OFFICIAL NEWSLETTER OF THE OMNIBUS SOCIETY OF AMERICA, INC.

#### OCTOBER 2007

The ballots will be mailed out with the December issue of The Green Pennant Special.

\$2.00

Welcome to another issue of The Green Pennant Special, the official publication of The Omnibus Society of America.

#### MBS FALL CONVENTION

Through this publication we hope to keep our readers informed of events happening in the transit industry in Chicago and other cities in the United States.

The Motor Bus Society will be holding their Fall convention in Dayton, Ohio on October 5th through the 7th.

Visit the Omnibus Society of America website at "www.osabus.com". At osabus.com we will be posting upcoming fan trips and meetings information, as well as membership information.

The Chicagoland Historical Bus Museum will be operating a special trip to and from the convention. The charter bus will leave from John LeBeau's residence, 20230 Torrance Avenue, at 12:00 PM on Friday October 5th.

Please visit our site when you have a chance and give us your opinions and comments.

If you are coming by public transportation, take Metra Electric train #117 (arriving in Homewood at 11:11 AM), and you will be picked up there. The bus will leave after the end of the convention on Monday, October 7th, and return to Lynwood. The conventions normally end around 3-4 PM. A fuel donation of \$50.00 is being requested. Advance reservations are required.

#### OCTOBER MEETING

#### **MACOMB-GALESBURG TRIP**

The October meeting of the Omnibus Society of America will be held on October 5, 2007, in the Anderson Pavilion of Swedish Covenant Hospital, 2751 W. Winona Avenue, Chicago, Illinois. The meeting will start at 7:30 pm.

The Chicagoland Historical Bus Museum will be sponsoring an excursion to the cities of Macomb and Galesburg on Saturday, October 27.

Our program for the evening "Motor/Trackless Trolley Busses I Have Seen, 1962 – 2000," will be a slide presentation by Richard Hofer.

Tentative plans are to leave Aurora at 8:00am. Take the 0630 BNSF train from Union Station which arrives in Aurora at 0745.

The hospital is on California near Foster. Winona is one half-block south of Foster. By public transportation, take the 92 Foster to California. From the Ravenswood Brown Line, take the 93 North California from Kimball, get off after it turns onto California from Foster and walk back south. Or, take the 11 Lincoln from Western; get off at Carmen (One block south of Foster) and walk west on Winona.

No fare has been finalized. However, all attendees must be a member of CHBM for insurance purposes.

There is some parking on California and Winona. The parking structure is on the west side of California just south of Foster.

# New state transit loan considered

#### **ELECTION NOTICE**

Senate leader may seek \$229 million

It is that time of year again for our members to think about the upcoming election for Director's of OSA.

By Jeffrey Meitrodt and Ray Long, Tribune staff reporters. Tribune staff reporter Gary Washburn contributed to this report September 18, 2007

There will be one Director's position to be filled this election, that of Ludwig Schuerle. Ludwig has decided not to run for reelection.

**SPRINGFIELD** Senate President Emil Jones is expected to ask lawmakers Tuesday to back a \$24.6 billion capital-improvements plan that would be paid for by a major expansion of gambling, according to lawmakers briefed on the plan. (cont on page 3)

It any member wishes to run for his position please let any Director know your wishes to be nominated for the position.



Photo courtesy of Dave Phillips.

6 September 2007

# MEGABUS.COM INVESTS \$10 MILLION IN AMERICA'S FIRST INTER-CITY DOUBLE DECKER COACHES

- Budget coach service takes delivery of 17 wheelchairaccessible vehicles
- New 79-passenger coaches raise quality of expanding low-cost network
- Online booking engine welcomes 500,000th United States customer

Stagecoach Group is investing \$10 million in America's first inter-city double-decker coaches.

The first of the fleet of 17 new closed-top double-deckers is being introduced tomorrow (7 September 2007) at the Group's expanding budget inter-city coach operation megabus.com in the United States.

Double-decker coaches are in regular service in the UK and elsewhere in Europe, but these are the first on intercity services in the United States.

Manufactured by the Belgium-based company Van Hool, the new wheelchair- accessible vehicles have been produced to meet US specifications.

The 79-passenger state-of-the-art coaches will run on megabus.com Midwest routes operated out of Chicago, with all vehicles in service by January 2008.

Equipped with two wheelchair spaces and seatbelts for all passengers, the 2007 Van Hool TD925 coaches are just over 13ft high. They have two doors and also feature toilets and air conditioning.

Brian Souter, Stagecoach Group Chief Executive, said: "These new state-of-the-art double-decker coaches are a first for the United States and will support our strategy to develop the megabus.com brand in North America. "The high-quality double decker-coaches we already operate in the UK have been a big hit with customers. By providing a low-cost high quality alternative to the car, we are confident we will get a tremendous response from passengers in the US."

More than 500,000 passengers have now traveled with megabus.com in the United States since the network was launched in April 2006.

megabus.com now links around 20 key locations in the United States following the launch of a new West Coast hub out of Los Angeles earlier this month.

The new West Coast base has added Los Angeles, Las Vegas, Oakland, Phoenix/Tempe, San Diego, San Francisco and San Jose to the existing 12 Midwest cities served through megabus.com's Chicago base.

Research last year showed that megabus.com USA is winning over passengers from cars and trains. Some 45% of megabus.com passengers previously traveled by car and 24% are former train users. A further 17% used to travel by another bus service, while 13% are former airline passengers.

The North American expansion follows the UK success of megabus.com, which carries around 2 million passengers a year on a network of inter-city services covering around 40 locations nationwide.

megabus.com's secure e-commerce site provides full information on arrival and departure times. Passengers can quickly book their travel and purchase tickets from the comfort of their home, office or wireless handheld device.

#### **ENDS**

For further information, contact:

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#### NOTES TO EDITORS

- Midwest cities served by megabus.com include: Ann Arbor, Chicago, Cincinnati, Cleveland, Columbus, Detroit, Indianapolis, Kansas City, Minneapolis, Milwaukee, St. Louis and Toledo.
- · West Coast cities served by megabus.com include: Las Vegas, Los Angeles, Phoenix/Tempe, Oakland, San Diego, San Francisco and San Jose.
- · Full details of additional routes to and from the listed cities, as well as timetables and fares, are available online at www.megabus.com

(Cont from page 1)

But Jones surprised Chicago lawmakers by proposing a short-term loan for the Chicago area's struggling transit system rather than moving forward with a vote on a tax package that would raise \$435 million a year for the Chicago Transit Authority, Metra and Pace.

The loan would be for \$229 million, of which \$200 million would go to Chicago-area transit agencies and \$29 million to Downstate transit systems, said Sen. Donne Trotter (D-Chicago), Jones' top budget expert. The agencies last week agreed to take a \$91 million cash advance offered by Gov. Rod Blagojevich as a way to postpone what officials at the agencies called "Doomsday" service cuts and fare increases.

"We're trying to take care of mass transit," Jones said late Monday. "We're trying to take care of everybody."

The capital-improvements plan would be funded largely by three new casinos, including a land-based one in Chicago and two gambling boats elsewhere. Bidders would be required to put up a minimum of \$800 million for the Chicago casino, though the city itself could buy a casino license for up to \$40 million less if it acted quickly, according to a draft of the proposal. The city has long expressed an interest in owning a land-based casino.

The two boats would require minimum bids of \$365 million. More one-time revenue would be provided by leasing up to 6,000 additional gaming positions such as slot machines at existing riverboats.

