

*Pending rewrite
by Helen P*

**CITY OF CHARLOTTEVILLE
DEPARTMENT OF PUBLIC WORKS
OFFICE OF THE DIRECTOR**

TO: GARY B. O'CONNELL, DEPUTY CITY MANAGER

FROM: JUDITH M. MUELLER, DIRECTOR OF PUBLIC WORKS

DATE: FEBRUARY 3, 1993

RE: CTS/UTS COORDINATION

Over the past fifteen years, a number of studies have been done by outside consultants examining the issue of merging the Charlottesville Transit Service and University Transit Service. Each study has recommended that the systems be joined. Following the most recent study in 1991, transit officials from both systems began discussions in this direction. In August 1991, a free transfer system was instituted between the two systems which has proved to be very successful. At the same time a combined route schedule was developed, printed and distributed to riders and potential riders of CTS and UTS.

The management teams of CTS and UTS are now proposing to move toward merger of the two systems. They are seeking concurrence to the merger concept from the respective governing bodies. Final decisions would not be made until the study team has developed an implementation proposal. The final proposal would take nine months to a year for completion and would include the following:

- Identification of travel patterns in the City and urban Albemarle County for bus riders and for other modes of travel*
- Development of alternatives for routing and scheduling*
- Proposal for organizational structure*
- Five year projections for both operating and capital budgets*
- Identification of funding sources*

For the most part, the necessary work would be accomplished by existing staff. However, if a decision is made to proceed, Helen Poore, Transit Manager is proposing to seek a grant from the state to pay 95% of the salary for an intern. This individual would assist with the study project and other staff work. Please let me know if you need additional information. We hope to have the approval of the governing bodies before March 15 so there will be sufficient time to apply to the state for the internship.

In January of 1991, transit officials from both the City of Charlottesville and the University of Virginia began discussions to coordinate services provided to the community. A free transfer program between CTS and UTS was implemented in August of 1991, which, for the first time, allowed for patrons of one system to transfer onto buses from the other system free of additional charge. Concurrently, a combined schedule was developed and distributed to the public. Both of these actions have proved to be successful, and the management teams from CTS and UTS are interested in further consolidation of the two systems.

There are several potential benefits to the regional community, if such a consolidation, under the aegis of a transportation authority, were to take place:

- 1) Improved Regional Transit Planning - Currently, the University of Virginia makes decisions relating to UTS bus service, the City of Charlottesville decides on CTS bus service within the City limits and Albemarle County determines the location of CTS bus routes within that jurisdiction. The result is a fragmented approach to meeting mass transportation needs of the community and is a barrier to effectively addressing problems such as traffic congestion, increased demand for parking and poor air quality.

An authority would represent a formal, regional commitment to coordinate transit services more effectively and efficiently, resulting in a reduction in vehicle traffic and congestion.

- 2) Increase in Ridership - The expanded network would likely attract more riders to the system and to area businesses and employment sites (the University of Virginia grounds, Downtown businesses, shopping centers, malls, etc.).

- 3) Reduction in Costs - By joining the systems, CTS and UTS could reduce overall overhead costs, and, through combined capital purchases, realize the benefit associated with bidding for higher numbers of vehicles. Generally, the more vehicles purchased at once, the greater response from the manufacturers and the lower the cost per vehicle.

In addition, services such as tire contracts, shop equipment, fuels and fluids would be purchased in greater quantities on a single contract. Again, this larger purchase should lead to lower cost, or at the very least, better response from the contractor.

- 4) Access to Federal and State Funding Sources - CTS currently has access to federal and state money to pay significant portions of operating and capital costs. The University is considered a private entity in the eyes of the federal government, and therefore is ineligible for funding.

All capital and operating revenues must be derived internally, leading to much higher fees to the users of UTS. An authority would be eligible to receive federal and state subsidies for operating and capital costs.

5) Construction of a Shared Facility - CTS and UTS have both reached capacity, and have no room for the continued growth which will be inevitable. Currently, both system lack adequate lot and office space.

In summary, we believe that it makes good sense to begin planning for a full consolidation of the two systems. At this time, we are asking for an indication of support for the concept of a unified system. Extensive staff work will be required to produce the information necessary to make final determinations about the merger. Upon information approval, we will initiate this project.

A regional transit authority holds much promise for the Charlottesville, University of Virginia and Albemarle County communities, and we are excited about the potential benefits.