

T Transportation Committee

Meeting date: August 13, 2007

Metropolitan Council Meeting: August 22, 2007

ADVISORY INFORMATION

Date:	8/7/07
Subject:	Authority to Implement I-35 Bridge Transit Response Plan
District(s), Member(s):	All
Policy/Legal Reference:	MN Statutes section 473.13, sub. 1 – Council Budget Requirements
Staff Prepared/Presented:	Brian Lamb (612-349-7510), Arlene McCarthy (651-602-1754)
Division/Department:	Metro Transit, Metropolitan Transportation Services

Proposed Action/Motion

That the Metropolitan Council amend the 2007 Operating Budget by \$5.0 million revenue and expense and authorize the Regional Administrator to enter into contracts necessary to implement the I-35 Bridge Transit Response Plan as detailed in Table A.

Background

The I-35 Bridge Transit Response Plan was developed at the request of Governor Pawlenty's office for congestion mitigation measures in the wake of the bridge collapse. The U.S. Secretary of Transportation has encouraged Metro Transit to assist with this difficult situation. The Secretary requested that the Deputy Federal Transit Administrator and the Regional Administrator for Region 5 assist us and monitor transit progress.

At this time not all resources have been identified that are needed to deliver the I-35 Bridge Transit Response Plan. We expect to have funds appropriated in the upcoming Minnesota Special Legislative Session. We will continue to explore options and will provide ongoing updates as the Bridge Transit Response Plan proceeds.

The Response Plan:

The plan is designed to provide additional express bus service to reduce freeway congestion. The service plan also augments local regular route service and maintains service reliability for regular route and Metro Mobility service.

Park-and-ride capacity in the north and east metro areas will be expanded by 2,100 spaces. An additional 1,300 spaces will be created at new park-and-ride lots.

The plan will also incorporate transit advantages such as more shoulder-lane usage, adjusted signal timing, etc. Expanded marketing of service and introduction of new fare incentives will be implemented to attract 1,640 new daily riders. Additional operators, mechanics and buses will be required to provide the additional planned service. These are discussed in more detail in this business item.

Issue(s)

- Expanded service is expected to be necessary to address increases in congestion as a result of the I-35 bridge collapse.

- Funding for the plan is expected to come from state and federal sources. Alternate sources and approaches must be identified should those funding sources not meet the operating and capital needs.

Overview and Funding

OPERATING FUNDING:

The \$5.0 million operating budget amendment will cover bus operators, mechanics, fuel, bus parts and other operating costs associated with this plan. An anticipated \$5.0 million emergency funding authorized by Congress will provide the revenue source for this amendment. If the entire balance of the operating funding is not obtained from this source, staff will review and recommend to the Council cost mitigation plans including reducing the level of special service, within the parameters allowed by ADA if applicable, and other cost containment measures and revenue options.

The approximate breakdown of anticipated expenditures is listed below.

- Metro Transit: The Bus Operations plan through the period of December 31, 2007 requires operating funding of \$2,800,000. This will include placing up to 75 additional buses in service, hiring and training up to an additional 75 operators and 26 mechanics to support the plan including marketing and fare incentives. Metro Transit will closely monitor the service expense and the potential funding.
- Metro Mobility: The Operations plan through the period of December 31, 2007 requires operating funding of \$750,000 to deliver the existing level of service that will require increased trip length and duration to circumvent closed roads. These changes will result in fewer trips per service hour and vehicle.
- Suburban Transit Association Providers (STAPs) and Metropolitan Transportation Services contracted routes: The Operations plan through the period of December 31, 2007 requires operating funding of \$700,000 for additional service and trip duration. Existing fleet, including spare buses, will be utilized.
- The remaining balance of \$750,000 will provide a 15% contingency for other operating costs associated with this Operations plan.

CAPITAL FUNDING:

- Metro Transit: The purchase of the necessary buses (15 articulated and 40 forty-foot) and new farebox equipment requires a total capital investment of \$26.135 million. The investment in the 3,400 park-and-ride spaces requires a total investment of \$7,345,000. The Council will be requesting funding from the FTA and from the State. If the entire balance of the funding is not obtained from these sources, current authorized capital program authority will be used for the buses and fareboxes and other projects will be postponed to cover the park-and-ride spaces.
- Metro Mobility: The purchase of nine additional buses requires a total capital investment of \$225,000 to deliver the existing level of service which meets demand per ADA requirements. The Council will request funding from the FTA and from the State. If the entire balance of the funding is not obtained from these sources, other currently authorized and funded capital projects that are lower priority - and can be postponed - will be identified to cover the cost of these buses.
- Staff will bring a capital budget amendment to a future Metropolitan Council meeting if necessary.

BUS PROCUREMENT:

The Council may have a unique opportunity to purchase buses recently manufactured by Gillig Corporation under a contract that was competitively procured by another transit property. The transit property canceled the

order after production of the buses due to a funding issue. Council staff is actively pursuing the assignment of contract options from the transit property for these buses. If successful, an intergovernmental agreement between the Council and the transit property will be executed to acquire the right to the contract options for up to 40 buses, and a contract with Gillig will be executed.

The 2006 contract price is approximately \$490,000 for the forty-foot hybrid bus and approximately \$327,000 for the forty-foot diesel bus. The price will be adjusted according to the escalation clause in the contract when the option is exercised.

The Council awarded a contract to New Flyer of America in December 2006 for 10 sixty-foot, articulated, low-floor transit buses with an option for up to 55 additional buses. This recommendation is to exercise a contract option for 15 additional buses. The base price of \$565,107 will be adjusted according to the escalation clause in the contract when the option is exercised.

TABLE A REVISED:

This plan includes, but is not limited to, the following actions.

- Enter into one or more Joint Powers/Intergovernmental Agreements (under Minnesota Statutes, section 471.59) with out-of-state transit agencies to obtain existing contractual rights for the purchase of up to 40 forty-foot transit buses from Gillig Corporation, along with entering into associated agreement(s) with the vendor, in an amount not to exceed \$16.6 million.
- Exercise an existing contract option with New Flyer of America, Inc., to purchase up to 15 sixty-foot, articulated buses to be delivered by the end of 2007 and in an amount not to exceed \$8.6 million.
- Purchase new farebox equipment and radio equipment, as needed for the new buses described above, in an amount not to exceed \$935,000 for the farebox equipment and \$1.6 million for the radio communications equipment. Procurement of such equipment will be on a sole source basis from the Council's current supplier(s) because of compatibility requirements with existing equipment and because of the emergency conditions under which this procurement needs to proceed.
- Purchase and/or lease up to 9 used Metro Mobility vehicles in an amount not to exceed \$225,000. Procurement of such equipment may be on a sole source basis because of the very limited number of entities able to provide used vehicles in a short time frame that meet the Council's requirements and because of the emergency conditions under which this procurement needs to proceed.
- New contracts and contract amendments with private transit providers.
- Add 2,100 park-and-ride spaces through leases and minor capital investment in an amount not to exceed \$1,645,000.
- Expand park-and-ride capacity to add up to 1,300 spaces in an amount not to exceed \$5,700,000.

Clarifying Language

Staff will continue to monitor the metro area travel patterns, which are still in flux. Elements of this plan may change but will remain within the Council authorized level of expenditures. In the event additional resources are needed to support the emergency plan, staff will return to the Council for approval.

The annualized operating expense for this emergency response plan is: Metro Transit \$8.3 million; Metro Mobility \$2.3 million; and Suburban Transit Association Providers and Metropolitan Transportation Services \$2.0 million.

The annual amortized capital expense for this emergency response plan is: Metro Transit \$2.7 million and Metro Mobility \$112,500.