

MEMORANDUM

TO: Mayor and City Council

FROM: Carey F. Smith, City Manager

DATE: December 7, 2009

SUBJECT: **Transit Options and Application for Stimulus Funds**

WORKSHOP REVIEW:

In evaluating our existing transit services as well as considering employment focused transportation needs within our community, staff presented an overview of our transit program, trip destinations, and potential transit options at your workshop on November 23. From a review of the local trip destination analysis, there appears to be two important operational patterns: 1) ridership is continuing to grow in a consistent manner and at a double-digit growth rate; and 2) employment-related transportation continues to be a significant component of the ridership base in particular – accounting for roughly 30% of total ridership. The data analysis also highlighted employment-oriented destination clusters along Ebenezer and Cherry Road, as well as the Downtown and Galleria Area(s).

Taking these operational patterns into account, staff outlined three possible options for you to consider in evaluating how best to proceed in meeting the increasing need for localized transit services; and in particular, incorporating a transit option more specifically geared to work-related travel.

Staff also outlined Federal and State funding programs that could provide assistance in both the short and long term. These programs include transit stimulus funds designated for Rock Hill that can provide 100% capital cost funding and up to one year of operating expenses.

SUMMARY OF TRANSIT OPTIONS:

Option A (Expanding Policy Objectives for York County Access) – By removing the reservation policy beyond the current two week limit, we could broaden the potential ridership pool and increase flexibility, particularly for work-related travel. This would result in ridership growth estimated to increase approximately 30% over current passenger miles. The projected increased operating costs of \$45,000 could be covered by stimulus funds for the first year (through June 30, 2011). Longer term, the projected annual local share estimate for this option is \$11,250.

Option B (Enhanced Demand Response) – This option would enhance the current demand response program by adding a dedicated peak period service. The service would be geared to employment travel times, Monday through Friday. Having dedicated buses for peak periods would free up seating capacity on the regular service. Vehicle acquisition for three buses and operational costs for the first year are estimated to cost \$225,000, which could be covered (through June 30, 2011) by stimulus funds. Longer term, the projected budget estimate is \$15,000 for the local share of operating expenses.

Option C (Flex-Routing) – This option would establish a separate, new service from the Demand Response Program. The service would operate during peak periods on an established schedule and routes. This option includes both vehicle acquisition and initiation of established routes; projected first year costs (through June 30, 2011) would range from \$28,000 to \$53,000. Stimulus funds could cover the vehicle purchase and some of the first year operating expenses. Longer term, the projected cost estimate is \$53,000 in local cost sharing.

FOLLOW-UP INFORMATION REQUESTS:

During the workshop, staff was asked to provide additional information on the top 15 trip destinations for the demand response program and to further discuss with the York County Council on Aging, their potential interest and capacity to accommodate increased ridership as outlined in options A & B.

1. Listed below are the top 15 trip destinations for York County Access:

Rock Hill Dialysis – 356
Fresenius Medical – 105
MediHome Care – 62
McDonald's – 57
Cone Oil Company – 53
Green Street Plaza – 47
Burger King – 47
Piedmont Medical Center – 46
Medical Facilities / Center (Celanese & India Hook Roads) – 44
YCCOA Senior Center – 42
Dollar Tree/Galleria – 38
Food Lion (Dave Lyle Blvd/Galleria area) – 35
Heckle Government Complex – 35
TLC Ministries (Counseling Services) – 34
Catawba AIDS Prevention – 34

2. Operating Capacity – Implementing Options A or B

Additional discussions with Wendy Duda, Executive Director of YCCOA, has confirmed her interest in working with the City to meet local transit needs. She indicates that the demand response service and her staff would be able to accommodate additional riders and service operations as proposed in either option A or B, or both.

Due to the age and mileage on YCCOA's fleet of vehicles, we would recommend that we purchase three vehicles with stimulus funds at a cost of \$165,000 to help update the fleet. These vehicles would be owned by the City, but leased to YCCOA for service operations.

SUMMARY AND STAFF RECOMMENDATIONS:

City staff feels that we could successfully implement any of the three transit options. However, to take the next incremental step in supporting transit and specifically addressing employment related transportation needs, Option B appears to be the best choice. The City could purchase vehicles and initiate the dedicated peak period service with stimulus funds. In addition, the dedicated peak period service would free up capacity (seats) on the regular demand response program. Therefore, we would be achieving two objectives: 1) meeting the growing needs for incidental trips, such as medical appointments and shopping; and 2) establishing an employment focused service.

YCCOA has indicated their willingness and capacity to operate the enhanced service for the City. With approval of the stimulus funds during the spring of 2010 and an amendment to our agreement with YCCOA, we could initiate the enhanced demand response service in July, 2010.

In addition, we have been tracking our current year ridership growth and expenses for the demand response program. It appears we are on track to utilize all available passenger miles allowed in our agreement (75,000 miles annually). We would suggest tapping stimulus operating funds to cover any excess passenger miles rather than curtail service, if necessary. At this time, we are not absolutely sure we will need the additional passenger miles, but suggest having these funds available as a program safety net. We would estimate requesting \$20,000 in stimulus funds for this purpose.

We are recommending to Council that you approve the transit option B concept and authorize staff to submit an application to FTA for stimulus funds in the amount of **\$410,000**, that would allow us to purchase six vehicles and provide operating costs for the first year of the new peak period service and any cost overruns for the current demand response service program year.