

THE BUZZ ON THE BEE LINE

**BIDDING**

**FOR A**

**BETTER**

**BEE-LINE**

**Bringing Westchester's Bus System into the Future**



## The Buzz on the Bee-Line

Bidding for a Better Bee-Line: Bringing Westchester's Bus System into the Future

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Tri-State Transportation Campaign is a 501(c)(3) non-profit policy and advocacy organization dedicated to mobility, accessibility, and livability in New York, New Jersey, and Connecticut. TSTC uses data and policy analysis, along with strategic media outreach, to influence decision-making throughout the metropolitan region.

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TRI-STATE TRANSPORTATION CAMPAIGN



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IMAGE SOURCE: BY FLUSHINGLOCAL

# EXECUTIVE SUMMARY

Westchester County is a diverse, dynamic place, with a population of over one million residents and growing. Westchester is home to some of the nation's most successful companies and individuals, but also home to many economically disadvantaged neighborhoods, where many people are often trapped by limited mobility options. In recent decades, the cities, towns, and villages within the County have seen rapid growth and changed substantially, evident in the ever-evolving educational facilities, employment centers, and retail clusters. The growing population is rich with even more diversity, but at the same time, income and wealth disparities are also expanding.

**If there's one word that characterizes Westchester County over the past fifty years, it's: *Change*.**

**But if there's one word that characterizes Westchester County's bus system, the Bee-Line, over that same period, it's the opposite: *Stuck*.**

As Westchester's population has grown and residents' transportation needs have profoundly changed, the Bee-Line has barely changed at all. Today, the residents of Westchester County are saddled with an antiquated, under-performing, inefficient and unaccountable bus system that is woefully inadequate for today and tomorrow's needs. Our independent analysis finds that Bee-Line service underperforms in several key metrics such as: expense per vehicle, expense per revenue hour, deadhead miles, and overall open and accessible data transparency. A noncompetitive bidding process that guarantees continued Liberty Lines operation likely contributes to inadequate service.

Routes are generally infrequent, do not go where lots of people want to go, and operating costs are above-average while service levels are below average. Performance metrics based on public data prove that Westchester County's transit is inferior in most respects to the service in peer jurisdictions like Nassau County, and other similar systems around the U.S.

The inadequacy of the Bee-Line, as currently managed, is not an accident. The poor bus service is the direct result of an opaque governance system granting a permanent contract monopoly to a private company with minimal public oversight, a lack of responsiveness to evolving consumer preferences, and decades of political leadership that neglected transit riders' needs.

The Bee-Line's multiple and inter-related flaws can be fixed. Community and political leadership can demand and deliver the transit improvements that Westchester deserves. Now is the time.

# INTRODUCTION AND BACKGROUND

Operating directly north of the nation’s largest bus network in New York City, the Bee-Line bus system provides service to the residents and workers of Westchester County, a diverse county of just under one million residents and counting. The County is a mix of urban and suburban communities, with six cities (Yonkers, White Plains, Mount Vernon, New Rochelle, Rye, and Peekskill), 19 towns, and 23 villages.

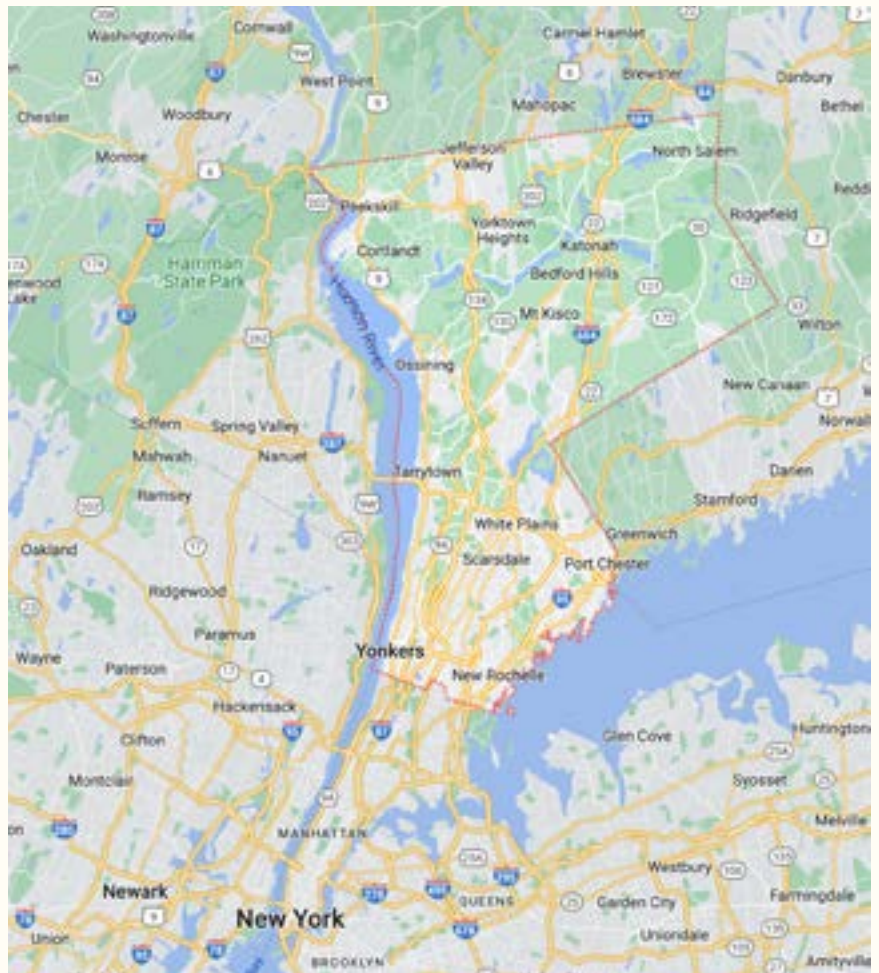
Bee-Line operates in part as an extension of New York City’s transit system by connecting Westchester riders to parts of the Bronx and to Metro-North commuter rail which runs three bidirectional lines in Westchester that serve Manhattan, and it is vital in transporting Westchester residents all over the County. Each week, the Bee-Line connects nearly 100,000 people to jobs, schools, and other essential services through its 58 bus routes, ultimately providing service to over 27 million passengers annually.<sup>1</sup>

According to the U.S. Census ACS data, 15 percent of households (50,000) in Westchester County do not own a car.<sup>2</sup> Additionally, some prefer not to drive, so their mobility is largely tied to bus routes and schedules. For these Westchester County residents, a reliable public transportation system is necessary to ensure that their way of getting to places is dependable, in order to enhance and safeguard their livelihoods. Many also opt to take public transportation because it is better for the environment. Forty percent of the County’s greenhouse gas emissions are from transportation alone.<sup>3</sup> Fewer personal vehicles on the road leads to reduced traffic congestion, which improves air quality and the county’s overall greenhouse gas emissions.

Stretching from the Hudson River on the west to Long Island Sound on the east, Westchester has significant transportation demand in all directions, yet its primary public transit offerings remain oriented on a north-south axis, as if Manhattan were the center of the universe and major cities like Yonkers, White Plains and New Rochelle are mere satellites orbiting it.

The County is currently working on a project called the Westchester County Mobility and Transit Plan,<sup>4</sup> a bus network redesign plan that analyzes current ridership, routes, and mobility patterns

and adjusts these routes based on the current need. In August 2022, the County released the first round of "Suggested Changes," which adds more service to Lower Westchester where ridership is highest and significantly reduces service in Northern Westchester, replacing fixed route service with new "micro transit zones". The redesign also includes a Fare Reciprocity policy with Metro-North that would offer riders a reduced fare to travel on MetroNorth within Westchester County limits, with free transfers to the Bee-Line. The Mobility and Transit Plan is still in proposal phase and still requires additional information on how the redesign can ensure a better ride for Bee-Line customers. These details ideally should include how these micro-transit zones would work, how Westchester will obtain approval from the MTA board for a fare reciprocity program, which would allow MetroNorth and Bee-Line riders to transfer for free or take a trip at the same cost as a Bee-Line trip, and how Westchester County will gather further public feedback for this process and maintain best practices and oversight over the Bee-Line.



*Map of Westchester County, NY (Image source: Google Maps)*

Given the need for public transit in Westchester County, and given the fact that the County is currently undergoing a redesign process of its bus network, the staff at Tri-State Transportation Campaign and members of the Westchester Bus Riders Council were interested in examining how well this system operates and serves its community. For over 50 years, the operation of the Bee-Line has been contracted to Liberty Lines, a private service provider. While many municipalities contract out cost-effective transit service, Westchester's contract and bidding process is abnormal, and the service is inefficient compared to other systems.

