

City of
Gainesville

**Regional Transit System - University of Florida
Partnership**

PRESENTED BY: CYNTHIA W. CURRY, CITY MANAGER

Andrew Persons, Chief Operating Officer

Jesus Gomez, Transportation Director

APRIL 11, 2024



AGENDA



-
- RTS Background
 - University of Florida Partnership
 - How is RTS Funded?
 - University of Florida Proposal
 - Impact of University of Florida Proposal

Regional Transit System Background

- Started as a County entity in 1974
- Became a City entity in 1981
- Managed by 266 community builders
- 102 buses provide service to 39 routes throughout Gainesville
- Over the Past 25 years...
 - RTS has served over 200 million passengers
 - Traveled almost 78 million miles
 - Received \$75.2 million in grant funding
- Today, RTS works with external partners including Alachua County, Santa Fe College and the University of Florida

This year, RTS is celebrating 50 years of operations.



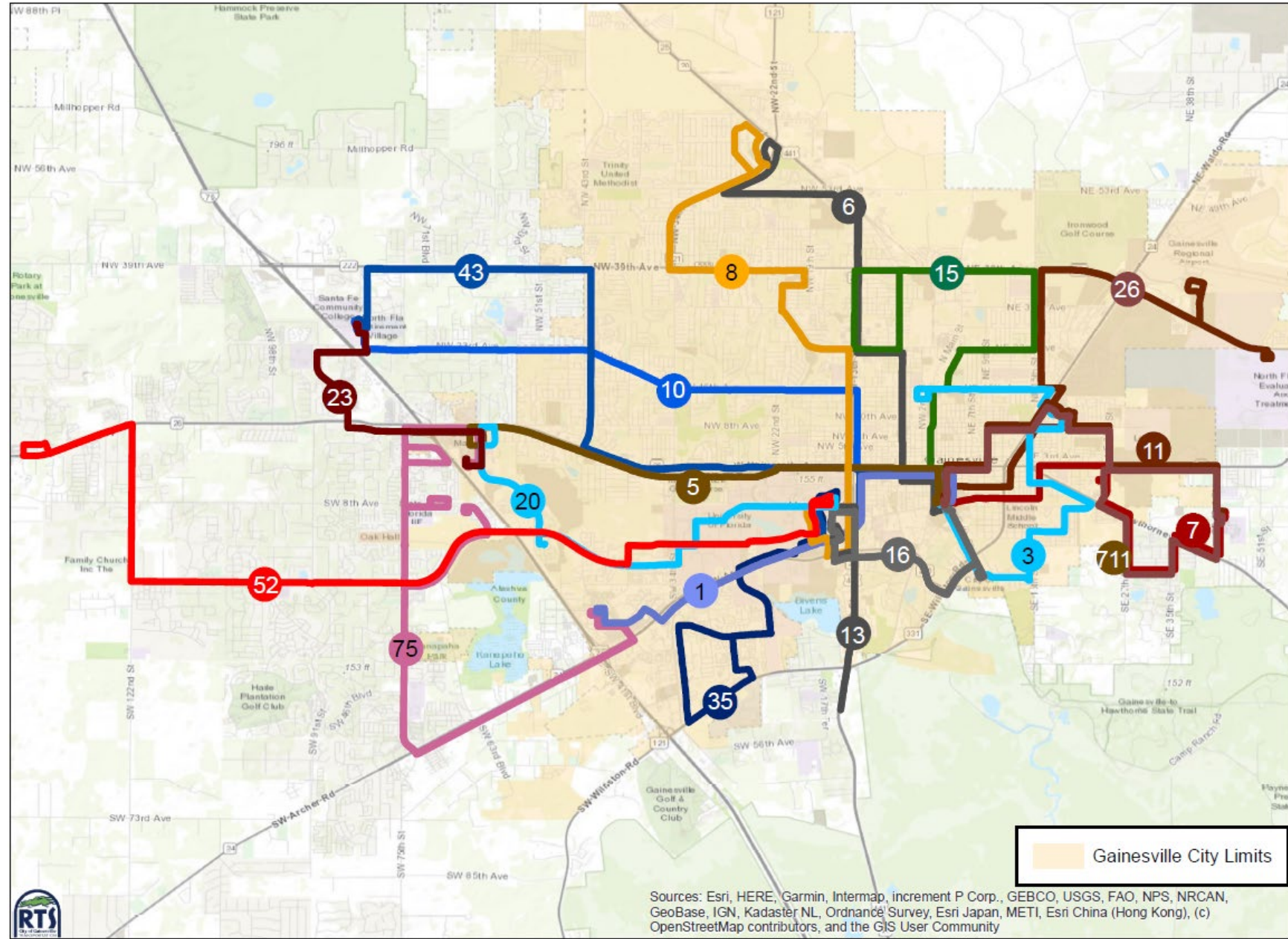
Background

- In **1995** the State of Florida mandated that all state Universities were to identify future growth of campuses; assess the impact of growth on communities; and develop mitigation plans to compensate and upgrade transportation facilities.
 - During the development of the master plan it became apparent that growth could not be accommodated merely by roadway widening projects.
- The City of Gainesville along with the University of Florida (UF), Alachua County (County) and the Florida Board of Regents began identifying alternatives, including expansion of the City of Gainesville Regional Transit System (RTS) as a means of accommodating traffic growth in and around the University of Florida main campus.
