **Oath of Office**

A. Jennifer Melton

3. **Roll Call**

___ M. Koep ___ J. Lambert ___ J. Melton ___ L. Nebel ___ J. Czczok

4. **Pledge of Allegiance**

5. **Approval Of Agenda - Voice Vote**

6. **Approval Of Minutes**

A. 6/5/25 TAC Meeting Minutes

B. 9/23/25 TAC Special Meeting Minutes

C. 11/6/25 TAC Meeting Minutes

7. **Introduction of Public Services Director - Zac Swarthout**

8. **Financial Reports**

A. Transit Revenue and Expenditure Report

9. **Unfinished Business**

A. 2025 Transit Operations Analysis Follow-Up

10. **New Business**

A. Transit Fares – City of Baxter / Financial and Operational Review

B. Approval of TAC Meeting Schedule for 2026 and 2027

11. **Public Forum**

Time allocated for citizens to bring matters not on the agenda to the attention of the Committee -
Time limits may be imposed

12. **Staff Reports**

A. **Transit Coordinator Report**

B. **Spare Software Update**

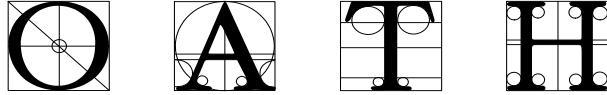
13. **Committee Member Reports**

14. **Adjourn**

Visit the Transit Website at www.brainerdmn.gov/transit

MISSION

*"It is the Mission of the Brainerd & Crow Wing County Public Transit agency
to facilitate mobility by providing options for safe, efficient and reliable transportation"*



**STATE OF MINNESOTA)
CITY OF BRAINERD) ss.
COUNTY OF CROW WING)**

I, Jennifer Melton, do solemnly swear
that I will support the Constitution of the United
States, the Constitution of the State of Minnesota, and
that I will faithfully discharge the duties of the office
of Transportation Advisory Committee of the City of
Brainerd, Minnesota, to the best of my judgement and
ability, so help me God.

(name/title)

Subscribed and sworn to before me this ____ day of
_____, 2026.

Zac Swarthout
Public Services Director

TRANSPORTATION ADVISORY COMMITTEE
Thursday, June 5, 2025, 1:00 p.m.
City Hall Council Chambers

Pursuant to due call and notice thereof, the regular meeting of the Transportation Advisory Committee was called to order at 1:00 p.m. by Member Lambert.

Upon roll call, the following members were noted present: Czczok, Koep, and Lambert. Committee member Nebel was noted as absent. Also noted present were Transit Coordinator Gauthier and Public Works Director Habighorst.

Member Lambert opened the meeting with the Pledge of Allegiance to the flag.

Election of Chair & Vice Chair of the Committee for 2025-2026

Member Czczok nominated Mary Koep to serve as Chair for 2025.

MOVED AND SECONDED BY COMMITTEE MEMBERS CZECZOK AND LAMBERT DULY CARRIED, TO APPROVE MEMBER KOEP AS CHAIR.

Member Czczok nominated Jan Lambert to serve as Vice Chair for 2025.

MOVED AND SECONDED BY COMMITTEE MEMBERS CZECZOK AND KOEP DULY CARRIED, TO APPROVE MEMBER LAMBERT AS VICE CHAIR.

Approval of Agenda

MOVED AND SECONDED BY COMMITTEE MEMBERS CZECZOK AND LAMBERT, DULY CARRIED TO APPROVE THE AGENDA.

Approval of Minutes for the meeting held on January 25, 2024

MOVED AND SECONDED BY COMMITTEE MEMBERS CZECZOK AND LAMBERT TO APPROVE MEETING MINTUES FROM SEPTEMBER 2024.

MOVED AND SECONDED BY COMMITTEE MEMBERS CZECZOK AND KOEP TO APPROVE MEETING MINTUES FROM JANUARY 2025.

Members Czczok, Koep, and Lambert voted "aye". No members voted "nay". The Chair declared the motion carried.

Financial Reports

The Public Works Director Habighorst discussed the financial reports and the budget and went over the line items within the budget.

There was a discussion held by the members and city staff about the line items and the breakdown of the financial reports. Discussed purchasing a new bus for this year in 2025 versus 2026 and the new van in 2026-2027.

New Business

Software Update

The Public Works Director Habighorst discussed that there were funds in the revenue and the overrun and discussed with the revenue, transit was able to purchase a new software program.

Transit Coordinator Gauthier discussed that in 2024 the reserve account had enough funds in the account to be able to move forward with new software which was needed as the old software fails daily. In 2025 transit is still operating within the planned technology budget but in 2026-2027 will need to be budgeted. Transit Coordinator Gauthier went on to discuss the benefits of the new technology. Talked about reactive maintenance and how the buses are owned by the City of Brainerd and the contractor is only at fifty percent in completing preventative maintenance, discussed that this being only at fifty percent is concerning.

The committee went on to discuss further the benefits of the new software program for transit and discussed what the new software provides for the staff as well as ridership.

Key Performance Indicators – KPI

The Public Works Director Habighorst discussed the review of how the division is working from the key performance indicators, went on to discuss the report such as phone call volume, ridership, complaints or compliments, service hours, and reactive maintenance.

Member Czczok asked the question if the staff check to make sure that they are performing the general maintenance in the time that they are required to complete.

The Transit Coordinator stated that yes, the staff complete the tracking of maintenance performances, this is completed daily, weekly, and monthly. Once staff receive notice that they performed the preventive maintenance, staff then check to make sure this is within guidelines, also stated that staff completes spot checks.

Chair Koep asked if the contractor is completing what the contract states, are they within the parameters of the contract.

Transit Coordinator Gauthier stated that the contractor is only completing maintenance at fifty percent, stated the contractor is notified one week within the occurrence and after fines can be access at this time. Discussed that if preventative maintenance is not being completed the assets decline in value and safety.

The committee went on to discuss the buses and the maintenance requirements from the contractor and what is involved in the contractor's contract with the City of Brainerd and how the contractors are getting fined for not completing everything that is within their contract with the City of Brainerd and the process behind how they are fined.

Chair Koep requested the contractor to come to the next meeting.

Public Works Director Habighorst discussed whether the Transportation Advisory Committee would like to have a special meeting after the consultants review of findings.

MnDOT Consultant Services

Public Works Director Habighorst discussed that the state hired a consulting service to investigate the contract between the City of Brainerd and BlueSky our third-party contractor to review and suggest options the City of Brainerd can move forward with.

The Transportation Advisory Committee further discussed the possible outcomes and what to expect from the consultancy services, discussed the future special meeting to follow with the results of the consultant's findings.

Public Forum

The Chair opened the public forum at 1:56 p.m.

The Chair closed the public forum at 1:56 p.m.

Staff Reports

Transit Coordinator Gauthier welcomed new team member Aaron Forstrom, discussed transits participation in the St. Patrick's Day Parade, ridership update, new bus update, new program software, and contractor performance monitoring that was provided in the agenda packet.

Committee Member Comments/Questions

No comments or questions presented.

Adjourn

MOVED AND SECONDED BY COMMITTEE MEMBERS CZECZOK AND LAMBERT, DULY CARRIED TO ADJOURN THE MEETING AT 2:03 P.M.

**TRANSPORTATION ADVISORY COMMITTEE
SPECIAL MEETING
Tuesday, September 23, 2025, 1:00 p.m.
City Hall Council Chambers**

Pursuant to due call and notice thereof, the regular meeting of the Transportation Advisory Committee was called to order at 1:00 p.m. by Member Koep.

Upon roll call, the following members were noted present: Czczok, Koep, and Lambert. Committee member Nebel was noted as absent. Also noted present were Transit Coordinator Gauthier and Public Works Director Habighorst.

Member Lambert opened the meeting with the Pledge of Allegiance to the flag.

Review Consultant's Presentation and Make Recommendation for 2026 Transit Operation

Public Works Director Habighorst stated that the State of Minnesota hired a consultant to review the transit operation and provide a recommendation for the 2026 operations and will be going through their findings today.

