

Chapter 5: Potential Strategies to Address Transit Gaps and Overlaps

Review of JARC and NF Funding

The Safe, Accountable, Flexible, and Efficient Transportation Equity Act – a Legacy for Users (SAFETEA-LU) re-authorized federal transportation funding programs through 2009. Two programs from that legislation are Job Access and Reverse Commute (JARC) and New Freedom (NF). Table 5.1 outlines the program allocations for Texas by recipient type for FY2006.¹ Allocations for FY2007 are not yet available but it is anticipated that they will be largely equivalent to FY2006 allocations.

Table 5.1: FY2006 JARC and NF Allocation by Recipient Type²

Federal Funding Program & Eligible Recipient Type	Estimated Amount to be Allocated to Texas
FY06 JARC Small Urban	\$3,065,349
FY06 NF Small Urban	\$1,396,426
FY06 JARC Rural	\$2,180,328
FY06 NF Rural	\$1,070,248
Total	\$7,712,351

It is anticipated that there will be a call for JARC and NF projects in early 2007 and that the funding available will include both FY2006 and FY2007 allocations (approximately \$15.4 million). Funding for projects will be competitive across the state; projects proposed by small urban recipients will be evaluated against their peers as will rural recipients’ projects. One objective of the Panhandle Transportation Coordination Study is to select multiple, sustainable projects that reflect the transportation needs of the community; incorporate a coordinated approach to better utilize the region’s resources; and can be reasonably implemented. A brief description of projects that are eligible under each funding category follows.

Job Access and Reverse Commute (JARC): The purpose of the JARC program is to provide funding for local programs that offer job access and reverse commute transportation services to low-income individuals. Eligible projects include, but are not limited to, the following:

¹ Amounts are apportioned to State Governors for small urban areas with populations between 50,000 and 199,999 and for rural areas with populations less than 50,000.

² Amounts reported in Federal Register, Friday, February 3, 2006

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- Demand-response van service;
- Ridesharing and carpooling activities;
- Expanding fixed-route transit service areas;
- Late-night and weekend service
- Guaranteed ride-home service;
- Shuttle service; and
- Bicycling.

Marketing and promotional activities to encourage use of transit by workers with non-traditional schedules and use of transit voucher program by appropriate agencies for welfare recipients and other low-income individuals are also eligible activities.

New Freedom (NF): The purpose of the NF is to encourage services and facility improvements to address the transportation needs of individuals with disabilities that are either new and/or go beyond those that are required by the ADA requirements of 1990. Eligible projects may include, but are not limited to:

- Purchasing vehicles and supporting accessible taxi, ride sharing, and vanpooling programs; including staff training, administration, and maintenance;
- Administering voucher and transit pass programs for transportation services offered by transit and human services providers;
- Administering volunteer driver and aide programs to support the management of driver recruitment, safety, background checks, scheduling, coordination with riders and other related support functions;
- Training for individual users on awareness, knowledge, and skills of public and alternative transportation options available in their communities. This includes travel training services; and
- Coordinate transportation service access beyond those served by one agency or organization within a community. For example, a non-profit agency receiving funding through NF could not limit the services it provides to its own clientele. These services are intended to build cooperation with other existing providers.

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The following are considered eligible mobility management activities:

- The development of coordinated plans;
- Support of state and local coordination policy bodies and councils;
- The maintenance and operation of transportation brokerages to coordinate providers, funding agencies, and riders;
- The development and maintenance of other transportation coordination bodies and their activities, including employer-oriented Transportation Management Organizations and neighborhood travel coordination activities;
- The development and support of one-stop transportation call centers to coordinate transportation information on all travel modes and to manage eligibility requirements and arrangements for customers among supporting programs; and
- The acquisition and operation of intelligent transportation technologies to help plan and operate coordinated systems including GIS mapping, coordinated vehicle scheduling, dispatching, and monitoring technologies, as well as technologies to track costs and billing in a coordinated system.