- In **1996** RTS service on most routes was provided at a one-hour frequency and was criticized by the community for the system's inability to accommodate their travel needs, including UF students.
- In September **1997** a demonstration project enhancing frequency on student-oriented routes (9, 12, & 20) was put in place through a partnership of the City, County, UF and the Florida Department of Transportation (FDOT), resulting in a great success. Buses were boarding passengers beyond capacity.
- After **1998** service continued to grow to address capacity needs. As part of the Campus Development Agreement (CDA), RTS received a total of \$3.5 million from UF to enhance transit for seven years on specific corridors.
 - In addition to enhancing service, RTS and UF entered into an Interlocal Agreement to provide students prepaid, unlimited access to transit service simply by showing their student identification card.
 - UF levied a per credit hour student transportation fee that was applied to the operations of the service enhancements and to improve transportation services. (UF Regulation 3.0372 and Florida Statutes 1009)
 - The fee was implemented at 19-cents per credit hour and increased through 2016 to \$9.44 per credit hour.
 - The fee has remained at that level.

Current RTS Base Service Routes

Includes 19 routes paid for by:

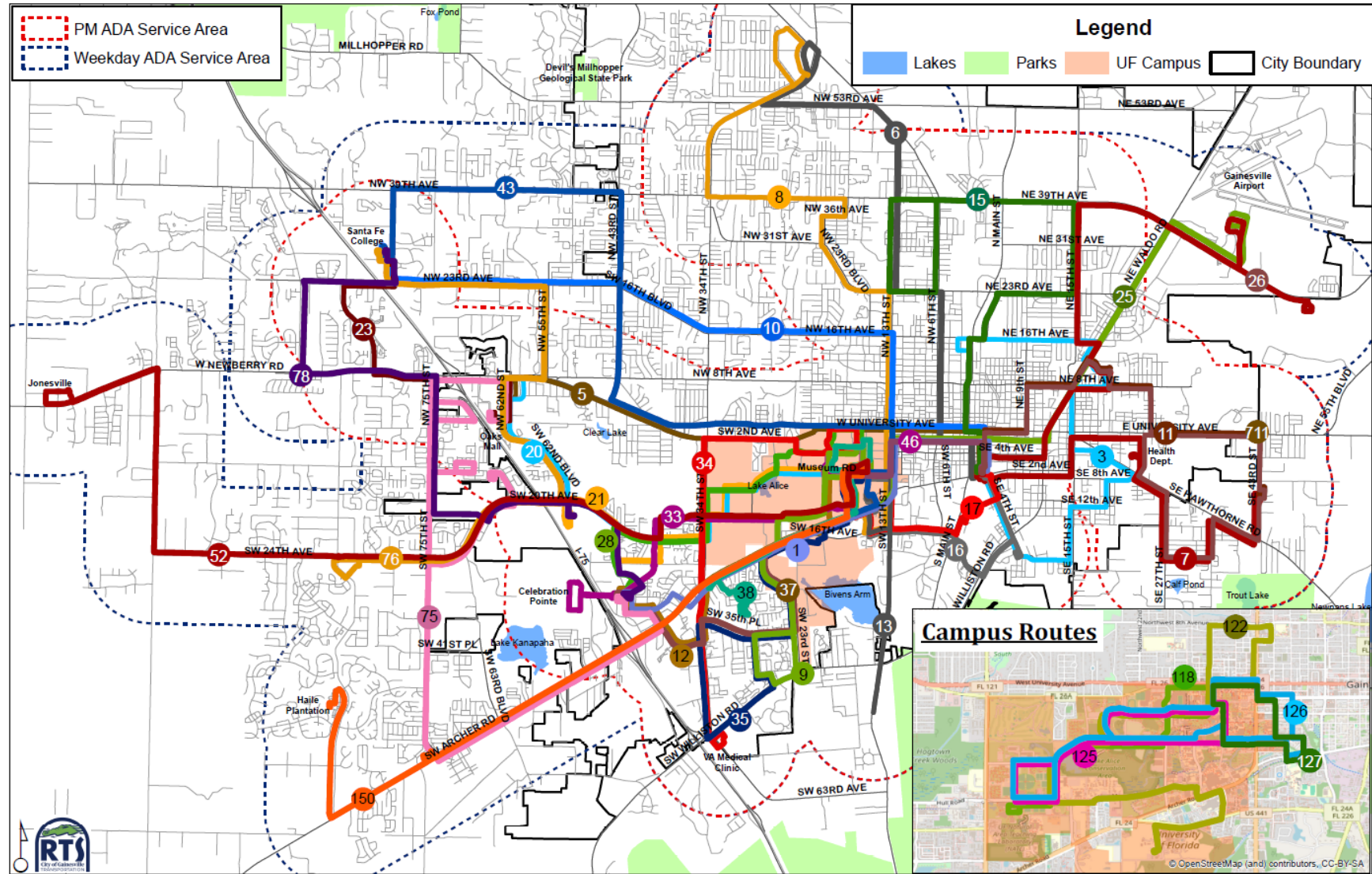
1. City of Gainesville
2. Alachua County
3. Santa Fe College
4. Grant Funding



