

Legislation Text

File #: BILL NO. 18-14, **Version:** 1

AN ORDINANCE AUTHORIZING THE EXECUTION OF AN INTERGOVERNMENTAL CONTRACT FOR TRANSIT SERVICES BY AND BETWEEN THE CITY OF LEE'S SUMMIT, MISSOURI AND THE KANSAS CITY AREA TRANSPORTATION AUTHORITY (KCATA) IN THE AMOUNT OF \$103,657 AND COMMITMENT OF \$330,073 OF FEDERAL TRANSIT ADMINISTRATION SECTION 5307 FORMULA FUNDS TO THE KCATA FOR TRANSIT SERVICE AND CAPITAL EXPENSES. (PWC 1-16-18)

Issue/Request:

AN ORDINANCE AUTHORIZING THE EXECUTION OF AN INTERGOVERNMENTAL CONTRACT FOR TRANSIT SERVICES BY AND BETWEEN THE CITY OF LEE'S SUMMIT, MISSOURI AND THE KANSAS CITY AREA TRANSPORTATION AUTHORITY (KCATA) IN THE AMOUNT OF \$103,657 AND COMMITMENT OF \$330,073 OF FEDERAL TRANSIT ADMINISTRATION SECTION 5307 FORMULA FUNDS TO THE KCATA FOR TRANSIT SERVICE AND CAPITAL EXPENSES.

Key Issues:

- The City of Lee's Summit has contracted with the Kansas City Area Transportation Authority (KCATA) since 1999 for a commuter bus service - #152 Lee's Summit Express - between Lee's Summit and downtown Kansas City.
- The service provides four morning trips departing from Lee's Summit to downtown Kansas City, and four afternoon return trips, for those that commute to Kansas City for work.
- The cost to Lee's Summit for the 2018 contract with the KCATA for the #152 Lee's Summit Express Commuter Service and KCATA administration of OATS operating contract for RideKC Lee's Summit demand response transit service on behalf of the City will be \$103,657. The local matching funds will be paid from the Transportation Sales Tax Fund as programmed in the City's Capital Improvements Plan and approved by City Council as part of the FY2018 budget.
- Lee's Summit will obligate \$330,073 of its Federal Transit Administration Funding allocation to the KCATA for eligible operating and capital costs associated with these transit services.

Proposed City Council Motion:

FIRST MOTION: I move for a second reading of AN ORDINANCE AUTHORIZING THE EXECUTION OF AN INTERGOVERNMENTAL CONTRACT FOR TRANSIT SERVICES BY AND BETWEEN THE CITY OF LEE'S SUMMIT, MISSOURI AND THE KANSAS CITY AREA TRANSPORTATION AUTHORITY (KCATA) IN THE AMOUNT OF \$103,657 AND COMMITMENT OF \$330,073 OF FEDERAL TRANSIT ADMINISTRATION SECTION 5307 FORMULA FUNDS TO

THE KCATA FOR TRANSIT SERVICE AND CAPITAL EXPENSES.

SECOND MOTION: I move for adoption of AN ORDINANCE AUTHORIZING THE EXECUTION OF AN INTERGOVERNMENTAL CONTRACT FOR TRANSIT SERVICES BY AND BETWEEN THE CITY OF LEE'S SUMMIT, MISSOURI AND THE KANSAS CITY AREA TRANSPORTATION AUTHORITY (KCATA) IN THE AMOUNT OF \$103,657 AND COMMITMENT OF \$330,073 OF FEDERAL TRANSIT ADMINISTRATION SECTION 5307 FORMULA FUNDS TO THE KCATA FOR TRANSIT SERVICE AND CAPITAL EXPENSES.

Background:

Since 1999, the City of Lee's Summit has contracted with the Kansas City Area Transportation Authority (KCATA) to provide a commuter bus service from the park-and-ride lot at Chipman Road and US50 Highway in Lee's Summit to various points in downtown Kansas City, Missouri. Originally this service provided three morning trips to downtown Kansas City and three afternoon return trips to Lee's Summit during the workweek (Monday through Friday). A fourth trip both ways was added in 2008 to address the increase in ridership.

The number of busses, days and hours of service for #152 Lee's Summit Express Commuter Service will be the same in 2018 as it was in 2017.

A portion of the City of Lee's Summit has been designated as an Urbanized Transit Area (UZA) by the Federal Transit Administration (FTA). This designation has allowed the City to take advantage of FTA funds to subsidize the annual cost of transit, including the contract with the KCATA for this service. In total, \$330,073 from the allocation of FTA funds to Lee's Summit will be obligated to the KCATA for the services provided under this Agreement, as well as matching funds for applicable transit services associated with the OATS operating contract by and between the City and OATS for the RideKC Lee's Summit demand response transit service that is managed by KCATA, to cover eligible transit capital and operating costs in 2018. The Lee's Summit FTA Section 5307 Fund allocation balance in 2017 was over \$1,000,000. In addition to FTA funding, state funding is utilized by the KCATA as well as revenue collected at the fare box to further reduce the cost. The City pays for the balance of the service from its Transportation Sales Tax fund.