A City Hall source said Mayor Richard Daley has not signed onto the casino package, although he is studying it. The mayor has been open to a land-based casino in Chicago under the right circumstances, including an assurance that the city would get a share of the proceeds that would make hosting a casino worth the trouble. But the mayor has not signed on to any riverboat casinos.

On Monday, Jones huddled with Gov. Rod Blagojevich and Senate Republican Leader Frank Watson (R-Greenville) for more than an hour in Springfield over the transit-funding package. The alternative idea arose because Blagojevich has vowed to veto the larger transit bailout, saying he opposed the proposed sales tax increases in Cook and the five collar counties.

But Jones' alternative idea was met with skepticism by Rep. Julie Hamos (D-Evanston), the chief sponsor of the transit-tax package in the House.

"It is very difficult for me to believe that the only immediate prospect for transit is a loan," Hamos said. "As of last week, the transit system had to repay \$91 million. It would be irresponsible to add another \$200 million on top of that with the expectation that they could somehow pay it back—which we all know they could not."

Under the governor's proposed capital-improvements program, transit agencies would get \$425 million in state funds to match \$1.7 billion in anticipated federal grants.

But the vast majority of the \$24.6 billion would go to other agencies. For instance, the Illinois Department of Transportation would get \$15 billion in state, federal and local money for roads and bridges, with an additional \$2.2 billion for new system expansion projects and \$200 million for urgent bridge repairs. Local communities would get an additional \$500 million for roads.

Another big chunk of money would go to schools, with \$1.75 billion for construction and \$150 million for a school-maintenance program worth up to \$50,000 for each district.

On Monday, Daley called on lawmakers to act on transit funding, and find money for school projects and infrastructure.

"There's presently a plan there," he said. "If people don't like the plan, let's get another plan. I think the governor realizes that."

Sen. Christine Radogno (R-Lemont), the Senate GOP's budget expert, said there is a consensus that a construction bill needs to move forward to help build schools, mass transit, roads and bridges. But she said the ultimate size of any casino package may be scaled back.

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## METROLINK: Dangerous design, lax oversight

By William C. Lhotkaand Ken Leiser

ST. LOUIS POST-DISPATCH 08/23/2007

**CLAYTON** — A group of design and construction companies working on the Shrewsbury MetroLink line submitted plans that failed to provide proper ventilation at an underground station and included a bridge that could have collapsed when a train ran over it, a lawyer for Metro argued in court.

The group of four companies, known as the Cross County Collaborative, also caused major overruns, covered up mistakes, billed for work they didn't do and kept Metro in the dark for nearly two years about blunders, lawyer Jan Paul Miller charged.

Miller's accusations on Wednesday came in opening statements that kicked off a high-stakes legal fight in St. Louis County Circuit Court between Metro and the group of companies.

The lawyer for the companies fired back in his opening statement to the jury, saying Metro management made mistakes in planning the eight-mile light-rail extension from Forest Park to Shrewsbury and is trying to shift the blame.

"Reputations are at stake," said the companies' attorney, Timothy R. Thornton. "The accusations are without merit."

Both sides detailed their cases during the first day of a trial that is expected to last several weeks.

Metro is suing the collaborative, or CCC, for \$100 million because of cost overruns and construction delays. In August 2004, Metro fired the group of companies, sued them and took over the project. The new line opened a year ago after the price tag escalated to \$676 million.

Miller told the 12-member jury Wednesday that the collaborative produced "a mistake-filled design, hiding the truth from Metro, and cheating Metro out of millions of dollars."

The members of the collaborative were Parsons Brinckerhoff and STV Inc. of New York City; Jacobs Engineering Group of Pasadena, Calif.; and Kwame Building Group of St. Louis.

After Metro took over the project, Miller contended, it discovered that designers had failed to provide proper ventilation at the Big Bend underground station.

In addition, poles to carry overhead power lines at a curve in Clayton were installed improperly — trains could have clipped them — and had to be repositioned, Miller said.

There were also problems at the Sunnen Bridge in Maplewood, where the bridge was designed to sit atop stacked block walls. But that design would not have supported the weight of a bridge, which could have sagged or collapsed, according to Miller.

Miller told jurors that the collaborative initially hid the design and budget problems and began devising ways to "squeeze more money" out of Metro. That included billing for work that was never done and padding some of its invoices, he claimed.

In one instance, the group billed Metro \$500,000 for computer-generated renderings that were never produced.

In early 2003, Miller said, the collaborative sought an additional \$2.1 million to finish dealing with real estate issues on the project. Before agreeing to pay, Metro asked for additional documentation.

E-mails show the collaborative was actually scaling back the man-hours devoted to the real estate work, Miller said.

But Thornton, the companies' attorney, alleged that Metro refused to take responsibility for its own mismanagement so "somebody had to take the fall, and that somebody was the CCC." The companies, he said, were "wrongfully fired, wrongfully sued."

Thornton noted that the companies have designed just about every major light rail system in the United States and worked on the two earlier phases of MetroLink, which came in ahead of schedule and under budget.

Thornton argued that the collaborative's designs met industry standards, and that the companies lived up to their end of the contract. He went over many of the obligations the collaborative shouldered, and those Metro was supposed to oversee. Moreover, the companies are seeking \$17 million that they say Metro owed when the collaborative was fired.

Thornton said the MetroLink line passes through some older, densely populated neighborhoods in Clayton and Shrewsbury and that Metro "yielded to political and neighborhood pressures" to make changes.

For instance, residents of the Parkview neighborhood persuaded Metro to lower a stretch of track. And the Metropolitan St. Louis Sewer District required "sewer bridges," which cost \$6 million, to protect sewer lines from the track at several crossings, according to the defense lawyers.

"The plain fact, ladies and gentlemen, is that Metro changed this project," Thornton said.

Metro, he said, also tried to persuade utility companies to pay for utility relocations along the way, causing further delays while the agency tried to muster political backing. The utilities ultimately refused to do so.

"Metro knew this was a risky approach," Thornton told the jury.

The trial will resume today.

#### Madison, WI

SAT. AUG 25, 2007 - 11:17 PM

## Cieslewicz suggests rapid bus network

By Matthew Defour 608-252-6144

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Mayor Dave Cieslewicz said Friday he could see bus rapid transit as a precursor to Dane County commuter rail, a change from his previous position that focused more on Madison streetcars.

"I've always been a rail supporter," Cieslewicz said.
"Sometimes rail has been juxtaposed with bus rapid transit as one or the other, and there was a time when I was there, too. But I don't think about it that way (any more)."

A bus rapid transit system, such as the one proposed by Madison Area Bus Advocates, would cover an area similar to a commuter rail line, but with fewer stops than a normal bus route. Some rail opponents have promoted bus rapid transit as a cheaper mode of public transportation than trains.

Cieslewicz, who earlier this month rescinded his support for streetcars, noted bus rapid transit could be in place sooner than commuter rail and build public transit ridership for rail. That is a change from his position after the spring election when he talked about bus rapid transit as an alternative to commuter rail

The mayor was responding to preliminary findings of a study being conducted by the Long-Range Metro Transit Planning Committee, which he called for last year after facing several budget cycles of either increasing fares, cutting service or subsidizing Metro Transit with city tax dollars.

"I've been looking for a way to break out of those bad choices," Cieslewicz said.