RTS Spring 2024 Service Routes

Includes 39 routes paid for by:

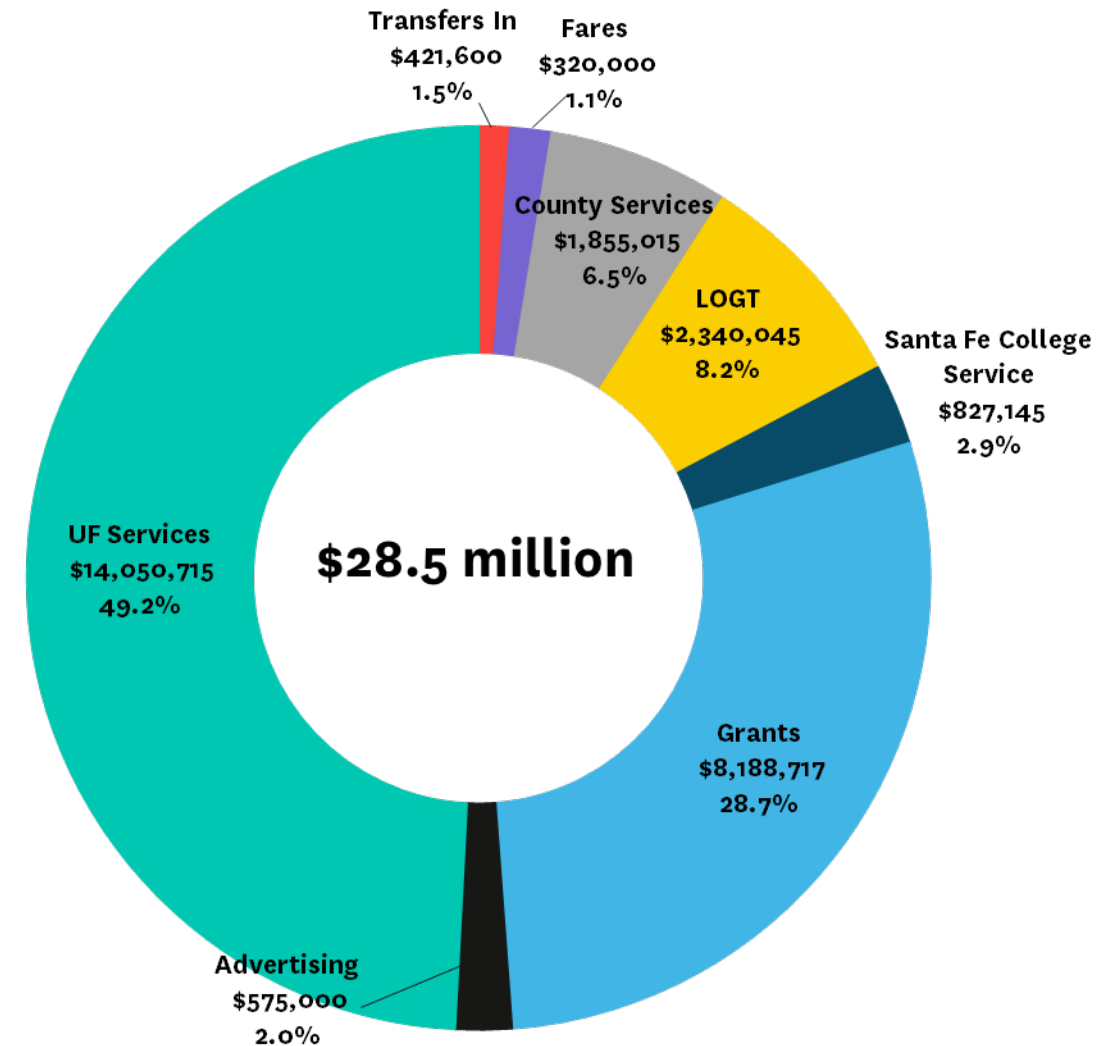
1. City of Gainesville
2. Alachua County
3. Santa Fe College
4. Grant Funding
5. University of Florida (includes five dedicated on-campus routes)



How is RTS Funded?