This section outlines potential strategies that may be suitable to address transit gaps and overlaps that have been identified during the regional assessment. The strategies are examples of possible courses of action within the Panhandle region. They may be considered by the RTAG or other stakeholders now or in the future. Alternatively, they may never be seriously considered due to overwhelming barriers or constraints. At this stage, specific implementation details are not developed – their potential cost, benefits, key participants are not defined – as these are examples of courses of action. Potential strategies that generate initial interest on the behalf of RTAG members or interested agencies will become candidates for further development. This approach is adopted because the resources to develop details for all potential strategies are not available.

The first section of this chapter describes general approaches to coordination that have yielded high cost savings or service improvements. The second section reviews more specific strategies that may be adopted in the Panhandle region.

Coordination Strategies – General Approaches³

High-impact strategies can be classified under four general categories: business expansion, cost reduction, synthesis/synergy and productivity enhancement. The approaches below have been demonstrated to deliver significant economic and service improvement benefits for both public transit operators and health and human service organizations.

Business Expansion

Moving Medicaid trips to Fixed Route: Transit providers can contract to provide Medicaid trips and other human service agency trips on fixed route. By moving only a small percentage of Medicaid trips from demand response to fixed route, considerable cost savings are realized and increased revenues for the transit provider are earned at no additional operating costs. A partnership between the prime Medicaid contractor and a public transit agency to provide travel-training targeted specifically at Medicaid clients with the goal to move these riders from demand response to fixed route service is one strategy to increase the use of fixed route by Medicaid recipients. Other business expansion opportunities for public transit providers include coordinating with welfare-to-work programs and/or local school districts to transport students for regular classes and special events.

Cost Reduction

Moving demand response trips to other health and human service agencies: In some cases, health and human service agencies can provide demand response trips more economically than the transit agency. Typically, as a nonprofit organization, these agencies have cost structures that are less expensive than those of the transit agency. Furthermore, volunteer drivers and staff drivers who also have other duties can substantially lower the cost of providing this ADA-mandated transportation. Within the Panhandle region, the cost of demand-response type service differs among agencies accordingly: \$5.76 per trip for Jan Werner Transportation (non-

³ Transportation Cooperative Research Program, TCRP Report 101: Toolkit for Rural Community Coordinated Transportation Services. Washington, D.C., 2004, pages 95 – 103.

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profit adult-day care center); \$10.30 per trip for Panhandle Transit (non-profit public transportation provider for rural Panhandle region); and \$27.43 for ACT.⁴

Productivity Enhancement

Instituting community-wide coordinated dispatching: “Often entitled “ridesharing,” this technique ensures the most cost-effective application of driver and vehicle resources. Correctly applied, it can eliminate the typical pre-coordination situation of overlapping and inefficient routes and schedules. In particular, the benefits of providing trips for ADA paratransit clients at the same time and on the same vehicles as other travelers create much lower costs per trips.”⁵

Synergy/Synthesis

Coordinating or consolidating separate transportation service to create a general transportation system: Health and human service organizations and transit agencies can band together to form one transportation system. This strategy can result in cost reductions, service enhancement, and greater range of mobility solutions through the consolidation of operations and resources.

Coordination Strategies – Panhandle Examples

Potential strategies are presented in relation to RTAG-adopted goals and objectives. For ease of reference, the goals and objectives outlined in Chapter 4 are repeated in Table 5.2: Panhandle Goals and Objectives for Coordinated Transit.

Table 5.2: Panhandle Goals and Objectives for Coordinated Transit

<i>Goals</i>	<i>Objective</i>
1. Improve delivery of service	Improve capacity of ACT and PT to meet current and future demand and fill critical gaps in service.
2. Generate efficiencies in operations	Increase utilization of existing services. Reduce or eliminate duplicative services.
3. Enhance customer satisfaction	Develop new mobility options to fill critical gaps that are not met by existing services.
4. Encourage cooperation and coordination	Reduce and remove barriers to coordination in order to improve future planning efforts.

⁴ FY04 Operating Statistics
⁵ Transportation Cooperative Research Program, TCRP Report 101: Toolkit for Rural Community Coordinated Transportation Services. Washington, D.C., 2004, pages 97-98.