#### Metro finances broken'

Adding bus rapid transit is one of several suggestions in the Metro Transit planning committee's interim report, which describes the funding structure for the Madison area's bus system as "broken."

The Madison agency's contingency fund for its \$45 million budget dropped from \$2.5 million in 2002 to \$130,000 this year, mostly because of high fuel costs that led to an \$878,000 diesel cost overrun last year.

State funding, meanwhile, has declined from 42 percent of all operating costs for Wisconsin transit systems to 38 percent for Metro Transit in 2006. Madison's share of

those operating costs, about \$10.1 million this year, has increased 35 percent in the last four years.

Metro Transit ridership, meanwhile, has steadily increased, putting further pressure on maintaining the system -- an issue cropping up across the country.

Americans used public transportation more than 10 billion times in 2006, the highest level since the 1950s, yet the federal government has focused its resources on capital funding rather than operating costs, said Robert Healy, vice president for government affairs for the American Public Transportation Association.

"The challenge is often coming up with the money locally," Healy said, noting that Wisconsin communities have the added hurdle of not being able to form regional transportation authorities with the ability to raise a sales tax.

Creation of an RTA has been a hot topic in recent months as Dane County commuter rail planners prepare to file a federal funding application for a commuter rail system between Middleton and Sun Prairie. That application also will include an enhanced bus system alternative, which the Federal Transit Administration could determine is more cost effective than commuter rail, said David Trowbridge, project manager for Transport 2020.

The Dane County Board passed a resolution supporting the creation of an RTA with the ability to raise up to a half-cent sales tax, but left the decision as to how an RTA would operate up for a later discussion.

#### Bus officials support RTA

The Metro Transit planning committee also voted recently to support the creation of an RTA, which Metro Transit General Manager Chuck Kamp said would make it easier to expand bus service to other Dane County communities.

"It is difficult to structure a regional transit system with five, 10 or 15 different intermunicipal agreements," Kamp said. "Even though there's the best of intentions to work together, the funding becomes complicated."

During recent public hearings on the bus study, Kamp said, several people asked about extending bus service to Sun Prairie and Monona. Fitchburg, Middleton and Verona have worked out deals with Madison to provide Metro Transit bus service to their communities.

Ald. Satya Rhodes-Conway, 12th District, said the public input revealed three main areas of concern:

Buses need to be clean, safe and on time.

Bus routes in Madison should have more frequent service and a better method for explaining bus routes and schedules.

The coverage area needs to expand without significantly longer commute times.

To address those concerns, the committee has been developing financing strategies, including more advertising on buses and at bus stops, providing express service to the Dane County Regional Airport and expanding the unlimited ride pass program to small businesses.

The committee's final report with recommendations for how to move forward is due out by the end of the year.

#### Pittsburgh, PA

#### Sunday Forum: Bring back streetcars

They are relatively cheap, they spur investment and Pittsburgh ought to hop on board, argues law student MICHAEL BYRNE

Sunday, September 02, 2007

Perhaps mindful of his unfortunate reputation as the "youngest of the old guard," earlier this summer Pittsburgh Mayor Luke Ravenstahl began a housecleaning of people associated with the late Bob O'Connor administration. But there is one idea from the O'Connor regime that shouldn't go out with the trash -- restoring streetcars to Pittsburgh.

Michael Byrne is a student at the New York University School of Law, an editor of the NYU Environmental Law Journal and a former resident of Pittsburgh's South Side (michael.byrne@nyu.edu).

Streetcars, modernized versions of the trolleys that used to form the backbone of Pittsburgh's transportation system, have been undergoing a renaissance in America lately. Streetcar lines have been (re)installed in cities as diverse as Little Rock, Ark.; Portland, Ore.; and Kenosha, Wis. These lines have been wildly successful in attracting riders and investment everywhere they have been built.

There are a number of advantages to streetcar lines as compared to buses. Modern streetcars can hold many more people, as the fixed guideway allows a much longer vehicle to navigate crowded city streets. They emit no pollution and are much cleaner than even the cleanest buses, which is important in a city that already violates federal clean air standards.

Reserved lanes on streets, priority at stoplights, level boarding and off-board fare collection can improve travel time dramatically. Most important, unlike bus routes that can be cut on a whim, the fixed infrastructure investment involved in a streetcar line gives confidence to the private land owners and developers who might like to invest in the higher-density, high-value buildings needed to revitalize the city's tax base.

The construction of the Portland Streetcar has led to more than \$2.3 billion of private investment, and a recent extension is expected to result in billions more. This induced development can be used to pay construction

costs, in the form of Tax Increment Financing or a Business Improvement or Transit Revitalization Investment District; private sources such as these have been used to finance the majority of recent streetcar construction, perfect for a cash-strapped city such as Pittsburgh.

Streetcars also have a number of advantages over light-rail lines, such as the T. The primary advantage is one of cost — the per-mile cost of building streetcar lines is about a third of light rail. The 2-mile Kenosha system was built for \$3.1 million/mile (and resulted in \$150 million in private investment, a rate of return of more than 2,000 percent). In addition, streetcars do not require as deep a track bed as heavier light-rail vehicles, requiring less utility relocation and allowing construction to be completed in less time and with less disruption. Finally, the lower cost can allow streetcar systems to fall under the Federal Transit Authority's "Small Starts" program, streamlining federal approval and funding.

Streetcars offer operational efficiencies, as well. They have lower maintenance costs compared to buses, and operation in dense city neighborhoods can lead to lower operating costs per rider.

New streetcar lines would not necessarily have to be operated by the Port Authority of Allegheny County. Lines could be contracted to private operators, serving as a test case for transit privatization in Western Pennsylvania, decreasing operation costs even further and possibly gaining support from those who constantly criticize the bloated structure of the Port Authority.

There are several routes in Pittsburgh that are ripe for the development that a streetcar line could attract. A line along Penn Avenue would spur investment throughout the Strip District, and connect the Strip to the Cultural District and the rest of Downtown. It would also set the stage for expansion to places such as the new Children's Hospital or growing neighborhoods such as Lawrenceville and East Liberty.

A line along Centre Avenue would help spur the community development sorely needed in the Hill District. A Centre Avenue line would connect the Hill and its residents to jobs Downtown and at the new arena, and it eventually could be extended to East Liberty. It would also help draw development up the Hill from the arena site, and help ensure that unlike the last one, the new arena's benefits spread throughout the Hill District.

Finally, restoring streetcars to Pittsburgh would make the city a more attractive place to live for young people and empty-nesters who don't want to have to drive everywhere

to work or play. Improved transit in the city would also help those that don't have the luxury of driving and who must rely on public transportation. Mayor Ravenstahl and City Council should seriously consider bringing streetcars back to the streets of Pittsburgh, as Bob O'Connor wisely suggested.

First published on September 2, 2007 at 12:00 am

#### Crain's

Aug. 31, 2007 By Greg Hinz

CTA explores Block 37 deal Millions over budget, city talks privatization with Skyway firm

The massive subway station under construction at Block 37 is running as much as \$150 million over budget, a shortfall that has prompted city officials to move to privatize the project.

Sources close to the matter say the city has begun discussions with Macquarie - the Australian investment bank that two years ago paid the city \$1.82 billion to lease the Chicago Skyway - about buying or leasing the Chicago Transit Authority station underneath the high-profile retail and office complex now being built.

Insiders say it's clear that completing the station, which would connect the Red Line and Blue Line subway tunnels and potentially anchor airport-express train service, will cost \$100 million to \$150 million more than the \$213.3 million originally budgeted.

