



Transit Baseline Revenue Assessment

Preliminary Gap Analysis & Interview Findings

presented to

TPAC

presented by

Cambridge Systematics, Inc.

Planning Communities

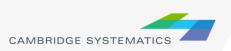


February 21 TPAC Agenda

- Baseline Relationship to WTP
- Study Purpose and Objectives
- Key Findings
- Recommendations
 - » Reestablish a Baseline Policy Definition
 - » Develop Standards and Guidance
 - » Advance Implementation Mechanisms

Purpose of this presentation:

- Update TPAC on study recommendations
- Solicit input from TPAC on recommendations
- Prepare to hand off to Baseline Work Group for next steps

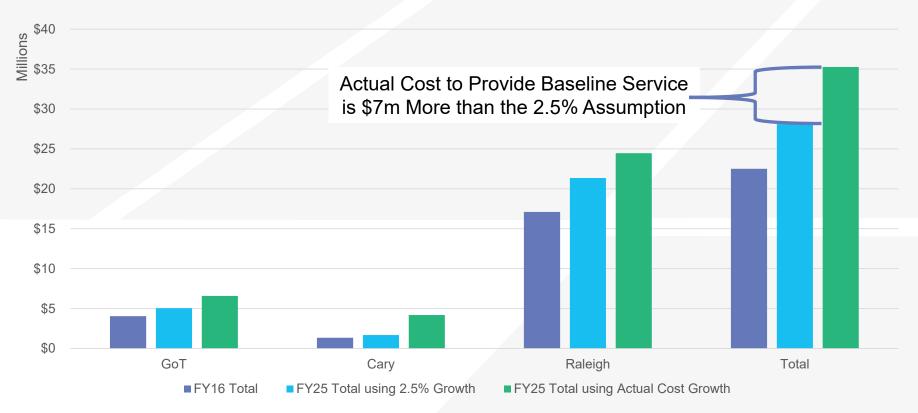


Baseline Purpose for WTP

- Baseline Policy intent:
 - » Ensure money from 2016 sales and use tax goes to expansion rather than towards existing services
 - » Create a common framework between Wake County transit operators to implement WTP and allocate funding



A Growing Risk to the WTP



A Growing Risk to the WTP

Intent of WTP:

WTP-Funded Service Expansion

2016 Service Levels

Future Baseline Service Levels

- If local funding doesn't keep up with paying for Baseline service levels, WTP funds can't be used only for expansion
- This breaks the WTP promise



Key Findings

- Agencies Respond Differently
 - » Stakeholders have had to chart their own course
- No Ground Truth for Baseline Policy
 - » Overall lack of documentation
- Baseline Policy is Not Applied Consistently
 - » Policy needs to be flexible to change



Source: GoRaleigh



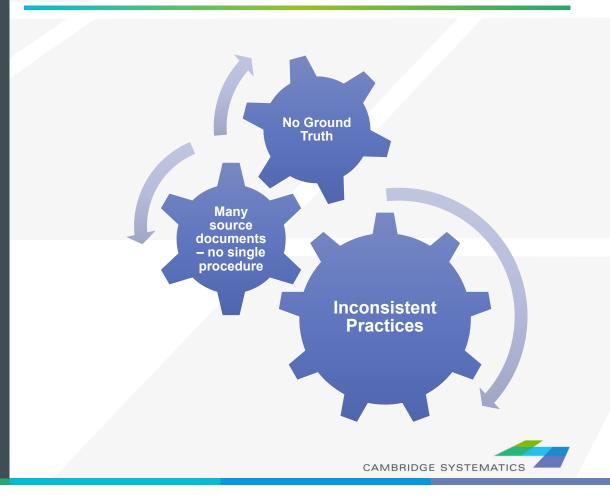
Recommendations

- Reestablish a Baseline Policy Definition
- Develop Standards and Guidance
- Advance Implementation Mechanisms



Legislation requires new funding "to supplement and not to supplant or replace existing funds or other resources for public transportation systems."

Recommendation – Reestablish a Baseline Policy Definition



Recommendation – Reestablish a Baseline Policy Definition

- Baseline Work Group should advance and finalize a formal definition of the Baseline Policy
- Additional work is required to formulate consensus on this definition
- Four options for potential definitions are provided as a starting point



Source: City of Raleigh



Comparison of Potential Options

	1. Service Hour and Unit Cost Calculation	2. Funding Level with Cost Escalation	3. Funding Level with Common Inflation Rate
What it is: Advantages	The total present-day cost to provide the amount of service each agency was providing in 2016.	2016 funding levels increased by agency-specific cost escalation factors	2016 funding levels increased by a common inflation rate.
Tied to service levels	++	+	_
Accounts for changes	++	++	
Ensures WTP funds only used for expansion	++	++	+
Easy to understand and implement	_		+
	Recommended Approach		

Recommended Approach: Service Hour and Unit Cost Calculation

Recommended definition: The total present-day cost to provide the amount of service each agency was providing in Wake County in 2016.