Jill Cahoon, one of the consultants from AECOM Consulting Firm under contract with Minnesota Department of Transportation's Office, Transit and Active Transportation, we are a subconsultant of DRB Consulting, started out by going over what will be presented during the meeting. The study overview determined best path forward for how Brainerd Crow Wing Transit is operated in the future based on three goals. The three goals are to provide the best customer service possible, maintain the fleet to state of good repair, and operate in a financially efficient manner. Discussed the four steps of the process which include scenario definition, qualitative analysis, financial analysis, and recommendations. Findings show that most rural transit agencies in Minnesota directly operate service, Brainerd and Winona are the only ones to contract out. Four defining scenarios were to continue contracting out, City of Brainerd directly operates, County directly operates, or a hybrid approach. Qualitative analysis of the study shows that scenario two and four scored the highest, which would be the city operating transit or a hybrid operation, analysis based on peers, historical trends for Brainerd Crow Wing Transit, statewide and national best practices, and industry trends. With city operating transit the study showed savings from contractor oversight fees and revenue as well as better vehicle maintenance, are greater than additional personnel costs. Discussed operating costs and revenue trends that were analyzed from 2023 to present. With city operating the service savings of \$48,466, ~3% difference between budgeted and scenario which could be spent on a one-time transition cost, MnDOT will fund up to 90% of the actual operating cost. Recommendation of the study shows that in-house operations would be the best fit.

After consultants' presentation questions and discussions continued for more clarification with the committee. Additional grant funds were discussed for transitioning and building costs such as the Annex Building. It was noted that if insurance was to be brought back in-house there would be roughly \$30,000 savings versus if we were to contract out.

MOVED AND SECONDED BY COMMITTEE MEMBERS LAMBERT AND CZECZOK TO DIRECT STAFF TO COMPLETE A BUSINESS MODEL TO PRESENT TO CITY COUNCIL AND TAC COMMITTEE.

Adjourn

MOVED AND SECONDED BY COMMITTEE MEMBERS LAMBERT AND CZECZOK, DULY CARRIED TO ADJOURN THE MEETING AT 2:07 P.M.

TRANSPORTATION ADVISORY COMMITTEE

Thursday, November 6th, 2025, 1:00 p.m.

City Hall Council Chambers

Pursuant to due call and notice thereof, the regular meeting of the Transportation Advisory Committee was called to order at 1:00 p.m. by Chair Koep.

Upon roll call, the following members were noted present: Koep, Lambert, and Public Works Director Habighorst. Committee members Nebel, and Czczok were noted as absent.

Due to lack of quorum no topic was voted on. Discussion took place on the following items.

- A. TAC Committee Meeting Schedule
- B. Recommend Authorize Solicitation of Request for Quotes (RFQ) for Technology (Transit Software) and after City of Brainerd City Council approval of quotes and purchase to implement software.

Meeting adjourned at 1:25 p.m.

09/03/2026

REVENUE AND EXPENDITURE REPORT FOR CITY OF BRAINERD
PERIOD ENDING 12/31/2025

GL NUMBER	DESCRIPTION	YTD BALANCE		
		2025	12/31/2025	% BDGT
		AMENDED BUDGET	NORMAL (ABNORMAL)	USED
Revenues				
FEDERAL GRANTS				
203-0000-33100	FEDERAL GRANTS-OPERATING	276,412.00	291,038.38	105.29
203-0000-33101	FEDERAL GRANTS-CAPITAL	110,495.00	258,142.30	233.62
TOTAL FEDERAL GRANTS		386,907.00	549,180.68	141.94
STATE GRANTS & AIDS				
203-0000-33422	STATE GRANTS - OPERATING	1,264,108.00	1,127,179.25	89.17
203-0000-33423	STATE GRANT - CAPITAL	18,655.00	37,032.10	198.51
TOTAL STATE GRANTS & AIDS		1,282,763.00	1,164,211.35	90.76
CHARGES FOR SERVICES				
203-0000-34910	BUS REVENUE	124,400.00	65,728.24	52.84
203-0000-34920	COUNTER SALES	0.00	47,178.00	100.00
203-0000-34930	INVOICE BILLING	40,000.00	65,978.00	164.95
TOTAL CHARGES FOR SERVICES		164,400.00	178,884.24	108.81
OTHER REVENUE				
203-0000-36210	INTEREST INCOME	5,000.00	11,389.09	227.78
203-0000-36299	MISCELLANEOUS REVENUE (NONTAX)	0.00	600.00	100.00
TOTAL OTHER REVENUE		5,000.00	11,989.09	239.78
TOTAL REVENUES		1,839,070.00	1,904,265.36	103.55
Expenditures				
PERSONNEL SERVICES				
203-9000-41101	SALARY	181,359.00	167,118.62	92.15
203-9000-41104	TEMPORARY	0.00	13,232.34	100.00
203-9000-41121	PERA	13,602.00	13,470.35	99.03
203-9000-41122	FICA	11,542.00	11,195.21	97.00
203-9000-41123	MEDICARE	2,699.00	2,618.22	97.01
203-9000-41131	HEALTH INSURANCE	41,216.00	28,434.57	68.99
203-9000-41133	LIFE INSURANCE	173.00	124.56	72.00
203-9000-41134	LTD INSURANCE	272.00	179.50	65.99
203-9000-41140	UNEMPLOYMENT	0.00	217.00	100.00
203-9000-41150	WORKERS COMP	1,159.00	617.19	53.25
TOTAL PERSONNEL SERVICES		252,022.00	237,207.56	94.12
SUPPLIES				
203-9000-42200	OFFICE SUPPLIES	2,850.00	847.86	29.75
203-9000-42210	OPERATING SUPPLIES	0.00	40.39	100.00
203-9000-42212	MOTOR FUELS	83,700.00	72,488.35	86.60
203-9000-42220	REPAIR & MAINT	0.00	248.65	100.00
TOTAL SUPPLIES		86,550.00	73,625.25	85.07

SERVICES				
203-9000-43300	PROFESSIONAL SERVICES	0.00	6,587.19	100.00
203-9000-43309	COMPUTER TECHINCAL SUPPORT	36,500.00	44,931.86	123.10
203-9000-43321	TELEPHONE	600.00	2,794.98	465.83
203-9000-43322	POSTAGE	300.00	600.23	200.08
203-9000-43330	PROFESSIONAL DEVELOPMENT	2,200.00	938.80	42.67
203-9000-43340	ADVERTISING/MARKETING	6,200.00	666.83	10.76
203-9000-43350	PRINTING/LEGAL PUBLICATION	3,800.00	144.68	3.81
203-9000-43361	INS - GENERAL LIABILITY	2,000.00	1,536.37	76.82
203-9000-43363	INS - AUTO	9.00	0.60	6.67
203-9000-43365	INS - OTHER	20.00	35.54	177.70
203-9000-43401	VEHICLE REPAIRS	161,018.00	94,156.11	58.48
203-9000-43410	RENTAL EXPENSE	13,595.00	13,593.96	99.99
203-9000-43430	MISCELLANEOUS	800.00	0.00	0.00
203-9000-43433	DUES & SUBSCRIPTIONS	1,630.00	966.75	59.31
203-9000-43440	TRANSIT SERVICE CONTRACT PY	1,050,856.00	960,483.73	91.40
203-9000-44432	UNREIMURSEABLE EXPENSE	0.00	56,138.52	100.00
TOTAL SERVICES		1,279,528.00	1,183,576.15	92.50
CAPITAL OUTLAY				
203-9000-45550	CAPITAL - VEHICLES	143,500.00	327,971.00	228.55
203-9000-45580	CAPITAL - OTHER EQUIPMENT	3,500.00	0.00	0.00
TOTAL CAPITAL OUTLAY		147,000.00	327,971.00	223.11
TOTAL EXPENDITURES		1,765,100.00	1,822,379.96	103.25
NET OF REVENUES & EXPENDITURES		73,970.00	81,885.40	110.70