Goal 1: Improve delivery of service

Objective: Improve ACT's capacity to meet current and future demands.

Background: Coordination supposes that there is a fundamentally sound system that can serve as the core or backbone for the coordinated efforts. Within Amarillo, this is not the case. ACT is facing an increasingly difficult financial picture and will soon be in a position where it will be forced to adapt current level of services to decreases in funding.

Since 2004, ACT's state funding has decreased from \$672,980 for FY2004 to \$545,114 for FY2007. Over the next four years, ACT will continue to lose an additional \$144,958, from \$545,114 to \$400,156 by FY2010. Decreases in state funding are due to a recently adopted state funding formula for public transit that is based on performance, transit need, and local financial commitment to transit. ACT's performance, based on Texas Department of Transportation's (TxDOT) standards, is projected to decrease the amount of state funding award to ACT; however, TxDOT has indicated that it will reevaluate its formula beginning in FY2008. Furthermore, ACT will potentially lose about \$1.34 million in federal funding support for operations if Amarillo's population exceeds 200,000; this is an event expected by the 2010 census. These decreases are exacerbated by fuel cost increases. The financial and operational health of ACT is important because, without a healthy core, other initiatives like coordination plans are disadvantaged.

Ideas for Achieving Objective

- *Contracting with human service agencies to provide service at a rate that more closely reflects ACT's cost:* The current cost to provide a one-way trip on Spec-Trans is \$31 but ACT only charges \$1.50. ACT is allowed by law to establish contracts for service with state agencies. ACT can charge a rate between the public fare of \$1.50 but no more than its current cost, \$31. Currently, agency trips constitute approximately 40 percent of all Spec-Trans rides and ACT subsidizes \$69,000 annually for these trips. By contracting

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with human service agencies, ACT could re-capture a percentage of this subsidization. However, contracting for a higher price is difficult because ACT does not have the legal authority to require agencies to contract at a higher rate. Therefore, it has no leverage to enforce this change.

- *Adjusting fares for fixed route and Spec-Trans service to reflect rising operating costs:* By increasing fares, Spec-Trans could increase in revenues, albeit this would provide only minimal relief. Fare revenues represent approximately 6 percent of ACT's funding. In FY04, this amount was \$175,046. Assuming fixed route increase from 75 cents to \$1.00 and Spec Trans from \$1.50 to \$2.00, the expected increase in revenue is about \$10,000 for fixed route and about \$20,000 for Spec Trans. This is assuming that all riders continue to use the service. This would compensate for less than 16 percent of the state funding reductions.
- *Changing from a fixed route/demand response system to a flex route system:* Currently ACT provides demand response throughout its service area. However, it is legally obligated to provide demand response only along a $\frac{3}{4}$ corridor adjacent to its fixed route. ACT may be able to decrease its operating costs by moving to a flex route system – a system in which a vehicle operates along a regular route and according to a schedule but with the ability to flex off that route slightly. The vehicle will flex if a Spec-Trans eligible rider makes a reservation to be picked up or dropped off within $\frac{3}{4}$ of an existing route. If the person lives outside of the $\frac{3}{4}$ corridor, no service may not be available.

Flex routing may be difficult to operate and sufficient cost savings may be difficult to achieve. First, an analysis by ACT indicates that over 90 percent of its Spec-Trans riders reside within the $\frac{3}{4}$ corridor. If so, moving to flex route may not relieve Spec-Trans of much of its demand response load. Second, well-functioning fixed routes would be eliminated and ridership could suffer from this. Fixed routes appeal to riders because of their dependability and flex routing can decrease this dependability.