The KCATA has submitted the proposed contract for the #152 Lee's Summit Commuter Express Service and administrative fees to the City. The cost for these services in 2018 would be \$95,932. The contracted cost for these services in 2017 was \$93,132. This represents approximately a 3% increase over last year's contract cost. Increased cost is associated with an increase in cost of service (e.g. staff, fuel, and maintenance).

The KCATA has also submitted a proposed management fee of \$7,725 for the administration of a contract between the City of Lee's Summit and OATS. As the designated administrator of Lee's Summit's FTA funds, the KCATA would apply available FTA funding and necessary administrative requirements of the FTA towards the OATS operation of transit services contracted by the City. This administrative fee facilitates the demand response transit services, RideKC Lee's Summit, under contract with OATS as the operator of such service. The 2018 fee has increased approximately 3% increase over last year's contract cost for KCATA administration of OATS services.

The total cost of proposed transit services by the KCATA in this agreement is \$103,657.00

A Lee's Summit transit study was completed in 2016. There were no recommended changes to KCATA Route

152 from that study. Additional KCATA fixed bus routes impacting Lee's Summit were considered in the study and/or recommended by other more recent transit studies conducted in the region (such as the Eastern Jackson County Transit Study). The recommendations for additional transit services, particularly fixed bus routes within and connecting Lee's Summit to the greater regional transit network, were reviewed by City Council within the last 3 months. The City Council decided no further action was to be pursued at that time in response to a lack of identified transit funds necessary to support such recommendation(s). Continued review of fixed route transit options and transit alternative enhancements will be presented to City Council upon request and periodically as funding and/or new options or alternatives are available. Any changes to transit service or new service would be addressed in separate contracts, as required. This proposed contract for KCATA Route 152 service in 2018 may be amended or discontinued if in conflict at any time.

Impact/Analysis:

The transit program budget (\$261,000) in the approved CIP for FY2018 is provided by the Transportation Sales Tax Fund and includes transit costs for KCATA Route #152, contracted RideKC Lee's Summit demand response transit operated by OATS, and KCATA administrative fees. The OATS transit operating contract was renewed according to approved contract renewal provisions at an estimated local annual cost to Lee's Summit of \$185,000 for the 2018 calendar year prior to its 2017 calendar year expiration. The total proposed 2018 (calendar year) transit program costs to the City of Lee's Summit for KCATA Route #152, contracted RideKC Lee's Summit demand response transit operated by OATS, and KCATA administrative fees would be approximately \$290,000. This contract for #152 Lee's Summit Commuter Express service and the KCATA administration fee for OATS contracted service by and between the City of Lee's Summit and OATS is \$103,657 of the estimated \$290,000 total transit program costs to the City in 2018. Any discrepancy between contract costs and program funding will be corrected in the next fiscal year budget proposals with appropriate amendments in the Capital Improvement Plan.

Transit ridership had slightly decreased on the express service (Route #152) and significantly increased on the demand response service (RideKC Lee's Summit/OATS) in Lee's Summit. The express transit service generally meets commuter needs and may be more effected by gas prices than demand transit service. Gas prices have declined and remained relatively low for much of 2017. The attached exhibits depict ridership trends for KCATA Route #152 and the demand response transit service operated by OATS under contract with the City (managed by KCATA). The demand response transit graph includes all ridership data combined from OATS and KCATA MetroFlex services.

Timeline:

Start: January 1, 2018

Finish: December 31, 2018

Other Information/Unique Characteristics:

[Enter text here]

Presenter: Michael Park, City Traffic Engineer

Recommendation: Staff recommends approval of AN ORDINANCE AUTHORIZING THE EXECUTION OF AN INTERGOVERNMENTAL CONTRACT FOR TRANSIT SERVICES BY AND BETWEEN THE CITY OF LEE'S SUMMIT,

MISSOURI AND THE KANSAS CITY AREA TRANSPORTATION AUTHORITY (KCATA) IN THE AMOUNT OF \$103,657 AND COMMITMENT OF \$330,073 OF FEDERAL TRANSIT ADMINISTRATION SECTION 5307 FORMULA FUNDS TO THE KCATA FOR TRANSIT SERVICE AND CAPITAL EXPENSES.

Committee Recommendation: The Public Works Committee voted unanimously 4-0 to recommend to City Council approval of AN ORDINANCE AUTHORIZING THE EXECUTION OF AN INTERGOVERNMENTAL CONTRACT FOR TRANSIT SERVICES BY AND BETWEEN THE CITY OF LEE'S SUMMIT, MISSOURI AND THE KANSAS CITY AREA TRANSPORTATION AUTHORITY (KCATA) IN THE AMOUNT OF \$103,657 AND COMMITMENT OF \$330,073 OF FEDERAL TRANSIT ADMINISTRATION SECTION 5307 FORMULA FUNDS TO THE KCATA FOR TRANSIT SERVICE AND CAPITAL EXPENSES.