




OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

Marc Elrich
County Executive

April 22, 2021

TO: Tom Hucker, President, County Council

FROM: Marc Elrich, County Executive 

SUBJECT: Amendments to the FY22 Mass Transit Operating Budget and the Recommended FY22 Capital Budget and FY21-26 Capital Improvements Program (CIP)

Due to the recent passage of the American Rescue Plan Act of 2021, we anticipate receiving additional one-time federal aid for transit services. While the exact amount of aid directed to Montgomery County is yet to be determined, I am conservatively recommending programming approximately \$33.5 million based on the formulas used in prior allocations of COVID relief transit aid. Until we have formal confirmation of our allocation from the State, I recommend budget amendments totaling \$7,975,000 in the operating budget and \$25,500,000 in the capital budget. The addition of these funds will help to support and accelerate County transit priorities, including resumption of Ride On service to pre-pandemic levels, continuation of free fares through the first quarter of FY22, fleet electrification, and the Bus Rapid Transit program. These amendments are complementary to the County's Federal earmark requests that are currently pending with our Congressional delegation.

Operating Budget Amendments (\$7,975,000)

When I submitted my operating budget recommendations in March, we thought we would have more fiscal constraints. As a result, we had assumed that Ride On transit services would not return to nearly pre-COVID service levels until February 2022. Now with additional Federal aid for transit services, I recommend that we resume full Ride On services by September 2021. Federal aid will cover the \$3,570,000 needed to do so. The Fleet Management Services budget will also need to increase by \$622,793 to reflect related increased fuel and maintenance costs.

The County Council and I have both expressed an interest in delaying reinstatement of Ride On fares during the COVID crisis – as well as considering additional ways to make transit service more affordable. As a result, my budget amendments assume that we will extend our current fare holiday through the first quarter of FY22 (\$4,230,000 in revenue reductions). During this period, the Department of Transportation will undertake a Fare Equity Study (\$175,000) to evaluate existing free and reduced fare programs and policies and make recommendations for improvements to optimize public benefits. The study will:

- consider best practices of similar programs being implemented across the country and internationally, as applicable;

- review past and present data on Seniors Ride Free, Kids Ride Free, and other subsidized fare programs to evaluate existing and anticipated usage patterns, awareness of programs, ease of participation, hours and days programs are in effect; and
- identify potential improvements to increase public benefits from such programs. The study will be coordinated with the Reimagining Ride On analysis.

Capital Budget Amendments (\$25,500,000)

These Federal funds are non-recurring. As a result, I am recommending strategic, one-time uses that will advance our shared goals to improve economic development, environmental, and equity goals through transit capital investments. These amendments include:

Great Seneca Science Corridor (GSSC) Transit Improvements (\$10,600,000)

This project is intended to provide immediate transit improvements in this economically important corridor until the Corridor Cities Transitway (CCT) is implemented. Improvements could include: new, upgraded transit stops, dedicated bus and bus and bicycle lanes, transit signal priority, new roadway connections, upgrades to transit centers, new transit vehicles, and pedestrian and bicycle improvements. The proposed GSSC network consists of four routes, and the additional funds requested here will allow us to construct improvements needed for the first two routes, the Pink and Lime Lines. Both of these lines start at Shady Grove Metrorail station and provide service to key destinations in the life sciences area, terminating at the Universities at Shady Grove. The Lime Line uses I-370 from Shady Grove Metro to provide an express route to RIO, Crown Farm, and the heart of the Life Science Center. The Pink Line links the busy Shady Grove Road corridor to the Life Science Center near Shady Grove Hospital. Construction will start in FY22 and be completed in FY24. This additional implementation funding supplements preliminary design funding requested in January to be jointly funded by the County, Gaithersburg, and Rockville.

Electrification of the Ride On Fleet (\$9,150,000)

This amendment will increase the number of electric buses purchased in FY22 from 10 to 20 in the Ride On Bus Fleet project. This acceleration of electric bus purchases will take advantage of the microgrid solar infrastructure project that will be installed at the Brookville depot. Over time, these buses will help the County meet its climate goals and reduced transit operating costs.