For the city, a deal with Macquarie would represent a needed bailout for a project whose cost has risen so much that it could become a financial risk for Joseph Freed & Associates LLC, the master developer of the seemingly jinxed block between the Daley Center and Macy's State Street store.

For Macquarie, a deal would offer a foot in the door on two other potentially lucrative Chicago deals: express-train service from Block 37 to O'Hare, Midway or both airports, a project the CTA long has coveted but does not have the capital to build; and privatization of Midway, which remains high on the city's financial wish list despite opposition from some airlines and Washington regulators.

Mayoral Chief of Staff Lori T. Healey, in a brief phone interview, says Macquarie has talked to various government entities here about a variety of projects but she declines to make other comments.

The CTA, in a statement, says only that it is "actively exploring creative public-private partnerships that can leverage our limited capital resources."

A consultant's report prepared for the CTA last year said the express-train service would cost \$1.5 billion or more to build. However, according to several sources close to the matter, what's driving the current discussions with Macquarie and possibly other firms is the city's severe need for cash to finish the Block 37 project.

#### A SHORTFALL

Sources say the complex job immediately ran into trouble when builders had more difficulty than expected relocating water mains, electric lines and other utilities, some of them a century old. Then, driven by a national building boom, the cost of basic construction materials sharply escalated.

As a result of those and perhaps other factors, the CTA and city have nearly burned through the \$173 million in funding they have committed for the \$213-million job, sources say.

With more than a year of construction yet to go, that means they have to come up with more money - perhaps from a private partner - or count on Freed to at least temporarily cover any shortfall.

But the latter could present difficulties for Freed, whose principal, Laurence Freed, has personally guaranteed at least a portion of the \$205 million the firm has borrowed from LaSalle Bank under a floating-rate note due in 2011, according to loan documents.

#### SEEKING VALUE

Another big hiccup would seem to be par for the course on Block 37, which has gone through numerous developers, designs and configurations since it was first cleared for development two decades ago.

The latest plan, a mixed-use project centered on the transit station, was hammered together by Mayor Richard M. Daley and then-CTA President Frank Kruesi, who has since retired.

Insiders stress that, while the station itself would offer little profit to Macquarie despite some possible tax advantages, the airport-express or Midway deals are potentially worth far more to the bank. Macquarie already operates one airport express line, in Stockholm, Sweden. Macquarie didn't return calls

(Albuquerque Journal (NM) (KRT) Via Thomson Dialog NewsEdge) August 23

Despite major setbacks, including the loss in April of a \$94 million contract with the state of New Jersey, officials at Roswell's Millennium Transit say the bus factory should restart production soon.

The company has a contract to provide 16 buses to the city of Beaumont, Texas, and is currently evaluating its inventory and making plans to begin their construction, plant manager Ted Smith told the Journal this week.

"We are seeking more contracts," he said.

And a Roswell city official says the company has kept current on payments of a \$4.3 million loan for more than a year.

"Frankly, we've taken the fact that they've continued to make those payments as an encouraging sign that they plan to have a future," said Roswell Finance Director Larry Fry.

Millennium Transit was at one time considered one of Roswell's best hopes for economic growth.

In 2003, Millennium bought a shuttered factory owned by Volvo subsidiary NovaBUS, which was once the city's largest private employer, providing 850 jobs.

Like NovaBUS and other former owners of the plant, Millennium builds Rapid Transit Series, or RTS, buses — a design originally created in the late 1970s by General Motors that is considered the workhorse of many city fleets.

When Volvo decided to close the plant on Roswell's former Walker Air Force Base, it cited sagging demand for the high-floor RTS buses.

However, Millennium co-founder Les Kolls in 2005 said the rugged design was still popular in cities with heavy winter snowfall and aging, high-crowned streets.

As part of the deal to buy the plant, the State Investment Council contributed about \$2 million in mortgage backing, the city of Roswell kicked in another \$2 million in loans from its water fund, and Pioneer Bank, which also services the mortgage, provided about \$250,000 in financing.

In mid-July 2005, the company announced it had landed an order for 289 city buses from New Jersey Transit, which handles public transit for the state of New Jersey.

Negotiations were lengthy and the competition was stiff, Kolls said at the time.

Soon thereafter, Millennium received about \$2 million in training funds from the state's Economic Development Department's Job Training Incentive Program to hire and train 250 employees by April 2007 to fill the bus order.

The Economic Development secretary at the time, Rick Homans, said Gov. Bill Richardson personally called New Jersey Transit to urge them to take a chance on the fledgling firm, which at the time had no other contracts.

But troubles began to appear in early 2007.

In February, Millennium surprised local officials by announcing it would lay off most of its workers, which then numbered about 100.

A major stockholder, James Ludvik, told the Roswell Daily Record that he ordered the shutdown in order to do a complete inventory but that the layoffs would be temporary.

In an e-mailed statement to the newspaper, Ludvik also said Millennium officials would seek changes to their loan agreements that would let them use some assets as collateral for a "working-capital credit line."

The Roswell City Council unanimously approved the loan changes soon afterward.

But in April, Millennium announced in a news release that it had lost the \$94 million New Jersey order because of "inability to obtain necessary funding to complete the contract."

New Jersey Transit officials did not return calls seeking comment.

Since April, at least three Roswell area suppliers to Millennium have sued the company in local courts for nonpayment.

But the company does have a few existing customers, among them El Paso and Pueblo, Colo.



Chris Quigley, a fleet supervisor for the city of Pueblo, says the two Millennium buses in his 16-vehicle RTS bus fleet have served very well since their delivery in late 2006.

"In fact, we'd like to pursue getting some more from them," Quigley said.

Smith said the company's ownership has changed but that its founders, Kolls and Jane Somes, were still involved as officers of the company.

Smith declined to provide details of the ownership change, or to give a current employee count for the company.

Fry said because the company has stayed current on its loan payments.

#### Double Decker Bus



#### View From the Top

Made famous in London, they have become tourist attractions in several North American cities, but now a double decker bus is in transit service in the Puget Sound region.

Community Transit's first double decker bus, The Double Tall, is a street-level spectacle that provides an excellent view from the top as it travels the streets of Snohomish and King counties. It is also a practical transportation alternative.

For one year, The Double Tall will transport passengers on Community Transit's commuter routes to Seattle, switching routes every couple of weeks. In the future, Community Transit may decide to supplement our regular fleet of buses with additional commuter double deckers.

#### Facts About The Double Tall

Bus Model: Enviro 500

Manufacturer: Alexander Dennis Limited

Height: 14 ft

Weight: 51,000 lbs

Length: 40 ft

**Weight distribution:** 70 percent of weight is contained just above floor level on the lower deck

Capacity: 70 seats, with lower deck standing room for up to 20 passengers

Hip-to-knee room: 31 inches

**Double deckers in U.S. transit:** Las Vegas is the only other U.S. city with double decker buses in transit operation

Route Schedules

August 16-31

Route 425, beginning its trip at 5:42 a.m.

Route 402, beginning its trip at 7:20 a.m.

Route 422, beginning its trip at 4:39 p.m.

#### September 4-14

Route 401, beginning its trip at 5:35 a.m.

Route 402, beginning its trips at 6:50 a.m. and 5:17 p.m.

Route 417, beginning its trip at 3:28 p.m.

#### September 17-28

Route 425, beginning its trip at 5:13 a.m.