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- *Charging a premium for Spec-Trans service outside of the ¾ mile corridor:* As mentioned above, ACT is legally obligated to provide demand response service only within a ¾ mile corridor. Service outside this corridor could be considered a premium service and ACT could charge more.
- *Investing in more rigorous demand-management techniques to control the growth in the Spec-Trans service:* For over a year, ACT has been in the process of re-certifying its Spec-Trans riders. However, ACT does not require a physical test for certification. A cost-benefit analysis would be needed to understand if the increased costs for re-certification using a physical test would be offset by the estimated decrease in the number of Spec-Trans eligible riders and trips.
- *Analyzing the financial and operational implications of contracting for service from third-party providers:* Contracting for service with a private company may allow ACT to lower its costs for ADA para-transit trips and claim capital cost of contracting. Capital cost of contracting (CCC) applies to grant funds made available under Sections 5307 5311, and 5310. By separating the capital and operating components of transit service contracts with private providers and allowing reimbursement of the capital portion at the capital rate, CCC permits a grantee to apply for additional federal resources to these activities.

Objective: Improve the financial capacity of Panhandle Transit.

Background: According to Panhandle Transit’s quarterly reports, funding consists of state and federal grants, private foundation grants, fare box revenue and Medicaid contract or sub-contract revenue. In the future, Panhandle Transit may seek to diversify their sources of revenue.

Ideas for Achieving Objective:

- *Exploring grant funding and partnerships opportunities:* Through partnerships with complementary human service agencies and nonprofit organizations, Panhandle Transit may access grant funds to expand service to under- and un-served populations. As

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discussed in Chapter 4, there is a potential for a sizeable unmet demand of over 600,000 trips annually throughout the Panhandle's rural counties (excluding Potter and Randall counties). In order to meet this demand, Panhandle Transit must tap into new funding resources. Similarly, Panhandle Transit may seek support from for-profit businesses.

- *Providing charter service in markets where there is no private charter service offered:* In the past, a few of the Panhandle Transit offices provided charter service for special occasions. This process could be resumed to supplement Panhandle Transit's revenue stream.

Goal 2: Generate Efficiencies in Operations

Objective: Increase utilization of existing Panhandle Transit service.

Background: The Panhandle Transportation Coordination survey asked, "What are the greatest challenges to providing transportation to your clients?" After "lack of adequate funding" and "rural area," respondents cited "People are unaware of the transportation services that are available to them." The lack of awareness also came up in public meetings, especially in the rural counties. In fact, Panhandle Transit may be one of the best kept secrets out in the counties! (However there is some concern that if their profile is raised, there will be a flood of demand that cannot be met). Regardless, there remains unused capacity on Panhandle Transit vehicles that, if filled, would improve Panhandle Transit's revenue and generate operational efficiencies.

Ideas for Achieving Objective

- *Developing a Panhandle Transit website and promote its use among client agencies and potential clients:* Panhandle Transit owns the rights to use the domain name panhandletransit.com but currently there is no web page developed. A web page with, at a minimum, schedule, route, and fare information should be developed. A link should be provided from the Panhandle Transit's website to ACT's website.
- *Creating promotional materials tailored to specific client groups, including schedules and ride guides:* For example, promotional materials geared toward seniors may use a

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larger font size and include examples of people and activities that are likely to be of interest to seniors. Promotional materials may help in overcoming the impression of some that Panhandle Transit is “not a service for them,” or “only for people who are sick or on welfare.”

- *Providing schedules and ride guides to human service agencies and county judge’s offices:* In the elected official survey conducted by the consultant team, some county judges were much more aware of the transit available to the citizen’s of their county than others.
- *Increasing Utilization of Panhandle Transit Vehicles within Amarillo:* About nine Panhandle Transit vehicles make regularly scheduled trips to Amarillo from the rural counties on Monday, Wednesday and Fridays. These trips are primarily for dialysis patients. After dropping off riders at the clinic, many of these vehicles are available to make additional trips within Amarillo. In addition, seven vehicles are stationed in the City of Canyon and make regular trips into Amarillo.