# LIBERTY LINES AND WESTCHESTER COUNTY'S CURRENT CONTRACT

Westchester County has a unique relationship with Liberty Lines as the contract's bidding process has never allowed for any competition. Their contractual arrangement is unusual not only because lack of competition almost invariably produces poor outcomes for the consumer, but also because it would appear to be contrary to federal regulation for any agency receiving Federal Transit Administration (FTA) funds, as Westchester County does. FTA regulations normally require transit agencies who use contracted operators to regularly conduct open procurements. Westchester County has apparently evaded the "spirit" of that requirement by going through the motions of periodically complying with the "letter" of it, but using provisions of the current contract to effectively discourage bidders other than the incumbent, Liberty.

The current agreement between Westchester County and its Bee-Line bus operator, Liberty Lines, contains no protections for the County nor any measures about the quality of service being delivered, which is very unusual for any contract. Instead, the contract contains several concerning one-sided stipulations that would make it difficult for anyone but Liberty Lines to take over the contract greatly disadvantage the government of Westchester County and advantage Liberty Lines' position as an unfairly favored incumbent:

*"The County does not currently hold the NYSDOT Certificates for the routes served by the Bee-Line. Rather, the current Bee-Line contractors hold the NYSDOT Certificates. Liberty has alleged that it is entitled to certain rights under federal and state law, including the right to compensation by the County, if a contract for services for the bus routes for which Liberty currently holds NYSDOT Certificates is awarded by the County to any party other than Liberty, and that the County will owe compensation for Liberty's tangible and intangible assets."<sup>5</sup>*

This clause can be construed to mean that if Westchester County were to award the contract to anyone but Liberty Lines, Liberty would pursue a lawsuit as an attempt to scare off other bidders and maintain their position. Additionally, the contract states:



*The Successful Proposer will be required to post a performance bond, in a form approved by the County Attorney, and executed by a surety company authorized to do business in the State of New York, in an amount equal to ten percent (10%) of the proposed Contract price for the first year of the Work as proposed by the Successful Proposer.”<sup>6</sup>*

If this clause were to be sustained, any new operator would be responsible for this performance cost which is 10% of the annual operating cost, or \$14.5-\$16 million since the total operating budget fluctuates from \$145-\$160 million. Additionally:

*“To the extent that Liberty and/or the Trustees make any claim for compensation against the County if the contract for the portion of the Work currently performed by Liberty is awarded to any party other than Liberty, the Successful Proposer will be required to defend and indemnify the County against any such liability, including but not limited to any liability whatsoever under MPPAA, at the Successful Proposer’s sole cost and expense, and post a bond prior to the execution of a contract to secure this obligation in the amount of **Twenty Million Dollars (\$20,000,000.00)**, which shall be in a form approved by the County Attorney. The bond underwriter or surety must appear on the United States Treasury Department’s listing of approved sureties (as specified in its Department Circular 570) and all sureties must be licensed to transact business in New York as a surety company. The County will agree to provide the Successful Proposer with all reasonable and necessary assistance to conduct a defense against Liberty’s or the Trustee’s claims, such as access to any relevant County documents or personnel.”<sup>7</sup>*

Again, this clause has been construed to mean that if Westchester County were to explore contracting with a company other than Liberty Lines, the successful bidder would be responsible for all legal costs against the County as well as a \$20 million bond to be posted. This untenable stipulation is in addition to the performance bond stated above. These conditions are “poison pills” designed to prevent competitive operators from even considering making a bid to replace Liberty Lines.

All of these terms and conditions have previously been interpreted by some Westchester policy-makers, and certainly by Liberty Lines, to make it all but impossible for anyone except for Liberty



Lines to bid–Westchester County has been signing on to this contract and giving Liberty Lines preferential treatment. This is an interpretation of the contract by Westchester County that should be reexamined. A non-competitive process is contrary to good business practice, contrary to federal regulation, and bad for bus riders and all taxpayers. The County leadership needs to aggressively move to remove these conditions and allow competition which will better serve riders. The sub-standard transit that plagues Westchester has been allowed to persist for too long and is not in the interest of Westchester County taxpayers.

The current Liberty Lines contract to operate the Bee-Line expires December 2023. Westchester County leadership is at a fork in the road right now: will it yet again re-award the contract to Liberty Lines without any competition, thereby locking in over-priced and inefficient service for another five years, or will it finally conduct an open bidding process and attract new offers for more effective bus service?

Before comparing the quantitative data, two qualitative factors about Westchester's approach to contracting leapt out as uniquely negative compared to every other jurisdiction. It cannot be understated just how unusual these factors are, and how they are the root of the substandard transit that Westchester residents now receive as a result:

- One, unlike every other major urban area that deploys a contracted operator, and contrary to international best practice, Westchester has *never* held an open competitive bidding process. It simply re-awards the contract to the same operator, Liberty Lines, decade after decade. This lack of meaningful competition virtually guarantees Westchester County will not obtain a market price and that the operator, Liberty Lines, will have no incentive to perform well.
- Two, again unlike other major transit agencies, Westchester County lacks meaningful contract oversight capacity to oversee Liberty's performance, or any means to reward good performance or penalize substandard performance.

Remedies for those two highly irregular factors, by requiring the Bee-Line to conform to national good practice, are addressed below. Meantime, the data shows just how detrimental these contract factors are in the outputs being produced by the Bee-Line as currently managed.

# COMPARISONS TO OTHER SYSTEMS

To assess the Bee-Line’s managerial effectiveness and quality of product provided to riders, our research team at TSTC put together a comparative analysis of the Bee-Line to other similar transit systems around the county using 2020 data from the [National Transit Database \(NTD\)](#).<sup>8</sup> A government agency contracting with a private company to provide public transit service is a very common practice in Europe, Latin America, and Australia and New Zealand, but relatively uncommon in the U.S. However, several good examples do exist in this country, including the nearby Nassau Inter County Express (NICE) system and Suffolk County Transit (SCT), both on Long Island, which like Westchester contract with private companies to provide bus service. Agencies like these within the same state and geographic area should be expected to have similar state policies and similar jobs and labor markets, as well as similar externalities such as weather and road conditions that make for a closer comparison.

We filtered for additional similar larger contracted systems (over 100 buses in operation during maximum service) to roughly match the scale of the 270 buses for Bee-Line’s max service operations around the country, which include relatively large bus systems in Austin, Texas; Las Vegas, Nevada; and heavily populated suburban jurisdictions adjacent to Los Angeles.

**Comparison of Contracted Bus Transit Systems Similar to Bee-Line**

Company Name	Vehicles Operated in Maximum Service	Vehicle Hours	Revenue Hours	Service Area Population Density	Service Area Population	Route Miles	Passenger Trips Per Revenue Hour	Average Age of Fleet (in years)
Regional Transportation Commission of Southern Nevada	309	1,556,442	1,503,124	7,174	2,008,655	1,224.66	37.07	5.61
City and County of Honolulu	453	1,618,361	1,435,169	3,441	953,207	1,082.80	33.82	11.98
<b>Westchester County</b>	<b>270</b>	<b>737,297</b>	<b>654,720</b>	<b>2,150</b>	<b>967,506</b>	<b>1,014.20</b>	<b>25.42</b>	<b>10</b>
Pioneer Valley Transit Authority	143	362,431	334,461	1,826	551,543	731	24.32	9.73
Los Angeles County Metropolitan Transportation Authority	134	505,209	457,203	5,869	8,621,928	616.88	22.54	5.73
County of Nassau	229	785,461	697,327	4,700	1,339,532	767	20.45	7.83

Comparison of Contracted Bus Transit Systems Similar to Bee-Line (continued)								
Company Name	Vehicles Operated in Maximum Service	Vehicle Hours	Revenue Hours	Service Area Population Density	Service Area Population	Route Miles	Passenger Trips Per Revenue Hour	Average Age of Fleet (in years)
City of Los Angeles	169	696,293	640,574	10,429	4,849,476	389	20.14	7.42
San Diego Metropolitan Transit System	296	1,142,780	1,056,021	3,420	2,462,707	983.74	19.21	6.14
City of Tucson	198	736,438	689,783	2,472	828,206	1,087.30	179	8.68
City of Phoenix Public Transit Department	419	2,057,036	1,761,106	3,913	2,034,618	1,612.00	17.22	5.62
Orange County Transportation Authority	166	587,485	535,547	6,644	2,909,983	1,115.00	17.14	12.38
Capital Metropolitan Transportation Authority	320	1,377,649	1,297,870	2,415	1,318,322	928.3	16.13	5.29
City of Charlotte North Carolina	190	788,840	745,329	1,930	1,302,619	910.97	16.06	9.22
Milwaukee County	280	1,279,185	1,231,961	3,924	945,726	1,091.00	14.64	6.29
Metropolitan Transit Authority of Harris County, Texas	116	591,714	559,191	2,871	3,757,692	1,167.68	14.55	5.11
New Jersey Transit Corporation	182	678,506	580,777	1,989	10,594,013	679	13.62	7.94
Denver Regional Transportation District	342	1,035,847	950,183	1,247	2,920,000	1,174.30	13.2	9.95
North County Transit District	140	476,169	441,692	3,081	1,047,692	720.1	11.7	11.18
Foothill Transit	308	1,138,636	850,559	4,636	1,515,836	1,000.96	11.6	6.79
New Orleans Regional Transit Authority	110	459,320	432,374	5,202	390,144	670.7	11.28	8.83
Regional Public Transportation Authority	323	1,108,093	1,025,220	4,108	2,661,744	1,930.94	10.86	6.53
Fairfax County, VA	237	807,211	741,893	2,833	1,152,873	1,306.94	9.15	9.05
County of Miami-Dade	148	295,296	238,990	8,158	2,496,435	601.8	7.96	7.67
Minnesota Valley Transit Authority	136	137,101	102,929	2,031	282,253	492.7	7.6	6.54
Suffolk County	116	432,470	392,665	1,619	1,476,601	1,300.49	5.69	4.49

Figure 1: Comparison of Contracted Bus Transit Systems Similar to Bee-Line

Overall metrics on Westchester’s Bee-Line service show that the Bee-Line operates an older fleet (average age of 10 years), in a lower population density service area and with high overall route mileage (1014.20 route miles) compared to other systems across the country.

