Photo Credit: Aaron Blum, HopeSource

Ellensburg Transit Development Plan Update

FINAL

March 2016

NELSON
NYGAARD

Table of Contents

Page

1 Introduction 1-1

2 Existing Conditions 2-1

Operational Review 2-1

Financial Review 2-24

3 Updated Transit Development Plan 3-1

Introduction 3-1

New Features 3-1

Financial Forecasts 3-6

Table of Figures

Page

Figure 1 Monthly Ridership 2-1

Figure 2 Weekday Ridership by Trip (Clockwise) 2-2

Figure 3 Weekday Ridership by Trip (Counterclockwise) 2-2

Figure 4 Saturday Ridership by Trip 2-3

Figure 5 Sunday Ridership by Trip 2-3

Figure 6 Boardings per Service Hour by Segment 2-4

Figure 7 Boardings per Service Hour by Time Period 2-4

Figure 8 Average Weekday Boardings - Both Routes Combined 2-6

Figure 9 Average Weekday Boardings, Route 1 (Clockwise) 2-7

Figure 10 Average Weekday Boardings, Route 2 (Counterclockwise) 2-8

Figure 11 Average Saturday Boardings (Counterclockwise) 2-9

Figure 12 Average Sunday Boardings 2-10

Figure 13 Weekday Boardings by Stop (Clockwise) 2-11

Figure 14 Weekday Boardings by Stop (Counterclockwise) 2-11

Figure 15 Saturday Boardings by Stop 2-12

Figure 16 Sunday Boardings by Stop 2-12

Figure 17 CWU Affiliation 2-13

Figure 18 Primary Trip Purpose 2-13

Figure 19 Number of Blocks Walked to Bus Stop 2-14

Figure 20 Mode of Transportation if Bus were Unavailable (multiple responses allowed) ... 2-14

Figure 21 Familiarity with Transit 2-15

Figure 22 Importance of Transit in Ellensburg 2-16

Figure 23 Importance of Inter-City Service 2-16

Figure 24 Improvements that would Influence More Transit Use (Multiple Responses Allowed) 2-17

Figure 25 Level of Support for Transit Funding Options 2-17

Figure 26 Front Page 2015 Community Survey 2-19

Figure 27 Back Page 2015 Community Survey 2-20

Figure 28 All Respondent Characteristics 2-21
Figure 29 Ellensburg Resident Characteristics 2-22
Figure 30 Resident responses to Opinion Statements 2-23
Figure 31 Operating Budget Summary 2-24
Figure 32 Monthly Expenses and Local Contribution 2-25
Figure 33 Breakdown of FY-15 Operating Costs for Fixed Route Transit 2-25
Figure 34 Concept for West Ellensburg Service Presented in 2013 Transit Development Plan 3-5
Figure 35 Low Financial Forecast 3-15
Figure 36 Moderate Financial Forecast 3-17
Figure 37 High Financial Forecast 3-19

1 INTRODUCTION

Since 2011, the City of Ellensburg, Central Washington University (CWU), HopeSource, and the Washington State Department of Transportation (WSDOT) have partnered to plan, fund, and operate transit service within the community.

A Transit Development Plan (TDP) was completed in 2013, providing a series of recommendations to improve transit service over a nine-year period. Findings from a community survey and peer review were instrumental in developing service alternatives and adopting the current zero-fare policy. The current Central Transit service and funding arrangement has been in place since September 2013 and has evolved considerably.

The first step of the 2015 Transit Development Plan is to evaluate the last two academic years of operation of Central Transit in terms of ridership, efficiency, effectiveness. The effort will also compare expected outcomes of the 2013 TDP with actual operations. Ongoing coordination with the Transit Advisory Committee (appointed by the Ellensburg City Council) and community engagement in the form of mobile outreach and online communication are also key components of the 2015 TDP. Primary goals of the 2015 TDP Update include development of a revised six-year plan for Central Transit (consisting of operating, capital and financial elements).

This technical memorandum is intended to serve as a foundation for an update of the 2013 TDP by detailing existing conditions in terms of ridership performance, which is an important indicator of the program's success.

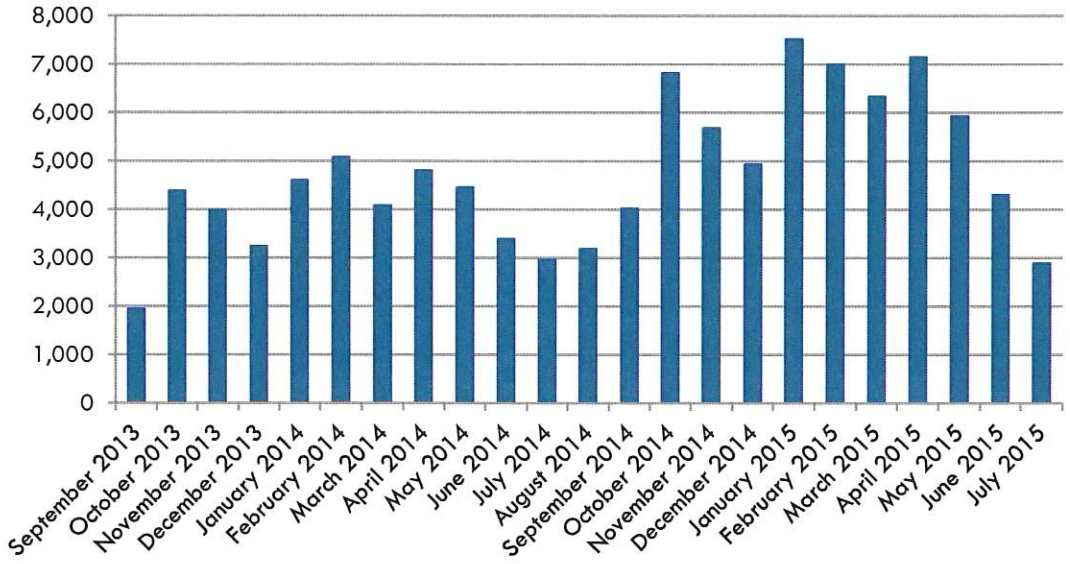
2 EXISTING CONDITIONS

OPERATIONAL REVIEW

Monthly Ridership

Central Transit ridership exhibited a similar curve between the 2013 and 2014 academic years. In both cases, ridership peaked during the early months of the fall and spring semesters and declined over the winter and summer breaks. However, ridership increased by approximately 143% from 2013 to 2014 over the same eleven month period (October-July), likely as a result of increased awareness and marketing of the Central Transit service. Figure 1 depicts the monthly ridership totals since the implementation of current Routes 1 and 2.

Figure 1 Monthly Ridership



Ridership by Trip

Figure 2 through Figure 5 show ridership by trip on weekdays, Saturdays, and Sundays. Weekday trips in the clockwise direction see the most ridership during a.m. peak and midday service hours. Counterclockwise trips during the weekday see the most ridership during midday and p.m. peak service hours. Saturday trips have the least ridership, with the highest ridership trips occurring at 9:30 a.m., 12:30 p.m., and 3:30 p.m. Sunday has the most ridership during three trips between 2:30 and 4:30 p.m.

Figure 2 Weekday Ridership by Trip (Clockwise)

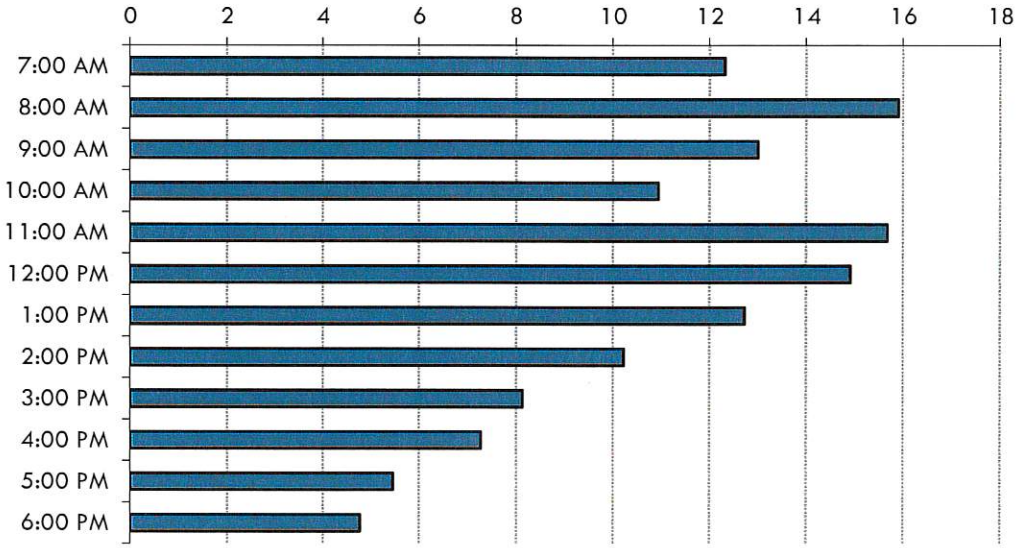


Figure 3 Weekday Ridership by Trip (Counterclockwise)