09/03/2026

REVENUE AND EXPENDITURE REPORT FOR CITY OF BRAINERD
PERIOD ENDING 07/31/2026

GL NUMBER	DESCRIPTION	YTD BALANCE		
		2026	07/31/2026	% BDGT
		AMENDED BUDGET	NORMAL (ABNORMAL)	USED
Revenues				
FEDERAL GRANTS				
203-0000-33100	FEDERAL GRANTS-OPERATING	447,615.00	218,277.95	48.76
203-0000-33101	FEDERAL GRANTS-CAPITAL	105,400.00	0.00	0.00
TOTAL FEDERAL GRANTS		553,015.00	218,277.95	39.47
STATE GRANTS & AIDS				
203-0000-33422	STATE GRANTS - OPERATING	1,084,815.00	813,611.25	75.00
203-0000-33423	STATE GRANT - CAPITAL	6,200.00	0.00	0.00
TOTAL STATE GRANTS & AIDS		1,091,015.00	813,611.25	74.57
CHARGES FOR SERVICES				
203-0000-34910	BUS REVENUE	125,798.00	50,263.77	39.96
203-0000-34920	COUNTER SALES	0.00	29,503.00	100.00
203-0000-34930	INVOICE BILLING	63,974.00	32,629.00	51.00
TOTAL CHARGES FOR SERVICES		189,772.00	112,395.77	59.23
OTHER REVENUE				
203-0000-36210	INTEREST INCOME	10,000.00	5,055.69	50.56
TOTAL OTHER REVENUE		10,000.00	5,055.69	50.56
TOTAL REVENUES		1,843,802.00	1,149,340.66	62.34
Expenditures				
PERSONNEL SERVICES				
203-9000-41101	SALARY	204,017.50	100,268.79	49.15
203-9000-41102	OVERTIME	0.00	282.14	100.00
203-9000-41104	TEMPORARY	0.00	3,996.93	100.00
203-9000-41121	PERA	15,301.31	7,841.05	51.24
203-9000-41122	FICA	12,649.09	6,486.54	51.28
203-9000-41123	MEDICARE	2,958.25	1,517.02	51.28
203-9000-41125	MN PFML	805.87	459.13	56.97
203-9000-41131	HEALTH INSURANCE	33,985.17	18,435.89	54.25
203-9000-41133	LIFE INSURANCE	178.00	94.38	53.02
203-9000-41134	LTD INSURANCE	570.00	162.83	28.57
203-9000-41140	UNEMPLOYMENT	0.00	497.70	100.00
203-9000-41150	WORKERS COMP	840.00	251.97	30.00
TOTAL PERSONNEL SERVICES		271,305.19	140,294.37	51.71
SUPPLIES				

203-9000-42200	OFFICE SUPPLIES	6,311.00	173.99	2.76
203-9000-42210	OPERATING SUPPLIES	4,000.00	0.00	0.00
203-9000-42212	MOTOR FUELS	82,368.00	44,718.97	54.29
TOTAL SUPPLIES		92,679.00	44,892.96	48.44
SERVICES				
203-9000-43300	PROFESSIONAL SERVICES	5,000.00	1,140.00	22.80
203-9000-43309	COMPUTER TECHINCAL SUPPORT	52,576.00	26,287.98	50.00
203-9000-43321	TELEPHONE	5,420.00	1,813.57	33.46
203-9000-43322	POSTAGE	772.00	332.22	43.03
203-9000-43330	PROFESSIONAL DEVELOPMENT	2,928.00	382.50	13.06
203-9000-43340	ADVERTISING/MARKETING	5,200.00	3,882.30	74.66
203-9000-43350	PRINTING/LEGAL PUBLICATION	800.00	150.91	18.86
203-9000-43361	INS - GENERAL LIABILITY	1,728.00	1,394.48	80.70
203-9000-43363	INS - AUTO	0.00	1.20	100.00
203-9000-43365	INS - OTHER	0.00	35.48	100.00
203-9000-43401	VEHICLE REPAIRS	183,000.00	33,091.07	18.08
203-9000-43410	RENTAL EXPENSE	13,751.00	7,496.98	54.52
203-9000-43430	MISCELLANEOUS	1,645.00	358.63	21.80
203-9000-43433	DUES & SUBSCRIPTIONS	1,650.00	1,355.50	82.15
203-9000-43440	TRANSIT SERVICE CONTRACT PY	1,041,357.00	501,432.06	48.15
203-9000-44432	UNREIMURSEABLE EXPENSE	0.00	(215.00)	100.00
TOTAL SERVICES		1,315,827.00	578,939.88	44.00
CAPITAL OUTLAY				
203-9000-45550	CAPITAL - VEHICLES	124,000.00	0.00	0.00
203-9000-45580	CAPITAL - OTHER EQUIPMENT	3,300.00	0.00	0.00
TOTAL CAPITAL OUTLAY		127,300.00	0.00	0.00
TOTAL EXPENDITURES		1,807,111.19	764,127.21	42.28
NET OF REVENUES & EXPENDITURES		36,690.81	385,213.45	1,049.89



Transportation Committee Agenda Request

MEETING DATE: September 10, 2026

TITLE OF ITEM: 2025 Transit Operations Analysis Follow-Up

AGENDA: Main

ACTION REQUESTED: Information Only

SUBMITTED BY: Crystal Gauthier, Transit
Coordinator

DEPARTMENT: Transit

PRESENTER: Crystal Gauthier, Transit Coordinator **ESTIMATED TIME (MIN):** 2 Minutes

SUMMARY OF ISSUE

TAC reviewed the MnDOT consultant's operational analysis on September 23, 2025, and recommended that staff develop a business model for operating transit in-house for presentation to TAC and City Council. The item was subsequently presented to City Council on October 6, 2025, with several operational options identified for Council consideration.

Council directed staff to develop an in-house business model and contact the City of Baxter regarding alignment of transit fares. Council also directed staff to contact Crow Wing County regarding potential operation or partnership.

The in-house business model has not yet been completed. Staff has completed some preliminary work, and additional analysis is needed before a business model can be presented for consideration. With the Public Services Director now in place, staff anticipates continuing this work and evaluating next steps.

Updates regarding the City of Baxter fare discussion will be addressed separately under the Transit Fare Discussion agenda item. Staff is continuing to seek information regarding the status of the Crow Wing County discussion.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS

RECOMMENDED ACTION/MOTION

Informational Item; no action requested

FINANCIAL IMPACT

Financial impact is unknown at this time. Development of an updated business model will include evaluation of anticipated operating costs, staffing, resources, and potential funding impacts.



Transportation Committee Agenda Request

MEETING DATE: September 10, 2026

TITLE OF ITEM: Transit Fares – City of Baxter / Financial and Operational Review

AGENDA: Main

ACTION REQUESTED: Discussion Item

SUBMITTED BY: Crystal Gauthier, Transit
Coordinator

DEPARTMENT: Transit

PRESENTER: Crystal Gauthier, Transit Coordinator **ESTIMATED TIME (MIN):** 10 minutes

SUMMARY OF ISSUE

At its July 6, 2026, meeting, City Council discussed the existing transit service agreement with the City of Baxter, including whether the agreement should continue. Council referred the matter to the Transportation Advisory Committee for review and a recommendation to City Council.

As part of that discussion, Council also reviewed the Transit Financial and Operation Review prepared by staff, which includes transit fare, ridership, financial, and service information related to Brainerd, Baxter, and Crow Wing County.

Since the July 6 meeting, the Baxter City Council has voted to revise its transit fares to \$3 for advance reservations and \$5 for same-day reservations, aligning Baxter fares with the City of Brainerd.

TAC is being asked to review the existing Baxter Transit Service Agreement and provide a recommendation to City Council regarding whether the agreement should continue or be terminated. The Transit Financial Operation Review is included as supporting information for TAC's consideration.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS

TAC may recommend continuing the existing service agreement or recommend termination of the agreement.

RECOMMENDED ACTION/MOTION

Review the Transit Financial and Operational Review and the City of Baxter transit service agreement and make a recommendation to City Council regarding the service agreement.

FINANCIAL IMPACT

None at this time.

TRANSIT SERVICE AGREEMENT WITH THE CITY OF BAXTER

TERMS OF AGREEMENT

1. TERM OF AGREEMENT - The agreement shall be effective upon execution and shall continue through June 30th, 2027. In the absence of a new agreement reached by both parties, the terms and conditions of this agreement shall remain in full force and effect until such time as a new agreement is mutually agreed upon by both parties.
2. SERVICE TIMES - The Brainerd & Crow Wing Public Transit System shall provide Dial-A-Ride transit service to the City of Baxter Monday through Friday, (excluding Holidays) from 6:00 a.m. to 6:00 p.m., subject to the system capacity restraints. The City of Baxter may request changes to the hours and days of operation by resolution, said changes being subject to the approval of the City of Brainerd.
3. SERVICE AREA - The Brainerd & Crow Wing Public Transit System shall provide service to any location within the corporate limits of the City of Baxter.
4. TRANSIT BUS - The Brainerd & Crow Wing Public Transit System shall provide the service with a passenger transit bus equipped with an ADA compliant wheelchair or standee lift, and wheelchair securement positions in the interior of the bus.
5. OPERATING POLICY - The City of Brainerd Transportation Advisory Committee and The City of Brainerd & Crow Wing County Transit Operating Policies shall govern the operations of the transit system when serving the City of Baxter.
6. FARES - The fare structure for the City of Baxter shall be set by the Council of the City of Baxter by resolution. Changes or adjustments to fares shall require 30 days' public notification.
7. REIMBURSEMENT – In the event that bus fares from the City of Baxter are less than that City's local share of transportation costs the City of Baxter agrees to reimburse the City of Brainerd for the unfunded portion of City of Baxter transit expenses. If the bus fares from the City of Baxter are more than that City's local share of transportation costs the City of Brainerd agrees to reimburse the City of Baxter the excess revenue.
8. LOCAL SHARE OF TRANSIT COSTS – The local share of transportation costs shall be based upon the percentage of overall anticipated fuel costs of the service area. The City of Baxter's local share shall be 18% of the Transit expenses during the term of this agreement.
9. REIMBURSEMENT OF ADDITIONAL COSTS – The City of Baxter agrees to reimburse the City of Brainerd for a portion of the local share of capital costs. Local share of capital costs are based upon the percentage of the local share of transportation costs in Paragraph No. 8, Local Share of Transit Costs.
10. REPORTING – The City of Brainerd & Crow Wing County Transit office will provide annual transit reports to the City of Baxter. Annual reports will include ridership information and information

related to the costs of providing Dial-A-Ride services in the City of Baxter.

