

POLICY BRIEF
An electronic publication of
The Allegheny Institute for Public Policy

February 22, 2007

Volume 7, Number 8

Union Contract Constraints on the Use of Small Buses

In a previous *Policy Brief* (Volume 7, Number 3), we argued that one way for Port Authority management to mitigate their proposed deep service cuts and achieve cost reductions and more efficient operations was to ask the Amalgamated Transit Workers for a contract re-opener and seek, among other concessions, that they be able to introduce a fleet of small buses. The current contract has a year and a half to go before it expires and the situation at the Port Authority is dire enough to begin looking immediately for more imaginative solutions for saving money.

It seems to make sense: if there are current routes or potential new replacement routes that can be adequately but less expensively served by small buses, why has the Port Authority not taken advantage of the possible savings? Very simply because the contractual agreement covering small buses that was approved in 1997 and is still in effect places an extremely low limit on the number of small buses PAT can employ.

Section 1001 of the 1997 contract dealing with “Small Transit Vehicles (STVs)” specifies the use of small buses, which have a seating capacity of 24 or less. The contract holds the maximum number of small buses on current (and presumably any future) fixed route service at just three percent of the number of large buses in service. To wit, the contract language states that small buses “may be used to replace fixed route service as long as the number of STVs used to service any fixed routes does not exceed 3 percent of the total number of large buses in customer service at peak time operation”.

In short, the 1997 contract language means that with the 1,000 full size buses now in service, the Port Authority is allowed only 30 small buses for service on existing fixed routes. Thus, for all intents and purposes “fixed route service” is contractually the exclusive domain of large buses —no matter how few riders they carry. The Authority does have 80 smaller buses but, for the most part, they cannot be used on the fixed routes. The contract does permit STVs to be used in low density areas, which are defined as “an area not serviced by the Port Authority’s existing fixed route service”.

The Port Authority noted in a report to the Governor’s Commission that it had negotiated a lower wage rate for STV operators (65 percent of the top driver wage) and had outsourced maintenance on those buses, resulting in savings of \$7 million annually. The contract requires that maintenance on STVs will be handled by PAT maintenance

employees for first echelon work like oil changes, fluids, and lubrications, but that all other maintenance on leased STVs can be contracted out. If the STVs are purchased by PAT, in-house employees get to do all of the work.

Notwithstanding the savings that have been reached by outsourcing maintenance and setting the wage rate at 65 percent of the top operator wage, keeping the number of small buses at a scant 3 percent of the vehicles in total peak service is far too low to create the substantial cost savings and operating efficiency necessary to make a dent in the Authority's financial shortfall.

Obviously, what is needed is new contract language that removes the limit on the number of small buses that can be used on existing routes and a reconfiguring of fixed routes to allow the development of a system of neighborhood feeders into light rail and main stem bus runs.

In addition to being less expensive to operate, smaller buses can much more easily maneuver their way through narrow neighborhood streets and tight turns. They would be ideal in some of the hillier regions of the City as well in lower density suburban areas. Indeed, they would also be better suited to many of Pittsburgh's narrow Downtown streets.

Acquiring new small buses means the Authority will need additional capital. One way to get the funds would be to sell some of the looming surplus of full size buses. The argument that there are no funds should not be an obstacle to proceeding with enhanced small bus service.

To be sure, eventually the Port Authority must be able to use significant outsourcing and allow private operators to handle many of the routes that are slated to be cut. There are federal and state laws requiring that outsourcing be agreed to in collective bargaining. Thus, the Port Authority will need to ask the unions to agree to a plan to institute incremental outsourcing of bus operations and maintenance.

An upcoming issue of the *Policy Brief* will address in depth the issues and benefits of outsourcing and privatization of Port Authority operations.

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