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**SUBMITTED BY:** Xenia Gonzalez, Neighborhoods Resources and Grants Director

**MANAGEMENT TEAM REVIEW:** Ana Urquijo, City Manager

**FOCUS AREA:** Collaboration

**ORGANIZATIONAL IMPROVEMENTS:** Benefit and efficiencies to City of Douglas, City of Bisbee and Cochise County residents by providing public transit services

**SUBJECT:** **RESOLUTION NO. 24-1639**, a Resolution of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **AUTHORIZING** the entry into an **INTERGOVERNMENTAL AGREEMENT (IGA)** with the **CITY of BISBEE** to provide **PUBLIC TRANSIT SERVICES** through the established Douglas Transit Program; authorizing the taking of all other actions necessary to the consummation of the transactions contemplated by this resolution.

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**EXECUTIVE SUMMARY:**

Since 2015, City of Bisbee has contracted with the City of Douglas to provide public transit services to Bisbee in the form of operating the Bisbee Bus. The previous IGA has expired, and attached is the new Intergovernmental Agreement that will allow the city to continue providing public transit service to Bisbee effective 10/1/24 – 9/30/2026.

**BACKGROUND:**

Under the guidance of ADOT, the public transportation granting agency, an IGA has been developed in the mutual interests of the City of Bisbee and the City of Douglas to continue the current arrangement for the next two years. The IGA substitutes the previous IGA, which expired on September 30, 2024 and was in place from 10/1/22 to 9/30/24.

Within the IGA approval, the city will continue to furnish bus drivers, dispatching, produce agency required reporting and overall management of the bus system. The City of Bisbee will allow the use of its buses, provide marketing, cash collections, financial and grant administration.

Both cities have benefited from this contract, where sharing of resources has brought benefit and efficiencies to both communities. Bisbee and Douglas are recommending approval of the two-year agreement that aligns with the ADOT grant funding cycle. Total annual costs charged to Bisbee will be \$237,036.00 for the first year of two-year cycle (10/1/24-9/30/25) and \$256,856 for the second year of the 2-year cycle (10/1/25-9/30/26).

**DISCUSSION & RECOMMENDATION:**

Staff recommends approval of the two-year IGA.

**FISCAL IMPACT:**

FY 24/25 \$237,036 (annual revenue transit fund). FY25/26 \$256,856 (annual revenue transit fund).

**“...I MOVE THAT THE MAYOR AND COUNCIL APPROVE RESOLUTION NO. 24-1639.”**