11. CONTINGENCIES - This agreement is contingent on the City of Brainerd's participation in the Minnesota Department of Transportation's public transit grant program and the availability of State and Federal funds equal to or greater than 85% of the total operating costs for Transit services.
12. MUTUAL INDEMNIFICATION - Each of the Parties participating in this agreement shall fully indemnify and hold harmless the other members against claims, losses, damage, liability, suits, judgments, costs and expenses, by reason of the action or inaction of its employees or designees assigned to or acting on behalf of either of the Parties. The agreement to indemnify and hold harmless does not constitute a waiver by either Party of limitations on liability provided by Minnesota Statute Ch. 466.
13. SEVERABILITY - In the event any provision of this agreement is determined to be void or unenforceable, such determination shall not affect the remainder of this agreement, which shall continue to be in force.
14. TERMINATION CLAUSE - This agreement may be terminated by either party with or without cause with 180 days' written notice to the other party.

City of Brainerd

Mayor - City of Brainerd Date

City Administrator

City of Baxter

Mayor – City of Baxter Date

City Administrator

Transit Financial and Operational Review

Fare Structure, Local Share Funding, Ridership, and Travel Analysis

Prepared in Response to City Council Direction

July 6, 2026

Background

The City of Brainerd operates the Brainerd & Crow Wing County Public Transit System and serves as the recipient of state and federal transit grant funding. On June 1, 2026, City Council directed staff to compile financial, ridership, fare structure, travel pattern, and fare authority information for Council review. The following sections respond to each component of City Council's request.

Report Overview

This report summarizes fare revenue, allocated operating and capital costs, annual reconciliation results, fare structures, ridership, travel patterns between Brainerd and Baxter, additional ridership information, and MnDOT guidance regarding fare-setting authority.

1. What fare revenue was collected by each entity?

- 2023: The City of Brainerd collected \$88,404 in fare revenue, City of Baxter collected \$27,148, and Crow Wing County collected \$41,843.
- 2024: The City of Brainerd collected \$89,563 in fare revenue, City of Baxter collected \$49,242, and Crow Wing County collected \$13,432.
- 2025: The City of Brainerd collected \$98,914 in fare revenue, City of Baxter collected \$58,186, and Crow Wing County collected \$13,888.

2. What was each entity's share of transit costs?

- 2023: The City of Brainerd's allocated operating and capital costs were \$55,032.67. The City of Baxter's allocated operating and capital costs were \$14,356.35, and Crow Wing County's allocated operating and capital costs were \$41,872.69. Cost allocations during 2023 differed from subsequent years due to Pine River Transit participating during part of the year and reductions in Crow Wing County transit service later in the year.
- 2024: The City of Brainerd's allocated operating and capital costs were \$54,302.66. The City of Baxter's allocated operating and capital costs were \$15,037.66, and Crow Wing County's allocated operating and capital costs were \$14,202.24.
- 2025: The City of Brainerd's allocated operating and capital costs were \$68,178.26. The City of Baxter's allocated operating and capital costs were \$18,880.13, and Crow Wing County's allocated operating and capital costs were \$17,831.24.

3. How did each entity's revenues compare to its share of transit costs?

Annual reconciliation compares each entity's fare revenue, advertising revenue, interest income, and allocated operating and capital costs to determine the resulting annual reconciliation balance.

The annual reconciliation balances were:

- **2023:** Brainerd \$34,630; Baxter \$14,050; Crow Wing County \$1,229.
- **2024:** Brainerd \$38,036; Baxter \$36,980; Crow Wing County \$2,005.
- **2025:** Brainerd \$34,532; Baxter \$43,102; Crow Wing County deficit (\$147).

Table 3A summarizes the annual reconciliation balances for calendar years 2023 through 2025.

Table 3A. Annual Reconciliation Balances

Entity	2023	2024	2025
Brainerd	\$34,630	\$38,036	\$34,532
Baxter	\$14,050	\$36,980	\$43,102
Crow Wing County	\$1,229	\$2,005	(\$147)

Over the three-year review period, Brainerd's cumulative annual reconciliation balance totaled **\$107,198**, Baxter's totaled **\$94,133**, and Crow Wing County's totaled **\$3,087**.

4. What were the fares?

In 2023, Brainerd's advance fare was \$1.25 and the same-day fare was \$2.50. Baxter's advance fare was \$2.25 and the same-day fare was \$4.50. Crow Wing County's advance fare was \$4.00 and the same-day fare was \$8.00.

In 2024, Brainerd's advance fare was \$3.00 and the same-day fare was \$6.00. Baxter's advance fare was \$7.00 and the same-day fare was \$11.00. Crow Wing County's advance fare was \$8.00 and the same-day fare was \$12.00.

In 2025, Brainerd's advance fare remained \$3.00. Brainerd's same-day fare was reduced from \$6.00 to \$5.00 effective March 14, 2025. Baxter's fares remained \$7.00 for advance trips and \$11.00 for same-day trips. Crow Wing County's fares remained \$8.00 for advance trips and \$12.00 for same-day trips.

Table 4 provides the fare structures in effect during the review period.

2023			
Fare Type	Brainerd	Baxter	Crow Wing County
Advance	\$1.25	\$2.25	\$4.00
Same Day	\$2.50	\$4.50	\$8.00
2024			
Fare Type	Brainerd	Baxter	Crow Wing County
Advance	\$3.00	\$7.00	\$8.00
Same Day	\$6.00	\$11.00	\$12.00
2025			
Fare Type	Brainerd	Baxter	Crow Wing County
Advance	\$3.00	\$7.00	\$8.00
Same Day (through Mar. 13)	\$6.00	\$11.00	\$12.00
Same Day (effective Mar. 14)	\$5.00	\$11.00	\$12.00

5. How many people used transit?

2023: 45,623 passenger trips.

2024: 36,225 passenger trips. Ridership declined from 2023 following the conclusion of Pine River Transit participation, reductions in Crow Wing County service, and fare increases and service changes implemented throughout the service area.

2025: 40,678 passenger trips. Ridership increased approximately 12% over 2024, reflecting continued growth in general public transit use.

During 2025, approximately 76% of all passenger trips originated in Brainerd, 20% in Baxter, and 4% in Crow Wing County.

Table 5. Annual Ridership by Entity

Year	Brainerd	Baxter	Crow Wing County	Agency Total
2023	28,360	6,178	11,085	45,623
2024	27,847	6,743	1,635	36,225
2025	31,061	7,917	1,700	40,678

6. How do riders travel between Brainerd and Baxter?

Staff reviewed completed trips between Brainerd and Baxter from July 28, 2025 through June 22, 2026 to better understand travel patterns between the two communities. This period reflects implementation of the current transit software and the availability of detailed travel pattern data. The analysis includes only trips between Brainerd and Baxter and does not include trips that both originated and ended within the same community.

For this analysis, a one-way trip represents completed travel from Brainerd to Baxter or from Baxter to Brainerd without a return trip. A round trip represents completed travel from Brainerd to Baxter and back to Brainerd, or from Baxter to Brainerd and back to Baxter.

Table 6 – Travel Between Brainerd and Baxter

Trip Origin	One-Way Trips	Round Trips	Total Completed Trips
Brainerd	2,185	5,644	7,829
Baxter	1,005	2,882	3,887
Total	3,190	8,526	11,716

Note: Round trips represent two completed passenger trips (an outbound trip and a return trip). These totals reflect completed trips between Brainerd and Baxter only and do not include trips that originated and ended within the same community. Passenger counts are not reflected. For example, a family of five traveling together would be counted as one trip rather than five individual passengers.

