



June 18, 2015

To: Fox Cities Transit Commission

From: Deborah Wetter, General Manager
Debra Ebben, Administrative Services Manager

Subject: Approve Neenah Industrial Park Shuttle Pilot Program

In September 2014, Bobbi Miller from the Workforce Development Board, Inc. approached Valley Transit staff with an issue that had been brought to her attention by several manufacturers in the Neenah Industrial Park. The closest bus service to the industrial park is approximately one mile away and to get to Menasha Corp's worksite from the nearest bus stop requires people to walk down a frontage road with no sidewalk and only about a one foot shoulder. The manufacturers were hoping that Valley Transit could assist them in finding options to the long and potentially unsafe walk to their sites.

Valley Transit staff, along with Chris Haese from the City of Neenah, have met with the group a number of times. The three manufacturers, Menasha Corp., Plexus and Neenah Foundry have provided us with information on their shift times, zip codes for their employees and what they would like the service to accomplish. Two of these employers surveyed their employees and found that there was considerable interest in using the shuttle if it was put in place. Valley Transit staff proposed a shuttle route which the group agreed would work for their shift changes.

Currently, a number of the employees in the Neenah Industrial Park are using the Connector to get to work. The Connector is an expensive alternative for both the employee and for Valley Transit and its funding partners. It appears that finding an alternative where more people could use the service at the same time would be more efficient and would be more likely to attract additional riders to transit.

In April 2015 Valley Transit issued a Request for Proposal for the provision of an Industrial Park Employment Transportation Service. The RFP packet was directly mailed to 4 providers and advertised in the Post-Crescent, Oshkosh Northwestern, Green Bay Press Gazette, and on the City of Appleton and Valley Transit websites. Two providers submitted proposals by the May 8, 2015 deadline; Kobussen Bus LTD and Lamers Bus Lines.

An evaluation team was assembled to review each proposal first on its technical merits, then on its cost. The evaluation panel consisted of Jeff Fait, City of Appleton Purchasing Manager, Mike Punzel, Valley Transit Maintenance/Operations Supervisor, and Amy Erickson, Valley Transit Operations Supervisor/Paratransit Coordinator. The evaluation team evaluated the technical aspects of the proposal without knowledge of the pricing information. Debra Ebben, Valley Transit Administrative Services Manager provided process oversight and the cost analysis for each proposal.

Evaluation criteria included experience, technical responsiveness, safety and cost. Kobussen and Lamers scored relatively equal in the technical category, but the Kobussen cost was lower; thereby receiving the recommendation for award of the contract.

The proposed costs are:

	Per hour	Per day hours	Days	Total	Estimated State & Fed Support (56.4%)	Estimated Local Share
Cost for six months	\$47.37	9	130	\$55,422.90	\$31,258.52	\$24,164.38
Annual cost	\$47.37	9	260	\$110,845.80	\$62,517.04	\$48,328.76

We chose to provide the service with a contractor because to provide it with a Valley Transit driver and bus would require hiring additional drivers. Since this is a pilot project, it did not make sense to hire permanent Valley Transit drivers because if the pilot were not successful the drivers would have to be laid off. We talked with our labor union about the project, and they agreed that it did not make sense to add permanent driver positions for a pilot service. If this becomes a permanent service of Valley Transit, they requested that we talk about using Valley Transit drivers and buses to operate the service instead of contracting it out. We agreed that we would discuss it with them at that time.

We have commitments from two manufacturers and the City of Neenah to fund the local share of the pilot project through the end of 2015. Due to Valley Transit expenses being lower than our budget for the first half of the year, we have federal and state dollars available to fund the remainder of the expense within our existing budget. Therefore, the local funding partners will not be affected by the pilot, except Neenah who has agreed to participate in the funding of the local share. If we continue to offer the shuttle in 2016, the costs will be part of the budget submission and will be discussed and decided by the Transit Commission and the Appleton Common Council as part of the 2016 budget process.

The contractor is required to provide daily passenger counts on the shuttle. Those counts along with periodic rider surveys will allow us to judge the usefulness of the service. Nikki Voelzke will be working with the companies to promote the service to

their employees in addition to promoting it on the Valley Transit website, social media and in other locations where Valley Transit information is displayed. At the end of the test period, Valley Transit staff will meet with the manufacturers to determine their perception of the success of the program and discuss their willingness to continue providing some level of financial support for the service in 2016. At that time the Transit Commission will be asked to decide whether to continue the service for another year. The manufacturers' expectation is that while they may need to provide some financial support for the service in future years, it will be a smaller amount and ultimately the service would be incorporated into the Valley Transit budget as another route, supported by the same funding that exists for all other Valley Transit fixed route services.

During the pilot project period (July 6 – December 31, 2015), no fare will be charged on the shuttle. If employees need to use other Valley Transit services in addition to the shuttle, they will be required to pay regular Valley Transit fares. Our reason for not charging fares on the shuttle is the difficulty and expense of installing a farebox on the contractor's vehicle. If the service is continued in 2016, then a method of collecting fares will be implemented.

Staff recommends that the Commission approve the Neenah Industrial Park shuttle service pilot project with the service being operated by Kobussen Bus LTD under a contract with Valley Transit from July 6, 2015 through December 31, 2015. Staff is recommending this pilot for several reasons: it will provide the opportunity to test an employment shuttle, a concept which has been successful in many other parts of the United States; it is a collaborative effort between the public and private sectors with the companies that are willing to assist with financial support during the pilot period, allowing Valley Transit to provide this service within the approved 2015 federal and state funding levels; and this service will resolve an issue for some Neenah Industrial Park employees who are being forced to walk long distances in potentially unsafe conditions because they do not have transportation alternatives available for their work trip. The manufacturers also believe this service will assist them in retaining employees that they are currently losing because they do not have reliable transportation to get them to work every day.

Recommendations:

- 1) Approve the Neenah Industrial Park Shuttle Pilot Program.
- 2) Approve the contract with Kobussen for 6 months with 2 one-year options.