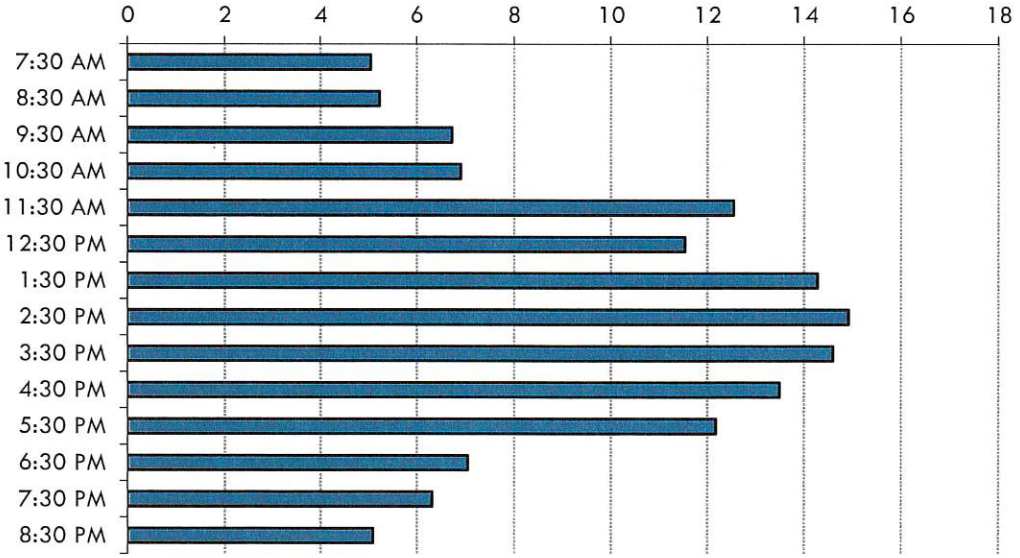


Figure 4 Saturday Ridership by Trip

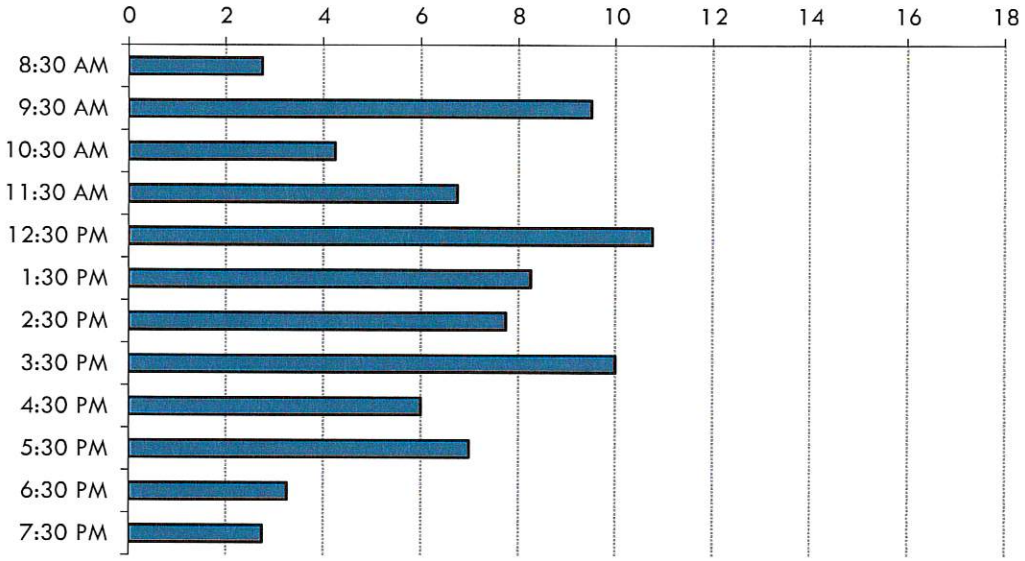
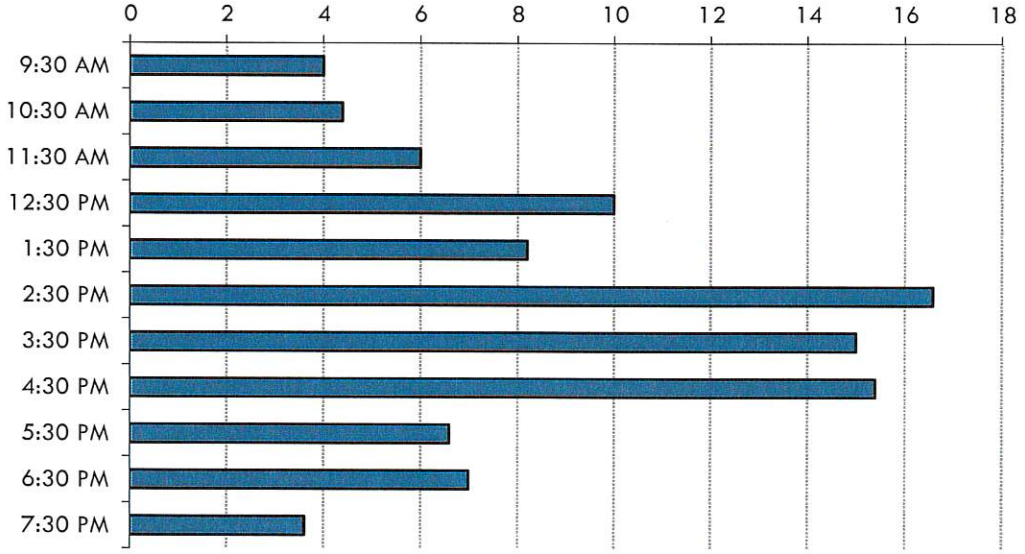


Figure 5 Sunday Ridership by Trip



Route Productivity

Figure 6 shows boarding per service hour by segment. On weekdays, the most productive segment is between Brooklane Village and SURC with 34.9 boardings per service hour. On Saturdays and Sundays, the most productive segment is between Super 1 Foods and Fred Meyers with 16 and 29 boardings per service hour, respectively. For all three day types, the least productive segment is between Fred Meyers and the CWU Library.

Figure 7 shows boardings per service hour by time period. On weekdays, the most productive period is during midday service (11.8 boardings per service hour) with the least productive period during night service (5 boardings per service hour). On Saturdays, the most productive periods are during midday and p.m. service (7.9 boardings per service hour) with the least productive period during a.m. service (2.8 boardings per service hour). On Sunday, the most productive segment is during p.m. service (15.7 boardings per service hour), with the least productive segment during evening service (5.7 boardings per service hour).

Figure 6 Boardings per Service Hour by Segment

Segment	Weekday	Saturday	Sunday
Safeway @ Ruby & 4th to Super 1 Foods	6.2	5.9	3.4
Super 1 Foods to Fred Meyers	10.4	16.0	29.0
Fred Meyers to CWU Library	3.5	0.9	0.7
CWU Library to Crestview (Alder & Helena)	7.6	9.1	9.3
Crestview (Alder & Helena) to Brooklane Village	15.9	4.7	6.1
Brooklane Village & to SURC	34.9	11.7	27.9
SURC to Safeway @ Ruby & 4th	9.1	6.0	7.9
Total Productivity	**10.3**	**6.6**	**8.8**

Figure 7 Boardings per Service Hour by Time Period

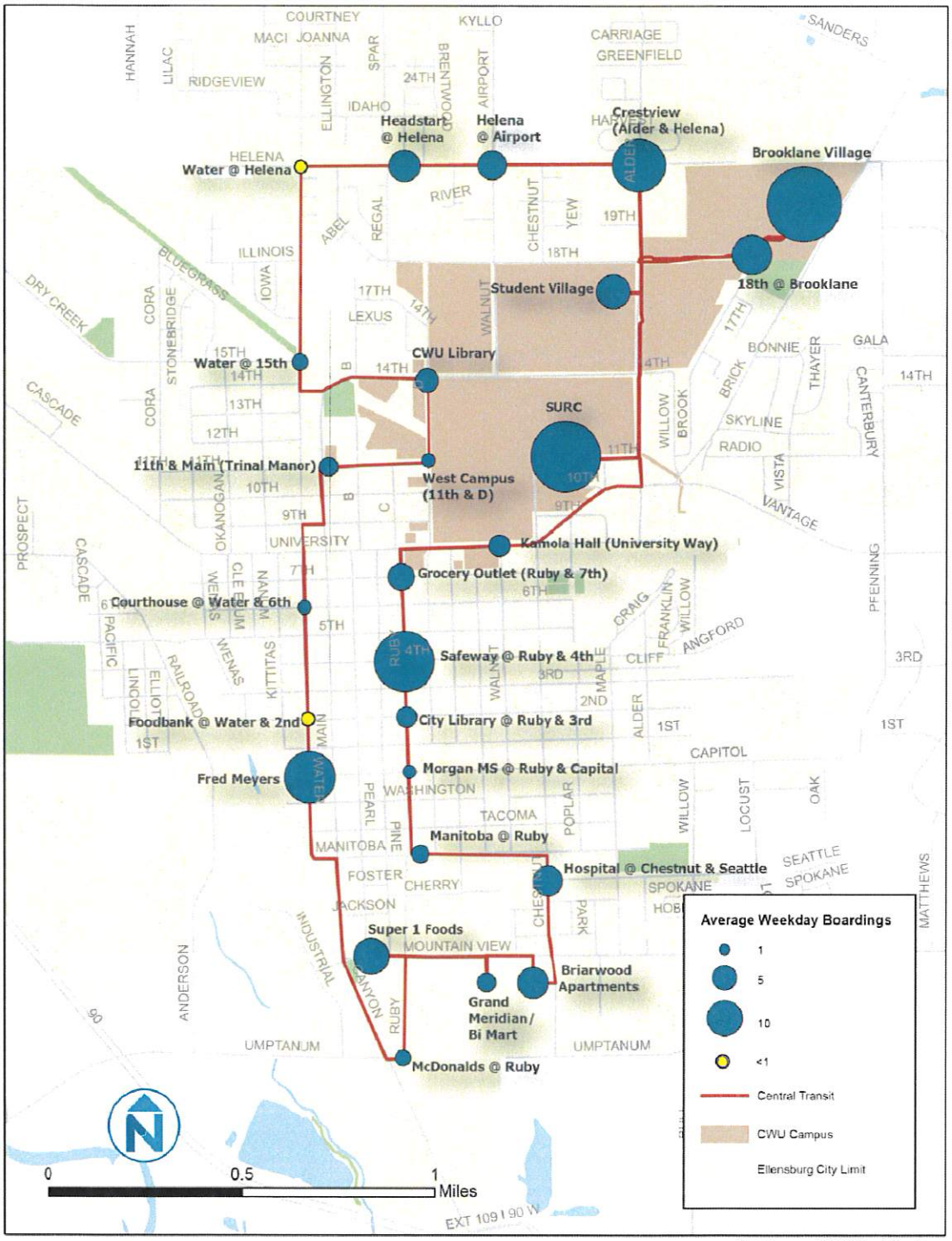
Time Period	Weekday	Saturday	Sunday
AM (6 a.m.–9 a.m.)	9.6	2.8	---
Midday (9 a.m.-3 p.m.)	11.8	7.9	6.5
PM (3 p.m.-6 p.m.)	10.6	7.9	15.7
Eve (6 p.m.-9 p.m.)	7.6	4.3	5.7
Night (after 9 p.m.)	5	---	---
Total Productivity	**10.3**	**6.6**	**8.8**

Ridership by Stop

This section analyzes average boardings based on ridership data collected from March 2015. Figure 8 shows average weekday combined boardings for Routes 1 and 2. The most ridership activity occurs at Brooklane Village (44 boardings), SURC (40 boardings), and Safeway (28 boardings). On Route 1, which operates in the clockwise direction, the highest ridership stop is Brooklane Village (37 boardings) with the remaining stops averaging 11 or fewer boardings. Route 2, which operates in the counterclockwise direction, sees higher ridership activity at SURC (29 boardings), Safeway (19 boardings), and Fred Meyer (16 boardings).

