



Department of Transportation

## **Metro Transit**

Chuck Kamp, General Manager

1245 East Washington Avenue, Suite 201

Madison, Wisconsin 53703

Administration: (608) 266-4904

Fax: (608) 267-8778

Customer Service: (608) 266-4466

[mymetrobus@cityofmadison.com](mailto:mymetrobus@cityofmadison.com)

[www.mymetrobus.com](http://www.mymetrobus.com)

July 18, 2018

### Metro Transit 2019 Operating Budget Request

Metro Transit is pleased to submit its 2019 operating budget request. This year there continues to be extraordinary issues involved in our operating and capital budgets, and I will try to summarize this below. I will also summarize our planned efforts for the rest of 2018 to provide better services to the public.

#### Capital Budget Challenges

**Satellite Facility** - We are continuing the engineering and design work at Nakoosa Trail to open a 50-75 bus facility that we hope will house all our BRT (bus rapid transit) articulated buses and add 75% passenger capacity to our system during peak hours. Recent engineering/cost estimate of \$60 million (\$20+M over last year's estimate) has caused us to pause and evaluate other options at Oscar Mayer and elsewhere. The higher cost estimate for the Nakoosa site stems from excavation into the side of a hill, rooftop parking for not only employees but heavy trucks like fire equipment, and higher than normal construction cost price escalators. Our new Transportation Director, with his background in engineering and transportation project management, will be a great asset on this and other major projects.

**East Washington Facility** - We are continuing to plan for the upgrade of our 1101 E. Washington facility which we will likely occupy for at least another 10- 20 years. The preliminary cost estimate on this also came out higher than expected (\$55M vs. \$10-\$15M) due to the significant amounts of upgrades necessary on this 40 year-old facility that has far exceeded standard facility life-expectancy without a major upgrade. Our focus, therefore, will be on basic safety, ventilation, and employee work conditions to keep the bus garage in good working order, and to add some state-of-the – art items like the support equipment for the approved implementation of three(3) all-electric buses to test starting in 2020. This is also helping us address the Mayor's goal of 50% zero or low-emission bus fleet by 2035.

#### Operational Budget Challenges

##### 1. Family Care

The implementation of Family Care in Dane County in 2018 continues to have major and somewhat unpredictable impacts on our 2019 budget. For about 20 years the county has passed federal funds through to Metro to provide a higher level of paratransit service to people with disabilities than required under the Americans with Disabilities Act. Now that this funding has been eliminated, there have been significant changes made to that service by Family Care agencies. Metro's paratransit ridership has dropped about 30% year to date. But in the most recent month, daily paratransit rides are down 50% from last year. These riders have been shifted by Family Care agencies to other

transportation providers. We projected the need to eliminate directly operated paratransit services, and started that phase-out in May and will complete it in August.

Metro's phasing out of directly operated paratransit (i.e., Metro vehicles and drivers vs. contract) was the subject of a labor dispute. An arbitrator recently ruled in favor of the phase-out, but also ruled that we will have to modify our internal job-selecting bumping allowances, which we are planning for now with cooperation from HR and the Teamsters. Metro directly operated paratransit will be phased out by September, and our required ADA commitments will be met by 3<sup>rd</sup> party providers (Badger, Abby-Vans, and Transit Solutions). Our 2019 budget envisions moving toward limitations on leave attended services, where an RESJI analysis was recently completed in support of this, but holding off on increasing fares and any other changes unless the situation warrants.

Our staff has done an incredible job with this transition without any major incident involving a customer using our services. The transition went extremely smoothly, thanks to highly competent staff.

## 2. Insurance Fund Reimbursement

I'd like to acknowledge the support from you and other city staff to use the \$815,000 in insurance fund reimbursement for our low accident/claims payout rate that past 10 years. We are using some of these funds to:

- a) Implement medical testing on safety-sensitive employees similar to truck drivers, airline pilots, and school bus drivers; and
- b) Hire an additional general maintenance supervisor to help implement our e-buses and to institute safety and mechanic apprenticeship programs.

## 3. Fuel Costs

Metro and other city staff just received 2019 fuel bids that will add about \$800,000 to our budget. This increase was assumed before we prepared our final budget request for 2019. I believe locking in fuel costs helps our partners like Fitchburg, Middleton, Verona, and UW based on the staff input from those partners desiring stability in their contributions for the upcoming year, rather than allowing price fluctuations. While no one knows for sure, the current international economic mood seems highly uncertain relatively speaking, and we feel the certainty of locking in is reassuring for our regional partners.

## 4. Service Expansion and Facility Changes

Other major impacts anticipated in 2019 include the phase-out of our Middleton satellite garage, the start of reductions in MMSD service to middle schools in the fall of 2019, and some adjustments to bus service to the new Pinney Branch library late in the year. Also, we will be completing the new collective bargaining agreement negotiations in 2019 and there will be some changes. We will try to achieve these changes in a budget neutral manner for the City of Madison.

