

Metro Board Approved Policy

Municipal Operator System Improvement Program

Adopted: April 26, 2001

Historical Perspective

Since the formation of the MTA, whenever discretionary operating funds were used for MTA Transit Operations, a proportionate share was typically allocated to the Municipal Operators. This share policy was not used when funds were allocated for service required by the Consent Decree. The MTA's position was that the Consent Decree was a regional responsibility, and like funding for the rail system, could be paid out of regional funds without matching distributions. The Municipal Operators argued that the concept applied to all funding for MTA bus operations and asked for proportionate distribution. MTA staff was then directed by the Board to work with the Municipal Operators to attempt to resolve the difference. This process was accelerated during the past month when the framework for this program was conceptually approved by all parties. The proposed program scope was to improve service countywide for the transit dependent by reducing overcrowding and expanding service. The program was envisioned to include more collaboration by the Municipal Operators and the MTA in identifying common goals and objectives and modifying the program to adjust to changing priorities that often occur over time. A significant obstacle to the proposed program has been the MTA's obligation under the Consent Decree to prioritize bus eligible funds to meet the Consent Decree costs. However, in his September 23, 1999 Memorandum Opinion and Order, Judge Hatter appears to recognize the benefits of having the Municipal Operators included in developing countywide service plans to achieve the Consent Decree's objectives. Judge Hatter's order specifically stated that:

"the Special Master...should consider, with the input of the joint working Group, the MTA and the Bus Riders other capacity increasing measures beyond the purchase of additional buses. For example, the Special Master should consider...the possibility of reducing or eliminating MTA service to those municipalities served by the sixteen

municipal bus lines that offer overlapping service to the service provided by MTA."

After thoughtful consideration MTA staff and representatives of the Municipal Operators have agreed to jointly draft an amendment to AB974 to incorporate the terms of this agreement. It should be noted that consistent with existing legislation regarding the statutory formula allocation practice, a three-fourths vote of the Board would be required to change the Municipal Operator Service Improvement Program.



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To reduce the operating costs of the MTA the Municipal Operators have agreed to begin discussions within 30 days to:

1. Identify overlapping services operated by MTA and develop strategies for operating these services, which will result in savings to the MTA.
2. Work with the MTA on new countywide service expansion plan to reduce overcrowding, expand new services to transit dependents and provide, which will reduce MTA's future operations and capital costs.
3. Provide input into MTA's vehicle purchase plan with the intent of reducing the capital cost of MTA's transit vehicles.
4. Continue to work with the MTA on the Universal Fare System to implement a countywide fare instrument.

The premise of the funding for this program would be that the Municipal Operators will assist MTA in reducing its operating and capital costs, which will help offset the program funding. As part of this program, all participating parties would agree not to pursue legislation or any legal action to alter the funding sources currently subject to formula allocations.