Bus Rapid Transit: Veirs Mill (\$4,500,000)

Additional funds for this project will allow final design to be completed in FY23 – making it possible for this project to compete for Federal funding under the Federal Transit Administration’s Capital Investment Grant Program. This project will serve residents in one of the Council of Government’s Equity Emphasis Areas.

Bus Priority Lanes (\$1,250,000)

This new project will fund targeted and quickly implemented improvements such as bus lanes, transit signal priority, and queue jumps, to enhance transit reliability and travel speed. FY22 improvements will focus on Veirs Mill Road in the area near the Wheaton Metrorail Station, on Crystal Rock Drive, Century Boulevard, and Aircraft Drive leading up to the Germantown Transit Center, and on US29 in Silver Spring.

Tom Hucker, President, County Council
April 22, 2021
Page 3

CIP amendments will be funded with Mass Transit: Current Revenue with Federal funds used to cover other Transit operating budget expenses.

ME:mb

Attachments: •April Transit Operating Budget Amendments
 •CIP Budget Amendments – Round 3
 •Project Description Forms
 •Current Revenue Adjustment Chart

c: Montgomery County Councilmembers
 Marlene Michaelson, Executive Director, County Council
 Chris Conklin, Director, Department of Transportation
 Jennifer Bryant, Director, Office of Management and Budget
 Office of Management Budget Staff

APRIL TRANSIT OPERATING BUDGET AMENDMENTS

Amendment	Expenditure Change	Revenue Change
Resume Ride On Service by September 2021	\$3,570,000	
Extend Fare Free Period through the First Quarter of FY22		-\$4,230,000
Fare Equity Study	175,000	
Total	\$3,745,000	-\$4,230,000

New Projects



Bus Priority Lanes (P502204)

Category	Transportation	Date Last Modified	04/21/21
SubCategory	Mass Transit (MCG)	Administering Agency	Transportation
Planning Area	Countywide	Status	Preliminary Design Stage

Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
-------	-----------	----------	---------------	-------	-------	-------	-------	-------	-------	----------------

EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	300	-	-	300	-	300	-	-	-	-
Site Improvements and Utilities	50	-	-	50	-	50	-	-	-	-
Construction	900	-	-	900	-	900	-	-	-	-
TOTAL EXPENDITURES	1,250	-	-	1,250	-	1,250	-	-	-	-

FUNDING SCHEDULE (\$000s)

Current Revenue: Mass Transit	1,250	-	-	1,250	-	1,250	-	-	-	-
TOTAL FUNDING SOURCES	1,250	-	-	1,250	-	1,250	-	-	-	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 22 Request	1,250	Year First Appropriation	
Cumulative Appropriation	-	Last FY's Cost Estimate	-
Expenditure / Encumbrances	-		
Unencumbered Balance	-		

PROJECT DESCRIPTION

This program provides for the planning, design, and construction of improvements such as bus lanes; queue jumps; passenger boarding and alighting improvements; implementation of transit signal priority; enhanced bus stops; and other similar capital improvements that will result in improved bus operations throughout Montgomery County. These improvements will advance the transit network specified by master plans. Potential improvements may also be identified through other planning and transit operations studies or requested by community members.

ESTIMATED SCHEDULE

Projects programmed for FY22 include Veirs Mill Road in the area near the Wheaton Metrorail Station, on Crystal Rock Drive, Century Boulevard, and Aircraft Drive leading up to the Germantown Transit Center, and on US29 in Silver Spring.

PROJECT JUSTIFICATION

Montgomery County is working towards implementation of a 102-mile bus rapid transit (BRT) network that will dramatically improve transit and support the county's economic development, equity, and environmental goals. This network is focused on 10 primary corridors within Montgomery County and is an ambitious plan to improve bus transit service and refocus how people travel in Montgomery County. Individual corridor projects are complex, costly, and take several years to implement. Recognizing the importance of improving bus performance in the shorter term, the Montgomery County Department of Transportation is advancing the Bus Priority Program to provide targeted and quickly implementable improvements that will result in improved bus reliability and travel time.