I do not have a funding source for one important service expansion, so it is summarized here and included in our supplemental request. We continue to see a need for more regular service on E. Washington and Monroe streets as those corridors are the recipients of higher density developments over the past several years and are continuing into the future. These busy corridors have hourly service on weekends, and we could move to half hourly service for a cost of \$450,000. They are important economic development corridors for both new businesses and employees needing to access entry-level jobs.

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We look forward to the upcoming deliberations on our budget for 2019 and genuinely appreciate the help city finance staff have helped us with our submittal.

Sincerely,

A handwritten signature in cursive script that reads "Chuck Kamp". The signature is written in black ink and is positioned below the word "Sincerely,".

Chuck Kamp  
Transit General Manager

**Agency: Metro**

**Proposed Budget**

	Cost to Continue	Proposed	Change
Revenue	-\$57,721,906	-\$56,081,689	\$1,640,217
<u>Expenditures</u>	<u>\$57,721,906</u>	<u>-\$56,081,689</u>	<u>-\$113,803,595</u>
Net	\$0	-\$112,163,378	-\$112,163,378
	2018	Proposed	Change
FTEs	473	457	-16

**Request Analysis**

*2017 Budget*

Overbudget	No
2017 Analysis	

*2018 Projection*

Deficit	No
Projection Analysis	

*2019 Request*

Budget Request Changes	<p>851 - Fixed Route: Revenue adjustments for Farebox, Adult Passes, Youth Passes, and Unlimited Ride Passes all reduced from 2018 to align with ridership projections in 2019 and experience so far 2018. Increased facility rental costs in 2019 to lease the North Transfer Point location (expiration of previous lease in 2018 which was paid upfront several years ago). Increased communication device repair and maintenance in 2019 attributable to the implementation of Trapeze Ops software updates occurring in 2018 for the bus operation technology used by Metro.</p> <p>852 Paratransit: Federal and Local Government revenue reduced from 2018 levels to reflect the annualized impact of fully contracted paratransit service without any support of MA Waiver funding. Transit Farebox decrease to properly align with actual behavior in 2018 which supports Senior/Disabled Pass purchases by MCO's at the agency fare ticket price instead of customer cash Transit Farebox payments as was originally expected in 2018. Corresponding reduction of pass-thru expenditures for the 5310 federal grant funding seen in object 42110. Reduction in Transportations Services expenditures based on expected continuation of decreasing paratransit ridership routed through Metro's contracted services in 2019. Reduction in pass-thru expenditures for the County programming due to the elimination of the County's Exceptional Ride Program in 2019.</p>
Change in Service	No
Service Impact	
Staffing Levels & Payroll Allocations	15.0 FTE Transit Coach Operator Positions have been deleted from 2018's staffing level for 2019's requested FTE; this is part of the full elimination of the in-house paratransit service for Metro Transit. Additionally a Planner position has moved from Metro Transit to the Transportation Department as part of the 2019 budget request.

