

Flathead County
Board of Commissioners

(406) 758-5503



Randy Brodehl
Pamela Holmquist
Philip Mitchell

FOR IMMEDIATE RELEASE

Glacier Transit Cooperative Agreement Termination

Flathead County Commissioners have made the decision to terminate the Glacier Transit Cooperative Agreement effective December 31, 2019. Although discussions with Glacier National Park continue, an acceptable resolution has yet to be reached. Commissioners remain hopeful the Park will address the County's concerns, but have taken the necessary step to end the Agreement should the ongoing discussions fail.

The Glacier Transit Cooperative Agreement was first formed in 2007 between Glacier National Park, MT Department of Transportation, and Flathead County's public transit system, Eagle Transit. The agreement set forth the terms to create a free shuttle service along the Going-to-the-Sun Road, funded by the Park and operated by Eagle Transit.

Flathead County is terminating the Agreement for a number of reasons, primary among them:

Safety – Limited funding from Glacier National Park has prevented Eagle Transit from maintaining the buses according to manufacturer and FTA standards, a problem which is further complicated by the age of the fleet. Many of the vehicles are 2006-2009 models and the Park has not purchased sufficient replacements. It has also been difficult to recruit and retain an adequate number of qualified drivers as the funding provided has not allowed wages to keep pace with the labor market. Additionally, funds are insufficient to cover needed driver training.

Inadequate Service – The Park has not grown the shuttle system's capacity despite a significant increase in ridership in recent years from approximately 138,000 rides in 2012 to 255,000 rides in the 2019 season. Passengers often wait two or more hours for service. Long lines and congested stops lead to frustration and dissatisfaction which in turn compromises driver and passenger safety.

Uncovered Costs - The Agreement does not cover the County's costs to manage the system and does not support an adequate administrative or operational infrastructure. The Park provides only a nominal administrative fee and a portion of the cost of one permanent employee, leaving county-funded staff to heavily subsidize the current operation and preventing the hiring of additional needed personnel.

Lack of benefit to Flathead Communities - The Agreement is fundamentally flawed in that it provides little to no benefit to the gateway communities surrounding the Park, including the cities of Kalispell, Whitefish and Columbia Falls. The National Park Service intends Cooperative Agreements to increase connectivity between parks and gateway communities and to expand local transit options as a means to mitigate some of the negative effects of high-volume visitorship associated with proximity to a park, such as traffic and parking congestion, air pollution and infrastructure damage. Our Agreement does not meet this standard.

“Since 2007 Flathead County has partnered in good faith with Glacier National Park to provide a valuable service that helps the Park manage visitor flow and helps visitors enjoy their experience in the Park, but the system as it stands is broken and county taxpayers have paid a high cost for little benefit to our communities,” explained Commissioner Brodehl. “We hope the Park will work with us to resolve our concerns and, moving forward, commit to an integrated transit system that would truly benefit all parties.”

If you would like any further information, please contact the Flathead County Commissioners office at (406) 758-5503.

Flathead County
Board of Commissioners

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Randy L. Brodehl
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Philip B. Mitchell



December 11, 2019

Jeff Mow
Superintendent, Glacier National Park
P. O. Box 128
West Glacier, MT 59936

RE: Notice of Termination of Cooperative Agreement P17AC00048, CFDA 15.944, Glacier Transit Agreement

Dear Superintendent Mow:

This letter serves as Flathead County's notice to terminate the Cooperative Agreement (Agreement) P17A00048, CFDA 15.944, Glacier Transit Agreement effective December 31, 2019 as provided for in Article XI.C. of the Agreement and 2CFR 200.339-200.342. We are terminating the Agreement for the following reasons:

1. Glacier National Park (GNP) funds have been insufficient through the Agreement to allow Flathead County Eagle Transit to safely operate the shuttle system. Specifically, we have not received adequate funds to:
 - a. Properly maintain vehicles according to manufacturer and FTA standards
 - i. The fleet is aging. Many of the vehicles are 2006-2009 models. GNP owns the vehicles and has not purchased much-needed replacements.
 - ii. GNP ownership of the buses hinders Eagle Transit's ability to appropriately maintain them.
 - b. Recruit and retain sufficient numbers of qualified drivers, dispatchers and support staff to operate existing routes/runs and manage the volume and flow of visitors
 - i. Wages have not kept pace with the labor market.
 - ii. We have requested but have not been provided other items such as west side campground space.
 - c. Adequately train drivers onsite regarding the particular requirements of the system/routes (the training budget has been cut over time)
2. GNP has not grown system capacity within the Park even though there has been a significant and steady increase in ridership, which limits visitor access to the Park, creates a negative visitor experience and prevents Eagle Transit from operating according to industry performance standards.

