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Denver, CO 80222

Provided to the Transit & Rail Advisory Committee (Meeting date: April 14, 2017)

DATE: April 19, 2017

TO: Transit & Intermodal Committee

FROM: Mark Imhoff, Director, Division of Transit & Rail

SUBJECT: Bustang Outrider/Rural Regional Bus Planning

Purpose

To update the Transit & Intermodal Committee on the planning for Bustang Outrider rural regional bus service implementation, and potential future phases.

Action

No action requested, informational only.

Background

The Statewide Rural Regional Bus Network plan was presented to the Transit & Intermodal Committee at the July 20, 2016 meeting. A rural regional bus procurement (6 buses), and the San Miguel County Park & Ride were approved in August with SB 228 transit funds. Updates were included in the September and October Transit Program Workshops. The selected brand, Bustang Outrider, was unveiled in November.

CDOT manages limited federal funds which are available for rural regional bus connections. CDOT currently receives approximately \$1.72M/year in FTA Section 5311(f) funds dedicated to providing rural connections to the intercity transit network, including national commercial bus operators, such as Greyhound. Under the FAST Act, the FTA Section 5311(f) funds will grow to \$1.8M in calendar 2020.

CDOT, utilizing the annual 5311(f) funds, currently allows public and private providers to apply by route for subsidies/funding to operate rural connection routes, shown in Figure 1. The current practice has benefits, but it is not coordinated into a state network, includes amortized capital in the reimbursed operating costs, and is not branded as an integrated product. The Intercity and Regional Bus Network Study (2014) and the Statewide Transit Plan (2015) identified the rural regional needs and began to develop a framework for a statewide rural regional system. After close evaluation of the current 5311(f) routes and stakeholder outreach, a reconfiguration of the current 5311(f) network routes was developed. The reconfiguration will better serve the rural communities, increase productivity, and remain financially constrained. As approved by TC resolution in August 2016, SB 228 funds are providing the initial capital needs, i.e. buses and Park & Rides. Smaller buses, sized to rural demand levels, are being procured for the initial rural regional routes. The plan optimizes the usage of limited operating funds by leveraging other available sources of capital funding.

Details

A statewide interregional (Bustang) and rural regional (Bustang Outrider) network has been developed as an integrated system to provide connections between local transit agencies and rural access to urban centers. This ultimate statewide network is shown in Figure 2. Implementation of the statewide network has been divided into deliverable phases as funding becomes available.

The service delivery model has two components. First, Bustang is the interregional spine of the network operating along the I-25 Front Range and I-70 Mountain corridors, and service is provided through a private contract operator. The Bustang delivery model works well given the number of routes and runs, the number of buses, and the central hub at Denver Union Station. The Outrider rural regional network of routes has different characteristics with dispersed routes, only one roundtrip/day on each route, and the associated dispersed fleet. For these reasons, a delivery model is being pursued of partnerships with local transit agencies. The partnerships would include the local

transit agency providing the Outrider service, and CDOT providing the branded buses and reimbursement for the full operating cost. This type of arrangement has worked well for the current Durango to Grand Junction route operated by SUCAP under the 5311(f) program. An added benefit will be the creation of a Bustang/Outrider Steering Committee comprised of each Outrider local agency, providing guidance and input on the rural regional network, operational interface and potential further expansion.

The reconfiguration of the current 5311(f) routes has begun:

- The 5311(f) operating grant to Black Hills Stage Lines for the Denver to Omaha run was eliminated effective January 1, 2017; saving \$80k/year. There is a second competing, non-subsidized service in the corridor, and Black Hills Stage Lines continues to offer the service.
- An 18-month notice was given to Kansas DOT in January 2017 that CDOT will discontinue the Colorado portion of the two-state 5311(f) grant to Village Tours for the service between Wichita and Pueblo effective July 1, 2018. Ridership on this service is very poor; Kansas subsequently opted to discontinue the service after June 30, 2017, six months earlier than proposed by CDOT.
- The 5311(f) operating grant to SUCAP for the Durango to Grand Junction service has been hampered by mechanical issues with old, high mileage buses, causing missed days of service. An IGA has been executed with SUCAP loaning them a Bustang bus until the new branded Outrider buses arrive.
- Greyhound currently receives a 5311(f) grant to subsidize the service between Denver and Grand Junction (\$260,000/year). Discussions with Greyhound are on-going over the possibility of CDOT taking over the operation of this route as a Bustang route.
- Greyhound currently receives a joint 5311(f) grant from Utah and Colorado to provide a daily roundtrip between Denver and Salt Lake City along US 40 (Colorado grant; \$467,536). This route is successful for both states and is not included in the Outrider 5311(f) reconfiguration.
- Six smaller 35 foot over-the-road coaches are in the procurement process; SB 228 funds. The initial solicitation produced two non-responsive bidders. The solicitation was re-advertised and is in the evaluation phase. It is estimated that a manufacturer will be selected and that buses will be delivered within the first two quarters of 2018.

To complete the reconfiguration of the current 5311(f) routes and shown on Figure 2, discussions have begun with local transit agencies exploring partnerships where they would operate the service, and CDOT would procure the branded Outrider buses (SB 228 funds) and cover the operating cost through a 5311(f) grant. These routes include:

- Lamar to Pueblo;
- Alamosa to Pueblo; and
- Gunnison to Denver.
- In addition, it is hoped that the existing SCCOG service from Trinidad to Pueblo can be included within the 5311(f) operating fund limits, but that assessment is pending the cost analysis on the other routes.
- If partnerships with local transit agencies cannot be negotiated then the service would be offer for bid to private providers.
- In collaboration with the CDOT Communications Office, an outreach program is being initiated to seek input from each community to be served by the reconfigured 5311(f) Outrider rural regional routes. The outreach is structured to be informational, and to seek input on optimal service schedule and stop locations.
- As mentioned above, six Outrider buses are in the procurement phase. Two are committed to SUCAP for the Durango to Grand Junction service. The other four would be deployed to local transit agencies for the above routes. As partnership agreements are developed an assessment of the Outrider bus needs will be updated. If additional buses are needed they will appear on the recommended project list for the FY2017 SB 228 transit funds.

The ultimate statewide interregional and regional network described above and shown on Figure 2 identifies rural regional routes beyond the current 5311(f) service. As demonstrated above, focus was first given to maximizing the benefit from the 5311(f) annual funds. Beyond 5311(f) funds, the FASTER Statewide program allocates \$1.0M/year to operating funds for rural regional service operated by local agencies; TC resolution T-15-2-2, 2/19/2015. To date \$550k is utilized, leaving \$450k available. Until the \$450k/yr is programmed for operating purposes, the money is being allocated to capital projects. As the Outrider rural regional concept is being discussed with our Grant Partners, interest is being gauged for those local transit agencies interested in operating service on the statewide network. It is envisioned that two or three of these routes could be added to the 5311(f) funded Outrider routes, and funded

through the remaining \$450k in FASTER Statewide annual funds. If agreement in principle is reached, CDOT would need to purchase buses for use on the service, and a order of additional buses would be included in the project list for the FY 2017 SB 228 transit funds. Consistent with the Intercity and Regional Bus Network Study and stakeholder, TPR Transit Plans and stakeholder input, the routes being considered include:

- Steamboat Springs to Frisco
- Sterling/Fort Morgan to Greeley
- Greeley to Ft Collins
- Gunnison to Montrose
- Dove Creek/Cortez to Durango
- Limon to Colorado Springs
- Craig/Rifle to Grand Junction
- Pagosa Springs to Durango
- Montrose to Grand Junction

It is important to stress that reconfiguring the existing 5311(f) rural regional network, and redefining the delivery methods is all within current dedicated funding. The current outreach beyond 5311(f) funding is exploring the possibility of utilizing the remaining unused FASTER Statewide Operating funds (\$450K of the \$1M/year allocation), and SB228 for bus purchases.