**Metro Transit**

**Function: Public Works & Transportation**

*Position Summary*

	CG	2018 Budget		Request		2019 Executive		Adopted	
		FTEs	Amount	FTEs	Amount	FTEs	Amount	FTEs	Amount
PARA PROG MGR	44	1.00	86,457	1.00	88,992	-	-	-	-
PARA SCHEDULING COOR	42	2.00	102,109	2.00	102,920	-	-	-	-
TRANS ACCT	44	2.00	167,909	2.00	170,039	-	-	-	-
TRANS ACCT CLK	42	6.00	288,026	6.00	269,012	-	-	-	-
TRANS ADV/SALES ASSOC	19	1.00	56,077	1.00	57,576	-	-	-	-
TRANS ASST SCHD PLAN	44	1.00	76,100	1.00	59,479	-	-	-	-
TRANS BLD MT	44	1.00	83,315	1.00	83,567	-	-	-	-
TRANS BUS CLEANER	41	3.00	146,960	3.00	142,586	-	-	-	-
TRANS CLASS A MECH	41	13.00	818,427	13.00	798,820	-	-	-	-
TRANS CLASS B MECH	41	15.00	878,830	15.00	880,349	-	-	-	-
TRANS CLASS C MECH	41	17.00	762,272	17.00	801,492	-	-	-	-
TRANS CUS SERV SUPV	44	1.00	60,783	1.00	63,355	-	-	-	-
TRANS CUST SERVS REPR	42	9.50	462,769	9.50	435,955	-	-	-	-
TRANS EMPL REL ASST	43	1.00	58,874	1.00	59,101	-	-	-	-
TRANS FINANCE MGR	44	1.00	103,014	1.00	103,410	-	-	-	-
TRANS GARAGE DISPAT	41	1.00	57,645	1.00	58,264	-	-	-	-
TRANS GENERAL MGR	21	1.00	140,044	1.00	143,394	-	-	-	-
TRANS GRAPHICS TECH	42	1.00	45,627	1.00	49,248	-	-	-	-
TRANS INFO SYS COORD	44	1.00	99,289	1.00	99,671	-	-	-	-
TRANS INFO SYS SPEC	44	2.00	157,876	2.00	158,480	-	-	-	-
TRANS JANITOR	41	2.00	112,779	2.00	113,126	-	-	-	-
TRANS MAINT GEN SUPV	44	2.00	133,651	2.00	129,296	-	-	-	-
TRANS MAINT MGR	44	1.00	103,986	1.00	105,122	-	-	-	-
TRANS MAINT SUPERV	44	7.00	555,124	7.00	543,454	-	-	-	-
TRANS MECH LEADWKR	41	1.00	44,770	1.00	44,943	-	-	-	-
TRANS MK/CU SERV MGR	44	1.00	106,901	1.00	107,313	-	-	-	-
TRANS MKT SPEC	44	2.00	127,338	2.00	123,473	-	-	-	-
TRANS OFF MGR	43	1.00	61,998	1.00	62,238	-	-	-	-
TRANS OPER GEN SUPV	44	3.00	238,773	3.00	242,356	-	-	-	-
TRANS OPER MGR	44	1.00	99,389	1.00	100,977	-	-	-	-
TRANS OPER OFF COOR	42	1.00	44,150	1.00	50,721	-	-	-	-
TRANS OPER SUPER	44	16.00	1,257,823	16.00	1,254,046	-	-	-	-
TRANS OPERATOR	41	325.00	18,423,818	310.00	17,719,422	-	-	-	-
TRANS PAINT & BODY	41	2.00	128,041	2.00	128,534	-	-	-	-
TRANS PARTS SPEC	42	2.00	105,622	2.00	112,534	-	-	-	-
TRANS PARTS SUPER	44	1.00	72,098	1.00	72,376	-	-	-	-
TRANS PLAN&SCH MGR	44	1.00	108,845	1.00	109,264	-	-	-	-
TRANS PLANNER	44	1.00	89,605	1.00	89,950	-	-	-	-
TRANS PLANNER	44	2.00	153,894	1.00	78,871	-	-	-	-
TRANS SCHED PLANNER	44	1.00	74,863	1.00	88,329	-	-	-	-

**Metro Transit**

**Function: Public Works & Transportation**

*Position Summary*

	2018			Request		2019		Adopted	
	CG	FTEs	Amount	FTEs	Amount	FTEs	Amount	FTEs	Amount
TRANS SERVICE MGR	44	1.00	117,166	1.00	117,967	-	-	-	-
TRANS SERVICE WKR	41	11.50	610,943	11.50	604,954	-	-	-	-
TRANS UTIL WKR	41	7.00	404,601	7.00	406,680	-	-	-	-
<b>TOTAL</b>		<b>473.00</b>	<b>\$ 27,828,581</b>	<b>457.00</b>	<b>\$ 27,031,657</b>	-	\$ -	-	\$ -

Salary amounts recorded on this page are for total budgeted salaries; this amount may differ from budgeted permanent wages as presented in the Line Item Detail due to payroll allocations to other funding sources (capital projects, grants, etc.) or inter-agency services are not reflected in this summary page.

## 2019 Operating Budget: Service Proposals

### SERVICE IDENTIFYING INFORMATION

SELECT YOUR AGENCY:

Metro Transit

SELECT YOUR AGENCY'S SERVICE:

Fixed Route

SERVICE DESCRIPTION:

This service is responsible for: (1) planning and coordinating all fixed route transit improvements and programs, and (2) the repair and maintenance of Metro transit bus fleet. The goal of this service is to provide transportation for customers to a comprehensive network of destinations throughout the City.

### SERVICE BUDGET - ALL FUNDS

	2017 Budget	2018 Budget	2019 Cost to Continue	2019 Request	Change
Revenue	-50,409,868	-51,082,466	-50,877,433	-51,163,811	-286,378
Expense	50,409,868	48,951,628	50,150,335	51,143,937	993,602
Net Budget	0	-2,130,838	-727,098	-19,874	707,224

### 2019 PROPOSAL

1. Explain the budgetary changes proposed from 2019 Cost to Continue to the 2019 Request.

Increase in software maintenance expense as a result of implementing Trapeze Ops.

Increase cost to lease the north transfer point and park and ride.

Expiration of Middleton garage lease in late 2019. A replacement will be unnecessary due to the elimination of paratransit vehicles.

2. Explain the operational impact of the proposed changes from 2019 Cost to Continue to 2019 Request.

Discontinuing the Middleton lease will improve operations as buses will no longer need to be shuttled for fueling and maintenance, however overcrowding at 1101 East Washington will be exacerbated.