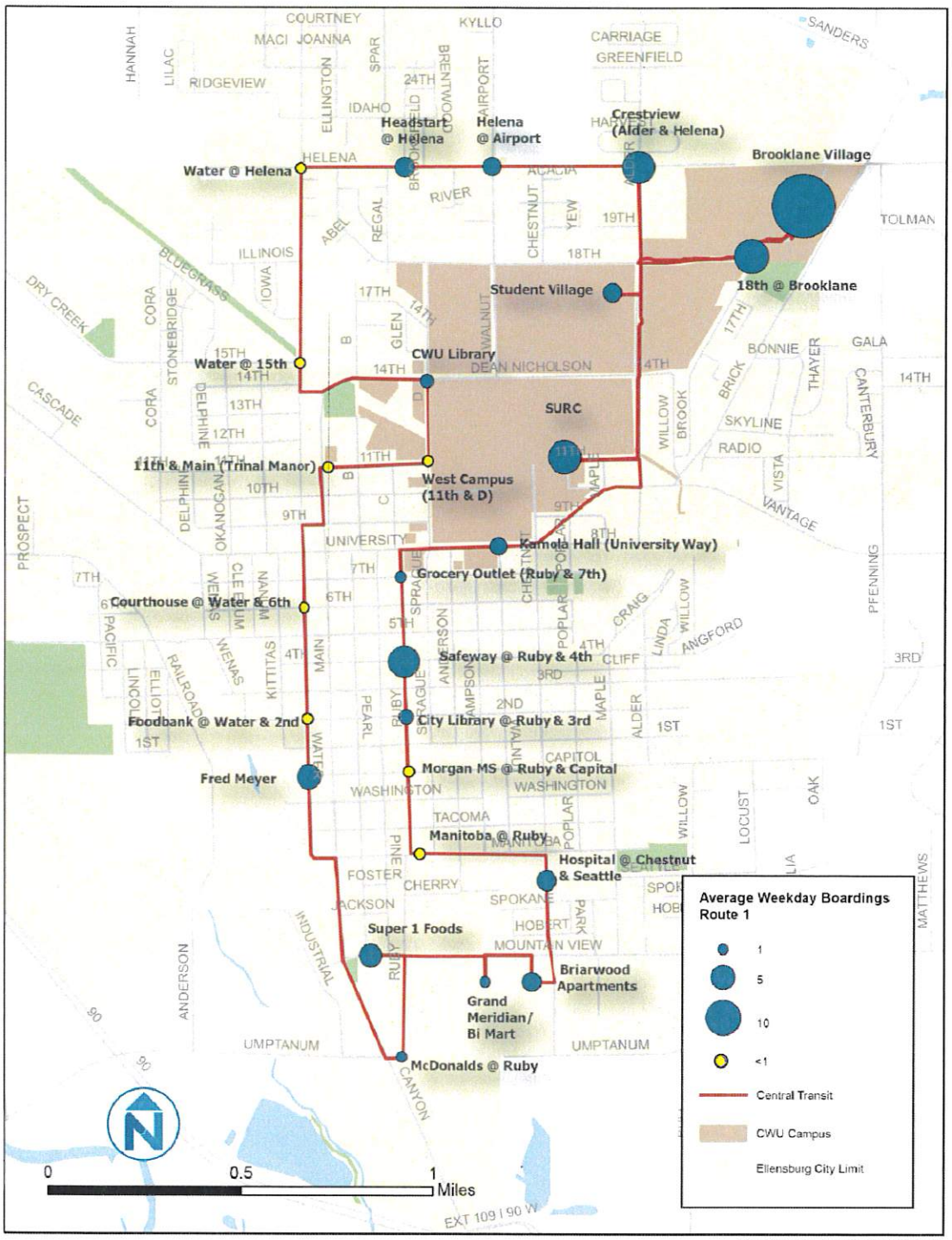
Figure 11 and Figure 12 show average boardings on Saturdays and Sundays. On Saturday, most boardings occur at Fred Meyer (17 boardings), with the remaining stops averaging 10 or fewer boardings per day. On Sunday, most boardings occur at Fred Meyer (24 boardings) and SURC (22), with the remaining stops averaging 12 or fewer boardings per day. Figure 13 through Figure 16 are bar charts that show boarding by stop relative to the order in which they occur on the route and relative to each other.