Route 402, beginning its trip at 7:02 a.m.

Route 421, beginning its trip at 4:05 p.m.



#### Special Event Schedule

Double Decker: The Original Double Tall Event July 31, 10:30am-11:30am Lynnwood Transit Center

Introducing the hot new Double Decker Bus. Join us for the ribbon-cutting ceremony followed by rides on The Double Tall!

#### 94.1 KMPS Radio Remote

July 31, 3pm-5pm

#### Lynnwood Transit Center

Join Tall Paul to celebrate the arrival of The Original Double-Tall Double Decker Bus.

#### KOMO Radio Ride Along

August 1, 4pm-6pm

Listen to KOMO AM Radio and learn more about how to kick-start your commute on the new Double Decker Bus.

#### Stanwood/Camano Parade

August 4, 11am-1pm

Join Community Transit's Oxy Gene on the parade route with The Original Double-Tall Bus.

#### Warm 106.9 Radio Remote

August 7, 6am-8am Ash Way Park & Ride

Join 106.9 staff for prizes and giveaways.

#### **National Night Out**

August 7, 5pm-8pm McCollum Park

The Original Double Tall Bus will be on display at the event.

#### Monroe Fair Days Parade

August 25, 11am-12:30pm

Join Community Transit's Oxy Gene on the parade route with The Original Double-Tall Bus.

#### **Mukilteo Lighthouse Festival Parade**

September 8, 11am-1pm

#### Twice as Smart

The double decker can seat 70 and accommodate 90 passengers total in the same footprint as a 40-passenger bus. This means it will take less fuel to transport more passengers while taking up less space on the road... an important advantage given the ever-increasing traffic in the region.

What else is there to get excited about when it comes to The Double Tall?

The view! The bus stands 14 feet tall, providing riders a spectacular view from the upper deck.

The comfort! All 70 seats are spaced 31 inches from hip-to-knee (regular commuter bus seats are 28.5 inches) and will have an overhead reading light, air vent and stop request button.

The safety! The Double Tall is outfitted with Community Transit's standard security camera system that records all activity on the bus. In addition, a driver viewing system allows the operator to view the stairway, the rear of the coach and passengers on both decks as well as outside along the curb side of the bus.

The reliability! The manufacturer - Alexander Dennis Limited (ADL) - is Great

Britain's leading manufacturer of double decker buses. In fact, there are more than 4,000 ADL double deckers in service in Hong Kong. When Community Transit decided to acquire a double decker, we went with the industry leader.

#### As Dulles rail staggers, players share in blame

Over budget and behind schedule, rail to Dulles International Airport is in trouble, the Washington Post reports.

Planned for more than 40 years, the 23-mile Metro extension from Falls Church to Loudoun County is among the region's highest transportation priorities. It would eliminate Washington's unenviable distinction as one of the only major world capitals without rail service to its largest airport. Yet the most critical component to the project's success — nearly \$1 billion in federal funding — remains in doubt. And so does the fate of the rail line itself.

Lots of blame has been hurled about since a Federal Transit Administration report last week placed the cost of Dulles rail's first phase to Reston at \$2.83 billion -- an unacceptable sum under federal cost-efficiency rules. The report also predicted that the project would be completed 15 months later than scheduled, meaning that commuters might not take their first ride until March 2014.

Many familiar with the project's long history say it is on the brink of collapse because of the weight of the nearly dozen entities that have played critical roles over the years. From the tax district of Tysons Corner landowners that will help finance construction to the Fairfax County Board of Supervisors to Metro to Congress, groups brought their own demands to the table. Each had to be listened to because each was capable, at one time or another, of scuttling the venture.

Many months were lost as those players pursued agendas on such items as station location, pedestrian amenities and the proposed tunnel through Tysons Corner. In so doing, critics say, they diverted their attention from the element essential to the project's success: federal funding. In the meantime, cost estimates continued to tick upward. The higher they soared, the lower the project's chances to qualify for federal dollars. To get the federal money, local and state officials have to prove that the project would attract enough riders to merit the cost.

"People have always said: 'Don't worry. The money will be there,' " said Bob Chase, president of the Northern Virginia Transportation Alliance, a group that advocates on behalf of businesses for transportation improvements. "It has always been something that's been pushed to the back burner. Suddenly, the back burner has become the front burner."

Now, state and local officials must trim about \$275 million from the project or lose federal funding. All say they are committed to doing so. Failure to meet the federal requirements, they say, would not only paralyze the region's roads for a generation but also cripple its economy.

"How can our nation's capital connect to the global economy and assume a leadership role in the world without a simple, easy connection to its international airport?" asked Virginia Transportation Secretary Pierce R. Homer. "We are the leader of the global economy. What happens when our leadership gets caught in traffic and can't get to the international airport? That's an embarrassing future to contemplate."

The tunnel controversy is an easy target in the search for blame. Studied and discarded years ago as too costly, the tunnel reemerged as an option last year when Fairfax Board of Supervisors Chairman Gerald E. Connolly (D) sent a letter to Gov. Timothy M. Kaine (D) declaring that a closer look was warranted. Reps. Thomas M. Davis III (R-Va.) and James P. Moran Jr. (D-Va.) joined the tunnel supporters.

The tunnel discussion created a groundswell of grass-roots activism, with advocates for new urbanism declaring that an aboveground track would ruin all chances to remake car-dominated Tysons Corner into a livable, workable downtown for Northern Virginia. Behind the scenes was WestGroup, a Tysons landowner with dramatic plans to develop property along the rail line — plans that would be handicapped by aerial tracks. Although TysonsTunnel.org has collected more than 20,000 signatures since last year, it also has spent \$3.5 million of WestGroup's money on the campaign.

FTA officials say the tunnel discussion set the project back as much as a year. During that time, dramatic inflation among such commodities as steel and asphalt accounted for much of the cost increases.

Some who encouraged study of a tunnel acknowledge their role in delaying the project but defend the exercise as politically necessary.

"We had an obligation to look thoroughly at the tunnel option," said Connolly, who ultimately supported the aerial alignment to save the project. The tunnel is "clearly the preferable way to go if it's feasible. But at the end of the day, it was determined not to be feasible."

Other tunnel supporters deny harming the process.

"We've done nothing to delay this project. We've done nothing to undercut this thing. Zero," Davis said. He has tried to revive the tunnel in discussions with the FTA and, more recently, told the tunnel lobby to be prepared with their proposal if the current project "goes south." Davis cited the state's tardiness in completing its application as a more harmful factor to Dulles rail.

"The only one who has delayed this project is the governor," he said.

It is true that the tunnel was not the only cause of project delays. Long before that debate, the Virginia Department of Rail and Public Transportation was missing deadlines for submissions to the FTA. The agency had never managed such a large project — one reason the state has since agreed to transfer management to the Metropolitan Washington Airports Authority. The authority not only has construction management experience, but it also agreed to pay for a large portion of the project through collections on the Dulles Toll Road, which it would manage as well.

Homer said most of the delays under Virginia's watch resulted from allowing interest groups to have a say.

"Open deliberation has consequences for timelines, and that was certainly the case here," he said. "Democracy is messy. Accommodating citizen inquiries and legitimate interests takes time. If we're going to ask private landowners to pay 25 percent of the cost of this, they're going to rightfully ask for a voice."

The transfer to the airports authority also took time. So did demands by Fairfax to change the project's alignment along Route 7 and Metro's requests that the stations be built with certain materials for ease of maintenance.