## Vehicles in Maximum Service

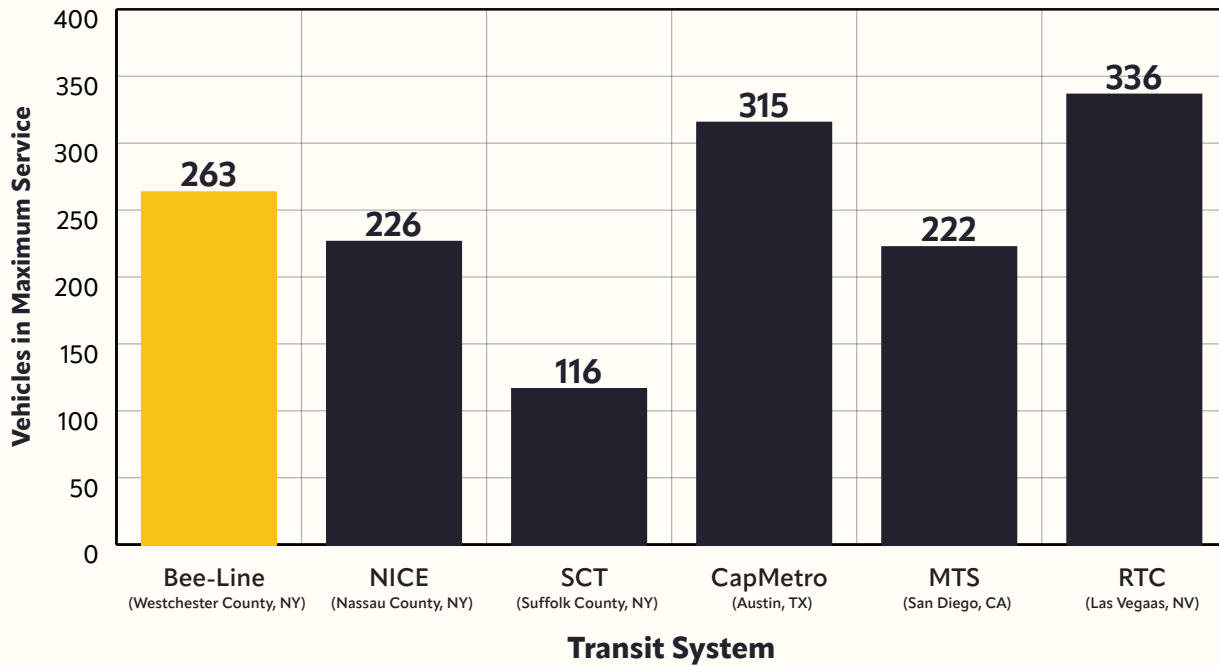


Figure 2: Vehicles in Maximum Service vs Transit System

## Annual Ridership

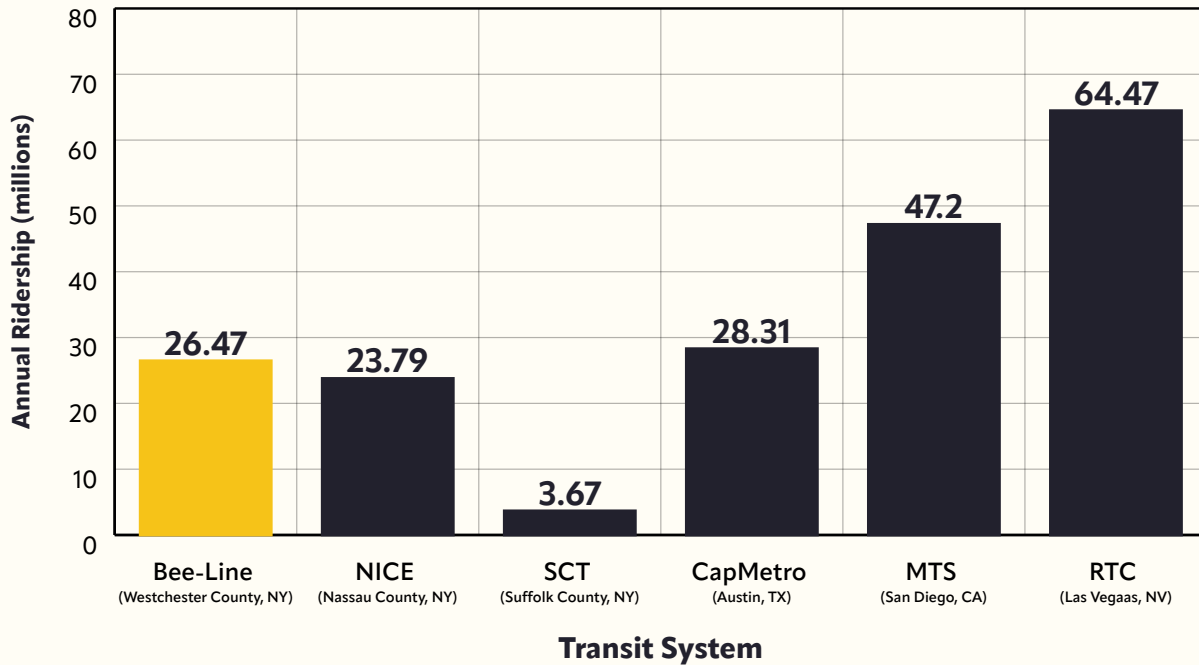


Figure 3: Annual Ridership vs Transit System

# Average Age of Fleet (in years)

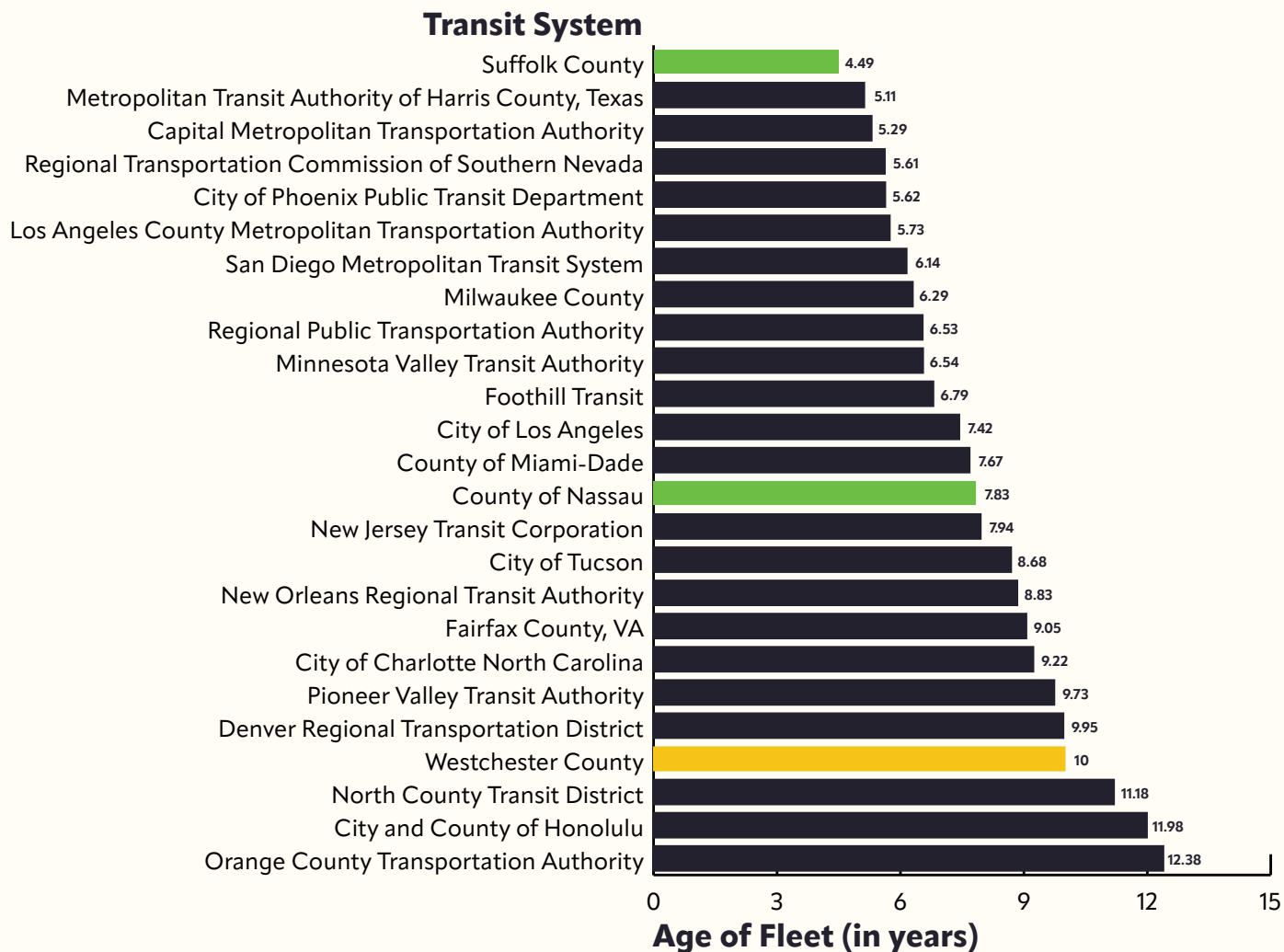


Figure 4: Age of Fleet (in years) vs Transit System

# Operating Expenses

The operating expenses of Westchester County’s Bee-Line Buses are some of the highest in the country amongst contracted bus providers. For Bee-Line, it costs \$557,505 to operate each “peak vehicle”, a metric that averages out operating expenses across all buses in service during peak operating hours. Notably, Liberty Lines is operating buses at \$57,000 more than a bus in Nassau County despite the similarities of both operators in both fleet size, service, and geographic region [Figure 5]. The fact that a similar nearby transit system can operate with lower expenditures suggests that Westchester’s current contract operators have vast room for improvement.

## Operating Expense Per Peak Vehicle

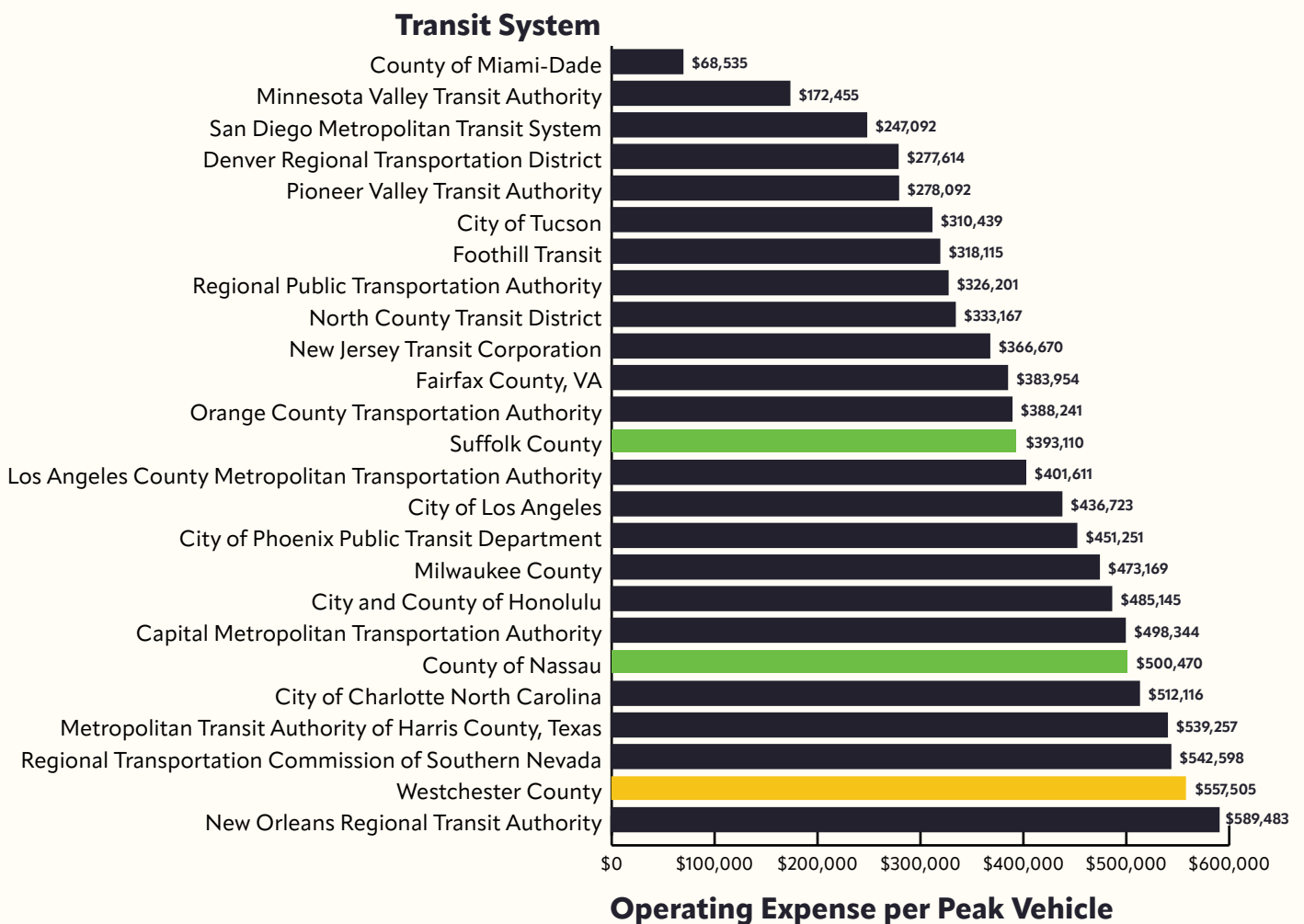


Figure 5: Westchester has the 2nd highest operating expenses amongst contracted bus operators in the country. Expenses are well above the national trend line average when maximum service is taken into consideration. This general finding is also true relative to Nassau and Suffolk Counties.