Figure 8 Average Weekday Boardings - Both Routes Combined



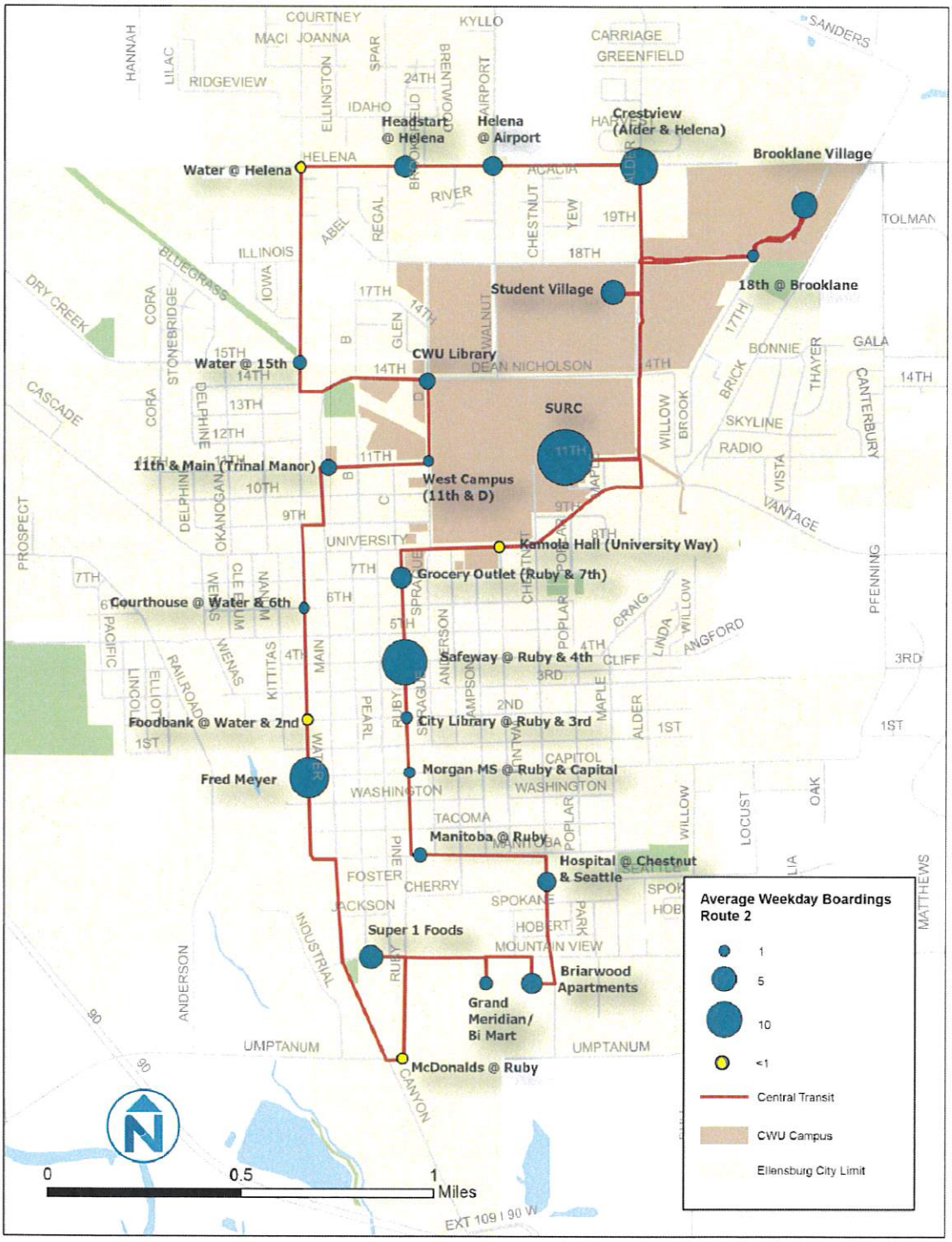
Data Sources: ESRI, City of Ellensburg

Figure 9 **Average Weekday Boardings, Route 1 (Clockwise)**



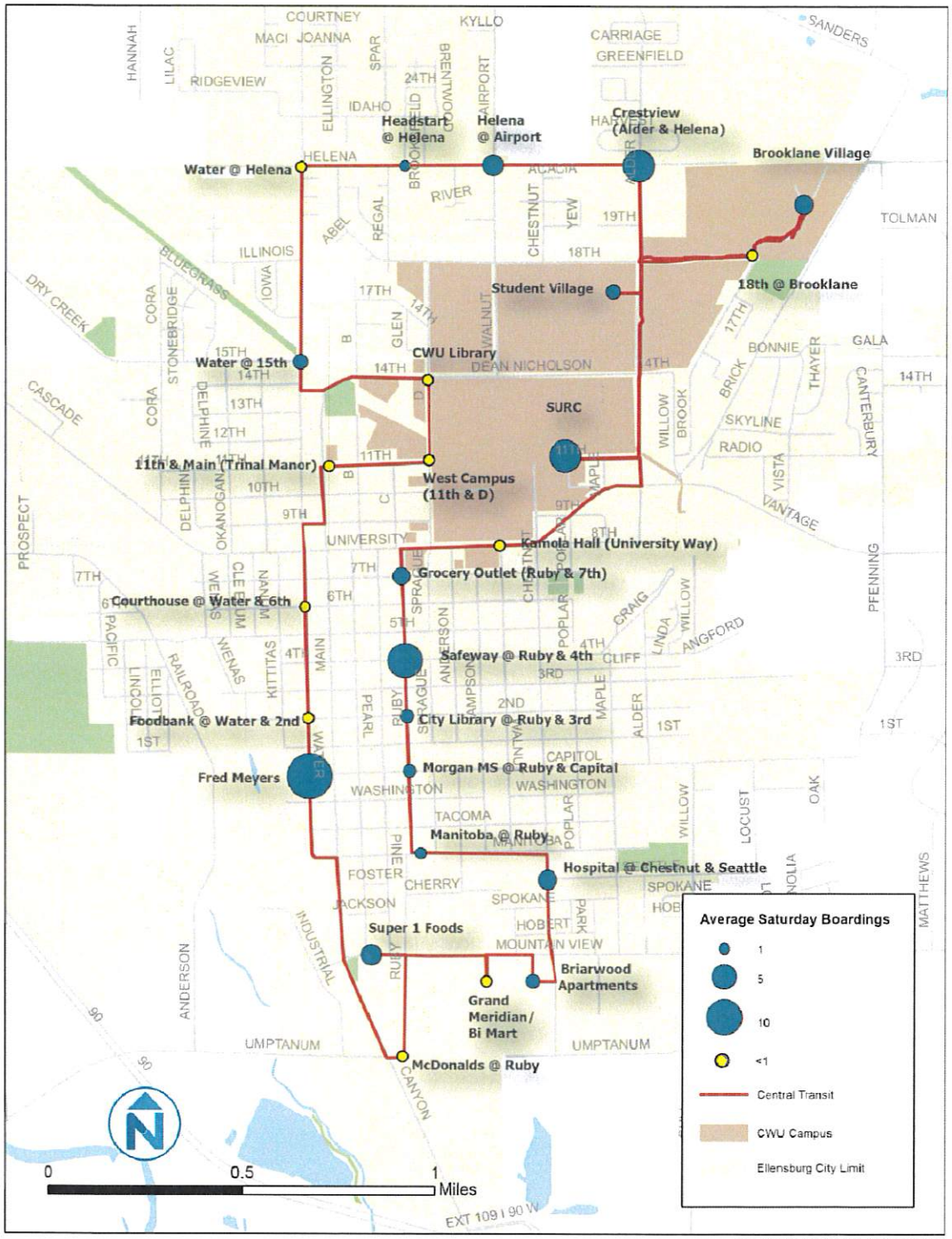
Data Sources: ESRI, City of Ellensburg

Figure 10 Average Weekday Boardings, Route 2 (Counterclockwise)



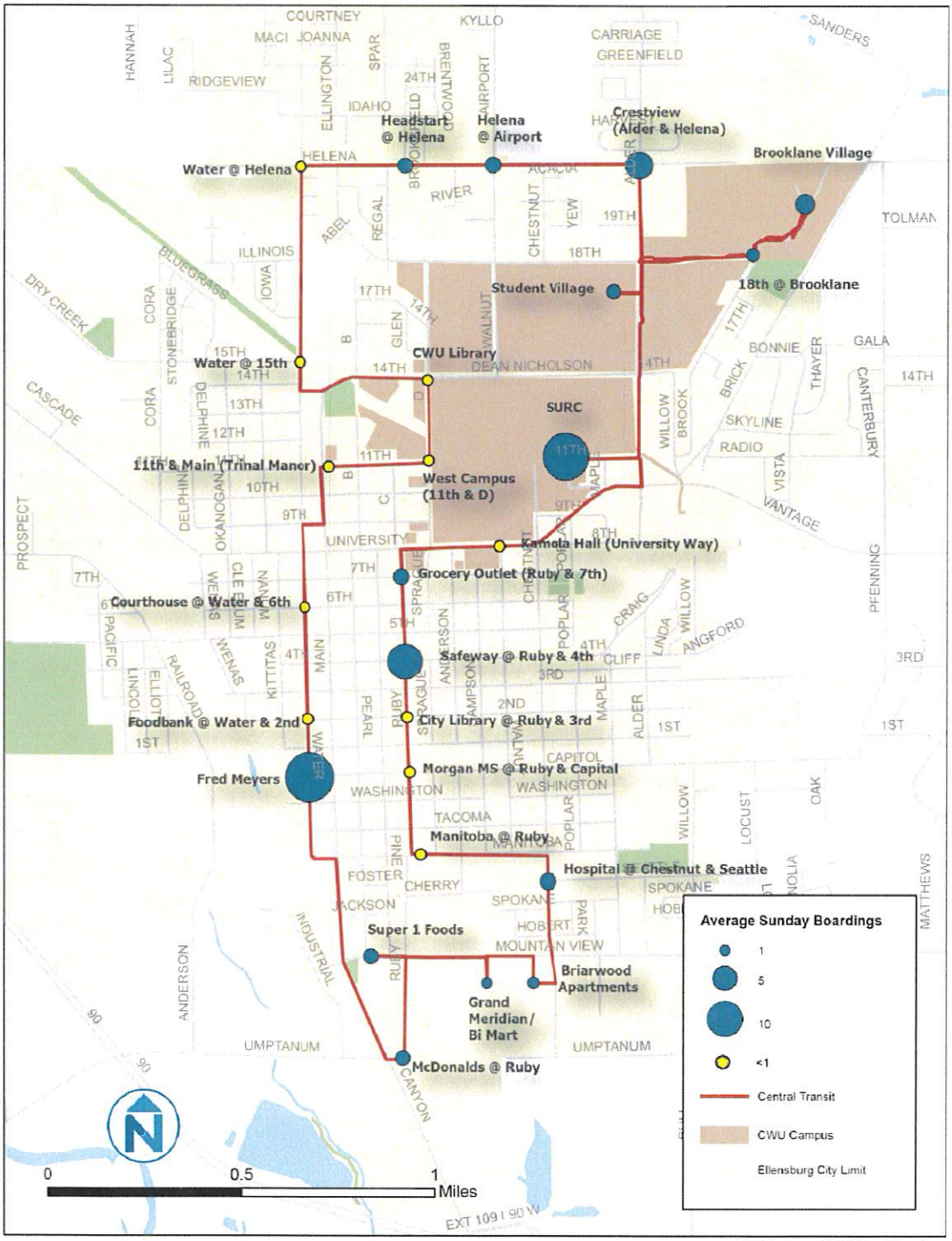
Data Sources: ESRI, City of Ellensburg

Figure 11 Average Saturday Boardings (Counterclockwise)



Data Sources: ESRI, City of Ellensburg

Figure 12 Average Sunday Boardings



Data Sources: ESRI, City of Ellensburg

Figure 13 Weekday Boardings by Stop (Clockwise)

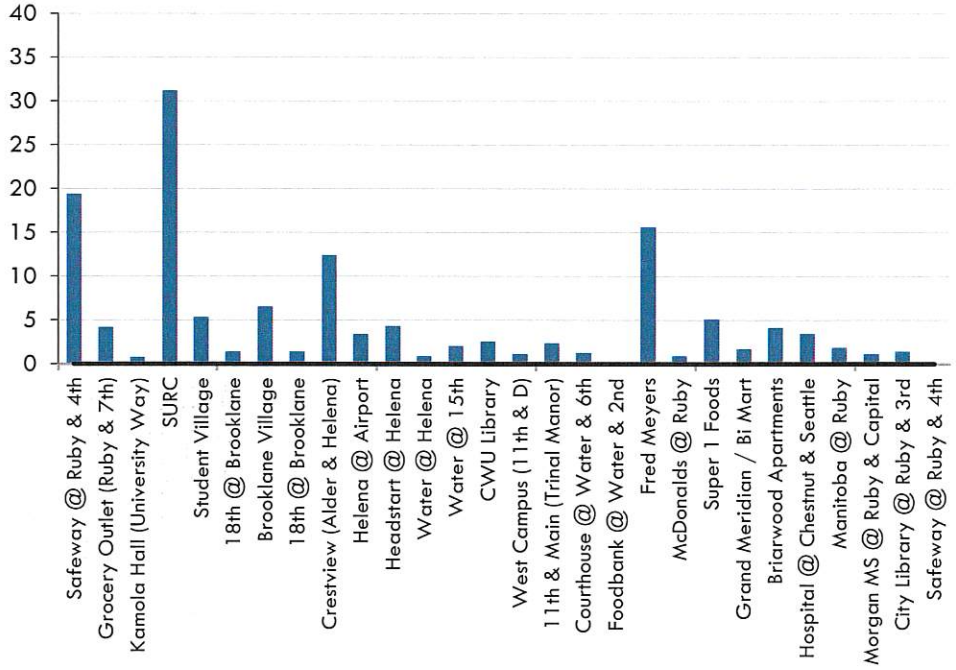


Figure 14 Weekday Boardings by Stop (Counterclockwise)