- RTS uses a cost allocation financial model to provide a consistent methodology for determining the agency's operating expenses.
 - The latest study, conducted in 2021 by Tindale Oliver on behalf of FDOT, was used to develop the FY 2024 budget.
- The study resulted in two cost allocation models: Full and Marginal
 - Full allocation: all costs required to operate the system or a specific mode. Recommended this be used for service changes of 20% or more, compared to the current system.
 - Marginal allocation: used to estimate the costs for incremental or "marginal" changes in service. Generally includes costs directly impacted by service levels but excludes costs (or portions of) that are "fixed".
- In addition to State and Federal funds, RTS receives funding from Alachua County, Santa Fe College, and the University of Florida.
 - University of Florida contract represents 43.5% of FY24 RTS revenues
 - FY23: \$12.8 million, FY22: \$11.7 million, FY21: \$12.4 million, FY20: \$13.1 million

FY 2024 Regional Transit System Revenue Sources



Note: UF Services includes UF Health Shands Employee Pass Program (\$75k), UAA Gator Aider (\$270k) and UF contract (\$13.7 million)

FY24 RTS Operating Expenditures

Key Takeaways:

- 39 routes, 5 dedicated on-campus routes for UF (118, 122, 125, 126, 127).
- 256,990 total service hours at a cost of \$21.6 million and an hourly rate of \$84/hour based on a marginal cost allocation.
 - Full cost allocation is \$138.62/hour in FY24
 - Includes capital expenditures - \$35.6 million total system cost
 - City subsidizes capital expenditures
- Does not include capital expenditures (such as bus replacement).
- UF-funded service makes up 59.4% of service hours and cost.

Route	Description	# of Buses	Total System		Base		UF-Only	
			Hours	Cost	Hours	Cost	Hours	Cost
1	Downtown Station – Butler Plaza	3	13,114	\$ 1,101,579	4,851	\$ 407,500	8,263	\$ 694,079
3	Downtown Station – N Main Post Office	1	3,701	\$ 310,865	3,701	\$ 310,865	-	\$ -
5	Oaks Mall – Downtown Station	3	12,567	\$ 1,055,635	9,078	\$ 762,564	3,489	\$ 293,071
6	Downtown Station – N. Walmart Supercenter	1	3,934	\$ 330,450	3,934	\$ 330,450	-	\$ -
7	Eastwood Meadows – Downtown Station	1	3,677	\$ 308,855	3,677	\$ 308,855	-	\$ -
8	UF Health - N. Walmart Supercenter	2	9,251	\$ 777,091	4,398	\$ 369,400	4,853	\$ 407,691
9	Hunters Run – Reitz Union	4	10,704	\$ 899,098	-	\$ -	10,704	\$ 899,098
10	Santa Fe – Downtown Station	2	6,223	\$ 522,724	3,063	\$ 257,303	-	\$ -
11	Eastwood Meadows – Downtown Station	1	3,810	\$ 320,021	3,810	\$ 320,021	-	\$ -
12	Reitz Union – Butler Plaza Station	4	15,945	\$ 1,339,412	-	\$ -	15,945	\$ 1,339,412
13	Beaty Towers – Cottage Grove Apartments	2	7,431	\$ 624,206	3,572	\$ 300,067	3,859	\$ 324,138
15	Downtown Station – NW 13th Street/NW 23rd Avenue	2	8,664	\$ 727,740	8,664	\$ 727,740	-	\$ -
16	Sugar Hill – Beaty Towers	1	4,987	\$ 418,903	3,937	\$ 330,691	1,050	\$ 88,212
17	Beaty Towers to Rosa Parks Station	1	3,523	\$ 295,902	-	\$ -	3,523	\$ 295,902
20	Oaks Mall – Reitz Union	4	16,558	\$ 1,390,902	4,954	\$ 416,117	11,605	\$ 974,785
21	Cabana Beach – Reitz Union	3	5,957	\$ 500,377	-	\$ -	5,957	\$ 500,377
23	Oaks Mall - Santa Fe	2	5,452	\$ 457,947	3,699	\$ 310,751	-	\$ -
25	UF Transportation and Parking – Airport	1	3,714	\$ 311,974	-	\$ -	3,714	\$ 311,974
26	Downtown Station – Airport	1	3,701	\$ 310,865	3,701	\$ 310,865	-	\$ -
28	Butler Plaza - The Hub	2	3,162	\$ 265,645	-	\$ -	3,162	\$ 265,645
33	Butler Plaza to Midtown	4	13,688	\$ 1,149,780	-	\$ -	13,688	\$ 1,149,780
34	The Hub - Lexington Crossing	1	4,007	\$ 336,547	-	\$ -	4,007	\$ 336,547
35	SW 35th Place – Reitz Union	4	15,791	\$ 1,326,479	5,509	\$ 462,724	10,283	\$ 863,755
37	Reitz Union – Butler Plaza	2	7,064	\$ 593,343	-	\$ -	7,064	\$ 593,343
38	Gainesville Place – The Hub	5	11,404	\$ 957,920	-	\$ -	11,404	\$ 957,920
43	UF Health – Santa Fe	2	6,904	\$ 579,968	6,904	\$ 579,968	-	\$ -
46	Reitz Union to Rosa Parks Station	1	2,313	\$ 194,283	-	\$ -	2,313	\$ 194,283
52	Health Department to Jonesville	2	5,253	\$ 441,285	1,522	\$ 127,833	-	\$ -
75	Oaks Mall - Butler Plaza	3	11,778	\$ 989,393	4,353	\$ 365,660	-	\$ -
76	Haile Market Square – Santa Fe	1	1,543	\$ 129,572	-	\$ -	-	\$ -
78	Butler Plaza – Santa Fe	1	1,534	\$ 128,850	-	\$ -	-	\$ -
711	Rosa Parks Station to Eastwood Meadows	0	1,877	\$ 157,655	1,877	\$ 157,655	-	\$ -
150	Haile Planatation to UF	2	4,361	\$ 366,291	-	\$ -	4,361	\$ 366,291
Subtotal		69	233,590	\$ 19,621,555	85,203	\$ 7,157,029	129,242	\$ 10,856,303
118	Park-N-Ride #1 (hub to Cultural Plaza)	4	7,671	\$ 644,394	-	\$ -	7,671	\$ 644,394
122	UF North/South Circulator (Cultural Plaza - NW 7th Ave.)	2	4,029	\$ 338,423	-	\$ -	4,029	\$ 338,423
125	Lakeside (Lakeside – The Hub)	2	4,691	\$ 394,051	-	\$ -	4,691	\$ 394,051
126	UF East/West Circulator (Sorority Row to Lakeside)	2	2,595	\$ 217,994	-	\$ -	2,595	\$ 217,994
127	East Circulator (Sorority Row - Turlington Hall)	2	4,413	\$ 370,733	-	\$ -	4,413	\$ 370,733
Subtotal		12	23,400	\$ 1,965,594	-	\$ -	23,400	\$ 1,965,594
Total		81	256,990	\$ 21,587,150	85,203	\$ 7,157,029	152,642	\$ 12,821,897

