

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING ) RESOLUTION NO. 99-2772  
THE METROPOLITAN TRANSPORTA-) )  
TION IMPROVEMENT PROGRAM ) Introduced by Councilor Jon  
(MTIP) TO APPROVE AN ELEMENT ) Kvistad, JPACT Chair  
OF TRI-MET'S BUS PURCHASE )  
PROGRAM )

WHEREAS, The Region has in the past allocated funds to Tri-Met for bus purchases to improve service on popular lines which experience delays and overcrowding during peak periods; and

WHEREAS, The "usual and customary" 1.5% service increase for the coming planning period comes to approximately \$20.06 million; and

WHEREAS, The federal share of this increase is approximately \$18 million; and

WHEREAS, Tri-Met is also planning extension of light rail transit to Portland International Airport; and

WHEREAS, Tri-Met general funds of \$18 million are needed to complete a critical element of the financial package for the Airport LRT project; and

WHEREAS, Regional funds committed for a bus purchase would free Tri-Met general funds on a dollar for dollar basis, which Tri-Met has committed to apply toward the Airport LRT project; and

WHEREAS, Tri-Met must sign bus delivery contracts in early June to assure prompt manufacture and delivery of the needed buses in Fall of 2000; and

WHEREAS, An unavoidable interval of 1.5 months is typically encountered when programming an amendment to the MTIP and STIP transit program; and

WHEREAS, Tri-Met can sign contracts using Federal Transit Administration "Pre-Award Authority" so long as a bus purchase project is shown in the MTIP; and

WHEREAS, The funds supporting the programming can be Tri-Met general funds; and

WHEREAS, The type of funds supporting the programming can be changed to federal funds after such funds are allocated to Tri-Met in the Priorities 2000 process; and

WHEREAS, Tri-Met will not sign delivery contracts until such funds are allocated to it by JPACT and the Metro Council, and such contracts shall be for no more than JPACT and the Metro Council may award to Tri-Met; and

WHEREAS, The only purpose for the request is to eliminate the approximate 1.5 month delay between regional approval of bus purchase funds and the appearance of such funds in the MTIP and STIP; and

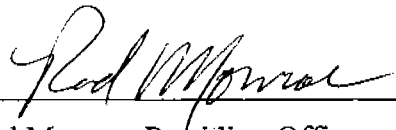
WHEREAS, This action will not prejudice the Priorities 2000 decision process; now

THEREFORE BE IT RESOLVED:

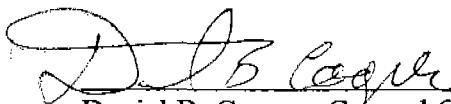
1. The MTIP is amended to show a \$20.06 million bus purchase project.
2. The type of funds supporting the project will be Tri-Met general funds.
3. Tri-Met will not sign bus delivery contracts associated with this MTIP action until after conclusion of the Priorities 2000 process.
4. Should the region allocate the federal funds requested by Tri-Met, the MTIP will be further amended to reflect the precise sum and funding source allocated for the bus purchase project.

5. Staff are authorized to coordinate this amendment and associated administrative details with ODOT and federal staff.

ADOPTED by the Metro Council this 29<sup>th</sup> day of April, 1999.

  
Rod Monroe, Presiding Officer

Approved as to Form:

  
Daniel B. Cooper, General Counsel

## TRANSPORTATION PLANNING COMMITTEE REPORT

### CONSIDERATION OF RESOLUTION NO. 99-2772, FOR THE PURPOSE OF AMENDING THE METROPOLITAN TRANSPORTATION IMPROVEMENT PROGRAM (MTIP) TO APPROVE AN ELEMENT OF TRI-MET'S BUS PURCHASE PROGRAM

Date: April 29, 1999

Presented by: Councilor Bragdon

**Committee Recommendation:** At its April 20 meeting, the Committee considered Resolution No. 99-2772 and voted 2-0, with one abstention, to send the resolution to the Council with a do pass recommendation. Voting in favor: Councilor Bragdon and Chair Kvistad. Councilor Atherton abstained.

**Committee Issues/Discussion:** Mike Hoglund, Transportation Planning Manager, presented the staff report. He explained that the purpose of the resolution was to initiate the MTIP amendment process related to the proposed purchase of buses by Tri-Met. The purchase would be made from a proposed allocation of up to \$18 million from the current Priorities 2000 MTIP allocation process scheduled for completion in late May. As proposed, the MTIP allocation would be used for bus purchases. The use of the allocation for this purpose would free up a similar amount of Tri-Met general fund dollars which would be dedicated to the Airport LRT project.

Hoglund clarified that enactment of the resolution would not predetermine that Tri-Met would receive funds through the MTIP. He noted that the Priorities 2000 fund allocation was a separate process. If at any time during that process, JPACT or the Council determined that the proposed allocation would be cut or eliminated, the proposed bus purchase and Tri-Met's ability to participate in the LRT project would need to be reviewed.