> Agency Baseline Service Hours



Agency Unit Cost per Service Hour



Agency Baseline Financial Responsibility

- For Wake County as a whole
- By transit provider
- Service hours, not platform hours

- Common method of calculation
- Different cost for each provider
- Updates annually

Multiply service hours by unit cost to get total

Define a process to account for changes



Example Calculation

	2016			2023		
Agency	Baseline Service Hours	Unit Cost per Service Hour	Financial Responsibility	Baseline Service Hours	Unit Cost per Service Hour	Financial Responsibility
GoTriangle	10,000	\$100	\$1,000,000	10,000	\$130	\$1,300,000
GoCary	10,000	\$75	\$750,000	10,000	\$100	\$1,000,000
GoRaleigh	100,000	\$75	\$7,500,000	100,000	\$90	\$9,500,000

Note: Values are not real – provided for illustrative purposes only.



Policy Should Account for Changes

- Establish procedures to account for:
 - » Changing service types
 - » Route design and schedule changes
 - » Transferring routes between providers
 - » Variance or interruptions
 - » Major shocks



Source: GoTriangle



Examples: Accounting for Changes

	Changing Service Types	Changing Route Design or Schedule	Transferring Routes between Providers	Variance or Interruptions	Major Shocks
Example	Fixed route to BRT or microtransit	Moving or combining routes or modifying schedules	Provider A route shifted to Provider B operations	Major storm suspends all service for a week	(COVID-like) major, external shock
Potential Solution	Guidance to adjust unit costs for Baseline	Ensure Baseline Service Hours are still met	Subtract Baseline Service Hours from Provider A and add to Provider B	Guidance on allowances and when and how Baseline Responsibility can be adjusted	TPAC / Work Group revisits entire policy



This Recommended Approach is a Starting Point

Baseline Work Group should finalize definitions & advance recommendations



Recommendation – Develop Guidance and Standards

- Create Standard Operating Procedures (SOPs)
 - » Description of all steps that make up the Baseline policy and process
 - » Agreement on Policy and SOPs among all agencies
- Formalize Baseline Policy
- Update Wake Transit Agreements to reflect that Baseline Policy Update



Recommendation – Develop Guidance and Standards

- Create annotated reimbursement templates
 - » Consistent across agencies
 - » Include annotated instructions
 - » Policy definition and other recommendations inform the template

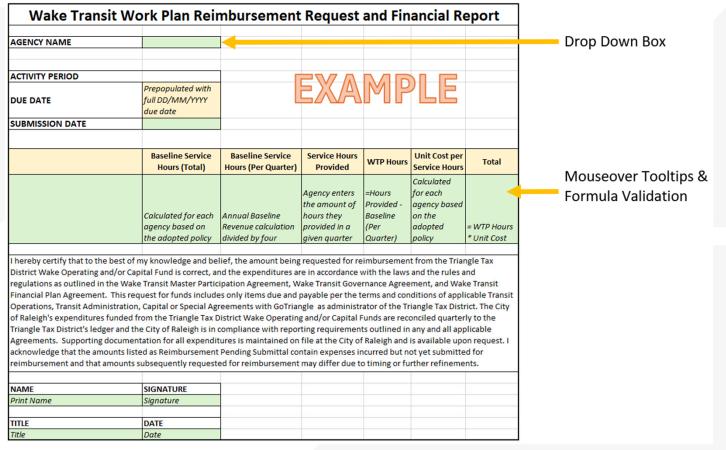


User-friendly features such as:

- detailed instructions in mouseover tooltips
- drop down selection boxes for certain entries
- formula validation



Annotated Reimbursement Template



Recommendation – Develop Guidance and Standards

- Create FAQ and Glossary
 - » Description of how to handle common scenarios
 - » Clarify areas of inconsistency
 - » Define key terms in a Data Dictionary





Recommendation – Advance Implementation Mechanisms

GOALS

- Awareness and understanding
- Quick access to Baselinerelated resources
- Engagement with agencies

ACTIONS

Training Module

Re-establish policy compliance and baseline understanding through annual Wake Transit 101 course

Online Resources

Build repository of at-a-glance information, including tutorials

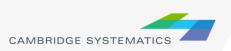
Informal Audits

Hold one-on-one engagement and follow up with agencies



Next Steps / Schedule

- Today's meeting provides a framework to move forward
- Next steps:
 - » Incorporate feedback for draft report; provide final report in March
 - » Baseline Work Group reviews recommendations and priorities to refine and prepare recommendations to present to TPAC this year. Starting point of focus area review includes:
 - Common vernacular
 - Scenarios
 - Flexible policy
- Any additional feedback: provide to Ben Howell via email by February 23: ben.howell@campo-nc.us



For Reference