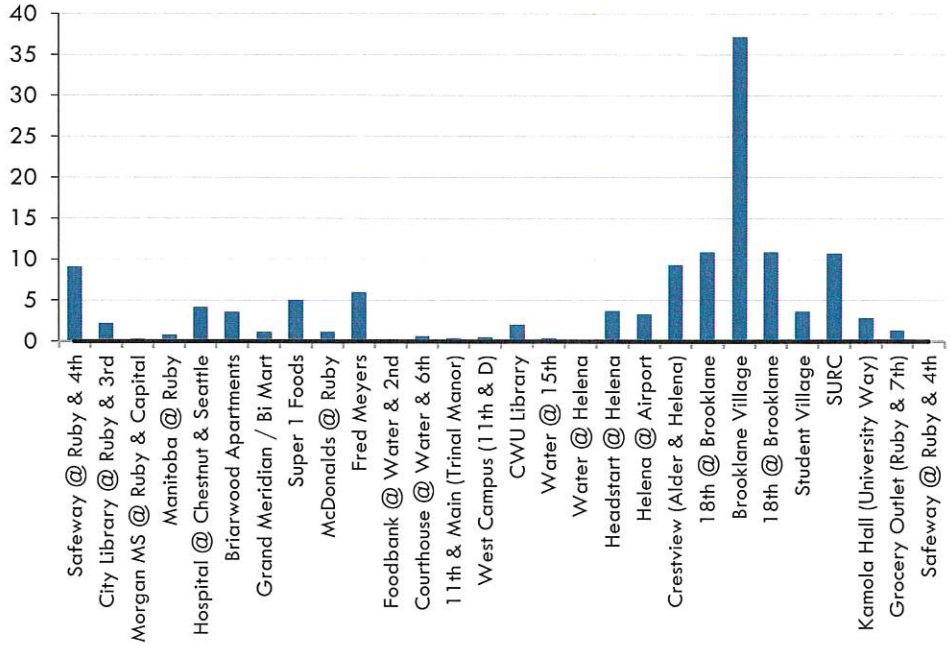


Figure 15 Saturday Boardings by Stop

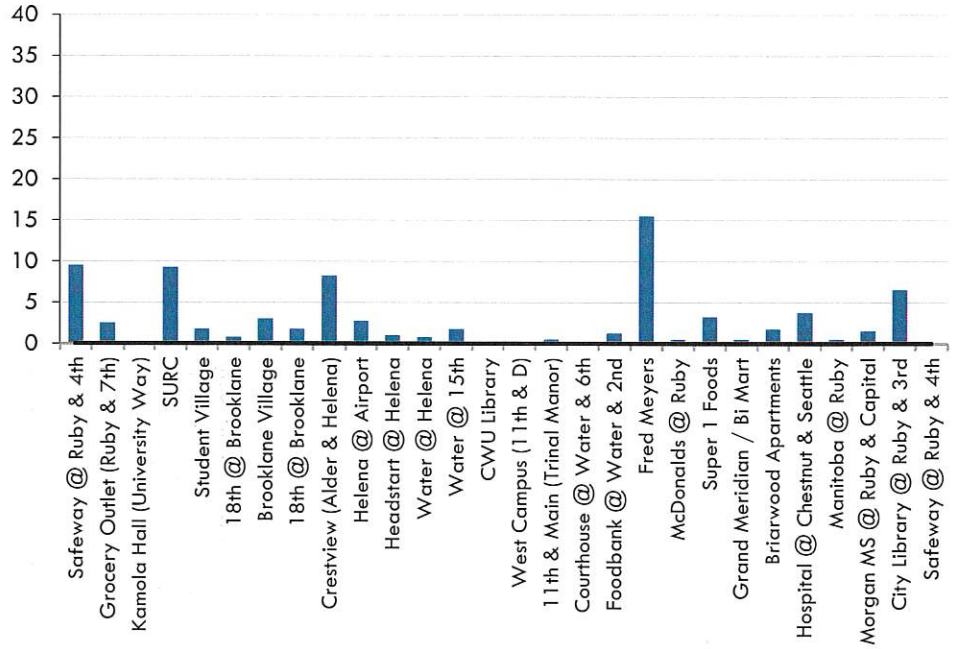
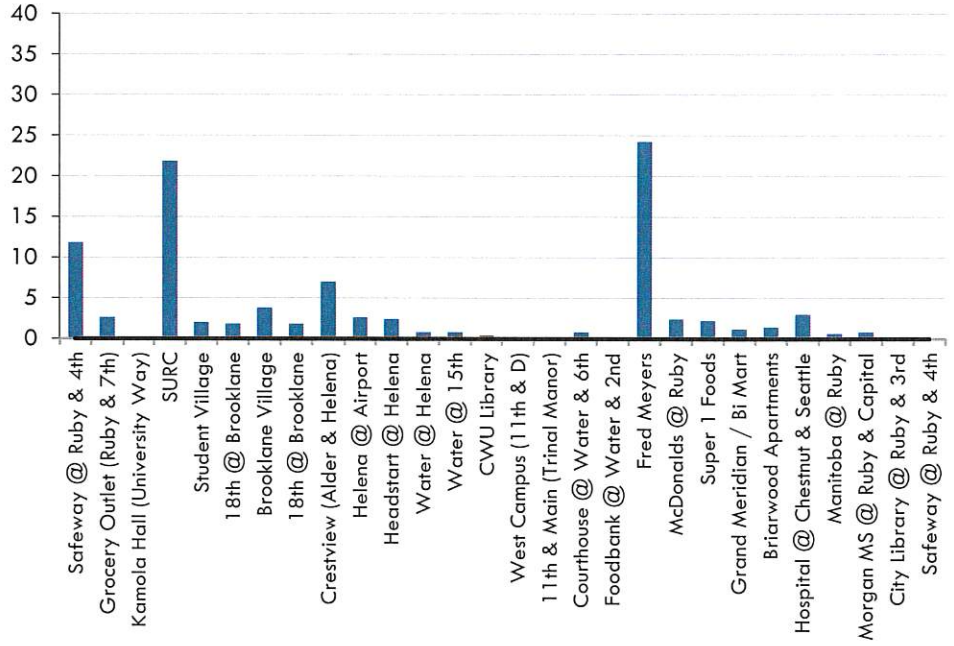


Figure 16 Sunday Boardings by Stop

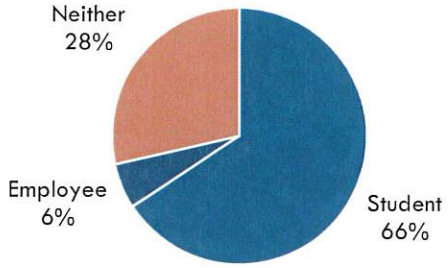


Rider Survey Results

In 2013, HopeSource conducted a survey among riders to gauge overall satisfaction with Central Transit service. In total, 36 riders participated in the survey. As Figure 17 below shows, CWU Students represented the largest proportion of respondents (66%), followed by members of the general public (28%) and CWU employees (6%).

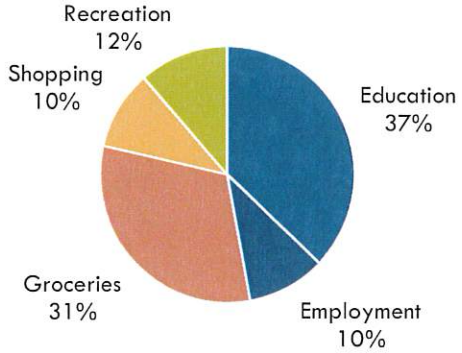
Overall, 81% of respondents reported that Central Transit meets their daily transportation needs. Among those reporting dissatisfaction with Central Transit service, reasons given included: infrequent service, poor on-time performance on weekends, short service spans, and schedules that do not match up with the start of class times.

Figure 17 CWU Affiliation



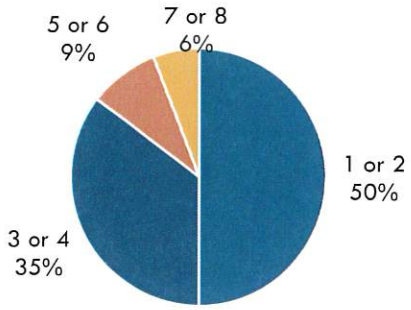
For trip purpose (Figure 18), the highest proportion of respondents (37%) were using the bus to go to class, with 31% of respondents using the bus to shop for groceries. Riders traveling for work, recreation, or general shopping accounted for 10%-12% each among remaining respondents.

Figure 18 Primary Trip Purpose



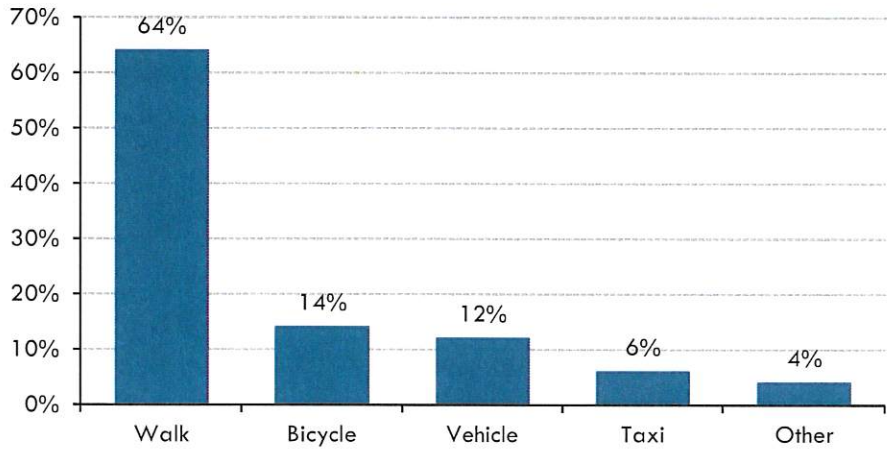
As Figure 19 shows, half of all respondents reported to walking one to two blocks to the bus stop, followed by 35% of respondents walking 3 or 4 blocks. Only 15% of respondents walked 5 or more blocks to access the bus.

Figure 19 Number of Blocks Walked to Bus Stop



Survey participants were also asked how they would otherwise make their trip if transit were unavailable (Figure 20). The majority of respondents (64%) said they would walk. Fourteen percent said they would use a bicycle, and 12% said they would use a vehicle.

Figure 20 Mode of Transportation if Bus were Unavailable (multiple responses allowed)



Community Survey Results

In 2014 the Public Transit Advisory Committee of the City of Ellensburg conducted a survey among community members to gauge opinions of Central Transit operations and public transit in general. A total of 915 responses were collected. According to the City of Ellensburg, the purpose of the survey was to determine:

- The importance of public transit in Ellensburg
- Steps that could be initiated to increase support and utilization of public transit
- The extent of support for local funding for public transit
- Nature and type of possible funding sources supported to best sustain a public transit system in Ellensburg

Among respondents, 84.2% live within the city limits of Ellensburg. Fifty-nine percent work, own a business, or go to school in Ellensburg.

Attitudes towards Transit

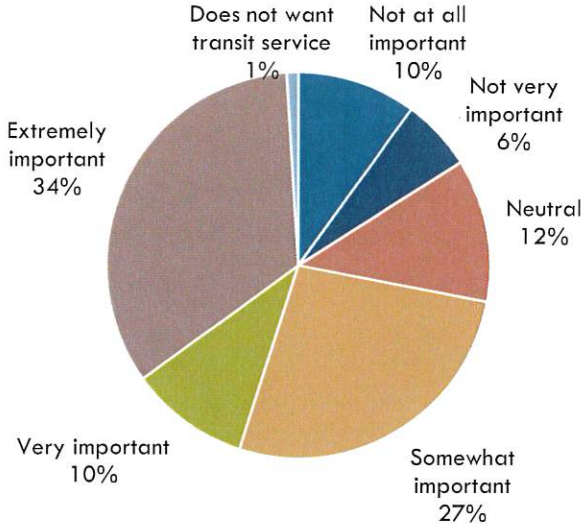
As can be seen in Figure 21 below, the majority of respondents (78%) are familiar with Central Transit services. While 66% of respondents reported to have used transit in another community, only 31% have ridden Central Transit. Among those who have ridden Central Transit before, 75% reported that the service met their transportation needs. Only 24% of respondents were unaware that Central Transit service is available to everyone.