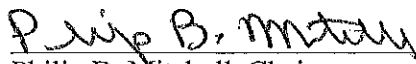
- a. Passengers wait two or more hours for the service at many stops. People have to change buses multiple times to access the most popular destinations in the Park, compounding wait times. Stops are severely congested. Passengers are frustrated and tempers flare; they increasingly refuse to follow rules and instructions. This compromises passenger and driver safety, hinders driver retention and reduces visitor satisfaction.
 - b. Insufficient funding for maintenance and staffing results in a further reduction of capacity as vehicles have to be taken out of service and runs dropped for lack of drivers.
 - c. Limiting shuttle capacity is contrary to the U.S. Department of the Interior Secretary's Order No. 3366, which directs national parks to ensure greater access to public lands and recreational opportunities and to prioritize funding for such efforts.
3. The Agreement does not benefit the gateway communities surrounding GNP. The National Park Service's stated intent of a Cooperative Agreement to provide transit service within a national park is to mutually benefit the park and the surrounding gateway communities by connecting the gateway communities to the park, expanding the economic benefits of visitorship to the communities and mitigating negative effects such as traffic and parking congestion, air quality degradation and infrastructure damage. Our Agreement is based on the Winter Use Program, which allows other transit entities in Montana to use the shuttle fleet during the off-season. It has been difficult to implement and largely unsuccessful. All entities, including Flathead County, have to pay to use the buses, which has resulted in limited demand. The Winter Use Program is open to all transit entities statewide, but Flathead County is the only user that includes gateway communities to GNP. Although Eagle Transit has used the GNP buses in a very limited way, the Winter Use program does not connect our gateway communities to the Park, connect the Park or the communities to other modes of transportation or expand transit within or between the communities.
4. The Agreement does not cover the County's current operating costs and does not support an adequate management and administrative infrastructure to oversee such a large transit system. Cooperative Agreements are intended to achieve efficiencies and savings for each partner through shared costs.
 - a. From 2007-2013, the Agreement did not include any funding for direct or shared management and administrative costs. Starting with the 2014 season, GNP agreed to an administrative fee of 2.5% of annual expenditures, with a slight increase to 3.5% for the 2019 season. This fee represents a small fraction of the associated administrative costs. In comparison, direct administrative costs to operate Eagle Transit's other services represent approximately 20% of annual expenditures. Current GNP operations are heavily subsidized by Area IX Agency on Aging/Eagle Transit management and administrative staff, organizational infrastructure and support from other county departments, including Finance, Human Resources and Information Technology.
 - b. The Agreement allows for one permanent, shared Eagle Transit employee in an operations position. All other positions are filled with temporary staff who often

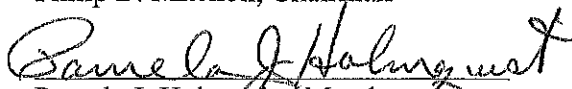
do not return from one season to another. No management, financial or administrative staff time is covered. At 255,000 rides for the season just ended, the system is one of the largest transit operations in Montana, requiring significant and ongoing management oversight and administrative support and consistent, reliable staffing at all levels.

- c. GNP has chosen to use gate fees set aside for the transit system to fund GNP positions that provide very limited support to the shuttle system. Examples include the GNP Fleet Manager (now Transit Manager) and Mechanics. This practice adds no value to the system and prevents funds from being allocated to Eagle Transit to provide effective management and oversight.
5. Although the County is responsible for implementing and managing all aspects of the shuttle system and carries the liability, GNP has not approached the Cooperative Agreement as a partnership which undermines Eagle Transit's ability to operate a quality shuttle system.
- a. GNP staff do not have the requisite transit expertise to provide routine operational management and decision-making, resulting in non-compliance with industry standards. Cooperative Agreements are designed to leverage the experience of local public transportation operators as national park staff are not transit experts. Our Agreement cites Eagle Transit's decades of experience and expertise as a reason for the partnership.
 - b. GNP staff attempt to direct Eagle Transit permanent and seasonal staff as they would Park employees, bypassing Eagle Transit management, which is confusing and concerning to staff.
 - c. GNP rarely includes Eagle Transit management in discussions and decision-making that affect or involve the shuttle system and is non-transparent in its communication about the budget and other processes that impact the system and the Agreement.
 - d. GNP's choice to pay Park employees with transit funds who have little or no transit expertise and who provide little or no support to the shuttle system further erodes trust between the parties.

