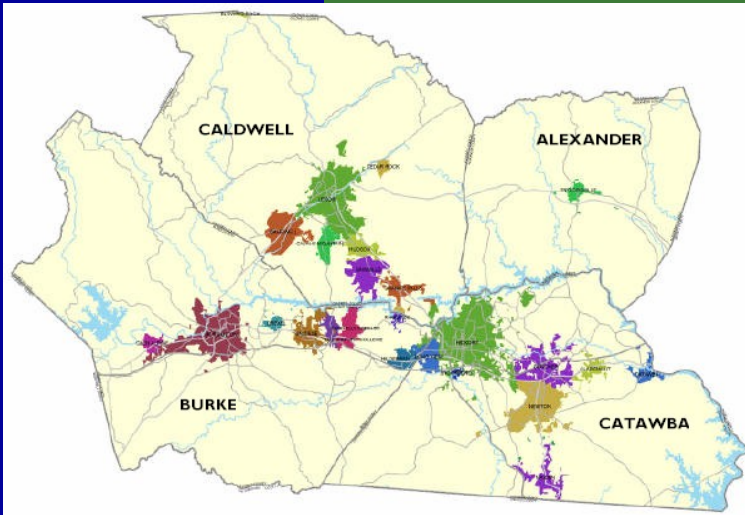


KFH Group, Inc.

Regional Transportation Implementation Study



“Western Piedmont Regional Transit Authority”

Implementation Plan
June 27, 2007

Regional Transportation Planning Process

- **Initial Study-** Completed in 2004, recommended regional transit authority
- **Current Study-** More detailed data gathering to prepare for consensus building and implementation. Process ongoing since May 2006.
- **Study Committee-** Four members from each county; WPCOG serving as technical lead agency. NCDOT serving in an advisory capacity.
- **Major Issues to Consider for a Regional System:**
 - Governance must be equitable
 - Costs must be the same or lower
 - Service must be as good or better



Background- Existing Services



Name	Current Structure	# of Vehicles	Annual Passenger Trips
Alexander County Transportation (ACT)	Part of County Government	10	23,072
Burke County Transit Administration (BCTA)	Private, non-profit	17	36,854
Caldwell County Area Transit System (CCATS)	Private, non-profit	15	25,619
Piedmont Wagon Transit System (PWTS)	Consortium	22	171,970
TOTALS		64	257,515

Why Combine Systems?



- **Seamless connections and the opportunity for more efficient vehicle routing and scheduling.**
- **An increased ability to leverage federal transit funding with other state and federal sources, such as Medicaid.**
- **Potential Reduction in Costs**
 - Reduction in administrative costs
 - Shared maintenance, training, support staff
 - Operations cost- more efficient routing and scheduling
- **Funding Equity- Provide a mechanism to share the urbanized area funding.**
- **Relief from one jurisdiction bearing the responsibility for regional services.**
- **Quality improvements through the development of specialized staff positions.**
- **The NCDOT-PTD is advocating for regionalization of local transit agencies, where feasible.**

Why, Continued



- **Growth-** There are new funding programs that stress coordinated planning
- **Funding Incentives from NCDOT**
 - **Transition Funding**
 - ❖ **Administrative-** funded 100% (pending BOT approval)
 - ❖ **Capital-** typical ratios- 90% federal/state, 10% local
 - **Eligible for funding under the S. 5311 program, which provides funding for rural general public transportation. Currently only Catawba County gets these funds.**
 - **Eligible to apply as a region for S. 5310 funds, which provides funding assistance (traditionally capital) for programs that provide transportation to seniors and people with disabilities.**



“Western Piedmont Regional Transit Authority”

- Organized under Chapter 160A, Article 25
- Simple resolution of participating governments
- Independent governmental unit
- Governing Body- Board of Directors appointed by the participating governments. Can be up to 11 members.
- Eligible to receive grant funding through NCDOT and FTA
- Other Revenue
 - Local operating match provided by member governments, negotiated annually;
 - Local capital fund annualized over a nine year period based on portion of service miles in each jurisdiction;
 - Contractual Revenue; and
 - Fares



Proposed Organization

- Authority employees and in-house operations, other than maintenance, which would continue to be contracted out.
- Location of Personnel and Facilities
 1. Central administrative, operations, and vehicle maintenance/storage facility in the Hickory area.
 2. Start operations in the current PWTS facility. There is space available for expansion.
 3. Some vehicles based in Morganton, Lenoir, and Taylorsville to improve the efficiency of the trips that stay locally in each county.
- Drivers- 32-36 FTE; more than 36 actual drivers, several will be part-time, as is currently the case. Lead drivers in each county.