Figure 21 Familiarity with Transit

	Yes	No
Familiar with Central Transit services	78%	23%
Knows that Central Transit is available to everyone	76%	24%
Has used Central Transit	31%	69%
Central Transit met transportation needs	75%	25%
Has used transit in another community	66%	34%

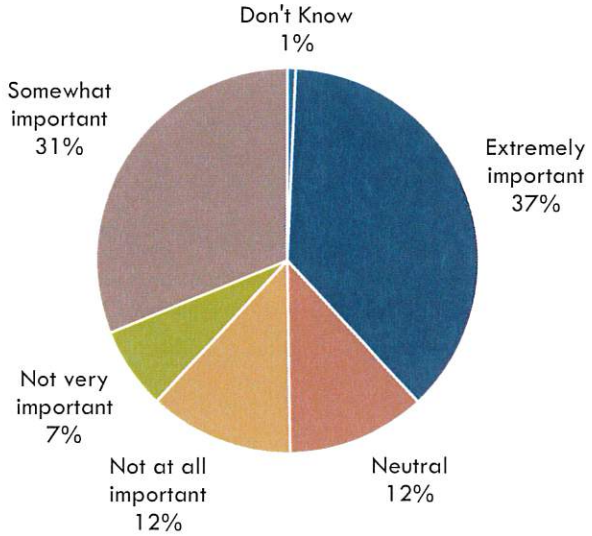
Survey respondents were asked how important it was for them to have public transit service available in Ellensburg (Figure 22). Approximately 71% of respondents said that having transit in Ellensburg was somewhat, very, or extremely important. Roughly 17% did not believe that transit availability was important.

Figure 22 Importance of Transit in Ellensburg



Most survey participants also responded favorably to the possibility of transit service to such locations as Cle Elum and Yakima (Figure 23). In total, 68% of respondents said it was somewhat or extremely important to have these services. Among respondents earning $10,000 or less, those in favor of inter-city service increased slightly to 70%.

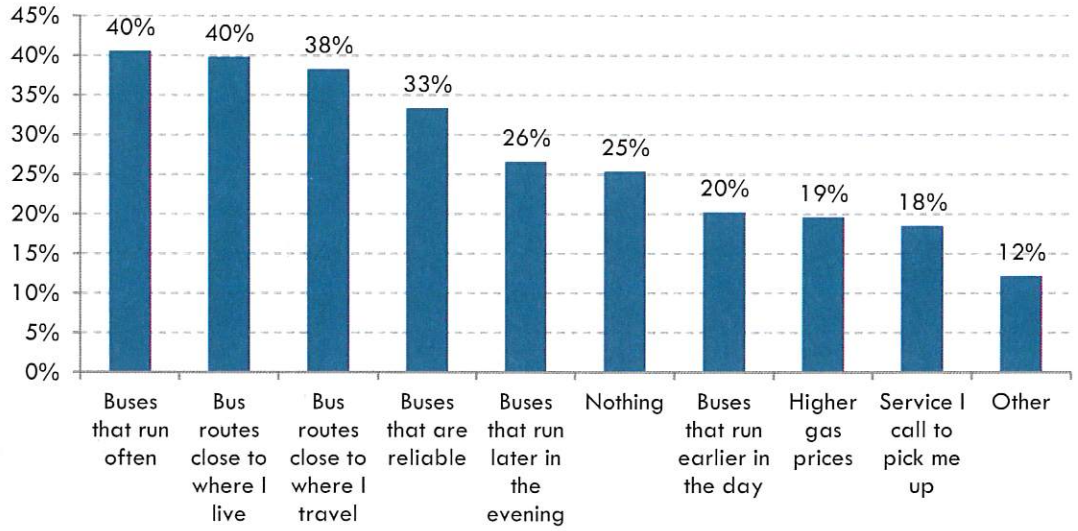
Figure 23 Importance of Inter-City Service



Respondents were given a list of potential service improvements and asked to indicate which ones would encourage them to use public transit or use it more often, with multiple responses allowed (Figure 24). The most frequent responses were higher service frequency (40%), routes that are close to respondents' home locations (40%), and routes that are close to respondents' destinations (38%). Thirty-three of respondents indicated they would like improved reliability, and 26% said they would be more likely to ride if service went later in the evening. Twenty-five percent of

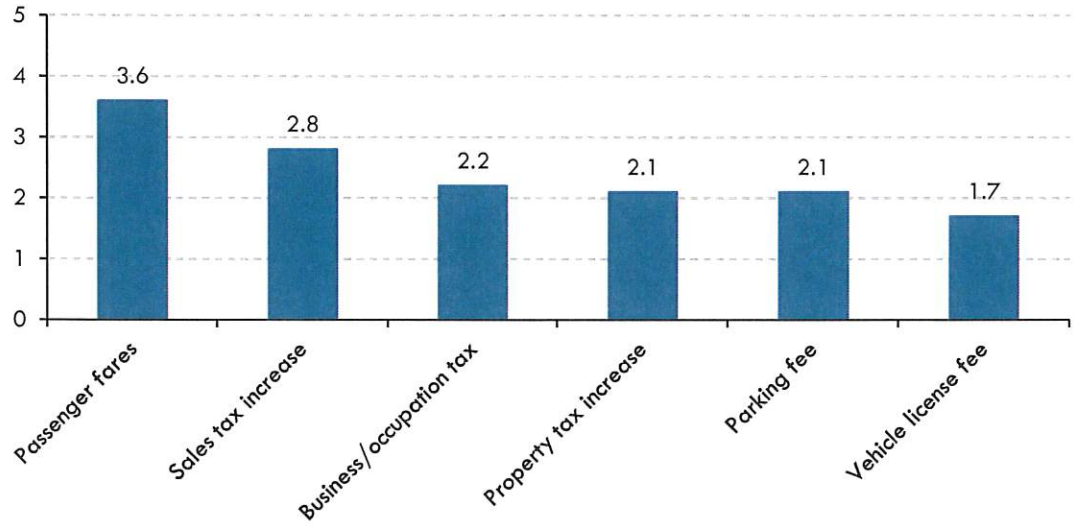
respondents said that nothing would influence them to ride the bus. Approximately 47% of respondents agreed or strongly agreed that the rising cost of operating their personal vehicle was an important factor in future decisions pertaining to transit service.

Figure 24 Improvements that would Influence More Transit Use (Multiple Responses Allowed)



Finally, respondents were asked about potential funding options to pay for expanded service in Ellensburg, with 33% agreeing or strongly agreeing that taxes should be increased. Figure 25 below shows the average level of support (on a scale from 1 to 5) among potential funding options. The highest average rate of approval was for passenger fares (3.6) followed by a sales tax increase of 1% to 2% (2.8). A vehicle license fee of $20 to $100/year per vehicle received the lowest average rate of approval (1.7).

Figure 25 Level of Support for Transit Funding Options



2015 Community Survey Results

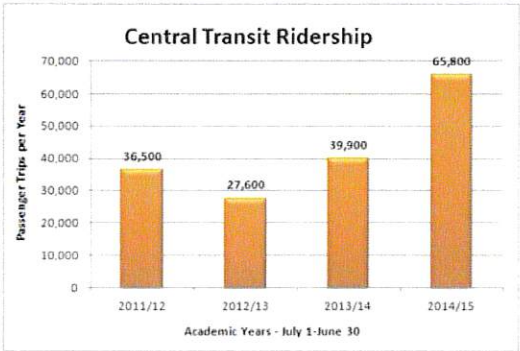
In late Fall/early Winter of 2015 another community survey was conducted to understand if attitudes and awareness of Central Transit had changed since the 2013 and 2014 efforts and to help determine, to the extent feasible, the level of community support for introducing a ballot measure that would, if approved, provide a mechanism for locally generated support for transit. This effort had to be very carefully crafted to avoid any conflicts with Washington State laws that govern and set limits on how an agency can work in a community on a way that helps decision-making. But that is the extent to which jurisdictions can survey the community efforts to advocate for a ballot issue, or test the potential levels of acceptable taxation are activities specifically excluded by law. In this case the information collected as to assist the Ellensburg City Council decision to run a ballot issue. Below is the content of the community survey that was distributed through multiple channels including the city website, mailers in utility bills and social media links (especially directed at CWU students) to the city website. Overall there were a few more than 900 surveys returned with about 52% coming through on paper and about 48% received through the website.

The survey presented a fact sheet and a few questions on the front and back of a single page and are shown in Figures 26 and 27.

Figure 26 Front Page 2015 Community Survey

Public Transit in Ellensburg – Fact Sheet

- Central Transit provides daily service to people in Ellensburg funded by the City, the Associated Students of Central Washington University, and the Washington State Department of Transportation.
- The City Council adopted a plan in 2013 that included improved service, organization, funding options and continuity of community partnerships. As a result, Central Transit now operates as a partnership between the City and Central Washington University.
- Parts of the plan, implemented in September, 2013, provided:
  - An improved route with expanded service and increased frequency
  - Service operating every day, Monday through Sunday
  - On-time, predictable service
  - Enhanced public information
- Central Transit ridership has increased (shown July 1 through June 30):



- For several years WSDOT funding has been allocated to support public transportation in Ellensburg. WSDOT funding presently accounts for more than 70% of all costs to operate Central Transit. WSDOT grants are awarded every two years and are based on a state-wide competitive process. Historically grant funds have fluctuated requiring service levels for Central Transit to be adjusted. Most recently this meant there was no service available in the summer of 2013. An important characteristic of a sustainable public transit system is predictability and consistency. Therefore, the City Council is currently evaluating sustainable funding strategies to maintain, and eventually improve, the quality of Central Transit's service.
- The Associated Students of Central Washington University pay a fee each quarter that is used to support Central Transit operations; in essence, their transit fare. All other Central Transit riders are presently riding without collection of fares.
- Issues to be addressed:
  - Development of local sustainable funds for operation of the public transit system.
  - Additional service improvements to meet the transit needs of people in Ellensburg
  - Review and acceptance of fare structure that is cost-effective and equitable.
- If there are questions or concerns please contact the City Manager's office. The City is excited about moving transit ahead in Ellensburg and wants to be sure you share that enthusiasm.

