



**Massachusetts Bay  
Transportation Authority**

# Bus Peak Service Expansion

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Fiscal and Management Control Board

January 13, 2020

Kat Benesh

# Overview

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- MBTA has purchased 60 additional buses (December 2019) to add additional peak service
- **Would allow for ~5% increase in peak service**, which can be used for better meeting Service Delivery Policy Standards
- FMCB requested that staff review options for operating and maintaining these new buses internally vs. externally
- MBTA currently uses third-party vendors for both fixed route bus service (i.e. Winthrop, Canton, Hull) and on an ad hoc basis to support capital diversions



# Overview of two options

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- At FMCB's direction, staff are simultaneously exploring two options for operations & maintenance of new 60 bus fleet:
  - **Use third-party vendor** to operate and maintain buses
  - Operate and maintain buses with **internal MBTA resources**
- Both options have pros and cons/risks and implications for organization

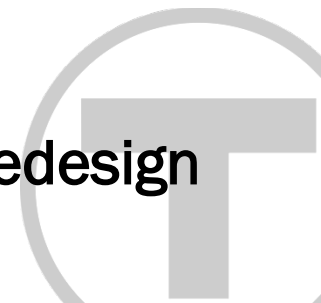


## Option for O&M by third-party vendor

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*Based on learnings from existing contracts and RFPs (including recent RIDE RFP process), as well as other agencies:*

- Contract both **maintenance and operations** of new buses, but not any MBTA facilities
- **Contract out existing routes** (~10 routes) that are established and have clustered starts or ends away from MBTA garages
  - MBTA then repurposes **existing buses** on these routes elsewhere in system
- **Offer two distinct packages**, and allow bidders to bid on 1 or both packages to encourage smaller operators
- **Match contract with half-life of asset** (5 years with two 1-year options), MBTA retains control over mid-life overhaul
- Retain ability to **change schedules, routes**, and consider future of **Network Redesign**



# Selection criteria for route package for third-party vendor option

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**Preliminary selection of ~10 routes under development based on multiple criteria:**

- Multiple routes that start or end in close proximity
- Routes where a third-party vendor may have a “deadheading” advantage over existing MBTA garages
- Simpler routes, with fewer stops and/or usage of highways for less operational complexity (e.g. express routes)
- Preference for weekday-only routes (if weekend, potentially retain weekend operations internally)

Multiple criteria used to select potential routes – not all criteria applied to all routes, but seeking **cluster of routes** potentially attractive to third-party vendor(s)



## Option for O&M by MBTA resources

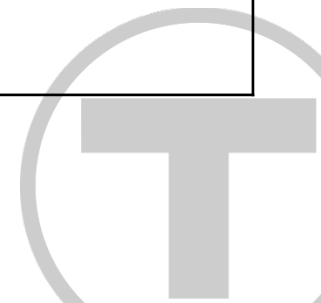
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- Developing plan to **locate 60 buses across multiple garages**, due to significant capacity constraints
- **Developing plan for utilization of 50 buses** (maintaining 20% spare ratio), which is partially dependent on where buses are garaged
  - **Final deployment of additional buses may vary depending on option** (internal vs. third-party vendor) **ultimately pursued**
- Assuming 5% increase in peak service hours, would **require hiring of additional operators and inspectors** (~50-70 FTEs), and **machinists and fuelers** (~10-15 FTEs) – exact number depends on garage of buses and how utilized



# Comparative timelines

		O&M by MBTA resources	O&M by third-party vendor(s)
Timeline	Bus procurement	<ul style="list-style-type: none"> <li>Dec 9<sup>th</sup>, 2019</li> </ul>	<ul style="list-style-type: none"> <li>Dec 9<sup>th</sup>, 2019</li> </ul>
	RFP	<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>~February</li> </ul>
	Bus delivery	<ul style="list-style-type: none"> <li>By Nov. 2020</li> </ul>	<ul style="list-style-type: none"> <li>By Nov. 2020</li> </ul>
	New service start	<ul style="list-style-type: none"> <li>Dec. 2020</li> </ul>	<ul style="list-style-type: none"> <li>March 2021 (best case scenario)</li> </ul>
Pros		<ul style="list-style-type: none"> <li>Quickest Expansion</li> </ul>	<ul style="list-style-type: none"> <li>Potentially reduces costs</li> </ul>
Cons / Risks		<ul style="list-style-type: none"> <li>Garages over capacity, decreasing operational efficiencies</li> <li>Will require capital improvements in facilities</li> <li>Potentially higher cost of operations</li> </ul>	<ul style="list-style-type: none"> <li>Potentially misaligned timeline between receipt of vehicles and operations</li> <li>Labor concerns</li> </ul>



## Next steps

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- Formalize and structure proposal for deployment of new (additive) peak service hours for internal option
- Develop, finalize and issue RFP for third-party vendor operations and maintenance
  - Bid responses expected early summer
- Develop CIP proposal for FY21-25 cycle for minor facility improvements for in-house option