Key Findings:

- More than half of travel between Brainerd and Baxter consisted of round trips.
- Similar travel patterns were observed for riders originating in both Brainerd and Baxter.

- Travel between Brainerd and Baxter supports access to employment, healthcare, shopping, and other essential daily destinations.

7. Additional Information

7A. Ridership Trends

Productive Alternatives ridership declined significantly beginning in late 2025. Overall transit ridership remained stable and later exceeded prior levels through continued growth in general public ridership.

Figure 1. Productive Alternatives as a Percentage of Monthly Ridership

Productive Alternatives accounted for approximately one-fifth of monthly ridership during much of 2025. Beginning in late 2025, Productive Alternatives ridership declined significantly and remained at substantially lower levels through the review period.

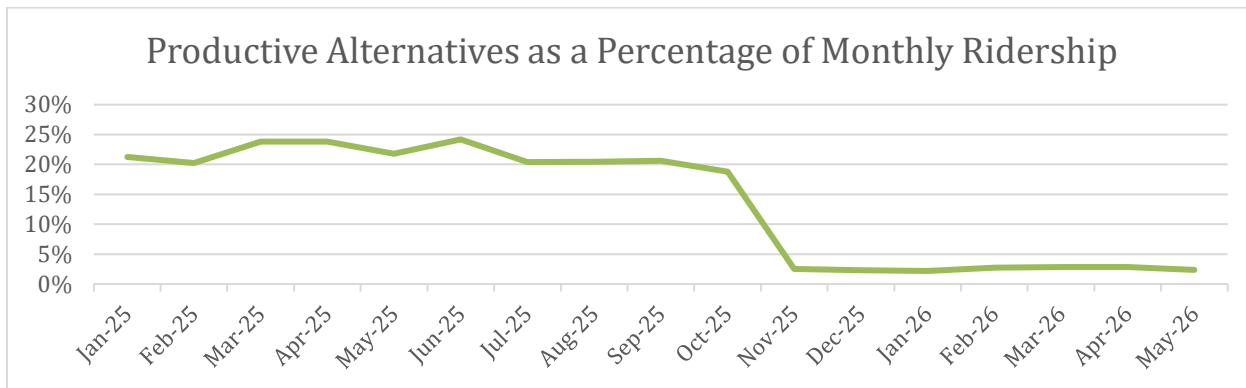
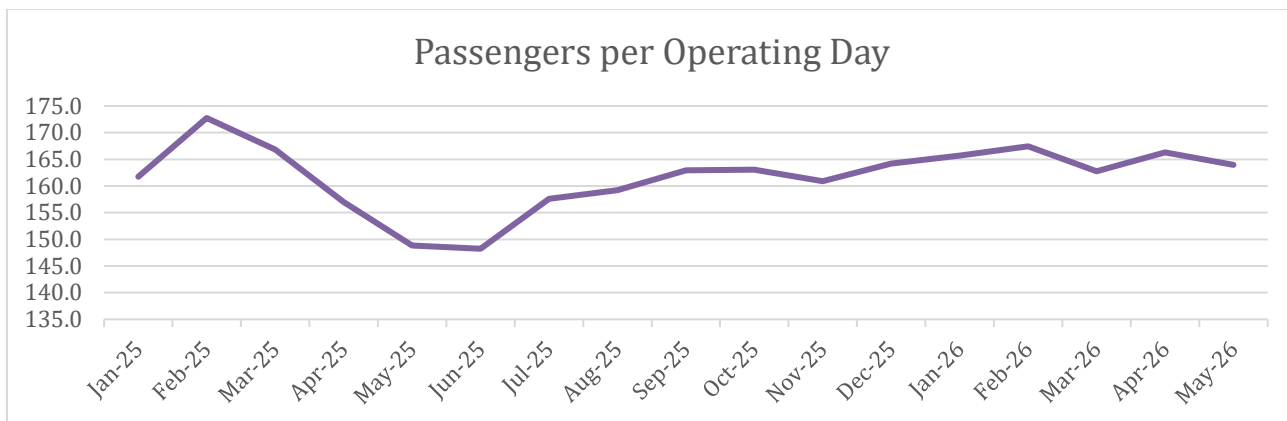


Figure 2. Average Passengers per Operating Day

Average passengers per operating day remained relatively stable throughout the review period and later increased, demonstrating continued demand for public transit services despite the reduction in Productive Alternatives ridership.



7B. Grocery Destination Activity

Staff also reviewed completed passenger trips to and from Walmart and Super One Foods locations in Brainerd and Baxter during the review period. These locations were reviewed because they are among the transit system's most frequently served destinations and provide access to essential grocery shopping and other daily needs.

During the review period, Super One Foods in Brainerd was the most frequently served grocery destination with 2,216 completed trips, followed by Walmart in Baxter with 1,684 trips. Super One Foods in Baxter accounted for 448 completed trips during the same period.

Table 7B summarizes completed passenger trips to and from these locations between July 28, 2025 and June 22, 2026.

Grocery Destination	Trips To	Trips From	Total Trips
Walmart (Baxter)	995	689	1,684
Super One (Brainerd)	1,156	1,060	2,216
Super One (Baxter)	291	157	448

8. Examples of Fare-Related Ride Decisions

During preparation of this report, staff reviewed documented rider contacts to determine whether fare costs were identified as a reason riders chose not to use transit. The following examples were identified during 2026:

- **April 17, 2026:** Two riders from Baxter requested same-day transportation to lunch in Baxter. After learning the total same-day fare for two passengers, the riders cancelled the trip and chose to use a taxi because the total taxi fare was less than round-trip transit fare.
- **May 8, 2026:** A rider requested transportation between two retail businesses in Baxter. After being advised of the applicable fare, the rider declined the trip.
- **May 15, 2026:** A rider requested same-day transportation within Baxter to a grocery store. After learning the applicable fare, the rider declined the trip due to the cost of the fare.
- **Trinity Lutheran Church Children's Center:** Transit staff documented that the Children's Center discontinued summer trips to Baxter parks because of the cost of the return fare. Summer outings continue to Brainerd destinations, where advance fares remain lower.
- **Baxter Grocery Trip:** Transit staff were contacted on behalf of a Baxter resident who could not afford the fare for a short trip to the Baxter Super One Foods. Instead, the rider chose to travel to the Brainerd Super One Foods because the overall round-trip fare was lower despite the greater travel distance.

These documented examples demonstrate that fare cost influenced some riders' travel decisions during the review period, including declining trips, selecting alternative destinations, and choosing other transportation options.

9. What did MnDOT say about fare authority?

City Council requested that staff inquire with the Minnesota Department of Transportation (MnDOT) regarding fare-setting authority for the transit system.

MnDOT confirmed that the City of Brainerd, as the owner of the transit system and recipient of state and federal transit funding, has authority to establish the transit fare structure.

MnDOT further advised that fare changes require notification to MnDOT, updates within the BlackCat grant management system, and public notification before implementation.

MnDOT did not indicate that participating entities are required to establish or approve their own fare structures. Staff was advised to keep MnDOT informed of any fare changes and complete the required notification and reporting requirements.

Summary

- This report summarizes fare revenue, allocated transit costs, annual reconciliation results, fare structures, ridership, travel patterns, documented fare-related rider decisions, and MnDOT guidance requested by City Council.
- Annual reconciliation applies revenues against each entity's allocated operating and capital costs in accordance with the cooperative agreements.
- Brainerd accounted for approximately 76% of all passenger trips during 2025, while overall system ridership remained stable despite a significant reduction in Productive Alternatives trips.
- Staff documented examples of riders declining transit trips after learning the applicable fare during the review period.
- MnDOT confirmed that the City of Brainerd, as the transit system owner and grant recipient, has authority to establish the transit fare structure.



Transportation Committee Agenda Request

MEETING DATE: September 10, 2026

TITLE OF ITEM: Approval of TAC Meeting Schedule for 2026 and 2027

AGENDA: Main

ACTION REQUESTED: Approve/Deny Motion

SUBMITTED BY: Crystal Gauthier, Transit
Coordinator

DEPARTMENT: Transit

PRESENTER: Crystal Gauthier, Transit Coordinator **ESTIMATED TIME (MIN):** 5 Minutes

SUMMARY OF ISSUE

The Transportation Advisory Committee meets quarterly with the committee determining the specific day and time of meetings. Historically, TAC meetings have generally been scheduled for the fourth Thursday of the month. Staff is proposing a meeting date for the remainder of 2026 and establishing the regular quarterly meeting schedule for 2027. Meetings are proposed for 2:00 p.m. in the City Hall Council Chambers.