Next Steps

- Complete small coach procurement (six buses) - 2nd quarter 2017.
- Outreach to all local communities that will be served by the restructured 5311(f) Outrider rural regional routes; seeking input on service schedule and stop locations.
- Gauge interest in local transit agency/CDOT partnerships for Outrider operations.
- Present Outrider rural regional status, including local partnership interest and progress, to the Transit & Intermodal Committee in July, 2017.
- Present Outrider rural regional 2018 plan, including recommended bus needs beyond the six approved buses, to the Transit & Intermodal Committee in October, 2017.
- Seek approval from the Transportation Commission for SB228 transit projects - November, 2017.

Figure 1: Existing Intercity & Regional Services Using 5311(f) Funds

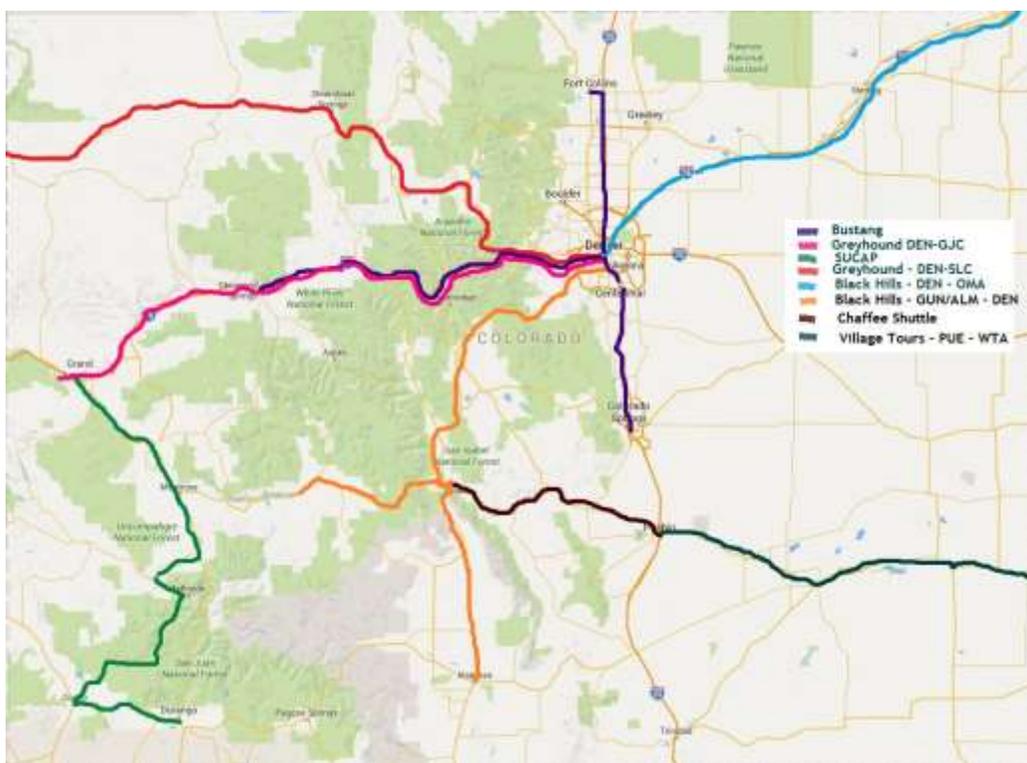


Figure 2: Ultimate Bustang & Outrider Network

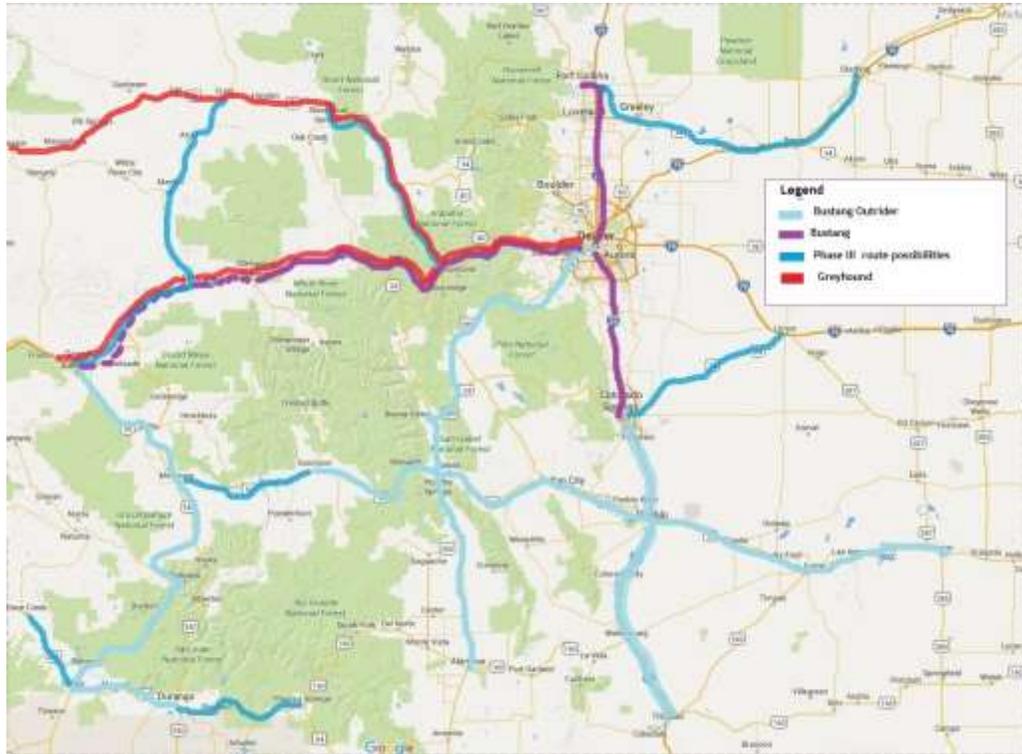
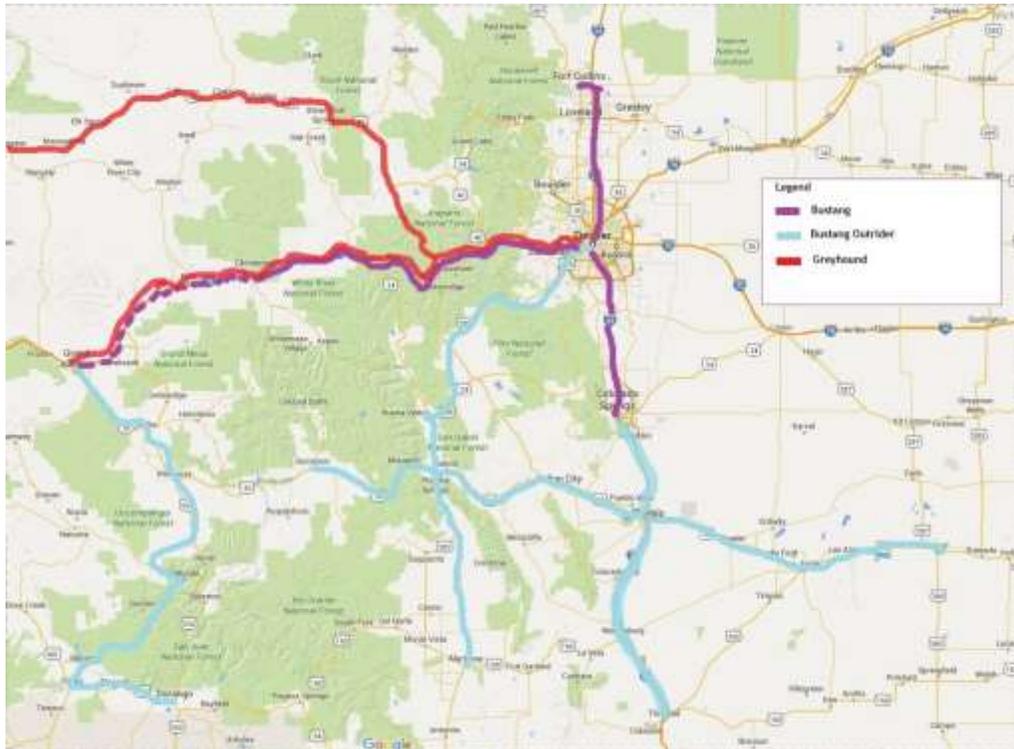