Figure 27 Back Page 2015 Community Survey

Central Transit Community Survey

1. Do you live within the city limits of Ellensburg?

   ☐ No ☐ Yes ☐ Not sure

2. Do you work, own a business, or go to CWU in Ellensburg?

   ☐ No ☐ Yes

3. Are you familiar with **Central Transit** service in Ellensburg?

   ☐ No ☐ Yes

4. Have you used **Central Transit**?

   ☐ No ☐ Yes

5. Have you used public transit in another community?

   ☐ No ☐ Yes

This survey is also available on-line at:
http://www.ci.ellensburg.wa.us/CivicAlerts.aspx?AID=207

6. How important is it to you that there is public transit service available in Ellensburg?

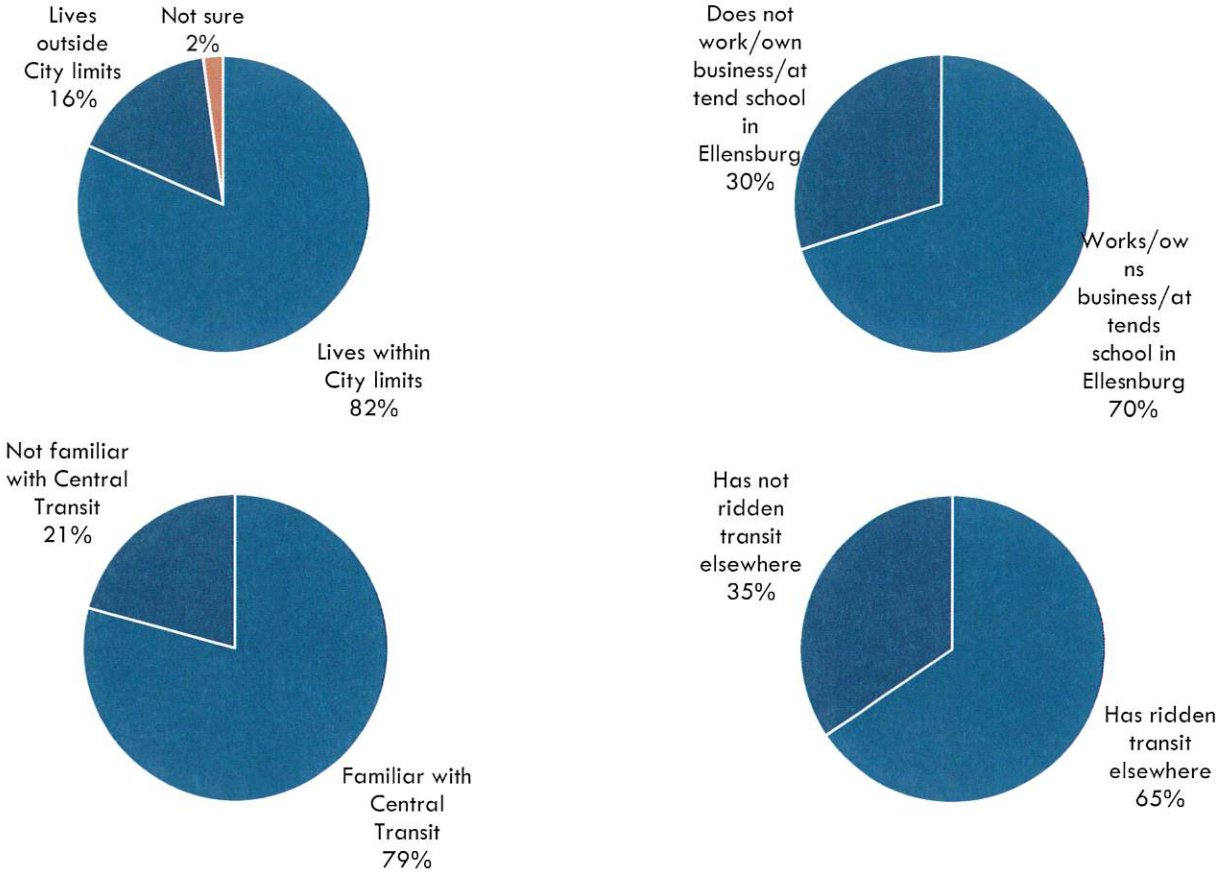
NOT AT ALL IMPORTANT	NOT VERY IMPORTANT	NEUTRAL	SOMEWHAT IMPORTANT	EXTREMELY IMPORTANT	NO OPINION
☐	☐	☐	☐	☐	☐

PLEASE INDICATE HOW YOU FEEL ABOUT EACH OF THE FOLLOWING STATEMENTS	STRONGLY AGREE	SOMEWHAT AGREE	NEUTRAL	SOMEWHAT DISAGREE	STRONGLY DISAGREE	NO OPINION
7. **Central Transit** has improved in quality and value to the community in the past two years.	☐	☐	☐	☐	☐	☐
8. The City of Ellensburg should ensure **Central Transit** service is sustainable by using locally generated funds.	☐	☐	☐	☐	☐	☐
9. The City of Ellensburg should establish and dedicate a new local tax to support **Central Transit**.	☐	☐	☐	☐	☐	☐
10. Voters should be provided an opportunity to vote on a new local tax dedicated to support **Central Transit**.	☐	☐	☐	☐	☐	☐
11. The new local tax dedicated to support **Central Transit** should be subject to periodic re-approval by voters.	☐	☐	☐	☐	☐	☐
12. Fares should be collected on **Central Transit**.	☐	☐	☐	☐	☐	☐

13. Do you have any comments you believe would be helpful to the Ellensburg City Council in reaching a decision on how to improve public transportation and create sustainable funding for Central Transit?

Results of the survey follow in the next few pages.

Figure 28 All Respondent Characteristics



How important is it to you that there is public transit service available in Ellensburg?

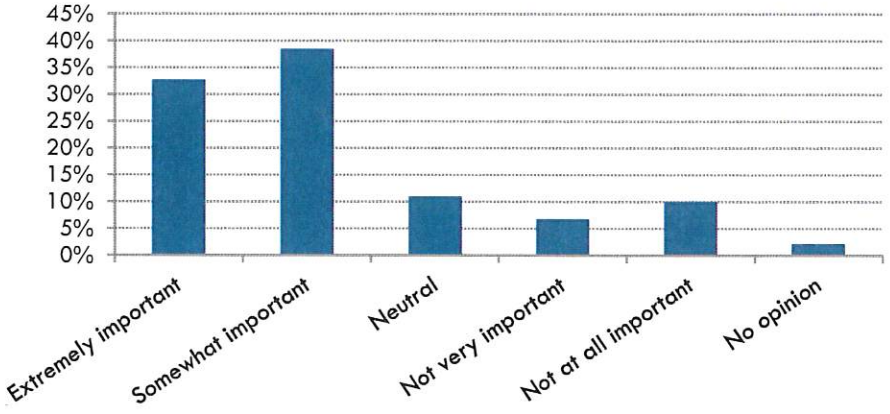
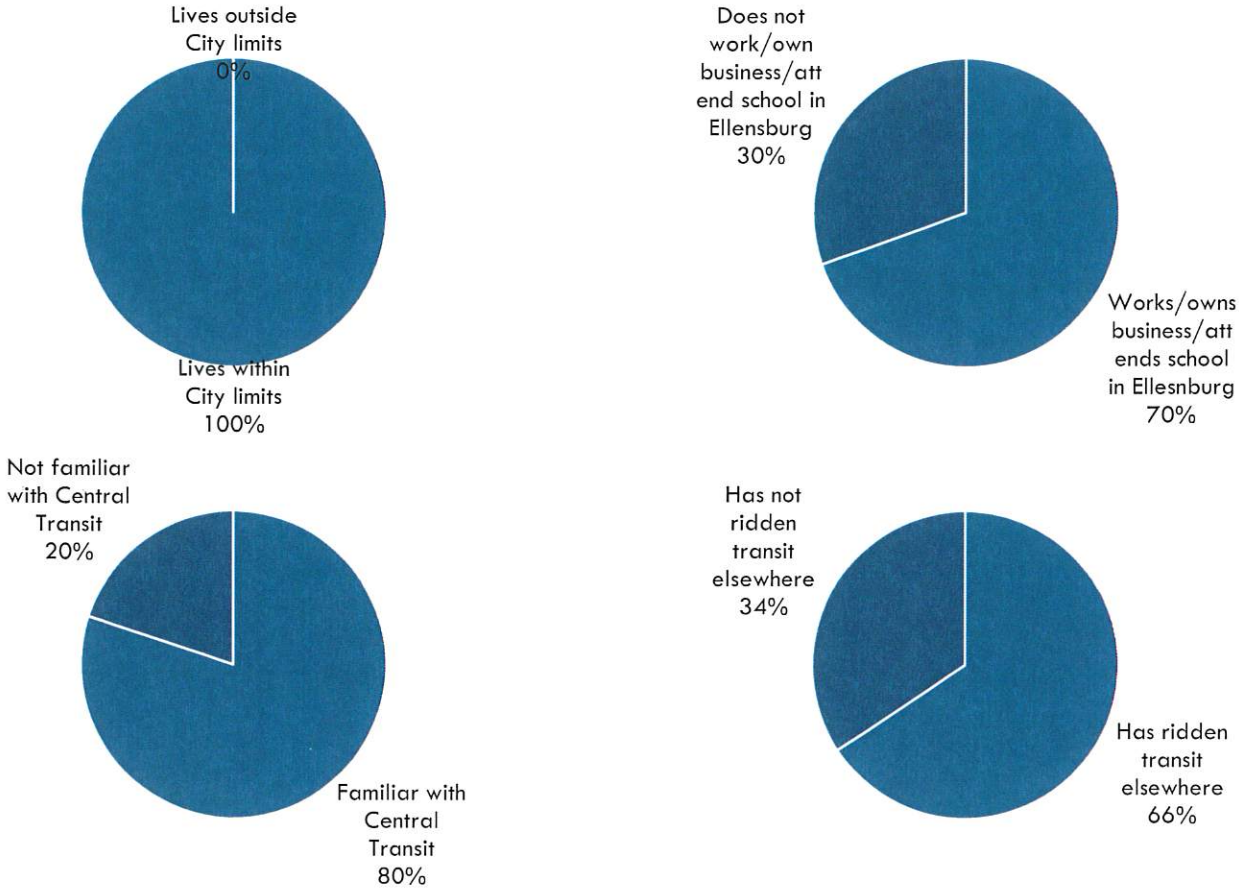
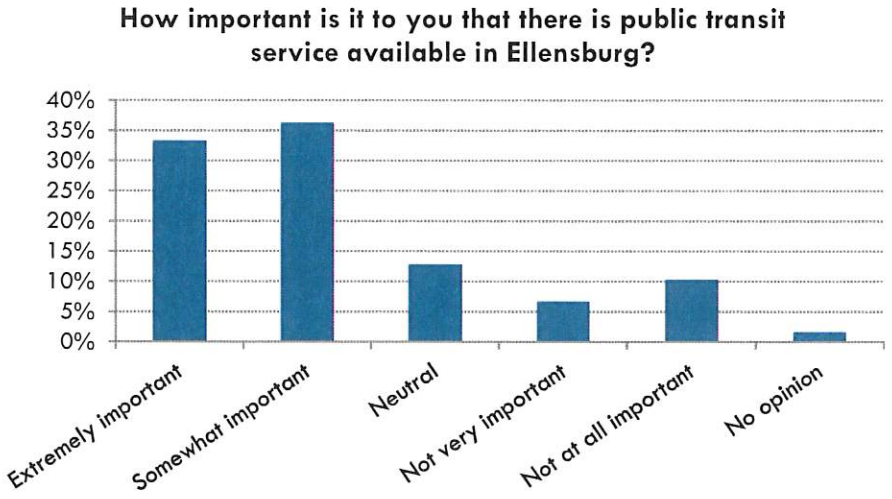