A special TAC meeting may also be necessary in January 2027 to review the upcoming Transit Operations RFP prior to publication. If needed, the special meeting will be scheduled separately.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS

N/A

RECOMMENDED ACTION/MOTION

Approve the proposed Transportation Advisory Committee meeting schedule for the remainder of 2026 and calendar year 2027.

FINANCIAL IMPACT

N/A

2026-2027 TAC Committee Meeting Schedule

Brainerd Transportation Advisory Committee

**All regular meetings are scheduled for 2:00 p.m. in
City Hall Council Chambers unless otherwise notified.**

Thursday, **December 17th**, 2026

Special Meeting: Thursday, **January 21st**, 2027

Thursday, **March 25th**, 2027

Thursday, **June 24th**, 2027

Thursday, **September 23rd**, 2027

Thursday, **December 16th**, 2027

Transit Coordinator Report

Transportation Advisory Committee | September 10, 2026

Ridership & Service Performance

Transit provided 40,678 passenger trips in 2025, an increase of approximately 12% over 2024.

Through July 2026, Transit provided 24,702 passenger trips, compared with 23,678 during the same period in 2025, an increase of approximately 4.3%. Monthly totals are influenced by the number of operating days, so average daily ridership is also considered when evaluating service demand.

In July 2026, ridership totaled 3,740 passengers, an 8% increase from July 2025. Transit averaged 163 passengers per operating day, compared with 158 in July 2025. July included 315 active riders, 38 new rider profiles, and 28 riders completing their first trip. On-time performance was 98%, and customer reviews averaged 96%.

Central Lakes College Student Rider Program

The Central Lakes College (CLC) student rider program launched August 7, 2026. CLC provides eligible students with a rider code that allows them to establish a student transit account, with eligible trips paid by CLC and billed quarterly by the City.

The program provides transportation between home and CLC and to eligible basic-needs destinations, including medical, grocery, and pharmacy locations. More than 20 CLC students have signed up since the program launched.

Fleet Update

Transit has three replacement vehicles on order: one ADA-accessible passenger van ordered in 2025 and one ADA-accessible passenger van and one transit bus ordered in 2026. Chassis numbers have been assigned to all three vehicles, and the vendor currently anticipates delivery in 2026.

The vehicles are part of the City's ongoing replacement of four older diesel transit buses. The City's Capital Vehicle Asset Plan calls for replacement of at least one vehicle annually. Continuing to replace one to two vehicles per year, as funding allows, will help maintain the replacement schedule and reduce a future backlog of aging vehicles.

The 2026 replacement bus has a purchase price of \$178,743, with a 10% recipient share of approximately \$17,874. The 2026 replacement van has a purchase price of \$130,634. The van is subject to a \$124,000 grant maximum; its standard 10% local match is \$12,400, with the recipient also responsible for the \$6,634 above the grant maximum, resulting in a total recipient share of \$19,034. The vans accommodate up to eight ambulatory passengers and one wheelchair position and were ordered with required transit and accessibility equipment.

Transit vehicles are currently up to date with scheduled preventive maintenance and required inspections. Contractor communication regarding fleet maintenance has improved significantly, supporting improved adherence to the City's Transit Fleet Maintenance Plan.

2027 Operating Grant & Service Planning

The City's 2027 Transit Operating Grant application was submitted to MnDOT in June and is currently under review. Final grant funding has not yet been awarded.

As discussed during the City's preliminary budget process and the recent City of Baxter transit fare discussion, staff is evaluating 2027 transit service within both constrained and unconstrained funding scenarios. Service planning is ongoing, with available grant funding, operating costs, service levels, and future transit operations among the factors under review.

Additional information is expected this fall. Staff anticipates providing TAC with a more detailed 2027 funding and service update at the December meeting.

2028 Operating Funding Formula

MnDOT has begun development of the 2028 rural transit operating funding formula. Brainerd & Crow Wing County Public Transit is represented on the statewide workgroup and is providing input regarding the funding needs and operating challenges of smaller rural transit systems.

The process is ongoing, and staff will provide TAC with updates as the 2028 funding methodology develops.

Customer Feedback

Recent customer feedback continues to reflect the importance of reliable and accessible transportation within the community. Rider comments have included:

"Driver helped me with my bags."

"Great job everyone."

"I've always felt safe on the bus. Awesome drivers. I'd be stranded without Dial-A-Ride. Thank you to the drivers and support staff."

One rider also shared appreciation for being able to arrange a last-minute trip to pick up a needed prescription when other transportation was unavailable.



Spare

Dispatch/scheduler
software & rider app

Benefits of software

Rider

- Increased accessibility
 - more ways to book
 - book or cancel 24/7
 - set favorite locations
- Increased visibility
 - monitor bus arrival
 - trip reminders & notifications

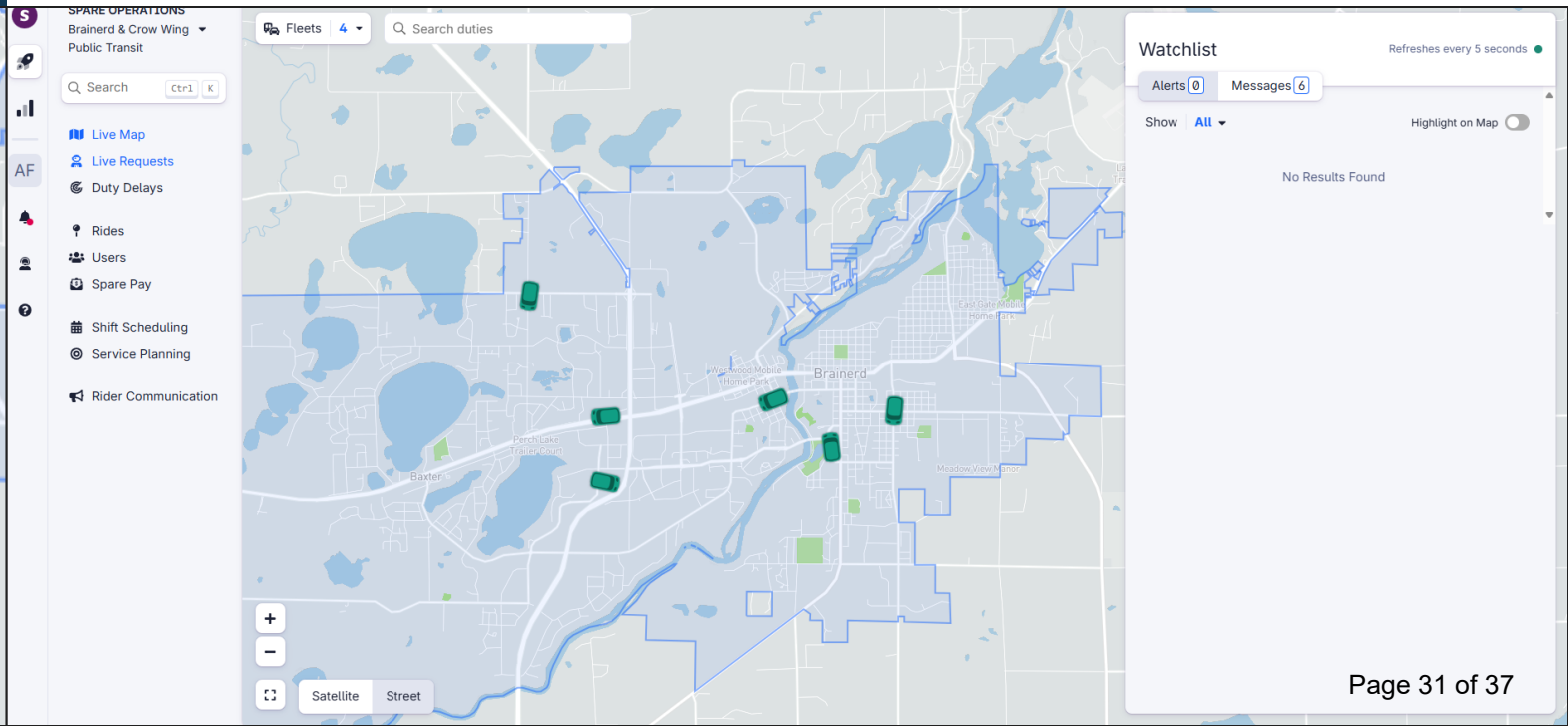
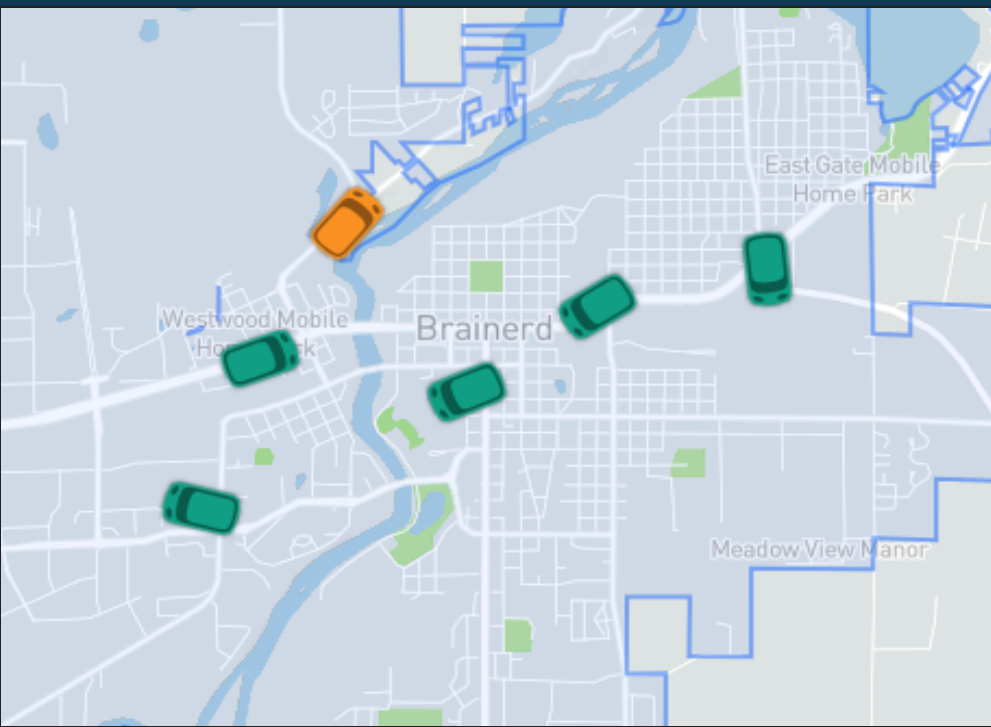
Agency