UF Proposal for Balance of FY24 and FY25

Current State

- Contract ends on June 30, 2024
- Contract historically in place for 3-year terms with service rate negotiations every year
- Current budget: \$13,705,715 for FY 2024
- Number of Service Hours: 256,990
- Number of Routes: 39
- January 2024 Campus Transit Study conducted by UF indicated it is unlikely that insourcing or switching to a third-party operator would yield substantial savings for UF

Proposed Changes

- Transfer services to a **month-to-month** contract
- \$6,840,000 annually
 - Represents an annual reduction of \$5,760,000 or 50.1%
- Service Impacts to accommodate proposal:
 - Number of Service Hours: 176,133 (reduction of 80,857 hours)
 - Number of Routes: 28 (eliminating 11 routes, including 5 on-campus dedicated routes)

FY25 Estimated RTS Operating Expenditures

Key Takeaways:

- 28 routes
- 172,973 total service hours at a cost of \$15.7 million and an hourly rate of \$91/hour based on a marginal cost allocation.
 - Full cost allocation is \$142.01/hour in FY25
 - Includes capital expenditures - \$24.6 million total system cost
 - City subsidizes capital expenditures
- Does not include capital expenditures (such as bus replacement).
- UF-funded service makes up 41.5% of service hours and expenses.