Budgets and Funding

- **Three Components**
 - **Annual Operating Expenses and Revenues**
 - ❖ Administrative Expenses (management, office expenses, etc.)
 - ❖ Operational Expenses (drivers' salaries, fuel, maintenance, etc.)
 - ❖ Federal, State, and Local Revenue Sources
 - **Capital Budget**
 - ❖ Annualized, based on total capital needs over the nine-year period, 2010-2018. 2009 capital needs are assigned to the incoming partners.
 - **Transition Budget**
 - ❖ One time expenses for system transition
 - ❖ Capital and administrative

Budgets and Funding

ANNUAL OPERATING EXPENSES

Category	Current FY 2006-07	Proposed FY 2009
Total Annual Operating Expenses	\$ 3,287,199	\$ 3,144,580

Annual Operating Revenue

Funding Sources	Current Revenue	Proposed Revenue
Fare Revenue	\$ 173,807	\$ 206,349
Net Deficit	\$ 3,068,392	\$ 2,893,231
Federal S. 5307- Capitalized Maintenance, Planning, & ADA	\$ 596,000	\$ 519,280
Federal S. 5307- Operating and Administration	\$ 350,000	\$ 350,000
NCDOT (SMAP)	\$ 206,000	\$ 206,000
NCDOT CTP Administrative	\$ 444,624	\$ 444,624
NCDOT EDTAP- all four counties	\$ 319,409	\$ 319,409
NCDOT RGP- all four counties	\$ 372,545	\$ 372,545
Human Service Contracts	\$ 489,873	\$ 489,873
Local Cash (specific shares on local slide)	\$ 404,412	\$ 239,500
TOTAL OPERATING REVENUE	\$ 3, 182,863	\$ 2,941,231

Capital Costs

- **Estimated fleet replacement and limited expansion vehicle expenses over ten years, with the first year assigned to the incoming systems/jurisdictions.**
- **Transition Capital**
- **Other Capital**
 - Computer Replacement
 - Communications Equipment
 - Passenger Amenities
 - Other miscellaneous capital
- **Total 9-Year Estimated Capital Costs=**
 - Vehicles \$5,580,951 (including transfer tax)
 - Other Capital \$ 1,000,000
- **Note- does not include facility, which the authority may want to pursue in the future. The local match for a facility would be 10%; there would be a corresponding decrease in the operating budget (rent).**



Capital Expenses

1. Federal Transit Administration capital funding will pay 80% and the State of North Carolina will pay 10%= \$5,836,589
2. Local Responsibility over 9 years, including transfer taxes= \$744,362
Annualized= \$82,707 per year
3. Allocated locally based on current service miles:

Total Annual Service Miles, All Services: 1,215,929

• Alexander	11.5%	\$ 9,511
• Burke	22.5%	\$18,609
• Caldwell	15.2%	\$12,572
• Catawba	21.8%	\$18,031
• Hickory	18.5%	\$15,301
• Newton	3.8%	\$ 3,142
• Conover	6.7%	\$ 5,541

Proposed Local Buy-In

Partner	Portion of Transition Capital FY 2008	Portion of FY 2009 Capital Replacement	Portion of Operating Expenses FY 2009 (Not including Contracts)	TOTAL
Alexander County	\$ 5,067	\$ 4,295	\$ 0	\$ 9,362
Burke County	\$ 9,873	\$ 33,907	\$ 0	\$ 43,480
Caldwell County	\$ 6,654	\$ 30,067	\$ 0	\$ 36,721
Catawba County	\$ 9,535	\$ 21,477	\$ 0	\$ 31,012
City of Hickory	\$ 8,141	\$ 0	\$ 153,280	\$ 161,421
City of Conover	\$ 2,902	\$ 0	\$ 55,085	\$ 57,987
City of Newton	\$ 1,638	\$ 0	\$ 31,135	\$ 32,773

Proposed Ongoing Local Funding

Partner	Annual Operating Contribution (Not including Contracts)	Capital Fund Contribution	Total	Current Local Funding Operating (primarily)
Alexander County	\$ 0	\$ 9,511	\$9,511	\$11,755
Burke County	\$ 0	\$18,609	\$18,609	\$ 7,550
Caldwell County	\$ 0	\$12,572	\$12,572	\$ 28,770
Catawba County	\$ 0	\$18,031	\$ 18,031	\$ 73,952
City of Hickory	\$ 153,280	\$15,301	\$168,581	\$ 150,000
City of Conover	\$ 55,085	\$ 5,541	\$60,626	\$ 75,000
City of Newton	\$ 31,135	\$3,142	\$34,277	\$ 53,950



Future Growth

- **First Step- Complete organizational transition**
- **New Board will consider new service proposals based on need and ability to provide local matching funds.**
- **New sources of revenue to fund growth could include additional municipal partners, additional contractual opportunities, new Federal and State funding programs (New Freedom and Job Access), existing funding programs currently not fully utilized (Supplemental ROAP [State] and Congestion Mitigation and Air Quality- CMAQ [federal]), and/or a dedicated funding source of revenue for local funds.**



Proposed Timeline

- **April-June, 2007- Stakeholder Outreach**
- **April-June, 2007- Refinement of Implementation Plan**
- **June 2007- Commitment from participants, including Resolution**
- **July- September, 2007**
 - Development of Board
 - Development of Job Description and Hiring of Director
 - Creation of By-Laws
 - Name of New Authority
 - Transition Plan and Budget
- **October-November 2007**
 - Preparation of combined grant request, including transition operating



Proposed Timeline

- **December 2007- January 2008**
 - Hire Other Key Staff
 - Develop FTA policies for authority
- **January 2008- June 2008**
 - Create employee transition plans
 - Establish financial system and accounts
 - Start public education process
 - Hire employees
- **July 1, 2008- Initiate Service as Regional Transit Authority**