- Increased efficiency
 - reduce workload from calls & scheduling
 - increase operational efficiency
 - reduced wait times with notifications & no shows
 - rider feedback through surveys after completed trips

Dispatch Interface

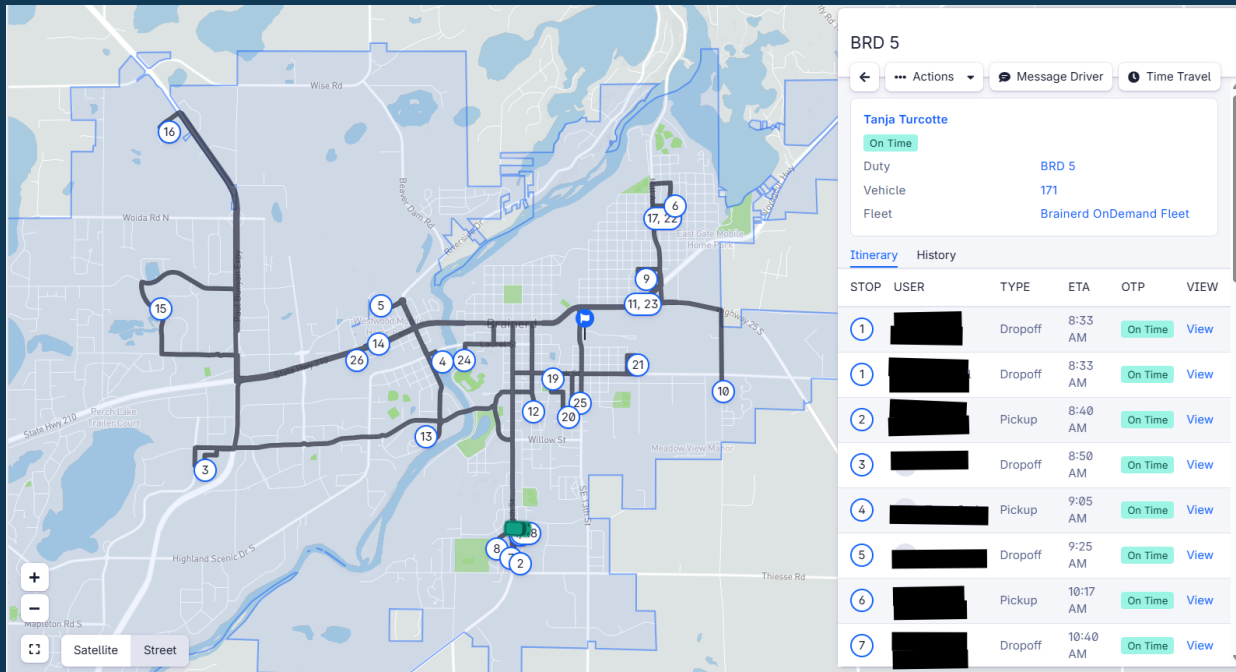
Live Map

- Real time location of buses
- Color coded bus icons showing when trips are starting to run behind schedule
- Access to alerts and messaging to drivers without leaving the live map



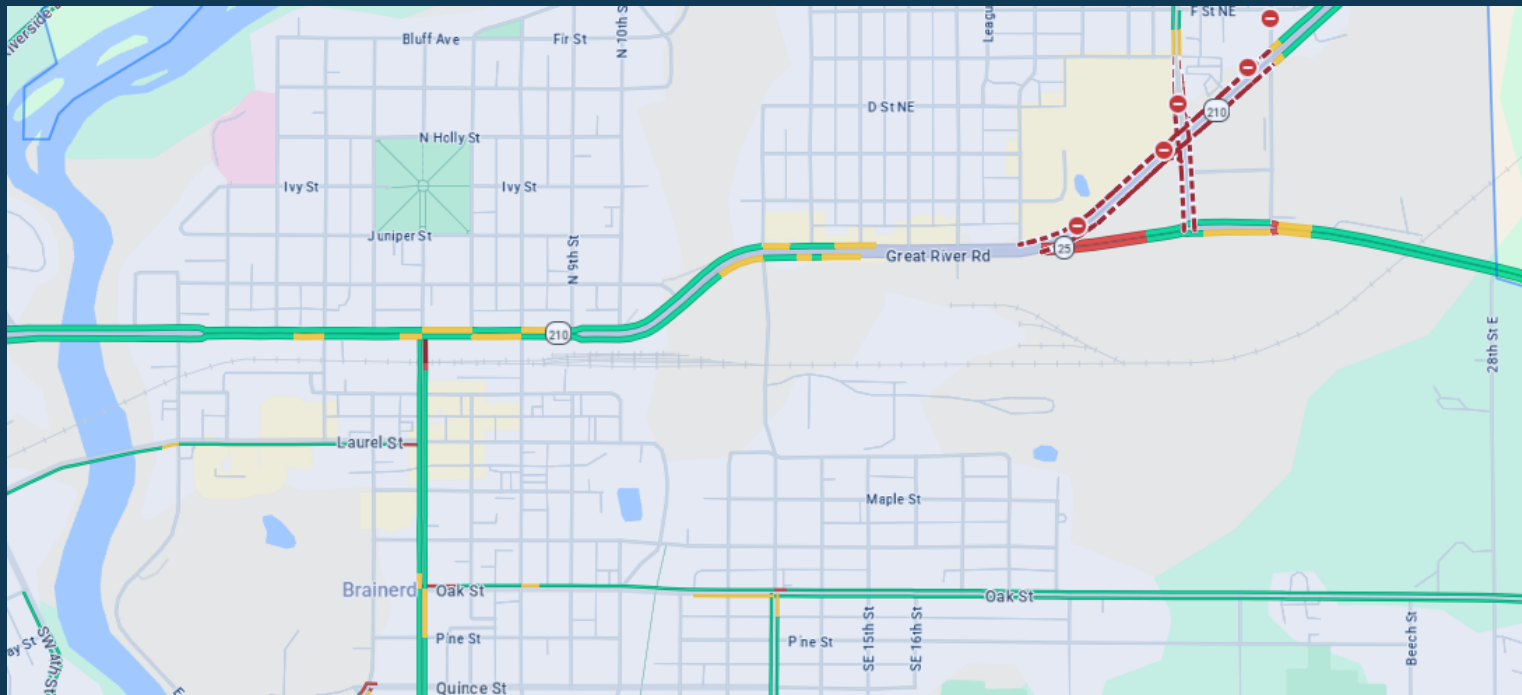
Trip Optimization

- Remove the need for manual scheduling of each individual trip
- Continuously optimize routes and manifests using live Google traffic data, trip windows, accessibility requirements, load times
- If a vehicle needs to be pulled out of service. System can handle reoptimizing trips with remain available vehicle with just a few clicks from dispatch



Google Map Integration

- Shows real time traffic
- Shows closed section of roads
- Allows new drivers unfamiliar with area to navigate safely and efficiently.