He noted that the resolution's adoption would streamline the bus purchase program, if funds are allocated for that purchase. Such a purchase requires both an MTIP amendment and federal approval. By adopting the resolution, the amendment process would be complete and Tri-Met could pursue federal approval, contingent upon the receipt of MTIP funding. This would shorten the purchase timeline and assist Tri-Met in meeting its service improvement goals for the year 2000.

Councilor Atherton raised several concerns about the proposed resolution. First, he noted that, while the resolution's title addressed Tri-Met bus purchase program, the real intent was to provide funding for the airport LRT. He noted that he had several concerns about that project. He contended that the project would cause a level of development that would overburden the local street system, even with an LRT line. He noted that there may be a land use-transportation disconnect with the project. Hoglund responded that there are a package of transportation improvements slated for the area that will address these concerns.

Councilor Atherton also noted that there did not appear to be any evidence that an LID or SDC's were contemplated that would cause those that benefited to pay for a portion of the project cost.

Councilor Atherton asked whether Tri-Met really needed new buses or could they revamp the existing system to provide additional equipment. Committee members and Mr. Hoglund responded by noting the past and current Tri-Met planning efforts that assessed the needs of the system. Chair Kvistad noted the relative lack of service in his portion of Washington County and

Mr. Høglund notes that the 2040 process envisions increases in transit services in the suburban areas of the region. Councilor Bragdon noted that Tri-Met is already engaged in identifying underutilized runs and adjusting services were needed.

Atherton concluded by explaining that he would abstain for voting on the resolution, pending a discussion with staff concerning the current and future status of the transit system.

## STAFF REPORT

### CONSIDERATION OF RESOLUTION NO. 99-2772 FOR THE PURPOSE OF AMENDING THE METROPOLITAN TRANSPORTATION IMPROVEMENT PROGRAM (MTIP) TO APPROVE AN ELEMENT OF TRI-MET'S BUS PURCHASE PROGRAM

Date: March 30, 1999

Presented by: Andrew C. Cotugno

## PROPOSED ACTION

Approval of this Resolution would authorize amendment of the MTIP to program \$20.06 million of Tri-Met general funds for a new bus purchase program in FY 2000. This request anticipates that JPACT and the Metro Council may approve up to \$18 million of regional flexible funds for bus purchases as part of the Priorities 2000 process. If this occurs, the MTIP would be further amended to indicate federal funding for the bus purchase rather than Tri-Met general funds. If no regional funds are forthcoming, Tri-Met will not sign a contract and the project would be deleted from the MTIP.

## BACKGROUND AND ANALYSIS

Enclosed are two letters from Tri-Met staff requesting that Metro approve programming of \$20.06 million of Tri-Met general funds in the MTIP and STIP for purchase of buses to alleviate peak period congestion on high use transit lines. Tri-Met must enter into a contract for the bus purchase by the middle of June if they hope to receive delivery of the vehicles by fall of 2000. This is the time Tri-Met is publicly committing to deliver the improved peak period service.

Tri-Met needs two things in order to sign a delivery contract. First, a bus purchase "project" of no less than \$20.06 million must be shown in an approved MTIP/STIP. The type of funding supporting the project does not matter. So long as the project has received regional and state endorsement, Tri-Met can spend funds for the project and receive federal reimbursement under FTA Pre-Award Authority regulations. The second thing Tri-Met needs is a commitment by the region (i.e., approval of a resolution by JPACT and the Metro Council and subsequent concurrence by the ODOT Region 1 Manager) to award up to \$18 million of federal funds for the project. Tri-Met will not sign contracts prior to both these conditions being met.

It typically takes no less than one and a half months to program a transit amendment of the MTIP/STIP. If action is not taken at this time to show the bus purchase in the MTIP/STIP (with their general funds), Tri-Met will have to wait until mid-July to sign a contract (after a final MTIP/STIP decision is made). This will cause Tri-Met's priority standing with its bus manufacturer to slip which will delay delivery of the buses for up to six months. Taking action now to program the project will enable Tri-Met to sign a delivery contract the day that

JPACT and the Metro Council approve federal funds for the purchase. Tri-Met will not sign a contract if no regional funds are approved, or will amend the contract if funds less than \$18 million are approved. The bottom line for Tri-Met is that they will not have to wait another month or more after the regional commitment is made to gain federal approval of the MTIP/STIP allocation. They will sign the contract using pre-award authority and will simply request technical amendment of the MTIP/STIP to reflect the newly approved federal funding for the project. Draw-down of funds would not occur until delivery of the vehicles in federal fiscal year 2001. Therefore, this action does not predetermine regional commitment of funds.