# Operating Expense Per Peak Vehicle

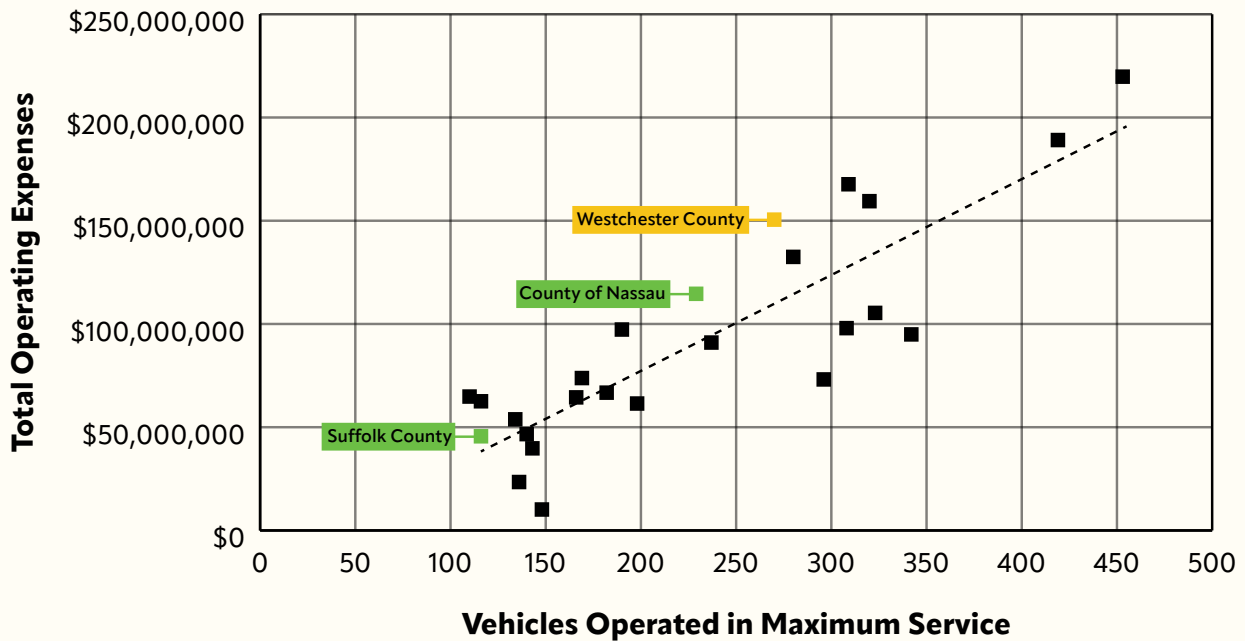


Figure 6: Operating Expense Per Peak Vehicle

Another way to compare operating efficiency of service is by **operating expenses per vehicle revenue hour, which is the cost of operating service for every hour a bus is available to the general public and there is an expectation of carrying passengers.** Revenue hours can be an indicator of how much service is offered to passengers. In general, the more hours buses are available to ride, the more options available for a rider, better quality of service. In fact, the Bee-Line is a major outlier of high costs/hour of service amongst a very clear trendline of costs per revenue hour [Figure 7]. **Simply put, Westchester County is putting more tax money and fare payments into the Bee-Line and getting relatively fewer service hours out than peer agencies do.** This begs the question: Are the actual expenses incurred by Liberty Lines reasonable given the circumstances of operating transit in Westchester? Or is Westchester County and its riders overpaying for the transit service Liberty Lines provides? One such factor that stood out in our analysis of the Bee-Line was the amount of deadhead.

