

PUBLIC TRANSIT PASS PROGRAM
MEMORANDUM OF UNDERSTANDING
BY AND BETWEEN
DULUTH TRANSIT AUTHORITY

AND
INDEPENDENT SCHOOL DISTRICT NO. 709, DULUTH PUBLIC SCHOOLS

This Agreement ("Agreement") is made by and between the Duluth Transit Authority (hereinafter referred to as 'DTA') and Independent School District No. 709, Duluth Public Schools (hereinafter referred to as 'District') and, individually a "party", and collectively "parties".

WHEREAS, pursuant to Minnesota Statutes section 471.59, the DTA and the District wish to formalize terms and conditions of the provision of a Public Transit Pass Partnership to the District; and

WHEREAS, the DTA is the public transportation provider in the City of Duluth, providing a mass transit system that is open to the general public; and

WHEREAS, the District is interested in offering a District Transit Pass Program for High School students, Area Learning Center (ALC) students, Middle School students, as well as all District faculty utilizing the public DTA system; and

WHEREAS, the District will reimburse the DTA at a rate of \$1.20 per-ride counted on fixed-route service and \$2.40 per-ride on STRIDE paratransit service, up to a maximum of \$175,000 for the 2026-27 fiscal year;

WHEREAS, the agreement will be for the 2026/27 fiscal year, with subsequent one-year options with negotiations on the reimbursement rate and maximum cap;

NOW, THEREFORE, in consideration of the mutual promises without other valuable consideration exchanged herein, IT IS HEREBY AGREED AS FOLLOWS:

1. **Purpose.** The purpose of this Agreement is to allow the DTA and the District to work jointly to provide transportation services for District students and staff through the public transportation system at no cost to the District passengers.
2. **Definitions.**
 - a. **District Passengers.** Eligible District Passengers shall include:
 - i. All currently enrolled District High School students, ALC (Area Learning Center) students, and Middle School students while the Agreement is in effect.
 - ii. All District employees employed while the Agreement is in effect.
 - b. **Program.**
 - i. The Program refers to the Pass partnership defined herein.
3. Commencing on February 3rd, 2025, all District Passengers may ride DTA regular route and paratransit buses at no cost to the District Passengers in accordance with the terms set forth herein.
 - a. District Passengers presenting a valid school-issued, student or employee identification badge at the time of boarding may ride DTA regular route buses and eligible riders on

paratransit buses at no charge to the District Passenger. In order to ride as part of this program, the District Passenger must present their school-issued identification badge, and the bus driver must track the number of District Passengers.

- b. District Passengers shall be able to use the Program all year, including times where school is not in session, such as nights, weekends, or during the summer for summer school.
- c. District Passengers shall comply with all DTA policies and procedures.
- d. The District will have no control over DTA's operations in connection with providing said services, and the District will have no control or supervision over the drivers of the buses used in said service by the DTA. Said drivers do not constitute agents or employees of the District and will be subject solely to the DTA's supervision and control.
- e. The DTA shall not be required to deviate from regular route services or paratransit operations policies in providing this scope of service.
- f. The DTA's routes will be open and available to all members of the general public on DTA's regular routes. DTA is not providing District exclusive services through this Agreement.

4. District Roles and Responsibilities.

- a. The District shall annually provide to the DTA example images of all school-issued student and staff identification prior to the start of the Pilot Program.
- b. The District shall distribute and make aware the terms and rules of the Program, attached hereto as Exhibit A. The District shall instill and maintain a culture of safety, courtesy, and adherence to all DTA policies while using public transit, as outlined in the terms and rules attached here to as Exhibit A.
- c. The District shall designate a point of contact for the administration of this Agreement.

