Overview

• Review of Greater MN Transit
• Results of community input
• Transit Need and Demand
• Strategic Investments
• Financial Outlook
• Action Timeline
Greater Mn Transit Systems

- 27 county and multi-county systems
- 6 Small Urbans (2,500-49,999 pop.)
- 7 Urbans (50,000 – 200,000 pop)
- 4 Tribal systems

- 12.2M rides and ≈ 1.21M hours in 2015
2016 Plan Objectives

- Update the 20-year strategic plan and investment priorities
  - emphasis on youth, seniors, low-income, homeless population, individuals with disabilities, veterans, new Americans and commuters
- Audience is the Greater MN transit providers

Public Input

- Onboard survey – reliability, span of service
- Online budgeting tool – where/when I need it
- Wikimaps – regional travel
- “Hard to reach population” - convenience
Measuring Demand for Transit

Demand = # of passenger trips to meet the need
Ridership = actual trips made on public transit.

Ridership Est. Model estimated the demand for public transit and ridership by incorporating trip rates for transit-dependent population.

Using the 2014 Statewide Transit Demand Model:
Total statewide ridership demand (Greater Minnesota) =
- 13.3 million trips in 2014
- 18.9 million in 2025 (90% is 17 million)
- 20.7 million in 2035

Service Plan to Meet Demand

Leg target of 90% by 2025 = 17 million trips.
Current is 12.2 million, need to grow by 4.8 million by 2025

Three-part solution
1. Baseline Span of Service
2. Urban Service Improvements
3. Rural Service Improvements

- This service plan draws directly from the public input and will implement service that is: reliable, on-time, available earlier and later in the day, and more frequent.
- Low and High ridership estimates project that these improvements will reach 4.8 million trips by 2025
### Baseline Span of Service

<table>
<thead>
<tr>
<th>Service Population</th>
<th>Peer Group</th>
<th>Weekday</th>
<th>Saturday</th>
<th>Sunday</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cities over 50,000</td>
<td>Urban</td>
<td>20</td>
<td>12</td>
<td>9</td>
</tr>
<tr>
<td>Cities 49,999 – 7,000</td>
<td>Small Urban</td>
<td>12</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td>Cities 6,999 – 2,500</td>
<td>Small Urban</td>
<td>9</td>
<td>9</td>
<td>NA</td>
</tr>
<tr>
<td>County Seat Town/Small Communities &lt; 2500*</td>
<td>Rural</td>
<td>8 (3 days per week)</td>
<td>NA</td>
<td>NA</td>
</tr>
</tbody>
</table>

Low ridership = 1.7 million  
High ridership = 3.5 million

### Urban and Rural Improvements

<table>
<thead>
<tr>
<th>Urban Service Improvements</th>
<th>ADA Complementary Service</th>
<th>Service to support fixed route improvements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unserved Urban Areas</td>
<td>Improve urban transit service coverage</td>
<td></td>
</tr>
<tr>
<td>Peak Hour Frequency</td>
<td>Provide 30-minute peak hour frequency</td>
<td></td>
</tr>
<tr>
<td>Regional Express Buses</td>
<td>Six routes</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Rural Service Improvements</th>
<th>Regional Mobility</th>
<th>Route operates min. 2 days/week connecting communities for shopping and medical</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intercity Feeder</td>
<td>Regional service tied to intercity bus service</td>
<td></td>
</tr>
<tr>
<td>Unserved Rural Areas</td>
<td>Improving rural transit coverage</td>
<td></td>
</tr>
<tr>
<td>Additional Contract Services</td>
<td>Assumes contracts requiring expanded service pay full cost</td>
<td>(Outside of Public Transit)</td>
</tr>
</tbody>
</table>

*Low ridership = 1.7 million
**High ridership = 3.5 million
Estimating Ridership

Service plan should grow ridership to meet the legislative target of meeting 90% of demand by 2025 at 4.8 million rides.

<table>
<thead>
<tr>
<th>Improvement</th>
<th>Additional Hours</th>
<th>Low ridership Estimate (2025)</th>
<th>High Estimate Ridership (2025)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baseline Service</td>
<td>277,370</td>
<td>1,710,510</td>
<td>3,575,197</td>
</tr>
<tr>
<td>Urban</td>
<td>199,597</td>
<td>1,735,944</td>
<td>2,550,922</td>
</tr>
<tr>
<td>Rural</td>
<td>32,000</td>
<td>96,000</td>
<td>150,400</td>
</tr>
<tr>
<td>Grand Total</td>
<td>508,967</td>
<td>3,542,454</td>
<td>6,276,119</td>
</tr>
</tbody>
</table>