# Operating Cost Compared to Revenue Hour

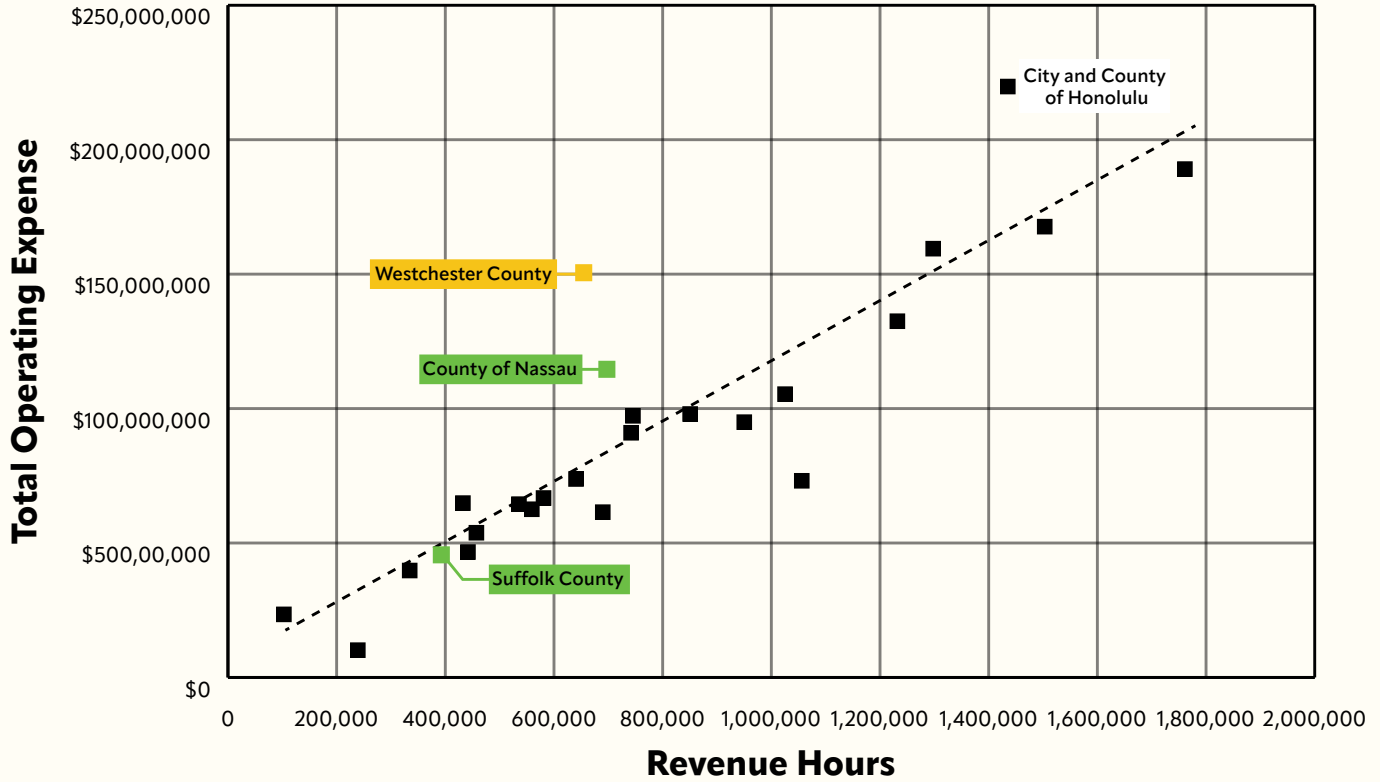


Figure 7: Cost comparison to revenue hour. Westchester is a major outlier compared to other operators for its high operating cost for the hours of service provided. This means that every dollar that Westchester taxpayers pay to Liberty Lines and every dollar that Bee-Line riders put into the farebox produces less transit service than in counterpart jurisdictions. Simply put, riders and taxpayers in other regions are getting more for their money than Westchester taxpayers and riders are getting from Liberty Lines.