5. DTA Roles and Responsibilities.

- a. The DTA shall keep ridership records of all District Passengers and provide ridership data to the District. Ridership records will not contain any personal information, only numbers counted at the time of boarding the transit vehicle.
- b. The DTA shall provide information to relevant school principals regarding District Passenger bus behavior concerns upon request or at DTA's observance of concerning behavior. DTA shall not be required to prepare special reports or other data not previously collected to report on District Passenger bus behaviors.
- c. The DTA shall reserve the right to "trespass" passengers who violate DTA Code of Conduct.
- d. The DTA shall designate a point of contact for the administration of this Agreement.
- e. The DTA shall ensure that its buses are capable of tracking ridership information by District Passengers.

6. District and DTA Responsibilities. The administration, management, marketing and promotion of the bus service program are the mutual responsibilities of the DTA and the District.

- a. DTA shall work with the District to develop a plan and market the program.
- b. Either party to this Agreement may promote the District transit pass program at their own expense.
- c. The parties agree to meet to discuss the program and ridership as necessary.

7. Services Performed by the District. The parties agree that any and all legal obligations, whether set forth under state or federal laws, requiring the District to provide transportation for pupils shall remain exclusively with the District. This Agreement is entered into solely for the

convenience of the parties, and nothing herein shall be deemed to create any obligation or legal responsibility for the DTA or the City to transport District Passengers to school.

8. **Disclosure and Use of Data.** The parties will share information as necessary for the administration and performance of this Agreement, consistent with local, state and federal law relating to confidentiality and disclosure of public records, including but not limited to District student records created or maintained by educational institutions and records created by public transportation agencies. Consistent with the foregoing, the parties shall cooperate and coordinate communication efforts in their mutual interest and promptly debrief all critical incidents. The District and the DTA shall comply with the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13. DTA will report immediately to the District any requests from third parties for information related to this Agreement, and DTA must not disclose such data. The District will respond to such data requests as it applies to all data provided by the DTA under this Agreement and as it applies to all data created, collected, received, stored, used, maintained or disseminated by the District under this Agreement.
9. **Payment.** The District will reimburse the DTA at a rate of \$1.20 per-ride counted on fixed-route service and \$2.40 per-ride on STRIDE paratransit service, up to a maximum of \$75,000 for the remainder of the District's 2024-25 fiscal year, and \$150,000 for the 2025-26 fiscal year; 75,000 for the remainder of the District's fiscal year from February 3, 2025, until June 30, 2025. The DTA shall provide a monthly accounting of the number of District Passengers who ride their buses, broken down by the number of riders per fixed-route service and STRIDE paratransit service. Payment shall be made by the District within thirty-five (35) days upon DTA's presentation of an invoice for transportation services rendered pursuant to this Agreement. The same reimbursement rate and a maximum cap of \$150,000 shall apply for the second year, beginning July 1, 2025, until June 30, 2026. After that, the DTA and District will negotiate modifications to the cost per-ride and the annual maximum fee. If the District surpasses its annual reimbursement cap in any fiscal year of this Agreement, then Eligible Riders shall continue to be able to ride pursuant DTA buses pursuant to this Agreement, though the District shall have no further reimbursement obligations until the expiration of that fiscal year.
10. **Termination.**
 - a. **Term.** The Agreement shall commence on February 3, 2025, and remain in effect until June 30, 2027. The parties shall have the option to extend the Agreement with subsequent one-year options until the parties rescind or terminate the Agreement in accordance with its terms by providing the other party with written notice of its intent to enter into a one-year option at least 30 days prior to the expiration of the Agreement. If the parties extend the Agreement beyond June 30, 2026, the parties shall negotiate and agree on the reimbursement rate and maximum cap. If the parties fail to negotiate and agree on a reimbursement rate and maximum cap prior to the expiration of any subsequent option period, the Agreement shall expire at the end of that option period.
 - b. **Termination.** Either party may terminate this Agreement without cause with at least thirty (30) days' written notice to the other party. In the event of such termination, DTA shall be entitled to reimbursement for rides up until the effective date of the termination.
11. **Insurance.** The DTA shall maintain professional liability insurance coverage for itself of not less than \$1,000,000 per incident and \$2,000,000 per aggregate during the term of this Agreement and any subsequent renewals to extend the Agreement term.

