

Board Approves Bus Service Contracts

(May 8) The MTA Board of Directors approved May 8 a staff recommendation to authorize the CEO to award five-year bus service contracts, with three one-year extension options, to four transit companies.

The Board voted 7 to 0 in favor of the staff recommendation to award the contracts for a total amount, including options, not to exceed \$228.4 million.

Staff requested to issue new contracts for bus services on 13 existing lines currently provided by First Transit and Laidlaw Transit, as well as four new pilot lines.

The service providers awarded contracts include First Transit, Inc., which will operate 11 lines -- 125, 128, 130, 205, 225/226, 232, 177, 254, 256, 266 and 270 -- and Coach USA/Progressive, which will operate Lines 96 and 167. In addition, Coach USA Progressive was awarded three pilot lines: 214, 530 and 577. MV Transportation received the award to operate one pilot line, Line 58.

The staff report noted that the MTA contracts out a portion of its bus service because of demonstrated cost benefits to the MTA. The overhead and operating expenses of contracted bus service providers are significantly lower than the MTA's, the report stated.

The new contracts are expected to go into effect shortly, pending the outcome of protests filed by two transit companies.

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