COORDINATION

Maryland Department of Transportation, Washington Metropolitan Area Transit Authority, Maryland-National Capital Park and Planning Commission, City of Rockville, City of Gaithersburg

Scope Change



Bus Rapid Transit: Veirs Mill Road (P501913)

Category	Transportation	Date Last Modified	04/20/21
SubCategory	Mass Transit (MCG)	Administering Agency	Transportation
Planning Area	Rockville	Status	Preliminary Design Stage

Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
-------	-----------	----------	---------------	-------	-------	-------	-------	-------	-------	----------------

EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	7,500	328	672	6,500	2,000	2,500	2,000	-	-	-	-
TOTAL EXPENDITURES	7,500	328	672	6,500	2,000	2,500	2,000	-	-	-	-

FUNDING SCHEDULE (\$000s)

Current Revenue: Mass Transit	4,500	-	-	4,500	-	2,500	2,000	-	-	-	-
Impact Tax	3,000	328	672	2,000	2,000	-	-	-	-	-	-
TOTAL FUNDING SOURCES	7,500	328	672	6,500	2,000	2,500	2,000	-	-	-	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 22 Request	4,500	Year First Appropriation	FY20
Cumulative Appropriation	3,000	Last FY's Cost Estimate	3,000
Expenditure / Encumbrances	2,545		
Unencumbered Balance	455		

PROJECT DESCRIPTION

This project will design and construct a new Bus Rapid Transit (BRT) line on Veirs Mill Road (MD 586) between the Wheaton and Rockville Metrorail Stations. Planning conducted by the Maryland Department of Transportation State Highway Administration (MDOT SHA) resulted in a Recommended Alternative in late 2017. The recommended alternative includes queue jumps for use by BRT and other buses at congested intersections along the corridor, new BRT stations with level boarding and off-board payment, Transit Signal Priority, purchase of new 60-foot articulated vehicles, and other associated pedestrian and bicycle improvements along the corridor. The study retains curbside dedicated lanes as the long-term BRT alternative for Veirs Mill Road.

LOCATION

Veirs Mill Road

ESTIMATED SCHEDULE

Project planning was completed in FY18. Preliminary Engineering began in FY20 and is anticipated to be complete in FY21. Final design will start in FY22 and be completed in FY23.

COST CHANGE

Final design costs added back to the project. This addition allows the project to compete for Federal funding.

PROJECT JUSTIFICATION

The project will transform mobility options with the implementation of a seven-mile, premium, branded, limited-stop BRT service along Veirs Mill Road. This new service will improve transit travel time and increase opportunity for a broad range of users, including a significant number of minority and low-income riders living along a highly congested corridor. The project will improve passenger transit mobility by connecting riders to high density housing and employment centers. Plans & Studies: MCDOT Countywide Bus Rapid Transit Study, Final Report (July 2011); County Executive's Transit Task Force (May 2012); Countywide Transit Corridors Functional Master Plan (November 2013); Maryland Department of Transportation/Maryland State Highway Administration MD 586/Veirs Mill Road Draft Corridor Planning Study (September 2016); Veirs Mill Corridor Master Plan (April 2019)

FISCAL NOTE

\$3 million in FY20 and FY21 will be used to complete Preliminary Engineering. \$4.5 million will be used to complete final design. The current estimate for project completion is an additional \$71.5 million for Construction. Adding final design costs to the CIP schedule allows the project to compete for Federal funding.

DISCLOSURES

A pedestrian impact analysis will be performed during design or is in progress.