Route	Description	# of Buses	Total System		Base		Proposed UF-Only (Est.)	
			Hours	Cost	Hours	Cost	Hours	Cost
1	Downtown Station – Butler Plaza	2	9,586	\$ 872,343	4,851	\$ 441,458	4,735	\$ 430,885
3	Downtown Station – N Main Post Office	1	3,701	\$ 336,770	3,701	\$ 336,770	0	\$ -
5	Oaks Mall – Downtown Station	2	9,795	\$ 891,359	9,078	\$ 826,112	717	\$ 65,247
6	Downtown Station – N. Walmart Supercenter	1	3,934	\$ 357,987	3,934	\$ 357,987	0	\$ -
7	Eastwood Meadows – Downtown Station	1	3,677	\$ 334,593	3,677	\$ 334,593	0	\$ -
8	UF Health - N. Walmart Supercenter	1	6,479	\$ 589,554	4,398	\$ 400,183	2,081	\$ 189,371
9	Hunters Run – Reitz Union	2	7,316	\$ 665,756	0	\$ -	7,316	\$ 665,756
10	Santa Fe – Downtown Station	2	3,063	\$ 278,745	3,063	\$ 278,745	0	\$ -
11	Eastwood Meadows – Downtown Station	1	3,810	\$ 346,689	3,810	\$ 346,689	0	\$ -
12	Reitz Union – Butler Plaza Station	2	11,334	\$ 1,031,394	0	\$ -	11,334	\$ 1,031,394
13	Beaty Towers – Cottage Grove Apartments	2	7,431	\$ 676,242	3,572	\$ 325,073	3,859	\$ 351,169
15	Downtown Station – NW 13th Street/NW 23rd Avenue	2	8,664	\$ 788,385	8,664	\$ 788,385	0	\$ -
16	Sugar Hill – Beaty Towers	1	3,937	\$ 358,248	3,937	\$ 358,248	0	\$ -
17	Beaty Towers to Rosa Parks Station	0	0	\$ -	0	\$ -	0	\$ -
20	Oaks Mall – Reitz Union	2	11,905	\$ 1,083,334	4,954	\$ 450,793	6,951	\$ 632,541
21	Cabana Beach – Reitz Union	2	4,327	\$ 393,757	0	\$ -	4,327	\$ 393,757
23	Oaks Mall - Santa Fe	2	5,452	\$ 496,109	5,452	\$ 496,109	0	\$ -
25	UF Transportation and Parking – Airport	0	1	\$ 91	0	\$ -	1	\$ 91
26	Downtown Station – Airport	1	3,701	\$ 336,770	3,701	\$ 336,770	0	\$ -
28	Butler Plaza - The Hub	0	0	\$ -	0	\$ -	0	\$ -
33	Butler Plaza to Midtown	2	9,050	\$ 823,550	0	\$ -	9,050	\$ 823,550
34	The Hub - Lexington Crossing	0	0	\$ -	0	\$ -	0	\$ -
35	SW 35th Place – Reitz Union	2	12,046	\$ 1,096,151	5,509	\$ 501,284	6,537	\$ 594,867
37	Reitz Union – Butler Plaza	2	7,064	\$ 642,824	0	\$ -	7,064	\$ 642,824
38	Gainesville Place – The Hub	3	7,818	\$ 711,438	0	\$ -	7,818	\$ 711,438
43	UF Health – Santa Fe	2	6,904	\$ 628,299	6,904	\$ 628,299	0	\$ -
46	Reitz Union to Rosa Parks Station	0	0	\$ -	0	\$ -	0	\$ -
52	Health Department to Jonesville	2	5,253	\$ 478,059	5,253	\$ 478,059	0	\$ -
75	Oaks Mall - Butler Plaza	3	11,778	\$ 1,071,842	11,778	\$ 1,071,842	0	\$ -
76	Haile Market Square – Santa Fe	1	1,543	\$ 140,370	1,543	\$ 140,370	0	\$ -
78	Butler Plaza – Santa Fe	1	1,534	\$ 139,587	1,534	\$ 139,587	0	\$ -
711	Rosa Parks Station to Eastwood Meadows	0	1,877	\$ 170,793	1,877	\$ 170,793	0	\$ -
150	Haile Planatation to UF	0	0	\$ -	0	\$ -	0	\$ -
Subtotal		45	172,974	\$ 15,741,041	101,188	\$ 9,208,151	71,786	\$ 6,532,890
118	Park-N-Ride #1 (hub to Cultural Plaza)	0	0	\$ -	0	\$ -	0	\$ -
122	UF North/South Circulator (Cultural Plaza - NW 7th Ave.)	0	0	\$ -	0	\$ -	0	\$ -
125	Lakeside (Lakeside – The Hub)	0	0	\$ -	0	\$ -	0	\$ -
126	UF East/West Circulator (Sorority Row to Lakeside)	0	0	\$ -	0	\$ -	0	\$ -
127	East Circulator (Sorority Row - Turlington Hall)	0	0	\$ -	0	\$ -	0	\$ -
Subtotal		0	0	\$ -	0	\$ -	0	\$ -
Total		45	172,974	\$ 15,741,041	101,188	\$ 9,208,151	71,786	\$ 6,532,890

Analysis of UF Contract

FY24 Adopted Budget:

- The UF contract rate is 39.4% lower than the full cost allocation which includes operating and capital expenditures to run the UF-funded portion of RTS
- The marginal allocation does not account for capital expenditures (such as bus replacement)

FY25 Estimated Budget:

- The City’s proposed per hour rate of \$91/hour for UF services is 35.9% lower than the full cost allocation

The City has historically subsidized the cost of capital expenditures for all external parties that fund services through RTS

FY24 Adopted Budget - University of Florida Contract					
	Total		Service Hours		Per Hour
Full Allocation:	\$	35,623,937	256,990	\$	138.62
Marginal Allocation:	\$	21,669,386	256,990	\$	84.32
Negotiated Rate:	\$	12,821,897	152,642	\$	84.00
University of Florida Discount on Full Allocation					(39.4%)
University of Florida Discount on Marginal Allocation					(0.4%)

FY25 Estimated Budget - University of Florida Proposal					
	Total		Service Hours		Per Hour
Full Allocation:	\$	24,564,038	172,974	\$	142.01
Marginal Allocation:	\$	14,981,278	172,974	\$	86.61
Negotiated Rate:	\$	6,532,526	71,786	\$	91.00
University of Florida Discount on Full Allocation					(35.9%)
University of Florida Discount on Marginal Allocation					5.1%