So, too, did the hoops that the FTA imposed on the process, including an independent review by the U.S. Department of Transportation's inspector general. Many involved say the FTA is assigned too little blame for its role in the project's struggles.

"There seemed to be new hurdles, new objections, every step of the way," said Chris Zimmerman (D), a member of the Arlington County Board and the Metro board.

Others place the blame for cost escalation squarely at the feet of the project's no-bid contract. Under the terms of the state's Public-Private Transportation Act, Virginia negotiated the contract with a consortium called Dulles Transit Partners, which was chosen years ago in a competitive process to perform preliminary project design.

Even if the project squeaks past the cost-efficiency standards required to get the federal money, it might do so at a cost of valuable station amenities, such as extra escalators and elevators or pedestrian facilities. Homer has said he expects to focus on trims that will not hurt ridership or that can be financed through other means, such as a rail car yard, a parking deck in Reston and road improvements in Tysons.

But the trims must be approved by all the entities that have made the process so complicated in the first place, including Fairfax and Loudoun supervisors, Metro and the airports authority.

"You reach a point where the cost outweighs the benefit," said Fairfax Supervisor Michael R. Frey (R-Sully). "And if we don't get on with it, we'll get to that point pretty quickly."

(This item appeared Aug. 29, 2007, in the Washington Post.)

August 29, 2007

**SAN DIEGO, CA**, June 23, 2006 — The Board of the Regional Transportation Commission of Southern Nevada (RTC) recently awarded 50 diesel hybrid rapid transit vehicles to the team of The Wright Group and ISE Corporation. This award also includes two options for an additional 50 vehicles each.

The 62-foot articulated vehicles will operate on two new rapid transit corridors in the RTC's Metropolitan Area Express (MAX) system, one serving downtown Las Vegas, the other extending the MAX system to nearby Boulder City. The Wright Group will construct the futuristic 62' articulated buses known as the StreetCar in its plant in Northern Ireland. ISE will ship custom designed high power ThunderVolt® diesel hybrid drive systems to The Wright Group in Northern Ireland, where they will be installed in the chassis. These highly advanced vehicles will represent the state-of-the-art in commuter transportation when deliveries begin in early 2008.



Jacob Snow, General Manager of the RTC of Southern Nevada, commented, "The StreetCar provides us with a combination of function and style. The vehicles are attractive so they will appeal to our riders, and the hybrid engines provide the environmental benefits we wanted. The flexibility of the rubber-tire vehicles with the sleek look of light rail is the combination we were looking for."

According to The Wright Group, StreetCar is one of the most exciting concepts in urban public transport for a generation, conceived, designed and built to encourage greater use of public transport in urban areas. The system is designed with amenities that will appeal to both the casual and business riders alike. Combining the style and technology of the best in light rail vehicle design, with the flexibility and affordability of a city bus, StreetCar creates that elusive "wow" factor — something which was instrumental in RTC's decision-making process.

Commenting on the announcement, Chairman of the Wright Group William Wright said, "This is a major new chapter for the company and all its employees, both in technical and financial terms as well as further developing our presence in the North American market. Importantly, it also underlines the potential for StreetCar as a cost effective and readily deliverable

alternative to infrastructure-intensive rapid transit systems throughout the world."

The StreetCar BRTs will employ the latest technologies in diesel hybrid drive system from ISE Corporation. This ThunderVolt® drive system will feature a new custom drive motor developed by Siemens for ISE with 400 kW of power and 5000 Nm of torque, a new generation of Siemens inverters with 30% greater power density, a high torque density generator rated at 260kW, a Cummins ISL 330 Hp engine with advanced ISE electric cooling system, advanced NiMH battery energy storage system from Cobasys, other ISE innovations such as electrically-driven accessories (air conditioning, DC-DC converters, and Remote Diagnostic System), all controlled and optimized by ISE's Hybrid Control Software ThunderCAN(TM).

"ISE is excited to have its drive system selected to power the Wright StreetCars for the Las Vegas RTC. Combining the Wright Group's high quality StreetCar with ISE's next generation drive system will provide a premium product offering riders an attractive, comfortable interior in a futuristic vehicle drive by a smooth, quiet, highly efficient hybrid drive system," said David Mazaika, CEO of ISE Corporation. "The Las Vegas RTC/Wright program represents a further expansion of ISE's European hybrid activities with the company now supplying products to OEMs in four European countries and a growing international recognition that ISE's hybrid drive systems offer excellent performance, are environmentally friendly, are highly flexible, and provide best value features."

#### **About The Wright Group:**

The Wright Group is the United Kingdom's leading supplier of accessible buses for public transportation systems throughout the country. The Wright Group has pioneered low floor buses in the UK, and has earned a reputation for producing vehicles which are stylish, durable, high in quality and packed with innovative features. With partnerships in North America and continental Europe, the Wright Group is expanding its product range and customer base to ensure it is well positioned to service the future needs of public transportation throughout the world.

Contact: Mr. Jonathan Poynton, Director Telephone 44 28 2566 3037 www.wrightbus.com

#### About ISE Corporation:

ISE Corporation, based in San Diego, is a leading supplier of hybrid drive systems and components for heavy-duty vehicles such as buses, trucks, trams, airport equipment, and military vehicles. ISE is a world leader in electric, hybrid-electric, and fuel cell technologies, and the U.S. distributor for Siemens ELFA $^{\text{TM}}$  electric and hybrid-electric drive components.

Contact: Mr. Gary Willms, Vice President Business Development Telephone (858) 413-1720 www.isecorp.com

#### SEATTLE POST-INTELLIGENCER

http://seattlepi.nwsource.com/local/332081\_slut18.html



Workers for Seattle Department of Transportation eyeball the track as the trolley car is lowered down onto the tracks on Monday. (Scott Eklund / P-I)

## SLUT -- Streetcar's unfortunate acronym seems here to stay

Tuesday, September 18, 2007 Last updated 7:56 p.m. PT

#### By KERY MURAKAMI P-I REPORTER

There's a story going around South Lake Union, but a spokeswoman for Vulcan, Paul Allen's development company, says it's just an urban legend.

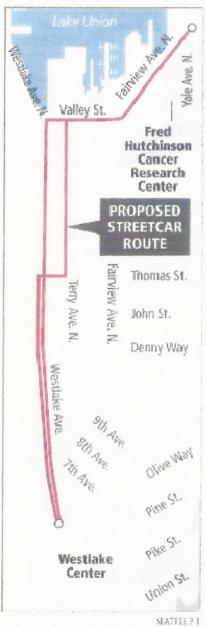
That aside, the story that the neighborhood's streetcar line now under construction was called the South Lake Union Trolley until the powers that be realized the unfortunate acronym -- SLUT -- seems here to stay.

At the Kapow! Coffee house on Harrison Street, they're selling T-shirts that read "Ride the SLUT."

"We're welcoming the SLUT into the neighborhood," said Jerry Johnson, 29, a part-time barista. Johnson said the T-shirts were done just for fun, but they seem to have tapped into something: The first 100 sold out in days and now orders for the next 100 are under way.

Behind the ribbing is a little resentment about the changes some residents feel have been pushed on them.

"There was a meeting with representatives from the city several years ago," Johnson recalled. "They asked us what we could do for you. Most people raised their hands and said 'affordable housing,' "he said." Then the people from the city huddled together -- 'whisper, whisper, whisper, '-- and they said, 'How about a trolley?' "



With the tracks laid and the Westlake to South Lake Union streetcar on schedule to start running in December -- no specific date yet -- there's resignation.

