

JOHNSON COUNTY
KANSAS
County Manager's Office

111 S. Cherry Street, Suite 3300
Olathe, Kansas 66061

April 7, 2017

Mr. Thomas M. Markus, City Manager
P.O. Box 708
Lawrence, Kansas 66044-2263

Dear Tom:

Per the city's request, Johnson County is formally submitting the funding request detailed below and in the enclosed budget document for the K-10 Connector bus route:

FY 18: \$190,403

I have attached an invoice for FY 2017 in the amount of \$120,000 for approval and payment.

The revised FY 2018 funding request in the amount of \$190,403 reflects a funding formula based on updated population and ridership data. This funding will support the operating cost of the K-10 Connector service that connects the KU campuses and JCCC and which serves an existing commuter market of both student and faculty populations. As you know, the K-10 Connector is a commuter express service – only boarding and deboarding passengers at five specified stops – and has reduced congestion and provided mobility options for people within the corridor.

Johnson County values our partnership with the City of Lawrence on this mutually beneficial service. I would appreciate the opportunity for Penny Postoak Ferguson, Deputy County Manager, to meet with you and Diane Stoddard in order to discuss a more fully defined partnership concerning the K-10 Connector.

Thank you in advance for your consideration of this funding request. If you have any questions at this juncture, please feel free to contact either Penny or Josh Powers, Business Liaison.

Sincerely,

Hannes Zacharias
County Manager

Enclosure

Program Budget Information

Note: As you write your budget justification, be sure to address the amount of your matching support, its source(s), and how the match reflects community interest in the project. Your budget must correspond with the plan described in your project description.

Expenditures					Justification
	Requested Amount	Cash Match	In-Kind Support	Subtotal	
Personnel					-
Fees & Service					-
Estimates/Bids					-
Travel					-
Marketing					-
Cost of Materials					-
Operating Expenses	\$190,403			190,403	-
Other					-
Total Program Budget	\$ 190,403.00	\$ -	\$ -	\$ 190,403.00	

Revenues	
	Anticipated Revenue
City of Lawrence	-
Douglas County	
School District	
Grants (Local, State, Federal)	-
United Way	
Charges for Service	-
Donations (Individual/Corporate)	
Fundraising/Events	
Other	
Total Anticipated Revenues	\$ -

Total Cost of Service	\$	1,243,453
Less: Farebox	\$	(344,860)
Less: Fed Funding	\$	(285,478)
Less: State Funding	\$	(167,924)
Net Service Cost	\$	445,191

80% of Formula	Total Ridership: 104,970				
Jo Co Ridership (50%)	52,485	50.00%	40.00%	\$	178,076
Lawrence Ridership (50%)	52,485	50.00%	40.00%		178,076
			80.00%	\$	356,153

20% of Formula	Totals	% of Total	Allocation	Total Cost
Jo Co Population	584,451	86.16%	17.23%	\$ 76,711
Lawrence Population	93,917	13.84%	2.77%	\$ 12,327
			20.00%	\$ 89,038

Service Area	Basis of Allocation		Total Cost
	Population (80%)	Ridership (20%)	
Johnson County	\$ 76,711	\$ 178,076	\$ 254,788
Lawrence	12,327	178,076	\$ 190,403
Total Cost	\$ 89,038	\$ 356,153	\$ 445,191

Tom and Diane:

The City of Lawrence entered into discussions with Johnson County in 2013 in regard to cost-sharing, based on a formula that at the time included the cost of the service and a formula that weighted ridership at 80% and population at 20%.

These initial discussions included tentative agreement to a cost-sharing plan that increased the city's level of funding over three years, beginning in 2014 at the \$120,000 level and increasing over the course of three years to an annual amount of approximately \$327,000.

The original funding proposal (2013) was based on a total cost of service of \$1,462,606.

From that amount the following was subtracted:

Farebox: \$516,990
Admin: \$240,797
State: \$59,101

The remaining amount of \$645,718 was then used to calculate splits for both Johnson County and Lawrence ridership weighted at 80% and population weighted at 20%:

Total Ridership: 159,074
JoCo Ridership: 63,630 (40% of ridership) – 80% of 63,630 is 50,904 or 32% of the total
Lawrence Ridership: 95,444 (60% of ridership) – 80% of 95,444 is 76,355 or 48% of the total

JoCo share: 32% of \$645,718 = \$206,629
Lawrence: 48% of \$645,718 = \$309,945

Population weighted at 20% allocated 17.21% to Johnson County for a cost of \$111,150
Population weighted at 20% allocated 2.79% to Lawrence for a cost of \$17,993

Service Area	Basis of Allocation		Total Cost
	Population (20%)	Ridership (80%)	
Johnson County	\$ 111,150	\$ 206,630	\$ 317,780
Lawrence	17,993	309,945	\$ 327,938
Total Cost	\$ 129,144	\$ 516,574	\$ 645,718

For the purposes of this discussion Johnson County staff used the original formula using updated ridership and census data and arrived at the following:

With a total cost of service (not including capital costs) of \$1,243,453 less farebox (\$344,860), federal funding (\$285,478) and state funding (\$167,924), the remaining cost of the service is \$445,191.

Weighing current ridership at 80% and population at 20%, the formula arrives at a cost-share amount of \$254,788 for Johnson County, and \$190,403 for Lawrence, as seen below:

The current funding proposal is based on a total cost of service of **\$1,243,453**.