COORDINATION

Maryland Department of Transportation, Washington Metropolitan Area Transit Authority, Maryland-National Capital Park and Planning Commission, City of Rockville



Great Seneca Science Corridor Transit Improvements (P502202)

Category	Transportation	Date Last Modified	04/21/21
SubCategory	Mass Transit (MCG)	Administering Agency	Transportation
Planning Area	Gaithersburg and Vicinity	Status	Preliminary Design Stage

	Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
EXPENDITURE SCHEDULE (\$000s)											
Planning, Design and Supervision	1,500	-	-	1,500	-	1,500	-	-	-	-	-
Construction	10,600	-	-	10,600	-	2,275	6,325	2,000	-	-	-
TOTAL EXPENDITURES	12,100	-	-	12,100	-	3,775	6,325	2,000	-	-	-

FUNDING SCHEDULE (\$000s)											
Current Revenue: Mass Transit	10,600	-	-	10,600	-	2,275	6,325	2,000	-	-	-
Impact Tax	1,500	-	-	1,500	-	1,500	-	-	-	-	-
TOTAL FUNDING SOURCES	12,100	-	-	12,100	-	3,775	6,325	2,000	-	-	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)											
Appropriation FY 22 Request				11,100	Year First Appropriation						
Cumulative Appropriation				-	Last FY's Cost Estimate						
Expenditure / Encumbrances				-							
Unencumbered Balance				-							

PROJECT DESCRIPTION

The project will advance the planning, design, and implementation of new premium-transit services to support the Great Seneca Science Corridor and surrounding areas. The project includes new, upgraded transit stations, dedicated bus and bus + bike lanes, transit signal priority, new roadway connections, upgrades to transit centers, as well as pedestrian and bicycle improvements for the first two routes. These transit services will provide frequent and reliable connections between Kentlands, Crown Farm, King Farm, the Universities at Shady Grove, Adventist Shady Grove Hospital, Shady Grove Metro, Rockville, and other key destinations in support of the Great Seneca Science Corridor Master Plan.

LOCATION

Great Seneca Science Corridor master plan including Shady Grove, King Farm, Falls Grove, Crown Farm, Rio, Kentlands, Adventist Shady Grove Hospital, Universities at Shady Grove, and Rockville

ESTIMATED SCHEDULE

Planning will be completed in FY21 in the Bus Rapid Transit: Development CIP project. Preliminary design will begin in FY22. Construction of improvements for the Pink line linking Shady Grove Metrorail station to the Life Science Center near Shady Grove Hospital and the Lime line using I-370 from Shady Grove Metro to RIO, Crown Farm and the heart of the Life Science Center will begin in late FY22 and be completed in FY24.

PROJECT JUSTIFICATION

The continued delay of the Corridor Cities Transitway (CCT) has limited the ability for land use plans in the Great Seneca Science Corridor area to be realized. While the CCT is still identified as the long-term transit need for this area, a vision for enhanced transit improvements has been identified for quicker implementation to help the county achieve its non-auto-driver mode share (NADMS goals).

FISCAL NOTE

Remaining \$1 million appropriation on hold pending Memorandum of Understanding with the cities of Gaithersburg and Rockville. Fleet costs are not included and will be determined during the planning and design phase.

DISCLOSURES

A pedestrian impact analysis will be performed during design or is in progress.

COORDINATION

Maryland Department of Transportation, Washington Metropolitan Area Transit Authority, Maryland-National Capital Park and Planning Commission, city of Gaithersburg, and city of Rockville.



Ride On Bus Fleet (P500821)

Category	Transportation	Date Last Modified	04/20/21
SubCategory	Mass Transit (MCG)	Administering Agency	Transportation
Planning Area	Countywide	Status	Ongoing

Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
-------	-----------	----------	---------------	-------	-------	-------	-------	-------	-------	----------------

EXPENDITURE SCHEDULE (\$000s)

Other	288,046	171,060	19,669	97,317	11,795	18,300	28,890	21,333	6,444	10,555	-
TOTAL EXPENDITURES	288,046	171,060	19,669	97,317	11,795	18,300	28,890	21,333	6,444	10,555	-

FUNDING SCHEDULE (\$000s)

