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FERRER PLAN TO KEEP FRANCHISES BUSES IN SERVICE

Borough President Fernando Ferrer today said inaction by the Mayor led to the Liberty Lines Express strike, stoppage in bus service. "The Giuliani Administration's failure over two terms to address the needs of the many residents, some of whom now have no service while Liberty Lines Express and their workers try to resolve their differences in collective bargaining," Ferrer said. Ferrer outlined plan to help address this impasse and avert any future work stoppages includes competitive bidding, performance standards and safeguards for workers.

Ferrer stressed the dependence of many predominantly minority communities on franchise bus service who lack alternative MTA NYC Transit service options. "Many franchise bus passengers live in areas without any other means of public transportation," said Ferrer. "Any lapse or discontinuation of service impairs their ability to get to work, to school, to medical appointments or to shop for essentials."

Ferrer criticized the Giuliani Administration at a meeting of the City's Franchise and Concessions Review Committee, December 13, 2000 for proceeding with mere service extensions of the existing private bus agreements, three times in 18 months. Ferrer said, "These votes came without new, higher standards for private franchise bus service first promised by the administration in July 1999 during consideration of the franchise extension. This situation is neither fair to the 325,000 commuters who rely on these buses nor to the operators who need to plan and invest in the continuation and

expansion of service."

Ferrer said, "The limited Franchise extensions make it very difficult to negotiate labor contracts and fail to resolve the basic issue or improve service." For example, the seven days a week express bus service to Manhattan provided by New York Bus serves more than 15,000 riders in the East Bronx and Liberty Lines Express serves approximately 10,000 Bronxites.

Ferrer proposes:

* Competitive bidding for franchise contracts should have an initial duration of at least 15 years and include 10-year renewal (or whatever the ideal duration is for a labor contract). The current one-year contracts inhibit the ability of management and labor to negotiate. The private operators complain about the difficulty of negotiating contracts when their franchises remain uncertain. They find it impossible to negotiate three-year deals when the City continues to authorize only one-year renewals.

*Preference should be given to franchises operators that commit to union labor. This includes accepting the existing labor contract and employee protections and pensions.

*Contracts should include default clauses related to failure to perform. Contracts would include minimum standards for service frequency, reliability, cleanliness, environmental performance, etc.

"New York City needs leadership that cares about every community and demonstrates a clear commitment to serving those residents without any options. For too long the Giuliani Administration and the City Council fought partisan battles rather than pursue competitive bidding," Ferrer said. Section 363 of the City Charter requires the Council to approve an Authorizing Resolution that would empower the Department of Transportation to proceed with solicitations for franchise bus service.

To date, only one Authorizing Resolution, involving the routes currently operated by Command Buses in Brooklyn, was submitted to the Council (December 19, 2000).

While the private operators serving The Bronx generally receive high ratings for service and reliability, residents in Brooklyn and Queens have complained of inconsistent service at best, and Staten Islanders remain still without their long-promised express franchise bus service. In meetings with Brooklyn and Queens residents, many have expressed concern to me about franchise bus service and reliability. These short extensions are unacceptable and were a cop-out to avoid addressing the matter of improving service.

HISTORY- In 1990 the Board of Estimate approved the extensions to Dec. 31, 1992. In 1992, The Council approved LL 71 extending the expiration date to Dec. 31, 1997. Since then, the Council has approved several extensions. The most recent actions by The Council took place August 1999 and January 2000 when it approved an Authorizing Resolution submitted by the Mayor. Local Law 8 simply authorizes DOT to extend the operating authority to Dec. 31, 2002.

Talking points:

Through agreements with the City's Department of Transportation, local and express bus service is provided under franchises held by Command Bus Company in Brooklyn, Green, Jamaica and Triboro Buses and Queens Surface in Queens, and New York Bus Tours, Inc. and Liberty Lines Express in The Bronx. These buses provide local and express bus service to many neighborhoods particularly in The Bronx, Brooklyn and Queens.

Local Law 8 imposes no inhibition on increasing services levels where needed for the bus lines. To date, the Department of Transportation (DOT) has failed to address the many valid complaints regarding poor service and the failure to follow a valid timetable for many of the bus routes. It must quickly address concerns about poor quality service affecting riders in other boroughs. This includes applying sanctions on any bus company that fails to meet accepted standards for on-time service and/or cleanliness where it hurts the most, in the pocketbook. DOT must monitor aggressively adherence to performance standards and impose either a substantial fine or reduce the operating subsidy to bus operators with repeated infractions. Riders should not be burdened with the frustration arising from poor service.

Default would occur, following a review process that include a fair opportunity for current franchise operators to explain possible problems and/ or causes of any failure to perform. In the case of default, new operators would be required to give first preference to labor from the defaulted firm.