## Operating Expenses per Vehicle Revenue Mile

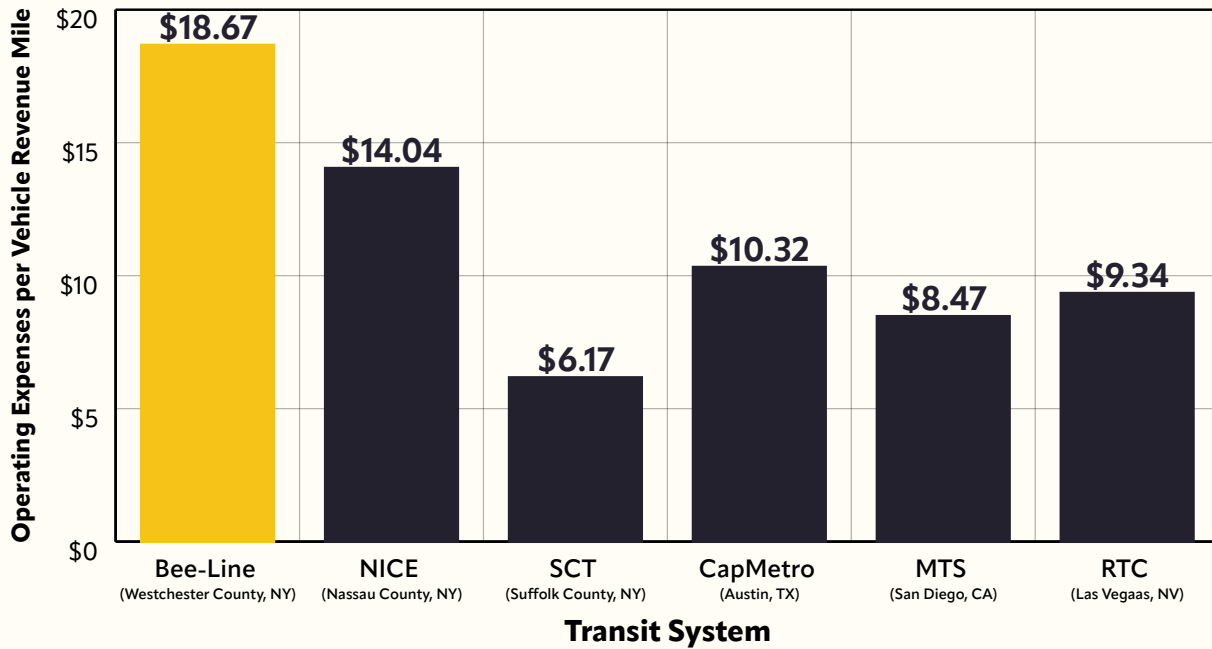


Figure 8: Operating Expenses per Vehicle Mile vs Transit System

## Operating Expenses per Vehicle Revenue Hour

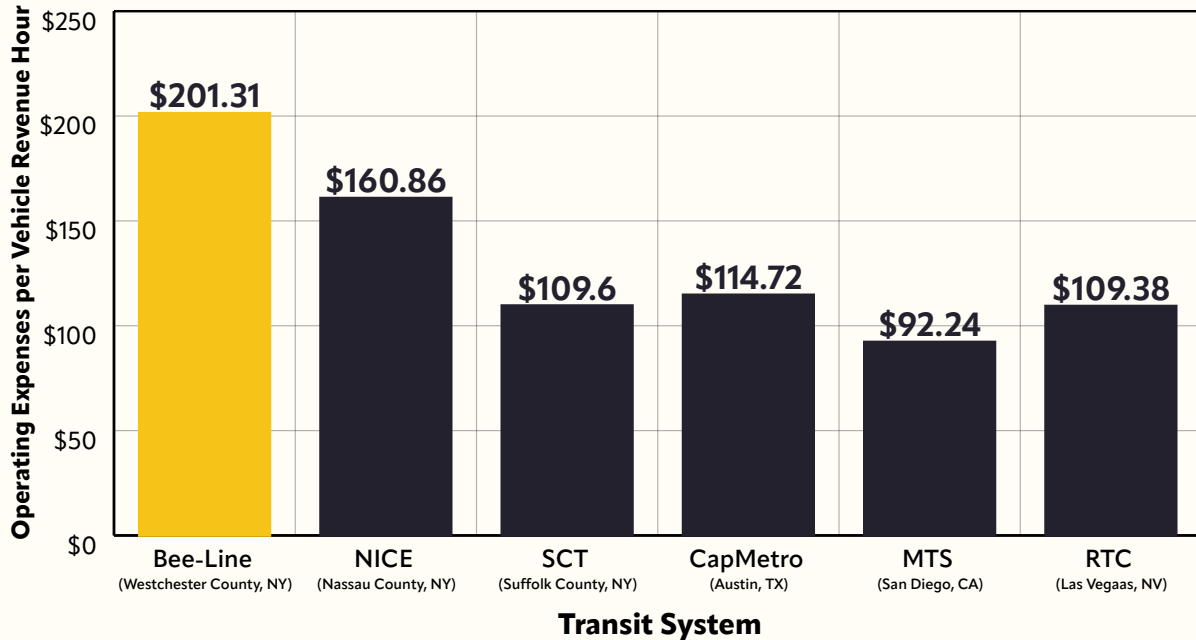


Figure 9: Operating Expenses per Vehicle Revenue Hour vs Transit System

## Deadhead and Headways: Symptoms of a Poorly-Constructed Contract

Another metric we used to compare systems was deadhead miles and deadhead hours. Note that the previously looked at revenue hour metric excludes “deadhead hours”. **Deadhead** is another term for classifying when a bus is not in service to pick up passengers. Some deadhead is required for positioning buses from the bus depot to the start of a route, or from one route to another, others for maintenance and service, or from a break/rest area to a route, etc. However, excessive deadhead can show that buses are not being deployed efficiently and there is an area of improvement needed.

We analyzed both the deadhead miles as a percent of total miles and deadhead hours as a percent of total hours, to compare bus efficiency using 2019 NTD data. From Graphs 5 and 6, Westchester County is expending 24% of total miles and 15% of total hours on deadhead. That’s almost one fourth of its total mileage and a sixth of its total hours when buses are not carrying passengers. In other words, on average, 24% of the miles covered by a bus and 15% of the time the buses are empty, moving back and forth from depots or to the start of a new route. Westchester County is losing an excessive amount of time and money to deadhead in comparison to the other systems. For example, NICE buses in Nassau County deadhead miles are 14% and deadhead hours are 10%. This irregular amount of deadhead mileage inflates operating expenses and lowers the efficiency of service provided by Bee-Line.

