



MEMORANDUM

TO: Tony Yarber, Mayor
Gus McCoy, CAO

FROM: Eric Jefferson, Planning and Development Director

DATE: July 13, 2016

RE: **JATLAN Corrective Action Plan (DRAFT)**

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16 JUL 13 PM 12:00

Status of Fleet and Service

- NE Transit assumed responsibility for repairing buses in accordance with VTC audit.
- Currently 16 vehicles (out of 40) are out of service due to failed engines, transmissions, and turbochargers.
- 39 vehicles (17 fixed-route, 22 Handi-lift) are needed to meet service demand (33 daily in service + 6 on reserve).
- Temporary/emergency route reductions were implemented the week of June 20.
 - 7 fixed routes (1B, 2, 4B, 5, 7R, 8, & 9) + Handi-lift are in service
 - 6 fixed routes are out of service (4R, 6/3, 1A, 707, 808, & 12/12)
- NE Transit has submitted invoices totaling approximately \$375,000 for bus repairs corresponding to the VTC audit.
- Problems with dropped calls and poor customer service that must be addressed with telephone provider – City staff is working on this.

Proposed Plan of Action – Immediate (next 60 days)

- NE Transit is completing repairs to 2 buses this week and expects to have Route 6/3 back in service on June 18 and Route 1A back in service the following week.
- Made a request to FTA on June 22 for opinion on City leasing up to 10 buses for a period of 18 to 24 month using current grant funds, waiting for answer (FTA needs 2 weeks to review our analysis and approve).
 - Leasing these buses at this time will allow for the City to remove buses that have exhausted their useful life and to repair the others that are still within their usefulness.
 - Anticipated cost for bus leases: $10 \times \$5,000/\text{month} = \$50,000$ monthly. Office of Transportation staff estimates we have \$100,000 remaining in our transit budget to cover this, but it means deferring vehicle repairs until FY17.
 - The buses are 30 passenger ADA with 2 mobility device positions. They can be on-site within 7-10 days.

- Gus McCoy and I met with the FTA Region IV Administrator Dr. Yvonne Taylor yesterday afternoon, who confirmed leasing is an FTA-reimbursable expense and what we must do now is provide justification. They are sending us a template to guide us in completing the justification.
- If approved by FTA, order 10 buses via lease purchase by end of July (NE Transit would cover insurance and maintenance). Estimated time to have lease buses in service: August 8.
- NE Transit has offered to defer remaining repair costs until next fiscal year.
- Planning Dept./Transportation Office staff have been meeting with MDOT, CMPDD, Jackson Medical Mall Foundation, and other local transportation providers to develop partnerships that will transfer senior transportation from JATRAN/NEXT to a reliable third-party provider(s). Senior transportation program administration would be transferred back to Human and Cultural Services.
- Exploring partnership proposal with Trans-Con Regional Transportation Group to provide elderly and disabled transportation alternative in the City.
- Develop a bus replacement plan and budget for purchase of 5 new buses in FY17

Proposed Plan of Action – Long-term (60 – 180 days)

- Authorize repairs to select buses beginning in October based on FY17 budget.
- Hire consultant to prepare a 5-year transit plan and route optimization study – FTA has indicated that it supports Jackson doing this. Study would include recommendations on contracting vs. making transit services internal to City (see attached memo on my initial assessment of internalizing transit services).