Figure 3: Bustang & Reconfigured Outrider Network Using 5311(f)





COLORADO
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Transit & Rail Advisory Committee

April 14, 2017



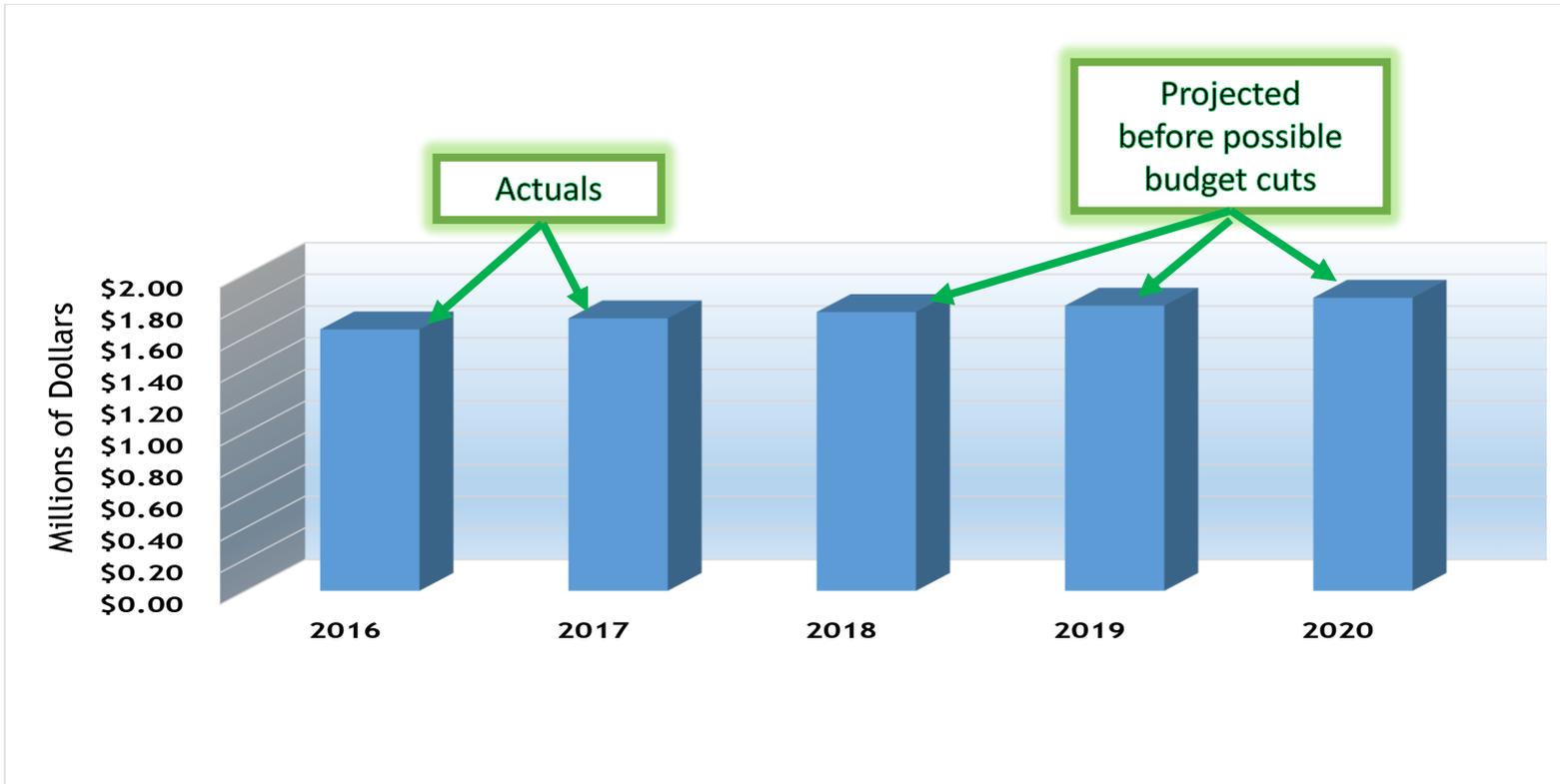
Bustang Outrider Background

- **Outrider is the re-branding of the current intercity bus rural regional 5311(f) program administered by CDOT for several years.**
- **This fiscally constrained effort will result in a marketed state-wide service with prioritized routes solicited with stakeholder and TPR/MPO input**
- **Funded with FTA \$5311(f)**
 - **May use unallocated FASTER Operating funds later**
- **The Outrider bus network will enhance the existing network**
 - **Provide CDOT owned fleet with the latest amenities and comfort**
 - **Provide a more robust policy foundation**
 - **Fix the current inconvenient time tables**
 - **Addresses multiple markets and needs not met today**
 - ✓ **Requires connectivity to the intercity bus network**
 - ✓ **But flexed to provide travel needs for day trips to regional centers**