Contributions	820	430	390	-	-	-	-	-	-	-	-
Current Revenue: Mass Transit	127,429	33,396	8,716	85,317	9,795	16,300	26,890	19,333	4,444	8,555	-
Fed Stimulus (State Allocation)	6,550	6,550	-	-	-	-	-	-	-	-	-
Federal Aid	51,880	36,177	6,103	9,600	1,600	1,600	1,600	1,600	1,600	1,600	-
G.O. Bonds	956	956	-	-	-	-	-	-	-	-	-
Impact Tax	2,350	2,350	-	-	-	-	-	-	-	-	-
Short-Term Financing	81,321	81,261	60	-	-	-	-	-	-	-	-
State Aid	16,740	9,940	4,400	2,400	400	400	400	400	400	400	-
TOTAL FUNDING SOURCES	288,046	171,060	19,669	97,317	11,795	18,300	28,890	21,333	6,444	10,555	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 22 Request	13,304	Year First Appropriation	FY09
Cumulative Appropriation	207,520	Last FY's Cost Estimate	279,354
Expenditure / Encumbrances	181,327		
Unencumbered Balance	26,193		

PROJECT DESCRIPTION

This project provides for the purchase of replacement and additional buses in the Ride On fleet in accordance with the Division of Transit Services' bus replacement plan and the Federal Transportation Administration's service guidelines.

ESTIMATED SCHEDULE

FY21: 10 electric and 5 small diesel; FY22: 20 electric; FY23: 10 electric, 35 small diesel, and 7 microtransit; FY24: 10 electric and 21 small diesel, 2 large diesel; FY25: 12 large diesel; FY26: 18 CNG and 1 small diesel.

COST CHANGE

Change due to the mix of bus types, with a phaseout of hybrid buses and an increasing reliance on electric buses. Expanded acquisition of electric buses in FY22.

PROJECT JUSTIFICATION

The full-size transit buses have an expected useful life of twelve years. Smaller buses have an expected useful life of ten years. Microtransit buses have an expected life of four years.

OTHER

MCDOT will continue to apply for grants to cover the incremental cost of additional electric buses. In FY21 and FY22, electric buses comprise 67 and 100 percent of new bus purchases, respectively. This exceeds standards compared to most other transit agencies. For example, California, considered a leader in zero bus emissions implementation, recently enacted a regulation that will require all large transit agencies to include at least 25 percent zero emission buses in their new bus purchases beginning in 2023.

DISCLOSURES

Expenditures will continue indefinitely. The County Executive asserts that this project conforms to the requirement of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

COORDINATION

Department of General Services, Maryland Transit Administration

FY 21-26 Biennial Recommended CIP
Budget Amendments Summary (\$000s) - Round 3

Project #	Project Name	Explanation of Adjustment	FY21-26 Change (\$000s)	Funding Sources
-----------	--------------	---------------------------	-------------------------	-----------------

New Projects

P502204	Bus Priority Lanes	This new project will implement targeted and quickly implemented improvements such as bus lanes, transit signal priority, and queue jumps, to improve transit reliability and travel speed. FY22 projects will focus on Veirs Mill Road in the area near the Wheaton Metrorail Station, on Crystal Rock Drive, Century Boulevard, and Aircraft Drive leading up to the Germantown Transit Center, and on US29 in Silver Spring.	1,250	Current Revenue: Mass Transit
---------	--------------------	---	-------	-------------------------------

Scope Change

P501913	Bus Rapid Transit: Veirs Mill Road	Added funding for final design making it possible for this project to compete for federal funding.	4,500	Current Revenue: Mass Transit
P502202	Great Seneca Science Corridor Transit Improvements	Construction funding added for the first two routes, the Pink and Lime lines. These lines will link the Shady Grove Metro station with RIO, Crown Farm, Shady Grove Hospital and the Life Science Center. Construction will start in FY22 and be completed in FY24.	10,600	Current Revenue: Mass Transit
P500821	Ride On Bus Fleet	Cost change reflects updated bus prices and adds 10 more electric buses in FY22 to advance climate goals. Total funding will cover the costs of 20 electric buses.	8,692	Current Revenue: Mass Transit