- a. The DTA acknowledges that it is by law not covered by or subject to the Workers' Compensation Disability Compensation Act coverage by the District.
- 12. Indemnification.** To the extent permitted by law, each party (the "Indemnifying Party") agrees to defend, indemnify and hold harmless the other party against any and all claims, liability, loss, damage or expenses arising under the provisions of this Contract and caused by or resulting from negligent acts or omissions of the Indemnifying Party or those of the Indemnifying Parties' employees or agents. Under no circumstances will the Indemnifying Party be required to pay on behalf of itself and the other party any amounts in excess of the limits on liability established in Minnesota Statutes Chapter 466 applicable to any one party. The limits of liability for all parties may not be added together to determine the maximum amount of liability for either party. The intent of this paragraph is to impose on each party a limited duty to defend and indemnify each other subject to the limits of liability under Minnesota Statutes Chapter 466. The purpose of creating this duty to defend and indemnify is to simplify the defense of claims by eliminating conflicts among the parties and to permit liability claims against both parties from a single occurrence to be defended by a single attorney.
- 13. Equal Employment Opportunity.** During the term of this Agreement, the parties shall not discriminate against any person based on race, color, creed, religion, sex, national origin, age, ancestry, disability, sexual orientation, gender identity, gender non-conformity, gender expression, transgender status, pregnancy, or marital or parental status.
- 14. Severability.** The provisions of this Agreement shall be interpreted, when possible, to sustain their legality and enforceability as a whole. In the event any provision of this Agreement shall be held invalid, illegal, or unenforceable by a court of competent jurisdiction, in whole or in part, neither the validity of the remaining part of such provision nor the validity of any other provision of the Agreement shall be in any way affected thereby.
- 15. Choice of Law and Amendments.** This Agreement shall be construed under Minnesota law. No modification, addition, deletion, revision, alteration or other change to this Agreement shall be effective unless and until such is reduced to writing and executed by all parties. The parties acknowledge and agree that any failure on the part of the other Party to enforce any of the provisions of this Agreement at any time or for any period of time shall not be deemed or construed to be a waiver of such provisions or of any rights of the parties thereafter to enforce each and every provision.
- 16. Assignment.** Neither this Agreement nor any rights hereunder may be assigned or otherwise transferred by the parties without the prior written consent of all the parties.
- 17. Notice.** Any Notice, demand, or request herein provided for shall be sufficiently given or made if hand delivered or mailed by registered mail, postage prepaid, and addressed:

District: Independent School District No. 709, Duluth Public Schools
ATTN: Anthony Bonds, Assistant Superintendent
Duluth Public Schools

709 Portia Johnson Drive, Duluth, MN 55811

DTA: Duluth Transit Authority (DTA)
ATTN: Christopher Belden
2402 W Michigan St
Duluth, MN, 55806

Any notice mailed shall be conclusively deemed to have been given on the next business day following the day on which it was mailed. The parties hereto may at any time give notice in writing to the other parties of any change of address and thereafter all notices shall be mailed to the new address as notified.

18. **Drafting.** The parties each represent and warrant that it has carefully reviewed and fully understands this Agreement, including any attachments. This Agreement shall be binding upon and shall insure to the benefit of the parties and upon their respective heirs, successors, executors, administrators, personal representatives, and permitted successors and assigns.
19. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties. This Agreement replaces any prior or contemporaneous agreement, whether written or oral.
20. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, but all of which together shall constitute but one and the same instrument. Signatures to this Agreement transmitted facsimile, by electronic mail in "portable document format" ("pdf") or by any other electronic means which preserves the original graphic and pictorial appearance of the Agreement shall have the same effect as physical delivery of the paper document bearing the original signature.

IN WITNESS WHEREOF, the parties have caused the Agreement to be executed by these duly authorized representatives.

Dated this _____ day of _____, 2026

On behalf of DTA:

Christopher Belden, CEO

On behalf of Independent School District No. 709, Duluth Public Schools:

Kelly Durick Eder, School Board Chair