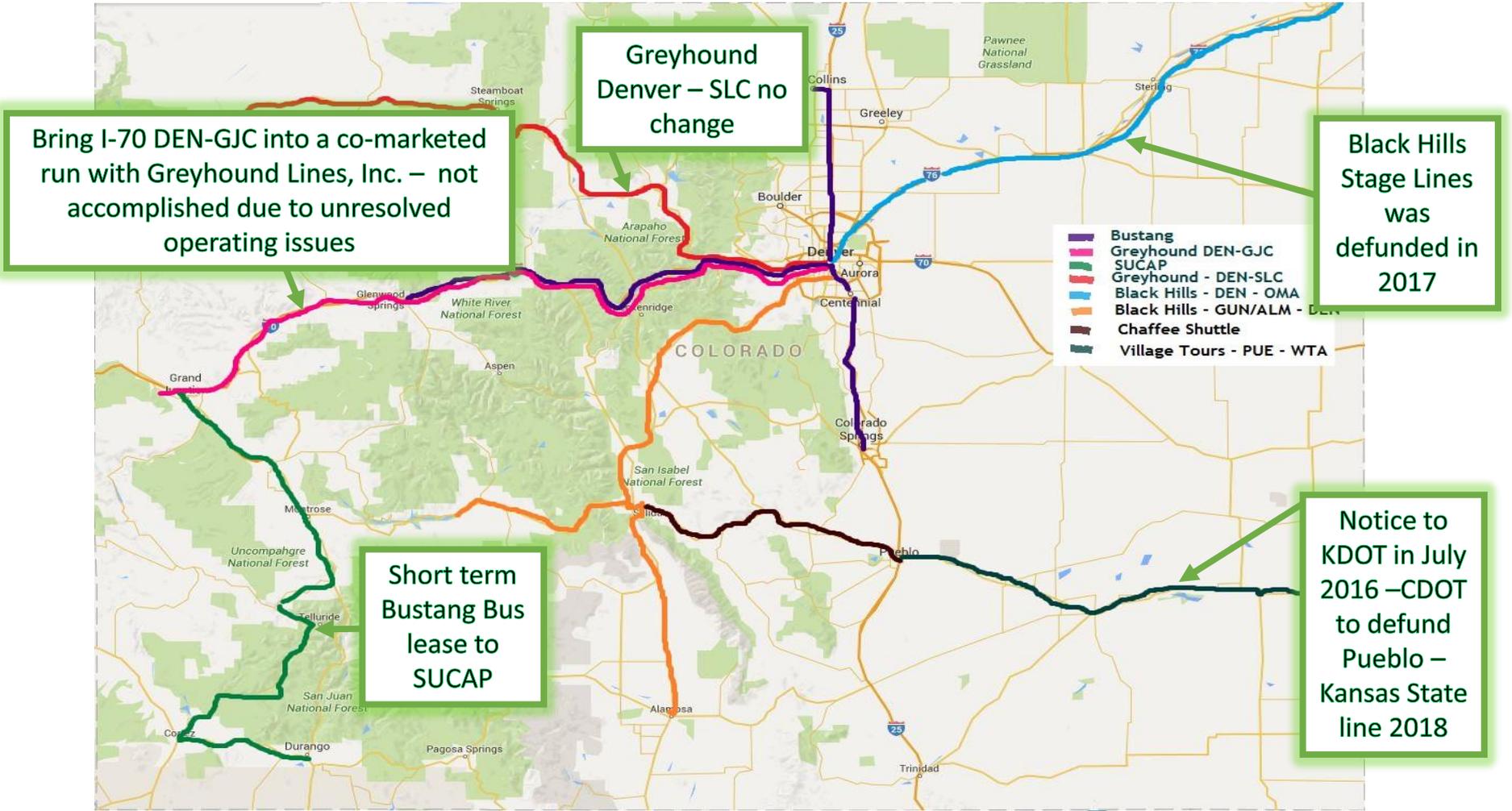


FAST ACT Colorado 5311(f) Apportionment





FY 2016-17 Year One of Bustang Outrider





FY 2018-19 Year TWO of Bustang Outrider



Bustang to supplant Greyhound for the Denver – Grand Junction subsidized run

Black Hills Stage Lines continue to operate route without subsidy

SUCAP Roadrunner transitioned to Bustang Outrider

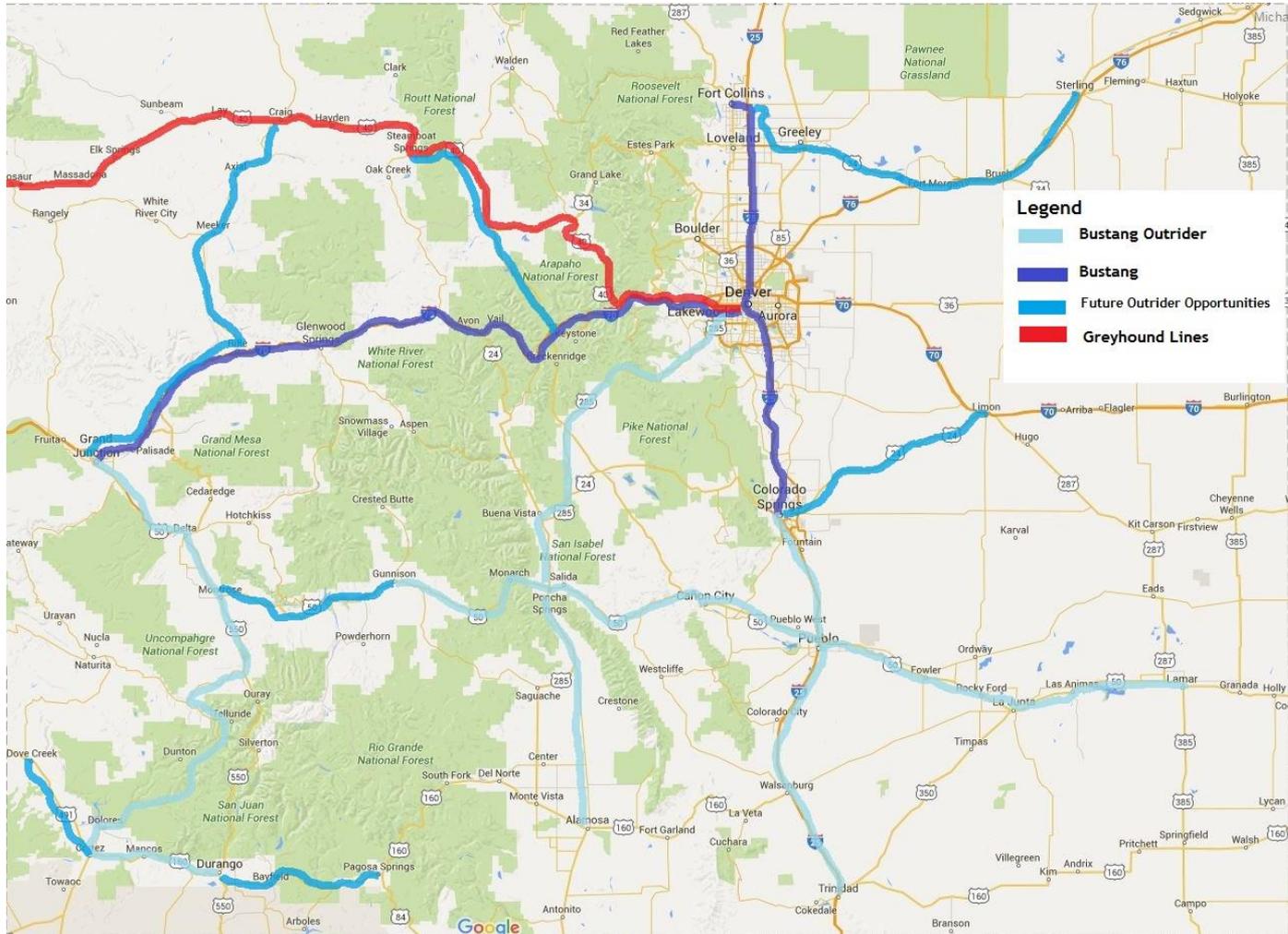
Local Partnerships or Contract
Alamosa - Pueblo
Gunnison - Denver
Lamar - Pueblo/Colo Springs
Trinidad - Pueblo ??

KDOT & Village Tours gave notice last trip will be June 30, 2017-





Future Bustang Outrider Network (P III)