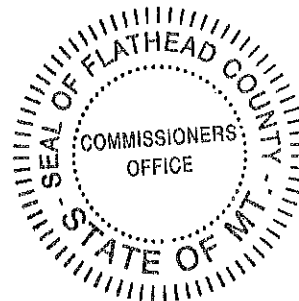
We believe a sound Cooperative Agreement that addresses these issues would benefit the citizens of Flathead County. Flathead County will withdraw the termination if Glacier National Park can satisfy the County's concerns.

Sincerely,
BOARD OF COMMISSIONERS
FLATHEAD COUNTY, MONTANA


Philip B. Mitchell, Chairman


Pamela J. Holmquist, Member


Randy L. Brodehl, Member



Flathead County Conditions for Continuing with the Cooperative Agreement

Flathead County's continued participation as a partner in the Cooperative Agreement (CA) is contingent upon Glacier National Park's (GNP) commitment to a transit system redesign that mutually benefits the Park and the gateway communities. The CA to date has been costly for Flathead County with little to no benefit to the communities in our area. A redesigned system should achieve the following:

- Expand service outside the Park to include transportation from the gateway communities to the Park as well as within and between gateway communities to reduce cars and disperse crowds inside the Park, mitigate traffic and parking congestion and infrastructure damage inside and outside of the Park, and increase economic opportunities for the gateway communities
- Connect the Park to major modes of transportation including bus, airport and train
- Connect the Park to lodging
- Expand and reconfigure routes and stops within the Park to support a positive visitor experience
- Build funding partnerships with the gateway communities, businesses, corporate sponsors, Montana Department of Transportation and others

We understand it can take time to fully develop a detailed plan and build additional financial partnerships. However, we request GNP take the following steps to demonstrate its commitment to the process:

- Agree on a 2020 season plan and amendments to the existing CA (see requirements below)
- Create a working group or groups of key stakeholders to move the redesign forward
- Jointly approach potential sponsors and funding partners
- Begin work on the upcoming 5-year CA based on the new design

Flathead County 2020 Season Requirements

We estimate a cost of **\$1.45 million** to safely and effectively operate the 2020 season (July 1-August 23) as described below. To implement the beginning phase of The Mountain Climber would cost an additional \$200,000. *Note:* The requested changes, while specific to our system, are based on the Acadia National Park model which is supported by both NPS and FTA.

- 1. GNP commits sufficient resources to ensure vehicle safety and adequate staffing for current routes and shifts**

- a. Funds are adequate to pay for fleet repair and preventive maintenance according to manufacturer requirements and accounting for heavy use in challenging terrain; repair and maintenance of fleet appearance, interiors and exteriors
 - i. Proposed budget assumes continued use of Park facilities and maintenance resources
 - b. Funding supports driver recruitment and retention, including higher wages and housing options
 - c. Funding supports driver training (CDL, PASS and general)
2. **Eagle Transit controls shuttle system operations and decision-making with GNP input**
 - a. GNP allocates funds
 - b. GNP and Eagle Transit engage in joint planning to set system parameters
 - c. GNP funding supports an Eagle Transit management team
 - d. GNP funding supports Eagle Transit to obtain planning and marketing consultants as needed
 - e. Eagle Transit develops and manages the annual budget
 - f. Eagle Transit manages all transit system functions, including routes, runs, services, driver training, fleet maintenance and management, all daily operations, etc.
 - g. Eagle Transit manages all transit system-related staff, permanent and seasonal
 3. **GNP transfers ownership of the existing fleet and future buses to Eagle Transit to allow for appropriate and efficient year-round maintenance of fleet**
 - a. GNP commits to securing FLTP or other funds and to funding the match for replacement and expansion vehicles
 - b. Eagle Transit determines the make, model and options of buses procured going forward
 4. **GNP commits sufficient resources to cover Eagle Transit's fully allocated costs according to a formula that meets federal guidelines, i.e. percentage of rides, budget or vehicle service hours/miles relative to total**
 5. **GNP includes Eagle Transit management in Park management meetings where transit could be impacted by or play a role in the topic of discussion**
 6. **As the new basis for the current CA, GNP provides additional support for commuter service from the gateway communities of Kalispell, Whitefish and Columbia Falls to the Park in the 2020 season.**
 - a. The Winter Use Program is discontinued
 7. **Going forward into the 2021 season, to address performance issues and improve the visitor experience, GNP funds additional buses and drivers inside the Park to begin to reduce long lines and wait times; consider leasing if necessary to cover procurement lag time**