### Deadhead Miles as a Percentage of Total Miles

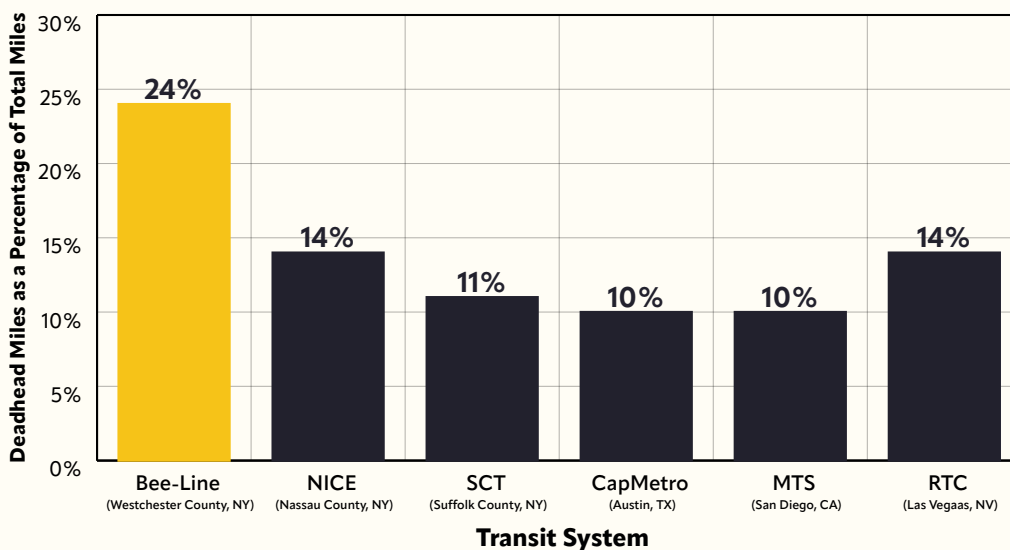


Figure 10:  
Deadhead Miles as a  
Percentage of Total Miles

## Deadhead Hours as a Percentage of Total Hours

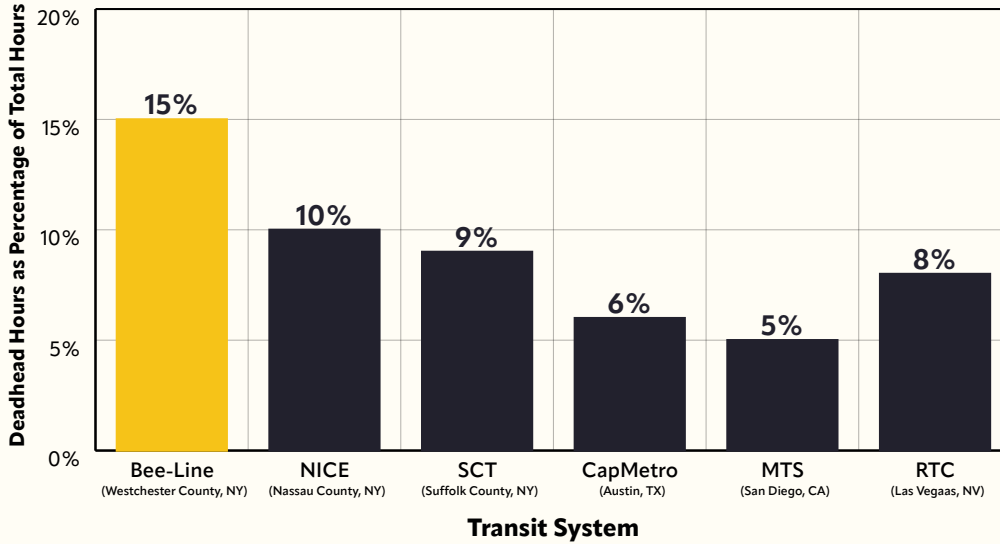


Figure 11:  
Deadhead as a Percentage  
of Total Hours

## Average Headway (in minutes)

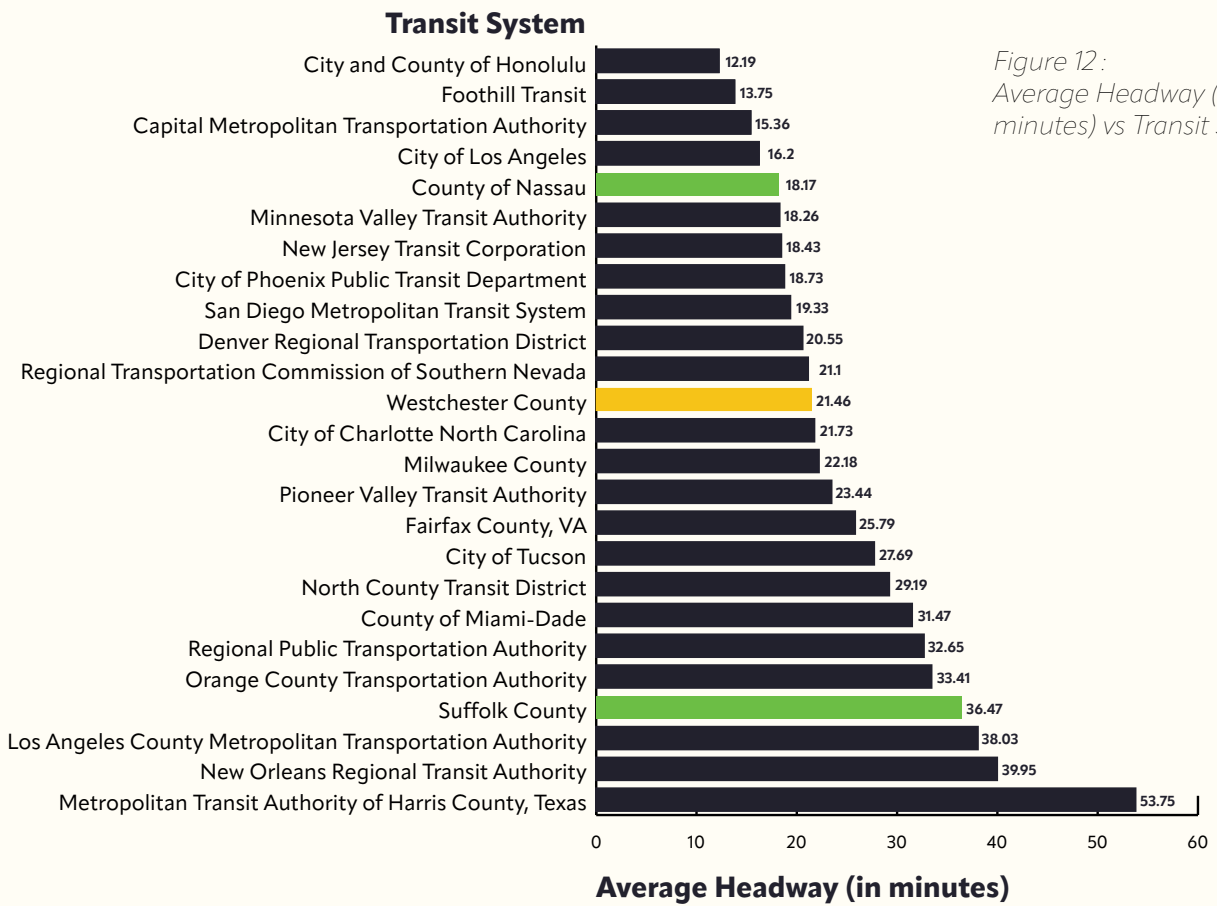


Figure 12:  
Average Headway (in  
minutes) vs Transit System

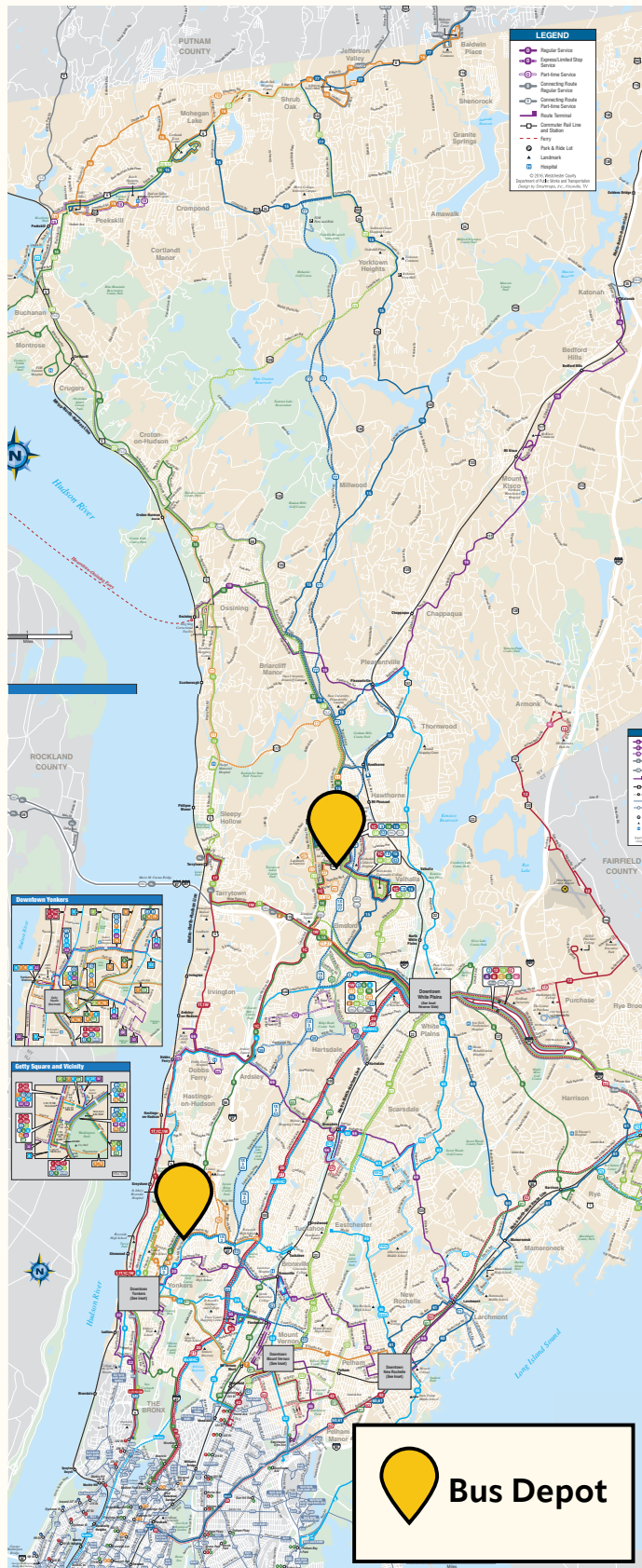


Figure 13:  
 Bee-Line System Map with Bus  
 Depot Locations.

Deadheading is an operational issue that has direct implications for riders. Reducing deadhead times can mean more time and resources can be allocated towards adding more service time and minimizing headways, that is, the time between buses on a route schedule. Currently, the average wait is 21 minutes between buses. However, this is an average and does not look at the deeper picture of the spread of frequency across the range of high and low ridership routes. Adding frequency for buses, along with priority bus lanes, improves convenience, reliability, and on time performance for Westchester buses, which are other key performance indicators that should be collected and considered for future analyses and essential for attracting and retaining riders on a transit system.

A major issue is that Liberty Lines does not deploy buses efficiently. For example, operator scheduling is still done by hand, rather than by an optimized computer algorithm, which is the modern day industry standard. Additionally, when an operator's shift is over, buses are driven back to one of the two garages to pick up the next operator, thus time and miles are wasted on deadheading back for routes that are miles away from the depot. Westchester needs an operator who can avoid and troubleshoot these issues.

From our review, it is clear that Westchester County is paying Liberty Lines a relatively high price for the amount of service being provided. Whether the apparently excessive payments to Liberty are justified by disparities in underlying costs – and/or managerial inefficiencies – is impossible to discern because of the opacity of the Westchester-Liberty relationship. Some factors behind the high operating expenses and deadhead miles can stem from the fact that Westchester County has to cover a larger geographical area in comparison to other systems such as Nassau, Austin, San Diego, and Las Vegas. It seems highly unlikely that the disparity is due to driver wage levels, since all those areas are unionized like Westchester is, and Nassau and Suffolk and Westchester are in the same labor market together, with the same unions and the same workforce pool. It seems far more likely that some factors for high operating expenses (or at least the price paid by Westchester County, which may not reflect actual costs at Liberty) could also originate in the nationally unique non-competitive contract and contracting process as well.

Review of the current contract agreement between Westchester County and its bus service provider, Liberty Lines has raised several red flags, suggesting that many of the deficiencies found in our analysis, which make life worse for riders, can stem from the contracting process itself.

# CONTRACTING BEST PRACTICES

## Competitive Bidding Process

Contracting services without competition is irregular in the public transportation industry and is a recipe for the private company to extract excess profits at the public's expense. As seen in our analysis in the previous section, the County is getting relatively little service for what it pays, partly attributed to the excessive amount of deadhead miles and other managerial inefficiencies the county is paying for, which doesn't service riders at all. It could also point to a few other potential issues: Liberty Lines is inefficient and/or has exceedingly high costs and/or is raking in excess profits. If any or all are the case, the County owes it to riders and taxpayers to explore alternative options to manage operations and maintenance.

Creating an open competitive bidding process would allow the County to examine and speak with other qualified operators, receive more competitive and enticing bids that would ultimately get Westchester County the best possible offer in terms of price and contract terms. All of this would result in a healthy and protected relationship between the operator and the County. It can also be done with protections for the existing unionized workforce of drivers and mechanics, whose existing rights could be written in as a requirement for Liberty's replacement to take over.



*The TSTC team out in Yonkers for a Day of Action, surveying bus riders on their experience with the Bee-Line. (Image source: Tri-State Transportation Campaign)*



## How should a fair, open, and competitive process be implemented?

The standard contracting process starts with a Request for Information (RFI). **An RFI is a process to gather information from potential operators for service and ask for an overview of their company like their goals and accomplishments.** Also, the RFI will ask specific questions about how the company plans to operate and run, delivery timelines, and their price tag for delivering these services. The County would meet one-on-one with whoever submits an RFI to receive fair and open feedback. The RFI process is mainly to familiarize the County with these new potential vendors and internally come to conclusions of what the County wants to prioritize and what they can get. It's a way to further define the scope of what the County expects out of its operator and what should be going into the Request for Proposal (RFP). This process usually lasts 4-8 weeks.