"What's done is done," says Don Clifton of the decision to build the \$50.5 million line.

The neighborhood even has lost its name, they said.

In its sales brochures, project developer Vulcan calls the neighborhood the Cascade and refers to South Lake Union as a broader area bordered by Interstate 5, the Denny Park area, the lake and the Denny Triangle.

But outside the neighborhood, it's rarely ever called the Cascade anymore, going instead by ubiquitous South Lake Union. So, "We learned how fun it is to change the name of things," Clifton said of the streetcar's nickname.

On Wednesday, the neighborhood was filled, as it has been for months, with the clutter of construction from new buildings and the laying of the streetcar's tracks.

Some areas remain blocked during construction.

"It's not so bad," said 32-year-old Jennifer Cea, a student at the nearby Cortiva Institute massage school who was in line at Kapow! "It's more irritating, turning a corner and running into a detour."

The shirts are funny, she said, but she wouldn't wear one. "I'm a mother," she explained.

The construction in the area was more than just inconvenient earlier this month. On Sept. 7, a dump truck from one of the construction projects in the area hit two bicyclists at Fuhrman Avenue East and Eastlake Avenue East, killing one of them.

"I love it," Clifton said of the construction noise. "I was getting too much sleep before."

"I especially like the dust and the big holes in the ground," Johnson said. "But we can't wait to have the SLUT."

Seattle transportation spokesman Gregg Hirakawa and Vulcan spokeswoman Kym Allen say the name "streetcar" wasn't selected to avoid the provocative acronym. Trolley seemed vintage, whereas streetcar sounded more

modern, Hirakawa said.

And the streetcars -- the first of which will be unveiled Tuesday -- had the support of 45 businesses that agreed to tax themselves to cover about



@ zoom

Scott Eklund / P-I

45 businesses Seattle transportation worker Josh that agreed to Stepherson, right, peeks at the trolley car moments after it was delivered Monday.

half the cost, he said.

Indeed, what the SLUT shirts poke fun at depends on the wearer.

For Tom Long, 36, and Michael Giovannoni, 19, who were at the Kapow! during a break from massage lessons, the shirts are a way to mock the years Seattle, a city that's supposedly progressive and environmental, has spent in gridlock while building mass transit.

"Judging by what other cities of our size have, we're way behind," Long said.

P-I reporter Kery Murakami can be reached at 206-448-8131 or kerymurakami@seattlepi.com.

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Posted on Sun, Sep. 23, 2007

### Second coming of rail brings South End alive with projects

Railroad came through in 1850s; new buildings based around transit

KAREN CIMINO

Since construction began on the South Corridor light rail line, Charlotte city planners say South End has been booming with new growth, particularly residential growth as you head toward uptown.

"We've had pretty good interest in that area since the year 2000, and it's picked up in the last two to three years with light rail being more definite," said Charlotte city planner Keith MacVean.

South End has its own tax district, formed in 1999, that defines the area as running from Morehead Street on the north to Remount Road on the south, and from South Boulevard on the east to South Tryon Street and Winnifred Street on the west.

Rail is what birthed South End in the 1850s with the first railroad line connecting Charlotte, Columbia and Charleston. It became a manufacturing community that declined in the 1970s and 1980s. In the 1990s, it started to come back as restaurants, shops and design-related industries moved into the old mills and warehouses.

Now light rail is further reviving the area, planners say.

"There has been an increased interest in South End within the last two years," said Tim Manes, planning coordinator with the Charlotte-Mecklenburg Planning Commission. "We are starting to see more projects in the preliminary design stage, rezoning stage and even formal transit-oriented development approval stage."

Light rail is definitely one of the major draws for new projects, said Ryan Willis, principal for Boxwood, a realty company that represents the new Park Avenue Plaza project and also has a project in the NoDa arts district north of uptown.

Park Avenue Plaza, a four-story condominium building under construction on Park Avenue, will have 39 residential units built around a boutique hotel-style atrium. It also will have four commercial spaces at street level and a parking garage.

The developer was initially interested in that site because CATS planned a light rail stop at Park Avenue, though that stop was eventually deleted from plans, Willis said. There's still a stop at Bland Street, though, about 500 feet north of the property, he said.

Willis said the development will be marketed with the idea that residents are still close to uptown but don't have to worry about parking because they can take light rail to work.

Nearby on West Tremont Avenue, the Hanover Co. has begun work on an 11-story high-rise apartment building called Ashton South End. The site faces the South Corridor light-rail line.

Interest in the area is a combination of factors, said Mark Newell, partner in Merrifield Partners, which is building 1927 S. Tryon St. and Park Avenue Plaza.

"It's a combination of light rail, amenities and residential being developed in the area, along with the proximity to downtown and the interstates," he said. "(Development) has been gaining quite a bit of speed as the light rail continues to be completed."

Willis also believes South End is drawing interest because of art galleries such as Joie Lassiter

Gallery and trendy stores such as American Apparel that have opened in the area recently.

"In the past two years, what I've seen is that the South End is growing faster than the NoDa area," he said. "It's almost like they're competing for the title of the arts area."

Both NoDa and South End have monthly gallery crawls. Other galleries in the South End include the Charlotte Art League, Elder Gallery, Chasen Galleries, and Hidell Brooks Gallery.

Newell doesn't see the comparison between NoDa and South End. Merrifield Partners markets toward engineers, architects and designers who want to live and work in the same area. NoDa tends to draw artists.

"It's a whole different animal than NoDa. It's just a different market. It's different buildings, more amenities, better transit," he said. "A lot of those things contribute to South End."

– Karen Cimino: 704-358-6012; kcimino@charlotteobserver.com.

#### **NEW FLYER**

New Flyers shareholders were in a selling frenzy on Friday after new rules about what constitutes American content in the final assembly of buses threatened to severely impair the Winnipeg firm's operations.

The U.S. Federal Transit Authority published changes to its Buy America program on Thursday which imply that bus shells would be considered part of the final assembly of buses. For U.S. public transit authorities to receive FTA funds for new buses, 60 per cent of components must be made in the United States along with 100 per cent of final assembly.

Previously, bus shells were considered to be part of the 60 per cent component mix.

New Flyer Industries, the largest bus maker in North America, produces bus shells in its Winnipeg plant and ships then them to its Minnesota plants for final assembly. Significantly more than 50 per cent of its sales are to U.S. customers.

New Flyer's trust units closed down 91 cents or 7.9 per cent, although at one point in the day the unit

price was down 15 per cent. More than 1.5 million units traded on Friday compared with fewer than 100,000 on a normal trading day.

"We have not seen a day like this since Oct. 31, 2006," said the company's chief financial officer, Glen Asham, referring to the date when federal finance minister Jim Flaherty announced changes to income trust rules.

But Asham said New Flyer officials believe the published changes were an error and it is a sentiment that seemed to be shared by a consensus in the industry.

Jim LaRusch, chief counsel for the American Public Transportation Association in Washington, said his organization met FTA officials on Friday and they believe these new rules will be reversed.

"We believe it was inadvertent," LaRusch said Friday.

Patrick Scully, chief commercial officer of Daimler Chrysler Commercial Bus unit, echoed this sentiment.

