

## Legislation Details (With Text)

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**On agenda:** 11/27/2018      **Final action:**

**Title:** Continued Discussion - Transit

**Sponsors:**

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Date	Ver.	Action By	Action	Result
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Continued Discussion - Transit

Issue/Request:

Discuss potential transit service improvements and contract proposals for 2019-2020.

Key Issues:

- Existing Transit Services cost may increase significantly
- Fixed Route from Independence, MO (Independence Transit Center)
- Fixed Route from Kansas City, MO (3-Trails Transit Center)
- Expansion of Existing RideKC Lee's Summit Demand Response Transit
- Cost reduction options for existing commuter services
- Need policy guidance for 2019 Transit Services

Background:

In October 2018, staff presented existing transit services and potential alternatives for Public Works Committee discussion. The Public Works Committee requested additional information, especially cost scenarios, for continued discussion and consideration. The following information was obtained from KCATA and OATS, the transit service provider and operators for Lee's Summit Transit Services to address the Public Works Committee questions:

Cost Analysis of New Fixed Route Alternatives:

- *Independence Transit Center Connection with 60-minute headways, \$325,000: A split/shared cost with Kansas City, MO (\$162,500). Apply Lee's Summit's FTA Funding (Section 5307 operating funds at 50% match) to Lee's Summit's share of service cost with a local cost increase of approximately \$81,250.*
- *3-Trails Transit Center Connection with 60-minute headways (long layovers likely); an Optimistic Option, \$385,000: A split/shared cost with Kansas City, MO (\$192,500). After Lee's Summit's FTA Funding is applied to*

Lee's Summit's share of service cost, the local cost increase is approximately \$96,250.

- 3-Trails Transit Center Connection with 45-minute headways (minimum layovers); a Conservative Option, \$525,000: A split/shared cost with Kansas City, MO (\$262,500). After Lee's Summit's FTA Funding is applied to Lee's Summit's share of service cost, the local cost increase is approximately \$131,250.

The cost of service for expanded RideKC Lee's Summit Demand Response Transit (Operated by OATS):

- Acquisition of additional vehicle (Bus or Van) - A local cost of approximately \$3,500-\$9,500 (based on most recent vehicle purchases and depending on vehicle type). OATS indicated the life-expectancy of vehicle is typically 7-8 years based on their experience.

- Proposed cost of additional vehicle in circulation (a change of 6 to 7 vehicles in circulation) with the existing days and hours of operation - An additional vehicle in operation at full capacity would provide about 5,000 additional trips annually to help address service denials and demand. After Lee's Summit's FTA Funding is applied and assuming conservative rates per trip for service cost (see 2019 comments for service rate increase considerations), the local cost increase is approximately \$58,000.

Cost savings options for RideKC Lee's Summit Express Service changes:

- Reduced capacity from four bus trips to three bus trips. This change would probably eliminate the earliest bus in the morning and last bus in the evening, both being the most under-utilized schedule and adjust the headways to 45-minutes for the remaining 3 bus trips to maintain the reverse commute. Local cost reduction is approximately \$30,000-\$40,000.

- Reduced capacity from four bus trips to two bus trips - Not Recommended by KCATA or Staff due to implemented reverse commute and existing demand. The first bus in the morning and in the evening is also the last bus in the morning and evening.

### **Existing Transit Service Issues for 2019-20**

The current budgeted amounts for existing transit services and projected cost increase for existing transit services without modifications in 2019 is described below:

RideKC Lee's Summit (Demand Response Transit) 2018 local cost is approximately \$213,000. Projected local cost for 2019 is pending further negotiation and evaluation due to substantial changes in OATS subsidies and other expenditures associated with service. Revenues at the current contract rates did not cover projected costs of service, loss of subsidies, wage raises (4%) and other expenditure increases experienced throughout 2018. To sustain the Lee's Summit Demand Transit Service operated by OATS, an hourly rate increase for 2019 may range from 20%-40%, or approximately \$42,000-\$85,000.

RideKC Lee's Summit Express (Commuter Transit to Downtown KCMO) 2018 local cost is approximately \$104,000. Projected local cost for 2019 is approximately \$111,000, an increase of about 7% (\$7,000).

The amount of local funds provides the match for use of allocated federal transit funds. The local share is

*approximately 40%-45% of the total cost of service.*

Staff discussed these transit options and service demands with the Livable Streets Advisory Board at the October board meeting. The Livable Streets Advisory Board recommended transit improvements; especially the introduction of fixed route service as proposed by staff and KCATA. Among the fixed route options, the priority would be service from 3-Trails Transit Center to Downtown Lee's Summit through MCC-Longview if both routes are not financially supported. The board did not support a reduction in service to the existing demand response service operated by OATS considering its use trends. However, the board did support a reduction in the commuter service between Lee's Summit and Kansas City if the reduction in service did not displace or otherwise reduce current ridership.

Impact/Analysis:

City Council response and direction to staff regarding the desired transit services for 2019 will have budget and public transportation impacts. Existing transit services are funded by a Transportation Sales Tax after FTA funding is applied. This sales tax also funds other road maintenance activities and programs such as curb replacement, street overlay, crack seal, pavement marking, etc. This fund does not currently have unallocated revenues available to expand transit services without a reduction in funds assigned to other maintenance activities and programs. Transit cannot be funded by the Capital Improvement Tax or Excise/License Tax. Transit could be funded from the General Fund or a new funding source (e.g. Use Tax).

Other Information/Unique Characteristics:

Staff plans to present Transit Contracts to the Public Works Committee and City Council for consideration next month based on direction and comment received.

Michael Park, PE, PTOE, City Traffic Engineer

Recommendation: [Enter Recommendation Here]