### SERVICE GOALS

1. Who is the recipient of this service?

The primary customer for fixed route service includes residents and visitors in a 72 square mile regional service area with a particular focus on those of color and low income accessing jobs, educational opportunities and other essential life activities.

2. What activities are you responsible for providing under this service?

This service addresses the need of individuals who are seeking transportation to get safely, reliably and equitably to their jobs, health care, educational facilities and other essential destinations for a productive and satisfied life.

3. How do you define success within this service?

If current funding levels are maintained, Metro will strive to maintain key performance measures as compared to peer agencies. Metro will seek to maintain an average of 35.4 rides per hour which is greater than the average of 29.2 by peer agencies. Average cost per passenger trip at Metro is \$3.21 versus \$4.36 at peer agencies. Metro also averages 49.1 rides for each person in the service area versus 25.5 at peer agencies.

4. What strategies are planned for 2019?

Metro will be planning for the changes in MMSD middle school service. We will be working with Sun Prairie for possible service expansion and adjustments to related personnel and salaries. Possible adjustments if the Oscar Mayer property becomes Metro's primary infrastructure focus. All e-bus expenses going forward are anticipated to be capital.

## 2019 Operating Budget: Service Proposals

### SERVICE IDENTIFYING INFORMATION

SELECT YOUR AGENCY:

Metro Transit

SELECT YOUR AGENCY'S SERVICE:

Paratransit

SERVICE DESCRIPTION:

This service provides paratransit services for customers with disabilities in need of transportation services for work, post-secondary education, medical needs, sheltered workshops, and other personal purposes.

### SERVICE BUDGET - ALL FUNDS

	2017 Budget	2018 Budget	2019 Cost to Continue	2019 Request	Change
Revenue	-8,662,791	-5,844,474	-5,844,474	-5,013,239	831,235
Expense	8,662,791	7,975,312	6,571,572	5,033,227	-1,538,345
Net Budget	0	2,130,838	727,098	19,988	-707,110

### 2019 PROPOSAL

1. Explain the budgetary changes proposed from 2019 Cost to Continue to the 2019 Request.

Anticipate that agency fare tickets will continue to be purchased as a rate somewhat lower than during the first half of 2018.

Anticipate that subcontracted rides will continue at current rate with a slight increase. All in-house provided rides will be fully discontinued in 2018.

2. Explain the operational impact of the proposed changes from 2019 Cost to Continue to 2019 Request.

Need to monitor service standards after elimination of Metro driver provided rides.

### SERVICE GOALS

1. Who is the recipient of this service?

The service is specifically for individuals with disabilities who cannot use fixed route service some or all of the time due to their disability.

2. What activities are you responsible for providing under this service?

This service addresses the need of individuals with disabilities, who are eligible under the American with Disabilities Act. Metro serves eligible riders who are seeking transportation to get safely, reliably and equitably to their jobs, health care, educational facilities and other essential destinations for a productive and satisfied life.

3. How do you define success within this service?

Provide a level of service comparable to that of fixed route, including safe and reliable service (90% on-time performance or better).

4. What strategies are planned for 2019?

Work with Metro contracted service providers to provide quality and stable service. Metro will continue to work with Family Care agencies to ensure proper use of various specialized transportation services and where Metro is used that the proper agency fare is applied, and other coordinated activities are handled properly.



# Supplemental Request

Agency:

Metro Transit

Enter Your Agency's Service:

Fixed Route

Supplement Title:

Improvements to Weekend Routes 6 & 7

Amount:

FTE:

- Expansion to Existing Service
- New Initiative

Provide an overview of the supplemental request.

Metro is requesting the supplemental operating funding to restore weekend service that was reduced 12 years ago as a result of budget reductions. At that time, route 3 was replaced by route 7. Frequencies on routes 6 and 67 were also reduced. This resulted in service along Monroe Street being cut from half hour to hourly frequencies. Route 7 was also bifurcated on the west side, leading to passenger confusion. The scheduled time to operate between the east and west transfer points was reduced from the weekday route 3's 55 minutes down to 40 minutes, leading to chronically poor on-time performance and missed connections for customers. Many weekend riders are transit dependent, often low income and people of color. Maintaining route 7's schedule is also very stressful for bus operators.

In spite of the rapid residential and commercial development along East Washington Avenue, weekend frequencies on route 6 remain hourly along the corridor.

Weekend ridership has been steadily decreasing as a result of inadequate service and unreliable schedules.

What is the desired outcome of the request?

Metro wishes to restore weekend service levels in order to improve frequencies along busy corridors, improve schedule reliability, and reduce driver stress.

How will the desired outcome be measured?

The key measures will be increased ridership and improved schedule reliability, both leading to fewer customer complaints.