



**MPO Staff Report
Technical Advisory Committee: May 15, 2019
MPO Executive Board: May 22, 2019**

RECOMMENDED ACTION: Update of the CAT/UND Shuttle Merger Study.

Matter of Update of the CAT/UND Shuttle Merger Study.

Background:

Cities Area Transit and University of North Dakota have been having continued discussions about merging the two systems. Essentially, the merger is conceptually considered that UND would contract with CAT to operate a public transportation service like the current UND Campus Shuttle system.

In March SRF started more in-depth review of costs and put a report together for a review by CAT and UND. On April 24th CAT and UND met with the MPO and SFR to go over the costs and discuss if this is still a viable venture. Since then a more in-depth review of what it would cost for CAT to run the campus shuttle service. A final cost is still being worked on and will be presented soon.

On April 24th the possibility of this merger was presented to the public. A meeting was held in the Lecture Bowl in the Memorial Union on the UND campus. While it was open to the public it was held a time that the students could attend and get information. A meeting was also held that day in Grand Forks City Hall aimed at the general public. The last day for comments was May 10th.

At the start of this study it was thought that if CAT started running the campus shuttle service it would be for the 2019-2020 school year. UND has decided to run the campus shuttle for the 2019-2020 school year. CAT could start running the service on Aug. 2020.

Findings and Analysis:

- Update

Support Materials:

- Current operating cost analysis summary.



Memorandum

SRF No. 12512

To: Teri Kouba, Senior Transportation Planner
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255 North 4th Street
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From: Menno Schukking, Planner

Date: April 16, 2019

Subject: UND – CAT Transit Integration Feasibility Study

Purpose of Memo

The purpose of this memorandum is to provide a summary of merge proposal and cost analysis associated with Cities Area Transit (CAT) providing service consistent with the current UND shuttle operations. Information included in this memo is from technical memos distributed earlier in the study.

Assumptions

Listed below are key assumptions of the merge analysis:

- Routes included: Red Route, Blue Route, Purple Route and Night Route.
- Routes Excluded: Aviation Shuttle and athletics shuttle.
- Service days and hours would remain consistent with current of operations during session periods only.
- CAT-type buses would replace buses rented through North Dakota State Fleet Services.

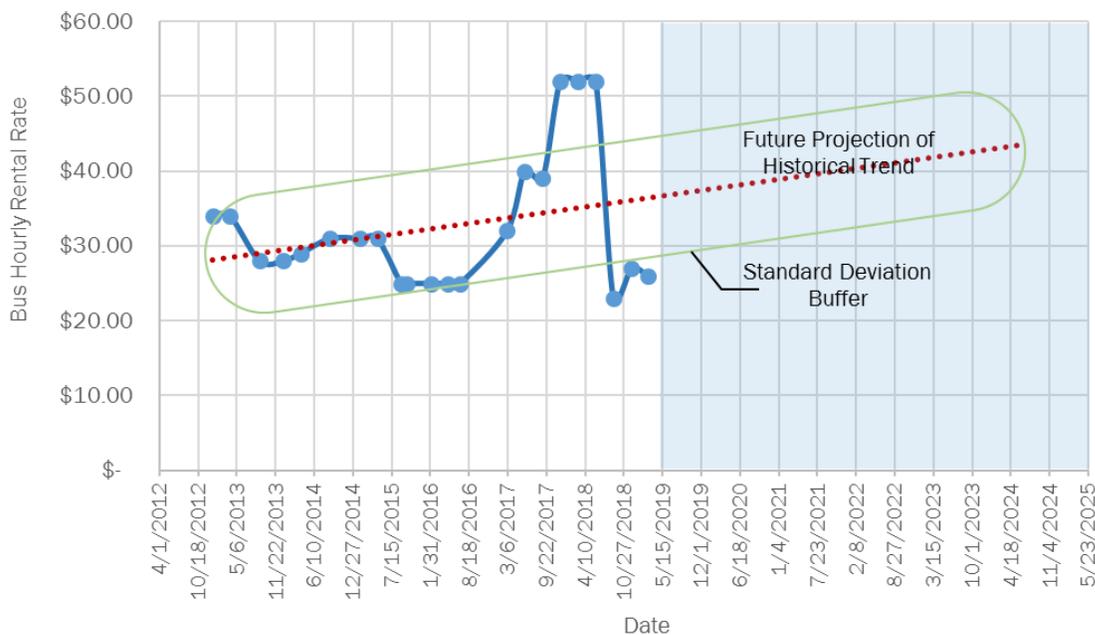
Current UND Campus Shuttle Operating Costs