Impacts of UF Proposal

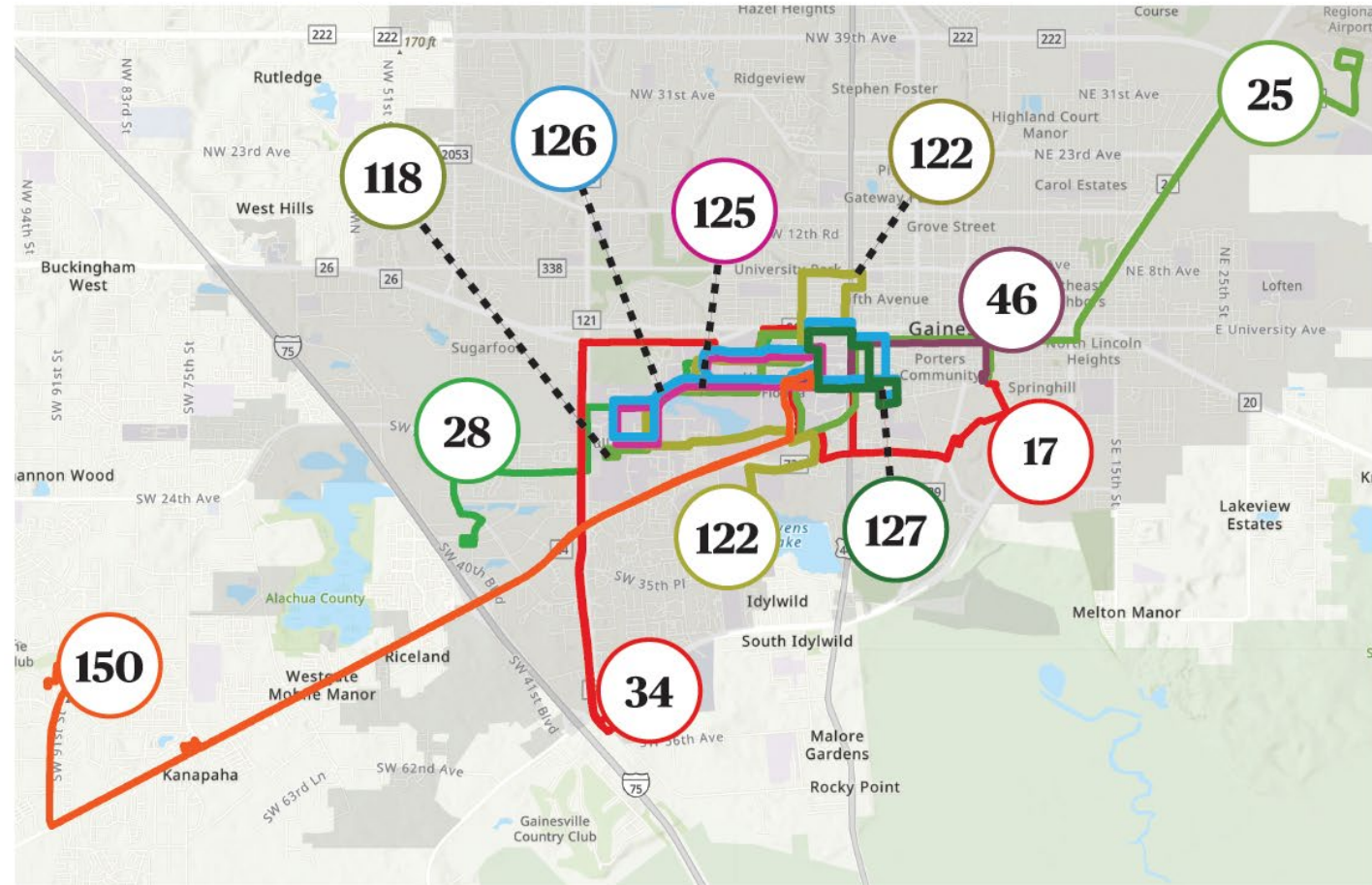
- Deviates from current RTS financial model supported by FDOT
- Eliminates 52+ RTS positions
- Reduces 80,000+ hours of service (31.5% of total hours) and services end earlier (10 PM)
- Eliminates 11 Routes (Routes 17, 25, 28, 34, 46, 118, 122, 125, 126, 127 and 150)
- Reduces fleet size by 36 buses
- Impacts funding eligibility for FTA funds (Section 5307, 5310, 5311 and 5339) and other grants based on ridership
- Jeopardizes current service contracts (e.g., fuel, parts and other maintenance agreements) and revenue sources such as advertising
- Disrupts efficient service provided to students and larger community
- Disrupts federal and state reporting requirements
- May reduce level of services for passengers with disabilities
- May violate current ATU Labor agreement (Chapter 30 – Bidding)
- May violate Federal Civil Rights regulations (Require Service Equity Analysis, Title VI Circular 4702.1 fare impacts, EEO Circular 4704.1, and ADA Circular 4710.1)
- May result in an increase in the number of vehicles on the road, congestion, and pollution