From that amount the following was subtracted:

Farebox: \$344,860
Fed: \$285,478
State: \$167,924

The remaining amount of **\$445,191** was then used to calculate splits for both Johnson County and Lawrence ridership weighted at 80% and population weighted at 20%:

Total Ridership: 104,970
JoCo Ridership: 52,485 (50% of ridership) – 80% of 52,485 is 41,988 or 40% of the total
Lawrence Ridership: 52,485 (50% of ridership) – 80% of 52,485 is 41,988 or 40% of the total

JoCo share: 40% of \$1,243,453 = **\$178,076**

Lawrence: 40% of \$1,243,453 = **\$178,076**

Population weighted at 20% allocated 17.23% to Johnson County for a cost of **\$76,711**

Population weighted at 20% allocated 2.77% to Lawrence for a cost of **\$12,327**

Service Area	Basis of Allocation		Total Cost
	Population (20%)	Ridership (80%)	
Johnson County	\$ 76,711	\$ 178,076	\$ 254,788
Lawrence	12,327	178,076	\$ 190,403
Total Cost	\$ 89,038	\$ 356,153	\$ 445,191

2013

JoCo

Lawrence

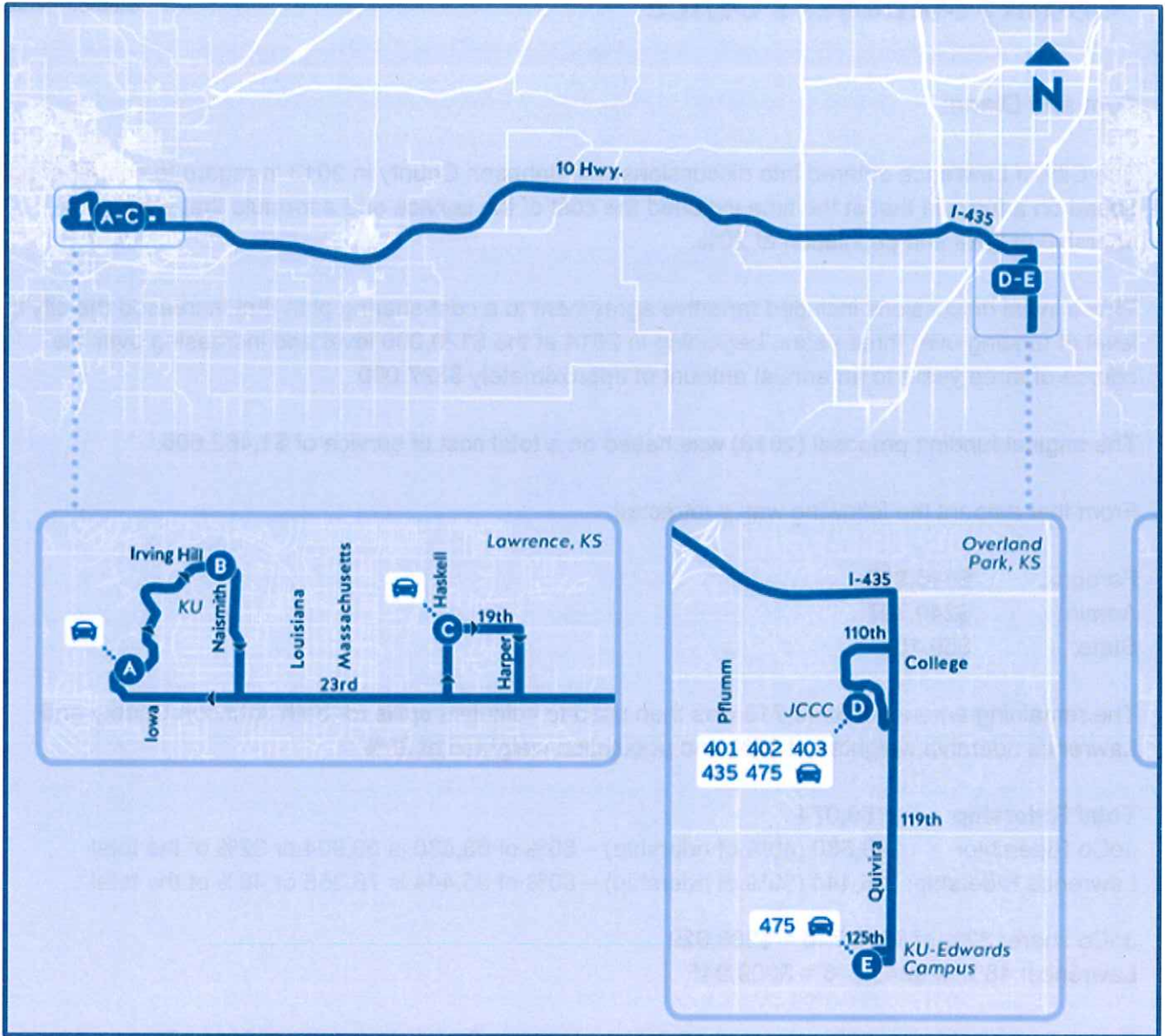
Ridership Allocation	\$206,629	\$309,945
Population Allocation	<u>\$111,150</u>	<u>\$17,993</u>
	\$317,780	\$327,938

2018

JoCo

Lawrence

Ridership Allocation	\$178,076	\$178,076
Population Allocation	<u>\$76,711</u>	<u>\$12,327</u>
	\$254,788	\$190,403



K-10 CONNECTOR