Panhandle Transit’s excess capacity may relieve some of Spec-Trans’ excess demand. Panhandle Transit was successful in its request to utilize Amarillo’s apportionment of Section 5310 funding (about \$155,000). Panhandle Transit intends to use these funds to purchase a vehicle. In exchange, Panhandle Transit may supply some demand response trips within Amarillo. However, one issue is that Panhandle Transit cannot use its rural operating funds to make trips within the urbanized area – other funding sources will have to be accessed. Another issue is the time of vehicle availability; Panhandle Transit vehicles are most available from 9:30 am to 1:00 pm. Spec-Trans demand is highest from 7:30 am to 9:00 am and 11:00 am to 1:30 pm. Panhandle Transit would be most available to fill the need in the second time slot. However, it may not be available to make both legs of the trip. Panhandle Transit’s limited availability does not respond to the need for a provider very early or later in the day, the times when trips are in greater demand.

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Objective: Increase utilization of other service provider programs or private resources.

Background: Little to no transit vehicle overlap was identified outside of Amarillo. In the rural regions, there is no public transportation provider besides Panhandle Transit, including taxis. There is a higher concentration of transportation resources within the City of Amarillo. This is expected as the city is the headquarters for many agencies and has the highest population. As a result, there is greater potential to improve resource utilization within the City of Amarillo. However, without additional resources to organize, manage, and supply a program, the city's providers are delivering as much service as resources will allow.

Ideas for Achieving Objective

- *Increasing utilization of existing traveling training program through Panhandle Independent Living Center:* The PILC already provides travel training to ACT but it does not have the resources to fill all travel training demands. Furthermore, travel training is also provided by Goodwill, the TPMHMR, as well as other organizations. By increasing the capacity of PILC to fulfill all the travel training demands of ACT, it will also be in a position to provide additional support to other organizations as well.
- *Establishing a rideshare program between partnering agencies to deliver para-transit and/or agency trips:* For example, in 2005 Jan Werner Transportation provided approximately 65,000 trips for their adult-day care clients. They are able to achieve high efficiency because many of their trips are regular or daily trips to a common destination - the Jan Werner Adult Day Care Facility and they are concentrated in the morning and afternoon hours. During the mid-day, vehicles may be idle and typically are scheduled for maintenance. A rideshare program would expand the number of agencies and clients who could potentially use Jan Werner Transportation through the establishment of a shared reservation, scheduling, and dispatch system. (Note: Jan Werner Transportation is only presented as an example and the organization is not prepared to establish or participate in such a ride-sharing program. For example, if Jan Werner Transportation were to participate in a rideshare project, it may require that the vehicle maintenance schedule be re-assessed. Furthermore, because Jan Werner Transportation uses its Certified Nurse

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Assistants (CNAs) in its pool of drivers and CNAs have duties beyond driving, an expansion of their service would require a reassessment of the role of CNAs.)

- *Researching benefits and costs of contracting with a private taxi or non-emergency medical transportation provider to deliver Spec-Trans trips:* Private providers may be able to provide ADA-Para transit trips at a lower cost than Spec-Trans. Subsidized taxi programs have been used effectively by some agencies to help seniors and other demand-response clients make trips at a reduced fare, with sponsoring agencies making up the difference between what the rider can pay and the cost of the trip. Agencies can set their own eligibility requirements and restrictions on the number or type of trips that can be subsidized. Issues that have been identified that may prevent the use of private providers as a part of the service delivery mix include accountability and quality of the service.
- *Addressing inter-regional coordination issues that make it difficult to share passengers between regions:* A potential strategy is the sharing of schedule and fare information through the Panhandle Transit website with South Plains Management District and Rolling Plains Management District. The regions will need to establish the fare for inter-regional passengers, pick-up and drop-off points and coordination of exchange times.

Goal 3: To enhance customer service satisfaction

Objective: Develop new mobility options

Background: Mobility for seniors and people with disabilities is an issue of personal freedom as well as public safety. Far too many seniors may continue driving past a point when it is wise to do so. Unfortunately, many seniors are also reluctant to use public transit. Likewise, travel by people with disabilities is limited in the times by the ACT or Panhandle Transit hours of operation and regions that they cover. There is no evening service in the region, no service on Sunday, and some important destinations, such as the Amarillo International Airport, are not served. Panhandle Transit and ACT are limited to the degree to which they can respond to these needs.