However, if time is an issue, and this is not possible, the first step (and next step) would be writing a new RFP and opening it up to any potential vendor. This typically occurs 9 months before the contract expires, a 5-month window to interview and award a contract, with an additional 3-4 month transition period. Here in the RFP, the County should request a line by line breakdown of the price: price per hour, corporate overhead, amount of service that can be provided, a plan to maximize the efficient deployment of vehicles, etc. Everything is backed up by a spreadsheet that is checked by the County. There are plenty of other vendors who would be interested if the County opened up the RFP. Interested operators will seek out an operation like the Bee-Line.

TSTC would like to point out that we do not want new vendors to come in and cut wages of its labor force—that's not the purpose of this report and does not serve the needs of bus riders. All new operators should honor the existing labor agreements and see where they build on that of what else they can do. TSTC wants the bus operators and mechanics of the Bee-Line to be fundamentally taken care of and not exploited. The bus operators are one of the main reasons why the Bee-Line is able to operate everyday. If other transit agencies are able to put out more service for a lower price while still taking care of their drivers, so should the Bee-Line. Federal law also provides protections for existing unionized workforces, even when the operating company changes. In the Los Angeles region, Las Vegas, Nassau County and other U.S. jurisdictions, transitions from one operating company to another take place without any change in collective bargaining agreements or the wages and benefits of the existing workforce.

# TRANSPARENCY AND ACCOUNTABILITY

Since all past agreements with Liberty did not contain any protections or measures to evaluate the service being provided, the RFP should outline the expectations that Westchester County has for the operator.

Most bus contracts contain Key Performance Indicators (KPIs) that the operator must meet. KPI's are a way to measure if the operator is progressing or meeting what they promised. After speaking with some key leaders in the transportation contracting industry,<sup>9</sup> TSTC recommends that some useful KPI metrics to use are: number of crashes and mechanical failures while in service, missed trips, on-time performance, and customer complaints and cleanliness of buses. Westchester County needs to define what good service means and how to reward or penalize breaches on the delivery of service. Once these are defined, creating financial incentives and disincentives can be built into the contract for a more system-wide formalized evaluation. These are formally known as Liquidated Damages and Incentives. If the operator is delivering what they promised, they would receive a bonus, if they were falling short of what they promised, they would be penalized. Industry standards for bonuses and deficiencies range from 1.4%-2% of the contract value or 3%-6% of profits. Implementing these KPI's is important so the operator stays accountable to its contract and most importantly, riders. Bee-Line riders have been experiencing unreliable service for too long, so a system that encourages operators to produce great service is needed. This discipline in the contracting process forces companies to carefully calculate factors like deadheading, and to maximize efficiency when scheduling and deploying buses on various runs. By contrast, because Westchester County re-grants the contract to Liberty Lines without any competition, Liberty has no reason to scrutinize its deadheading or consider new ways of doing things, because Westchester County taxpayers and fare-payers will pay the bill regardless.

We took a look at the Nassau NICE Bus operations agreement contract with TRANSDEV (Veolia) and they have key performance measures that determine if the operator is rewarded or penalized for the service provided. NICE Bus uses standards like: On-Time Performance, % Missed Pullouts, Accidents per 100,000 miles, for its fixed route service. If they perform 5% points worse than their contract outlines, they must pay liquidated damages while if they perform above benchmark, they receive an incentive to keep providing good service.<sup>10</sup> KPI's are something that Westchester County

should set for themselves: evaluate what is important to riders and incorporate them into the 2024 Bee-Line contract. The current contract expires in December 2023. Action needs to be taken immediately to incorporate these accountability measures.

<b>FIXED ROUTE</b>				
<b>STANDARD</b>	<b>Below Benchmark</b>	<b>Liquidated Damage</b>	<b>Above Benchmark</b>	<b>Incentive</b>
On Time Performance	5% points worse	\$5,000	3% points better	\$5,000
% Missed pullouts	5% points worse	\$2,000	5% points better	\$2,000
Accidents/100,000 miles	10% worse	\$5,000	10% better	\$5,000

Figure 14: Table of the Quarterly Key Performance Indicators used by TRANSDEV, Veolia, the operator for NICE Bus.<sup>11</sup>

## Oversight by Westchester County

The addition of these KPIs into the contract mean nothing if they are not enforced. Currently, the Department of Public Works and Transportation (DPW&T)<sup>12</sup> oversees the operations of Westchester County’s Bee-Line system. The Transportation department was once its own separate entity, but was consolidated with Public Works department in 2010, further limiting the capacity of staff to provide oversight of the County’s bus system. In section 241.301,<sup>13</sup> the County Charter establishes the body of the Transportation Board who serves to advise the County Executive and make recommendations. The Board consists of 3-7 appointed members as well as the commissioners of DPW&T. The County Charter states that the Board should meet monthly, however in practice, the Board meets every other month.

In order for meaningful change to occur, Westchester County needs a stronger oversight body to ensure that the operator is following the contract and enforcing it. This means meeting with

operators frequently to go over ridership statistics, reports, or issues, and completing quarterly audits reviewing the key performance measures similar to TRANSDEV and NICE Bus.

The Westchester County legislature, Transportation Board, County staff, and the executive office have a responsibility to the public to provide the best service possible.

## **Transportation Is a Public Good**

Reliable, efficient, and accessible public transportation is the best way to connect people to their communities and the resources it offers. Access and affordability of transportation directly affect an individual's opportunities for employment, access to health care, child care, education, and food security for themselves and their families. From an environmental perspective, it is the key to cleaner air, fewer emissions, and less traffic congestion for Westchester and the region.

Condemning Bee-Line bus riders to continue experiencing insufficient service is unacceptable. The Westchester County Executive and Board of County Legislators should not tolerate this substandard service from a growing, modern county.

In our previous report *The Buzz on the Bee-Line*,<sup>14</sup> TSTC organizers surveyed bus riders in Westchester County about the quality of their bus trips. When we spoke to riders, they described having to wait up to 30 minutes to an hour for buses. They also highlighted how they couldn't get home at night because of the scarce weekend and non-existent night service. Riders want to see more frequency in service and for Bee-Line to run longer hours to meet their needs. If more of Bee-Line's operating costs can be shifted toward expanding service hours or adding new routes or going into customer service or increasing reliability and accessibility, it will lead to greater benefits for Westchester County's residents, economy, and the environment.



IMAGE SOURCE: MELANIE BROWN

# CONCLUSION

**With Westchester County's current service contract with Liberty Lines expiring in December 2023, there are three possible outcomes:**

1. Westchester County keeps Liberty Lines as its primary bus service operator with no changes to the contract and continues with mediocre service and operations as is for another five years;
2. Westchester County pursues a competitive bidding process, forces Liberty's pricing and efficiency to compete with the open market, yet still awards Liberty Lines as the operator because they objectively offer the best bid, and there are new stipulations in the contract including new performance measures and penalties keeping Liberty Lines more accountable for the service they are providing; or,
3. Westchester County pursues a competitive bidding process and awards the contract to a new operator with new performance measures and penalties.

If no action is taken, there will be no opportunity to make any changes for another three to five years. Westchester County leaders must take action now and address these major concerns.



*The TSTC team out in Yonkers for a Day of Action, surveying bus riders on their experience with the Bee-Line. (Image source: Tri-State Transportation Campaign)*

**TSTC recommends that Westchester County:**

1. Review the Westchester County Mobility and Transit Plan to improve service and make the most out of the budget allocated toward its operations, and provide more information to clarify how the microtransit zones and fare reciprocity program would work;
2. Open up the RFP and create a more competitive bidding process for the 2024 Bee-Line Operations contract;
3. Write a new contract that is fair and protects the county by adding in key performance indicators to ensure the quality of service being delivered is up to standard, while removing several concerning stipulations that favor Liberty Lines;
4. Create a stronger oversight body with sufficient staff such as experts and auditors to ensure that the operator is meeting their contract standards and meeting the needs of riders; and,
5. Require more transparency and data behind the contract and operations of Liberty Lines such as publishing KPIs.

All of these recommendations are so Westchester County can responsibly hold the operator running operations on the Bee-Line accountable. Public funds must be used appropriately and efficiently. The changes to the procedural framework of contracting, bidding, and oversight can in turn produce a better bus service for riders.

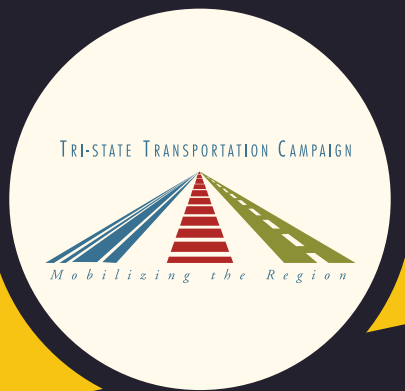


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## **The Buzz on the Bee-Line**

Bidding for a Better Bee-Line:

Bringing Westchester's Bus System into the Future

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