

**COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION**

DATE: July 6, 2011

TO: Supervisor Michael Mayo, Sr., Chairperson, Transportation, Public Works & Transit Committee

FROM: Jack Takerian, Director, Transportation & Public Works
Lloyd Grant, Jr., Managing Director, MCTS

SUBJECT: Discontinuation of Transit Van Pool Program – For Information Only

POLICY

MCTS periodically provides informational updates to the Committee on transit issues.

BACKGROUND

In 1994, MCTS created a van pool program in the Milwaukee County/Southeastern Wisconsin region by utilizing a combination of State Transportation Demand Management Program funds and Federal funding through the Congestion Mitigation and Air Quality Improvement Program (CMAQ). The van pool program was established in an effort to improve air quality by reducing the number of single occupant vehicles; improve mobility by serving areas that do not require a 40 foot passenger vehicle; increase market share of commuter travel; and provide a cost-effective means of serving non-traditional transit markets.

Today, MCTS has 14 passenger vans in the van pool program, all of which are utilized by area commuters. Van pool participants include: 128th Air Refueling Wing (8 vans with 41 daily passengers); Transportation Security Administration (4 vans with 17 daily passengers); Badger Meter (1 van with 6 daily passengers); and Northwestern Mutual (1 van with 4 daily passengers).

The Federal Transit Administration defined service life for a van is 4 years or 100,000 miles. The age of these vehicles ranges from 5 years to 9 years with the oldest vehicles averaging over 117,000 miles each. As these vehicles have aged, expenses largely attributed to vehicle operating and maintenance costs have exceeded revenue generated from user fees. A reserve built up from user fees during the initial vehicle warranty period is slowly being depleted to cover rising maintenance expenses. MCTS projects the reserve will have a zero balance by year-end 2011 requiring tax levy support to continue the van pool program.

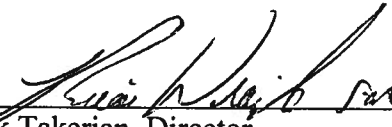
In light of recent State action to reduce transit operating aid, anticipated service cuts in fixed route service and the fact that the van pool program is no longer self-sustaining, MCTS intends to discontinue the van pool program by year-end 2011. Vehicles will be sold through auction.

RECOMMENDATION

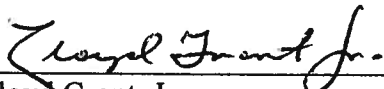
This report is for informational purposes unless otherwise directed.

Prepared by: Lloyd Grant, Jr., Managing Director, MCTS

Approved by:



Jack Takerian, Director
Transportation & Public Works



Lloyd Grant, Jr.
Managing Director, MCTS

cc: Chairman Lee Holloway, County Board of Supervisors
Terrence Cooley, Chief of Staff, County Board of Supervisors
George Aldrich, Chief of Staff, Milwaukee County Executive Chris Abele
Josh Fudge, Fiscal and Budget Analyst, Department of Administrative Services