Strategic Investments

- Transit is an attractive and viable transportation option
- Improve coordination of services
- Increase ridership
- Elevate public information and outreach
- Ensure fiscal responsibility as a funding agency
- Support the Minnesota Go vision for an integrated multimodal transportation system
Investment Scenarios

Expansion
• Enhance service in existing systems according to the baseline service plan

Preservation
• Maintain viability of existing systems that demonstrate fiscal capacity and meet performance standards

Contraction
• Do not fund systems enhancements
• Work with local partners to redesign underperforming services
• Reduce funding for existing systems

Greater Minnesota Funding Sources

• Shares are changing
• GMTA ↑
• Local, GF ↓
• Federal →

2014 Operating Funding Sources

- Federal
- State GF
- Greater MN Transit Account
- Local

- 26%
- 20%
- 35%
- 19%
Cost for Improvements

<table>
<thead>
<tr>
<th>Total</th>
<th>Additional Annual Hours</th>
<th>Operating Cost</th>
<th>Local Share 20/15%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Baseline</td>
<td>277,370</td>
<td>$17,817,352</td>
<td>$3,002,003</td>
</tr>
<tr>
<td>Total Urban Service Improvements</td>
<td>199,597</td>
<td>$19,763,730</td>
<td>$3,481,002</td>
</tr>
<tr>
<td>Total Rural Service Improvements</td>
<td>32,000</td>
<td>$1,760,000</td>
<td>$264,000</td>
</tr>
<tr>
<td>Grand Total</td>
<td>508,967</td>
<td>$39,341,082</td>
<td>$6,747,005</td>
</tr>
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</table>

These are the improvements that will reach the 2025 goal and the additional annual operating costs.

Capital Investments

<table>
<thead>
<tr>
<th>Baseline Service Improvements</th>
<th>Fleet Supplement Required</th>
<th>Supplemental Capital Cost Estimate</th>
<th>Local Share 20%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban 50,000+</td>
<td>120</td>
<td>$36,288,000</td>
<td>$7,257,600</td>
</tr>
<tr>
<td>Rural and Small Urban</td>
<td>126</td>
<td>$8,802,000</td>
<td>$1,760,400</td>
</tr>
<tr>
<td>Total Expansion Vehicles</td>
<td>246 vehicles</td>
<td>$45,090,000</td>
<td>$9,018,000</td>
</tr>
</tbody>
</table>

These are the capital costs for the extra service to meet the 2025 goal. They are one time costs, but must be replaced when they age out.
### Total Operating Cost (all service)

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of hours to implement service improvements</th>
<th>Hourly Operating Cost</th>
<th>Operating Cost (Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>1,257,000</td>
<td>$65.00</td>
<td>$81.7</td>
</tr>
<tr>
<td>2018</td>
<td>1,314,000</td>
<td>$66.95</td>
<td>$88.0</td>
</tr>
<tr>
<td>2019</td>
<td>1,371,000</td>
<td>$68.96</td>
<td>$94.6</td>
</tr>
<tr>
<td>2020</td>
<td>1,428,000</td>
<td>$71.03</td>
<td>$101.4</td>
</tr>
<tr>
<td>2021</td>
<td>1,485,000</td>
<td>$73.15</td>
<td>$108.6</td>
</tr>
<tr>
<td>2022</td>
<td>1,542,000</td>
<td>$75.35</td>
<td>$116.2</td>
</tr>
<tr>
<td>2023</td>
<td>1,599,000</td>
<td>$77.61</td>
<td>$124.1</td>
</tr>
<tr>
<td>2024</td>
<td>1,656,000</td>
<td>$79.94</td>
<td>$132.4</td>
</tr>
<tr>
<td>2025</td>
<td>1,713,000</td>
<td>$82.34</td>
<td>$141.1</td>
</tr>
</tbody>
</table>

**Revenues vs Expenses**

- Revenues for Greater MN Transit have exceeded expenses.
- But with planned expansions and inflation expenses will be very close to revenues in 2017-2019.
- Then expenses will exceed revenues from 2020 forward.
Available Funds

- Because revenues exceeded expenses recently, the GMTA built up a balance of about $50 million.
- As expenses exceed revenues, that balance will be used by 2022.

Funding Gap

- By 2025, the gap approaches $40 million per year and is growing. The total gap through 2025 (NexTen) is $114 million. Additional revenues will be needed for 2021 and beyond to achieve the long term goals of this plan.
Summary

- There is a statutory target of meeting 90 percent of demand by 2025.
- MN citizens told us longer hours and more frequency will best serve them.
- We built this plan to achieve the goal with these understandable service improvements.
- An additional $114 million is needed by 2025 to achieve this plan.

Timeline

- 45-day public comment period (SMTP and MnSHIP)
- Outreach in Greater Minnesota
- Final plan in November, adopted in January

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