Bustang Outrider - Local Partnerships

- CDOT will provide rolling stock (SB 228) - 35 ft coaches
- CDOT will provide 5311(f) and in-kind match
- CDOT will assist in securing FMCSA operating authority
- CDOT will assist in securing National Bus Traffic Association membership (required by the ICB industry).
- If agency operated - public partner must provide \$5M in comp auto liability
 - Feds will not accept self insurance
 - Feds will not accept insurance pools
- Formal working group of 5311(f) providers?
 - Bustang/Outrider subcommittee





35 ft. Coach Bidders



Bus/Model: Caio G3400
Nation of Origin: Brazil
Bidder/Distributor:
Davey Coach Sales
7182 Reynolds Dr.
Sedalia, CO 80135



Bus/Model: Van Hool CX35
Nation of Origin: Belgium
Bidder/Distributor:
ABC Companies
1702 So. Great SW Pkwy
Grand Prairie, TX 75051





NEXT STEPS

- **Select Outrider Bus Manufacturer - 6 buses**
- **CIG to begin stakeholder outreach**
- **Offer to Local Partners or Advertise RFP for projected June 2018 launch**
 - Gunnison - Denver
 - Alamosa - Pueblo
 - Lamar - Pueblo & Colorado Springs
 - Trinidad - Pueblo (pending funds availability)
- **Prioritize next phase city pair partnerships**
 - Bustang/Outrider subcommittee





QUESTIONS?

Thank you!