Impact on Routes

Eliminates:

- 11 Routes
- Includes
 - All 5 UF on campus routes
 - UF to Airport route
 - UF to Haile route

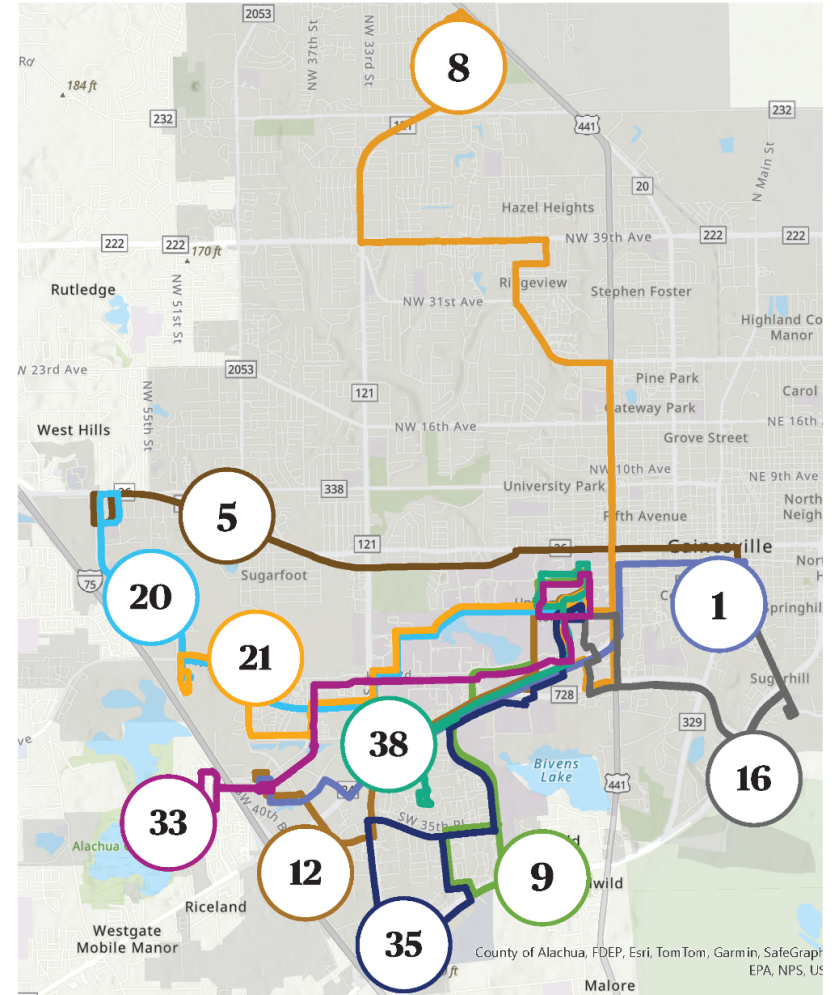
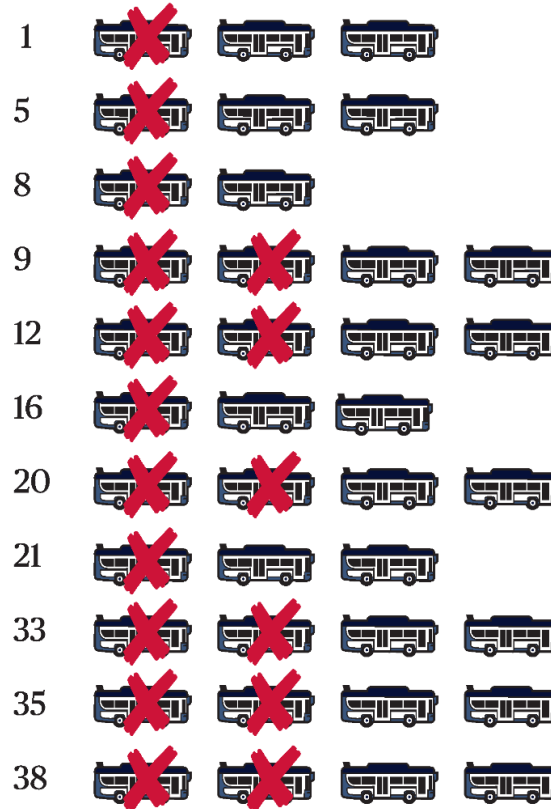
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25	
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Impact on Service Hours and Buses

Eliminates:

- 11 Routes: 17, 25, 28, 34, 46, 118, 122, 125, 126, 127 and 150)
- Number of buses on the road: 8 buses on City routes and 12 buses on campus routes
- Reduces service on 11 routes: 1, 5, 8, 9, 12, 16, 20, 21, 33, 35, 38
- Shorter service hours (10 PM)



Thank You.