Ideas for Achieving Objective:

- *Support the establishment of an Independent Transportation Network nonprofit that is being pursued through the Senior Ambassador's Coalition:* The Independent Transportation Network (ITN) is a model developed in Portland, Maine, that is being repeated throughout the U.S. The ITN a national non-profit transportation solution for older people who wish to limit or stop driving without losing their independence or compromising their community activity. More information about the ITN can be found at www.itnamerica.org.
- *Establish a more formalized ride-matching service (i.e. carpooling) to pair seniors in need of a ride with volunteers.* Currently ride-matching is happening de-facto around churches and organizations such as senior centers. This pilot project would formalize those efforts and promote ride-sharing as an alternative for more agencies, organizations and people.
- *Explore the feasibility of constructing a new multi-modal terminal for Amarillo that would serve intercity carriers and local bus service.* The downtown bus terminal is an aging facility in need of renovation. If an effort to establish a new multi-modal terminal were begun, potential partners would include the intercity carriers like Greyhound or Coach USA, ACT, and complementary nonprofit services. (Through FTA joint development provisions, complementary organizations and services can be incorporated into a multi-modal building plan. For example, day-care is one service that is increasingly incorporated into facilities. By co-locating services, transit users are not required to make as many bus trips to meet their needs. In the case of day-care for example, co-location would address some critical concerns of TANF and other low-wage workers who rely on transit and use day-care.)

Objective: Fill critical gaps in service

Ideas for Achieving Objective:

- *Provide same-day medical trips and other essential trips for Spec-Trans eligible clients.* Currently, there is a taxi-voucher program already in place to provide trips for emergency

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care. Hospitals and insurance providers support this program because, in appropriate situations where ambulance service is not considered critical, it provides for a less expensive transportation option than an ambulance. At an average of \$600 per ambulance trip, this program represents significant cost savings.

The proposed new program would expand this type of voucher service to provide non-emergency medical trips and other essential trips to Spec-Trans eligible clients. Typical destinations may be to a doctor's office, pharmacy, or medical clinic. Many agencies cited the need for same-day para-transit service because it is very difficult to schedule an appointment on Spec-Trans with less than one-day's notice.

- *Address the need for job access, especially to large worksites that are located outside of small urban/rural and urban areas.* A van- or bus-pool project may address the regional needs of rural employers who draw their labor pool from a large area. This program may be structured a van-pool service to take advantage of Panhandle Transit vehicles that will be removed from their inventory (estimated 8 vehicles). These vehicles could then be leased and operated by the employees. Alternatively, it may be structured as a bus-pool service that would use active Panhandle Transit vehicles and drivers to provide a commuter-type service from the region into work sites.
- *Ensuring that there is a wheelchair accessible taxi for Amarillo.* According to a representative that attended the workshop on Elderly and Disabled Transportation on August 31, Yellow Cab Company has access to wheelchair accessible vehicles but these vehicles are not yet stationed in Amarillo. Yellow Cab is planning securing 3 wheelchair-accessible vehicles for Amarillo in early 2007. They anticipate charging a base fee of \$2.00 and \$1.50 per mile and \$0.50 per bag.
- *Addressing the need for wheelchair accessible vehicles for trips to the airport.* Panhandle Transit, through their utilization of Amarillo's 5310 apportionment, would be able to provide trips to the airport on a limited basis during the mid-day. When Yellow Cab Company brings in wheelchair-accessible vehicles, this would expand available service to the airport to 24-hours a day.

Goal 4: To encourage cooperation and coordination

Objective: Remove and reduce barriers for future planning efforts

Ideas for Achieving Objective:

- *Establish a Transportation Coordination / Mobility Management function to serve as bridge between transit agencies and health and human services. Responsibilities under this function could include: ongoing collection of existing coordinating data; quantification of local expenditures that are currently not captured and that could be used as leverage for funding; coordinating the dissemination of information to riders about appropriate transit options; coordinating information between agencies regarding potential to work together (organize shared training sessions, opportunities for joint grant development); establishing a standardized accounting approach to capturing transportation data.*