



CITY OF WAUKESHA

Administration

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Committee: Transit Commission	Date: 9/17/2020
Common Council Item Number: 20-1131	Date: 10/6/2020
Submitted By: Fred Abadi- Public Works	City Administrator Approval: Kevin Lahner, City Administrator KL
Finance Department Review: Bridget Souffrant, Finance Director BS	City Attorney's Office Review: Brian Running, City Attorney
Subject: Waukesha County Business-Approval of Amendment 3 to Purchase Service Agreement with Wisconsin Coach Lines, Inc. for Operation of Routes 901, 904, 905	

Details:
 This is a Waukesha County Business item to seek the approval of the third amendment to the purchase service agreement with Wisconsin Coach Lines, Inc. for the Operation of County Commuter Routes 901, 904 and 905. The routes serve various points in Waukesha County including downtown Waukesha to downtown Milwaukee via I-94. Ridership on these routes have really struggled due to COVID-19 and Waukesha County suspended roughly 26 percent of the service April 6th. Ridership through the end of July was still quite low and an additional 16 percent of service was suspended effective August 17th meaning over 40% of the service hours for Routes 901/904/905 have now been suspended. Wisconsin Coach Lines did not seek an increase for the April suspension as it was thought to be a short term suspension but now suspensions in some form are likely to last until the end 2020. Wisconsin Coach Lines has requested the increase due to fixed overhead costs (building expenses, vehicle expenses, and fixed labor costs) being spread across significantly fewer hours. The amendment would provide Wisconsin Coach Lines with a tiered increase based on the percent of service hours suspended from August 17th through June 30, 2021. The tiered increase tied to service levels is in anticipation of multiple service adjustments over the next 10 months based on ridership and other factors. Both Waukesha County and Wisconsin Coach Lines have agreed to the tiered structure of increases.

Options & Alternatives:
 No viable alternatives.

Financial Remarks:
 All funds for this service come from the Waukesha County Transit budget and no City funds are used. Both Waukesha County and Wisconsin Coach Lines have agreed to the tiered structure that would change the new rate effective August 17, 2020 to \$199.61/revenue hour which is a 15% increase over the current rate of \$173.61 per hour of revenue service based on having over 40% of the service hours suspended. The rate would adjust as Waukesha County adjusts service levels throughout the amendment period. Despite the increase in the per hour rate, Waukesha County will still have substantial savings of costs due to the reductions in service.



Executive Recommendation:

Recommend approval.