Annual operating costs comprise the following components:

- Vehicle rent
- Driver labor
- Administration

Driver and administration costs are relatively consistent year to year, as long as the level of service provided is similar. Vehicle rent costs are more variable as maintenance costs influence the annual hourly rate charged for vehicles. Figure 1 displays hourly rates charged from 2012 through 2019. Over the period, the hourly rate charged for each vehicle ranged from \$23.00 to \$52.00, for essentially the same vehicle pool. The variability reflects periods when significant maintenance costs (i.e. engine or transmission replacements) were incurred.

Figure 1. UND Shuttle Hourly Rent Per Vehicle by Year (2013-2019)



Rates are reviewed throughout the year and, as demonstrated in the figure information, can change within an academic year. The hourly rental rate for recent periods was \$52.00 per hour, the highest in the seven year period. Rates anticipated for the beginning of the 2019-20 academic year are expected to be \$26.00 per hour. As rent changes, overall system cost changes. An expectation of merging with CAT is a more consistent year-to-year cost, which will enhance budgeting capabilities.

The most recent budget, shown in Table 1, for the four shuttle routes was approximately \$440,200.

Table 1. UND Shuttle Operational Expenditures (2018)

Source	Expense
Vehicle Cost	\$281,253
Operating Cost	\$156,059
Miscellaneous and Communications Costs	\$2,931
Total	\$440,243

Understanding the influence vehicle rent charges have on total operating cost, an estimate of annual cost associated with the trending hourly estimate was also prepared. The trending hourly rate represents the rate derived through establishing a trend line associated with the 2012 through 2019 actual charged rates. The current trending current rate is approximately \$37.50 per hour, which reduces the actual academic year cost from \$440,200 to approximately \$361,800.

Federal Funding Analysis

Transferring shuttle operations to CAT would allow annual revenue miles, revenue hours and passenger counts to be included in figures CAT uses to calculate federal funding. If the reporting values provide increases in revenue miles or revenue hours adequate to surpass performance thresholds established by the Federal Transit Administration (FTA), CAT could receive additional funding. Analysis of adding shuttle miles, passengers and hours to the CAT pool did not represent increments that would support added federal funding.

Scenario	Passenger Miles per Vehicle Revenue Mile	Passenger Miles per Vehicle Revenue Hour	Vehicle Revenue Mile per Capita	Vehicle Revenue Hour per Capita	Passenger Miles per Capita	Passenger Trips per Capita
CAT	2.22	26.75	9.69	0.81	21.56	5.44
CAT + UND Campus Shuttle	2.36	27.74	10.34	0.88	24.43	8.30
CAT + UND Airport Shuttle	2.22	30.23	13.21	0.97	29.39	6.85
CAT + UND Campus Shuttle + Aviation Shuttle	2.22	31.22	13.86	1.05	32.26	9.71
Average for UZAs with populations 200,000 - 999,999	6.00	105.11	11.63	0.74	79.17	12.14
<i>*Vehicle Revenue Hour Per Capita Criteria was met by CAT in 2019 so the over estimation of shuttle revenue hours is not a matter of concern.</i>						
Gray - Not calculated, Need Data						
Green - Met category in Scenario						