Live Request

Live Requests

▼ Filter 1 Wednesday, August 28 1 Filter

▼ Metrics

▼ Select Metric By Role By Driver By Service By Phase

	ROL #	1234567890	9876543210	09876543210	1234567890	9876543210	09876543210	1234567890	9876543210	09876543210	1234567890
ROL #	123	123	4	0	0	100	4	0	4	123	100.00%
ROL #	123	123	4	0	0	100	4	0	4	123	100.00%
Requesting #	0	0	0	0	0	0	0	0	0		

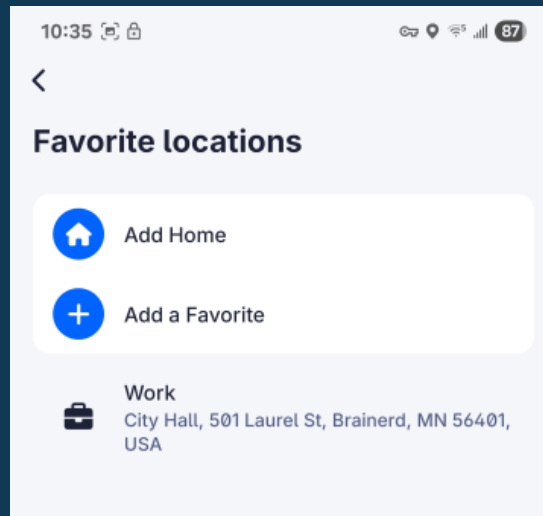
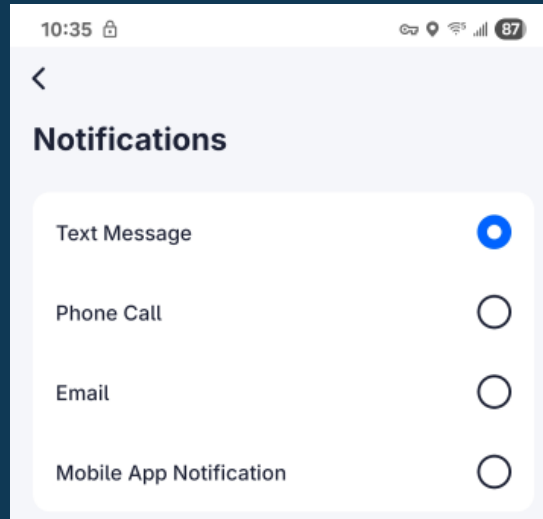
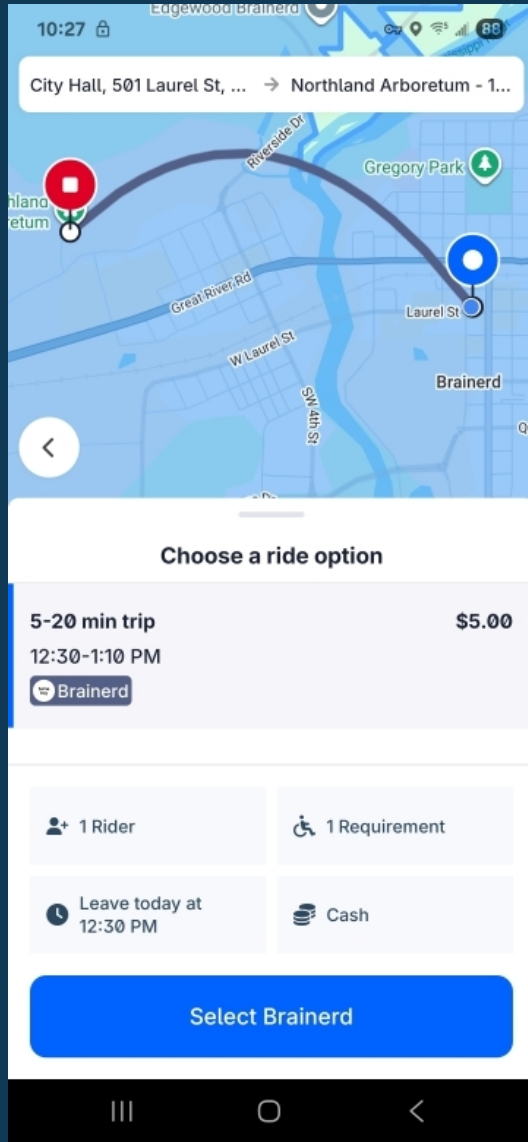
ROL # 123 123

▼ Export Request + Add Request

STATUS	ROLE	DRIVER	VEHICLE	PHASE	PHASE	PHASE	PHASE	PHASE	PHASE	PHASE	ACTIONS
Completed	123	123	123	123	123	123	123	123	123	123	123
Completed	123	123	123	123	123	123	123	123	123	123	123
Completed	123	123	123	123	123	123	123	123	123	123	123
Completed	123	123	123	123	123	123	123	123	123	123	123
Completed	123	123	123	123	123	123	123	123	123	123	123
Completed	123	123	123	123	123	123	123	123	123	123	123
Completed	123	123	123	123	123	123	123	123	123	123	123
Completed	123	123	123	123	123	123	123	123	123	123	123

- Allows dispatch to monitor trips as they are completed.
- Easy visualization of the status of trips as they flow through dispatching

Rider Experience



- Gives riders the option to book how they want through dispatch, app, web portal, or after hours through A.I. voice
- Riders can receive notifications on upcoming trips and when their bus is arriving
- The ability to set favorite locations for fast and easy booking.

<

Jun 2, 2025

How was your ride?

June 2, 2025 to City Hall, 501 Laurel St, Brainerd, MN 56401, USA

Great! What did you like?

above & beyond

on time

app experience

comfort

driving

professionalism

stop location

price

transit connection

Write an optional comment to Brainerd - Simulation Org support

Rider Feedback

- Track and monitor rider experience

Reviews			
Filter			
CREATED AT	REVIEWER	REVIEWEE	RATING
Fri, Aug 22, 2025 4:15 PM		Jeremy Arndt	100%
Fri, Aug 22, 2025 10:53 AM		Brian Steuck	100%
Fri, Aug 22, 2025 10:27 AM		Lenny Sanvig	100%
Fri, Aug 22, 2025 9:11 AM		Lenny Sanvig	100%

Rider Comments

Review Details

ID	fd9940e0-1664-4ddd-b0b6-8d08b9a1bab9
Created At	Wed, Aug 5, 2026 3:14 PM
Rating	100%
Comment	Had a last minute prescription pick for medicine and they got me there and back home under a hour So I'M VERY GREATLY APPRECIATED THEY WERE THERE FOR ME IN TIME OF NEED.!
Reviewer	
Reviewee	Ralph Armstrong
Tags	Above & Beyond On Time Transit Connection Comfort Driving Professionalism

Review Details

ID	4d02bf0f-a673-4db2-b4c6-70a8f5f41a08
Created At	Fri, Apr 24, 2026 6:48 AM
Rating	100%
Comment	I've always felt safe on the bus awesome drivers. I'd be stranded without dial a ride thank You to the drivers and support staff.
Reviewer	
Reviewee	Brian Garcia
Tags	On Time Above & Beyond
Request ID	ac21993e-e625-402f-a55a-ec3e866ce2d6

Review Details

ID	3bfe043f-e944-4828-8acf-40437ab66bf1
Created At	Wed, Jun 17, 2026 2:34 PM
Rating	100%
Comment	The driver helped me bring my bags on and off the bus I really appreciated that
Reviewer	
Reviewee	Brian Steuck
Tags	Transit Connection Stop Location Price Driving Professionalism App Experience Comfort On Time Above & Beyond
Request ID	dde9d157-7a9c-49ff-9e22-cec43788ea08