"It's not just us and New Flyer but all manufacturers in the industry have the same challenge with the current FTA approach," said Scully, whose Mississauga bus company, Orion, makes shells for final assembly in New York. "From our perspective we think they will be able to correct it and we anticipate and hope that will be the case."

Winnipeg's Motor Coach Industries would also be affected by those changes.

Industry officials were particularly flummoxed by the sudden change because early on in the 11-page document it is clearly stated that the FTA believes there was a "persuasive" argument to maintain the status quo on final assembly.

But then later on in the detailed schedule the bombshell dropped, stating that final assembly would include "car bodies or shells.

#### **NEW YORK CITY**

**SEPTEMBER 18, 2007** 

Should the Nostalgia Train make money?



The Division of State Government Accountability from the Office of the New York State Comptroller recently released an audit of the New York City Transit Museum's Nostalgia Train program. The audit identified "significant weaknesses in the Museum's internal controls over ticket revenue for Nostalgia Train excursions" and that most of the program's costs are coming from New York City Transit's fare revenues and public mass transit funding.

What's fun is that the audit was spurred by an anonymous tipster:

An anonymous letter received by the Office of the State Comptroller included allegations that there were weaknesses in the Museum's accounting practices and claimed that latecomers were allowed to purchase tickets on board the Nostalgia Train, instead of paying in advance, with no apparent controls over the resulting revenue. Our audit addressed these allegations.

Background: Occasionally, the old trains are brought out and run in normal service for special occasions, like the recent 75th anniversary of the A train, but usually the Nostalgia Train rides are a part of the Transit Museum's offering of programs and listed with the tours the museum offers, and tend to be scheduled a few times per year. Tickets for the trains are \$30, \$25 for museum members, and \$10 for children or around \$5 or \$10 more compared to the tours the museum offers.

The audit brought to light the lack of record keeping with the Nostalgia Train ticket sales. Among the problems noted was a lack of receipt keeping, in accurate sales information, credit card information being kept in unsecured areas, and on one occasion a discrepancy between the revenue collected and money deposited in the bank. The MTA has started to address the concerns of this portion of the audit

by changing some of the procedures for ticket sales and record keeping along with reviewing its policies.

When the fleet of 88 subway cars are run on the subway, they are crewed by specially trained train operators and conductors. The audit reveals that it cost \$31,566 in 2004 and \$20,576 in 2005 to pay for the crews, while only \$23,035 in 2004 and \$12,110 in 2005 was collected for revenue for the rides. The museum was also billed by New York City Transit \$500,454 at the end of February 2006 for the staffing between January 2000 and February 2006, but was never paid because the MTA considers them non-reimbursable "in-kind" services.

The Nostalgia Train fleet is maintained at and in many cases stored at New York City Transit shop facilities along side of the regular in service fleet. According to the audit, it cost New York City Transit \$598,187 to maintain the fleet for a three year period ending April 30, 2006. The audit did call for better record keeping and for obtaining car specific breakdowns of the Nostalgia Train fleet, but New York City Transit responded by saying, "The benefits of obtaining such detailed information is more than offset by the difficulty and expense required to capture such data."

Since the audit includes the MTA's replies to the Comptroller's office, you can read things like how the MTA notes the Nostalgia Train fleet does not "easily fit the traditional revenue vs. expense model", as the museum is a 501 (c) (3) non-profit so it has never been considered a "profit center", and that the museum provides intangible benefits to the MTA and the public.

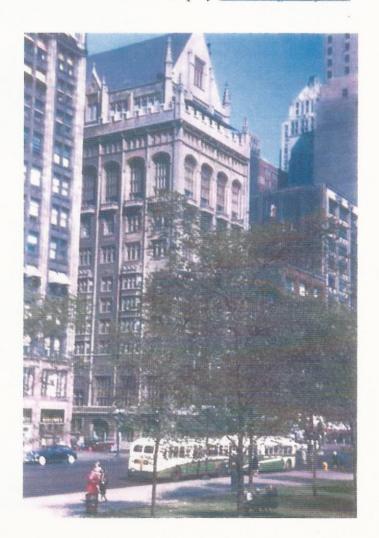
And also the MTA believes "there is a symbiotic relationship between NYCT and the Museum, with the Museum playing an instrumental role in helping NYCT make the vintage fleet available to the public through Nostalgia Train events. In turn, NYCT provides in-kind expertise and assistance to the Museum."

As for the Nostalgia Train program, the MTA stated, "The vintage Fleet is part of the State's heritage and while the fleet is physically maintained by New York City Transit, the museum provides the means for these important artifacts to be experienced and enjoyed by the public."

We have been on a Nostalgia Train trip and, other than a bit long, it makes you appreciate the little things in the modern subway cars, like sound insulation, seats not made of woven material, and, perhaps most importantly, air conditioning. True, you'll have to deal with the foamers who have the fleet number and entire history of every subway car that ever ran in the city on these trips, but that is a small price to pay to get an idea of how things were years ago. We recommend going on at least one of these just for that, since there aren't many full sensory experiences of old New York left.

Now we do wonder how much money went into the audit. Surely there are better things for eight staff members from the Comptroller's office to spend about a year looking into. But we guess getting an anonymous letter filled with allegations does need to be investigated.

Photo of IRT Low V and R62 subway cars at the Corona Maintenance Shop by Triborough on flickr



## **CityBus Welcomes Hybrid Buses**

For the first time, CityBus is proud to introduce hybrid buses to the Lafayette-West Lafayette community. With hybrid's lower emissions and reduced fuel use, investment in hybrid technology is the right thing to do for CityBus, Lafayette, West-Lafayette, and Purdue University.

### What are the benefits of hybrid technology?

There are two benefits: cleaner air and lower fuel use.

#### **EMISSIONS REDUCTIONS**

According to GM Allison, hybrid bus emission are lower than standard diesel emissions by the following amounts:

Nitrogen Oxide	50% less
Particulate Matter	90% less
Carbon Monoxide	90% less
Hydrocarbons	90% less

Plus, CityBus's investment in hybrid technology makes good economic sense for Indiana. The engines were built by Cummins Engine and the hybrid drive by GM Allison—both Indiana companies.

#### How do hybrids work?

The word *hybrid* refers to two energy sources: an electric drive powered by a 900-volt rechargeable battery, and a standard diesel engine. The buses use electric power during initial acceleration, which eliminates the puff of black smoke that standard diesel engines are known for. The diesel-powered engine provides energy after initial acceleration, reducing the amount of fuel used. The battery is recharged during de-acceleration, using the momentum of the bus to regenerate electric power.

#### Where is energy stored?

Power is stored in a 900-volt battery pack on the roof of the bus.



## How much did the new buses cost CityBus?

CityBus's two new hybrid buses cost \$489,000 each. CityBus is investing an additional \$30,000 per bus for security and information technology equipment (cameras, farebox, and global-positioning-satellite technology). By comparison, CityBus's new standard diesel buses cost \$294,000 each. 80% of the cost was paid with federal discretionary funds. The remaining 20% was paid with state and local taxes.

### On which routes will CityBus use the new hybrid buses?

CityBus will use one of the hybrid buses on the Wabash Trolley Line. The other will be rotated through the system so that bus riders throughout the community may experience the new technology, beginning with route "7 St. Rd. 26 E."

### How many buses are in CityBus's fleet?

Including the new buses, there are 67 buses and trolleys, in addition to 6 Access vans.

## What other Indiana cities use hybrids?

Hybrids are also used in Indianapolis, Evansville and Bloomington.