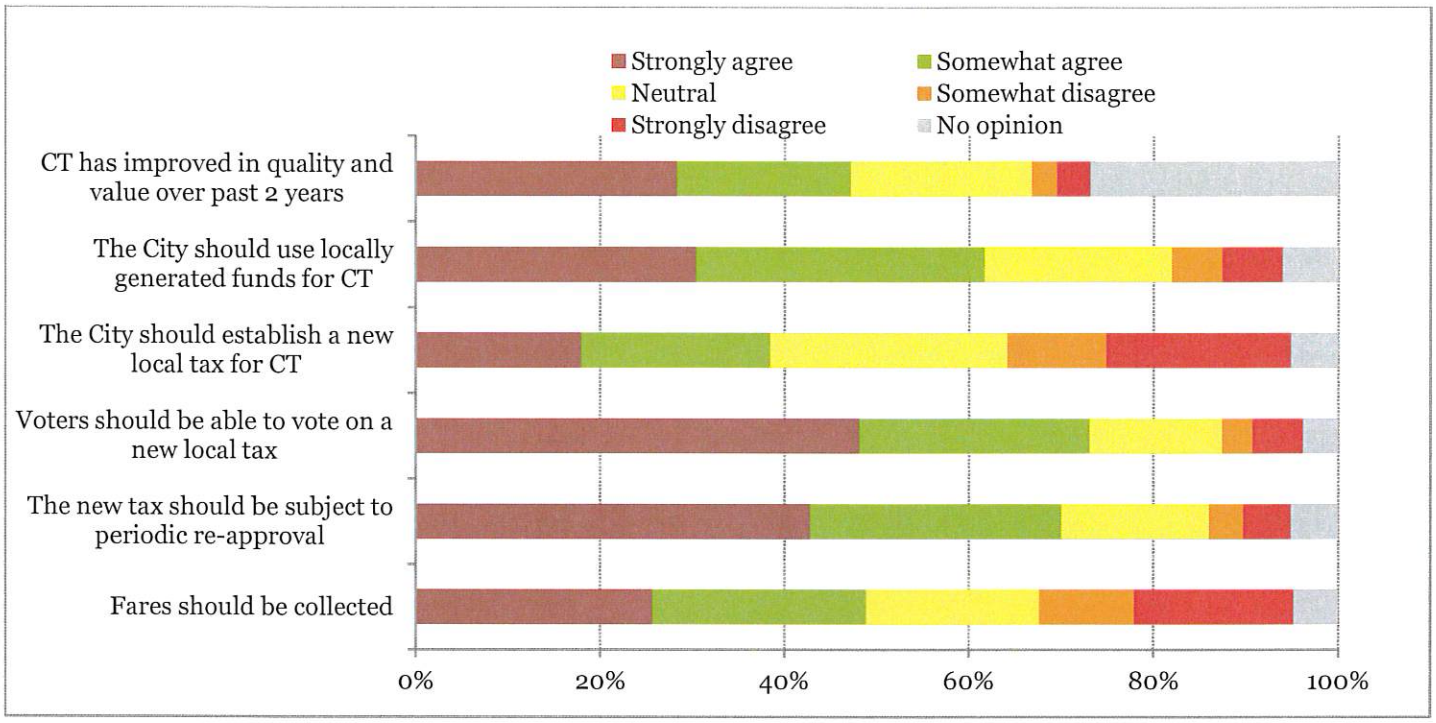
Figure 29 Ellensburg Resident Characteristics





From this point forward in report only survey data from those reporting to be Ellensburg residents are included in the results.

Figure 30 Resident responses to Opinion Statements



Prominent Points of Interest

- There is strong sentiment among city residents that they should be provided an opportunity to vote on funding for Central Transit
- There is nearly as strong a sentiment that any tax should be subject to periodic re-approval and that the City should use locally generated funds to support Central Transit.
- There seems to be little disagreement, but perhaps less knowledge about progress made by Central Transit in the past two years.
- The collection of fares appears to be desirable in the view of most residents, however there are strong sentiments to the contrary with many comments directed at ensuring the mobility of low income riders is protected.
- Finally there is the issue of a new local tax to support Central Transit. This result has changed only slightly since the earliest surveys that were taken nearly three years ago. The sum of those appearing to be favorable or somewhat favorable has slightly increased from about 30% to 38%. People in the "neutral" bracket have shrunk slightly now at 26% where previous efforts were over 30% people who were neutral. Finally those who appear to oppose such a local tax have remained nearly constant at 31%.

Perhaps most notable here are some of the written comments. One is of particular import where some respondents, apparently opposed to a local tax, assumed the new tax would be a property tax. While it would have been more informative to decision-makers, out of an abundance of caution, the type of tax was not explored in the survey given the strict prohibition in State law against "polling" designed to assess the level of tax that would be acceptable to voters.

FINANCIAL REVIEW

Fixed Route Operating Expenses

Central Transit fixed route operations are jointly funded by the Washington State rural mobility grant program, the Federal Transit Administration (FTA) 5311 Rural Area Formula grant program, and a local contribution from the City of Ellensburg. The state and federal grants are awarded through the Washington State Consolidated Grant Program a state-wide competitive grant process that is conducted every two years. The local contribution also reflects the contribution from the Associated Students of Central Washington University, about $75,000 per year, as an agreement was reached with the city to use the combined resources as local match rather than a contract between CWU and HopeSource as had been the practice in previous grant cycles. A summary of 2014-2015 funding sources is shown in Figure 31.

Figure 31 Operating Budget Summary

Funding Source	Share
Washington State rural mobility grant	56%
FTA 5311 Rural Area Formula grant	18%
City of Ellensburg (in partnership with ASCWU) local contribution	26%

Monthly expenses and local contributions vary from one month to another, as shown in Figure 32, due to differing numbers of weekdays. In June 2015, the monthly expense (and subsequently, local contribution) was nearly double that of previous months during 2015. This was due to fiscal year end reconciliations and not a real reflection of the monthly operating cost. However, the chart does serve as a reminder that a transit operation does not always present an even cash flow. That underscores the importance of maintaining a cash reserve to ensure the operation remains financially solvent.

The total expenses for Central Transit in FY- 2015 were $335,601 and are shown by type of expense in Figure 33.

Figure 32 Monthly Expenses and Local Contribution

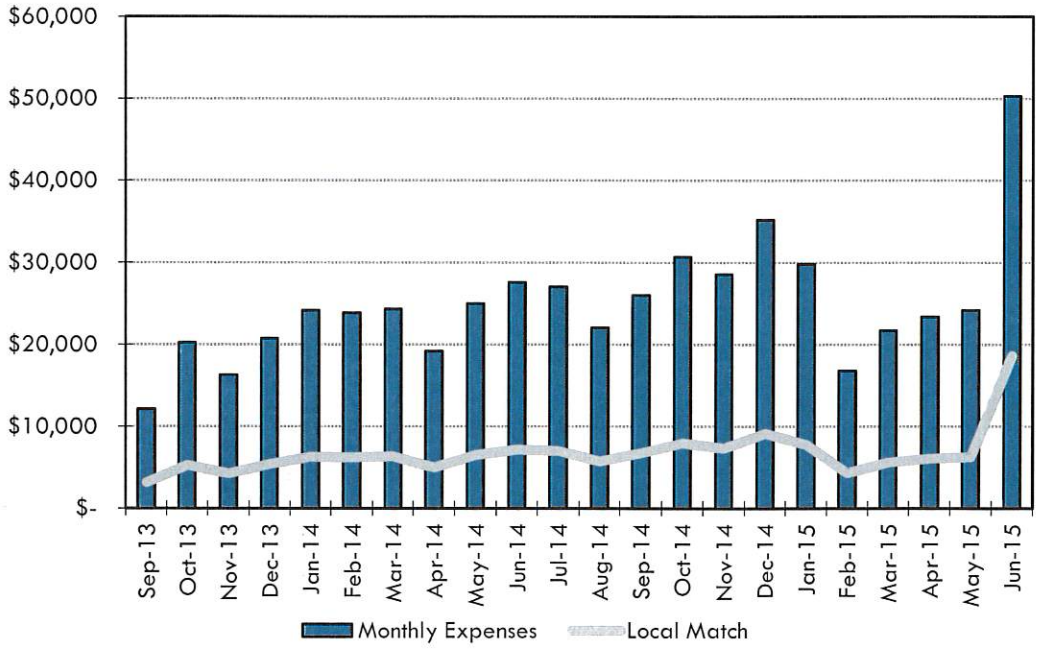


Figure 33 Breakdown of FY-15 Operating Costs for Fixed Route Transit

Central Transit Fixed Route Operating Expenses	
	July 1, 2014-June 30, 2015
Operator Wages and Benefits	$ 160,089.08
Management and Supervision	$ 42,390.88
Fuel	$ 33,255.59
Tires, parts, etc.	$ 4,876.92
Vehicle Maintenance charges	$ 19,116.31
Facility Fees (if any)	$ 10,347.82
Program Operations	$ 31,654.33
Facilty Maintenance (bus stop cleaning etc.)	$ 2,072.51
Misc, (marketing, publications, web site)	$ 376.79
HopeSource Overhead Charges	$ 31,420.56
Total	$ 335,600.79
Source: HopeSource	

Paratransit Expenses

Today, paratransit, or Dial-a-Ride, service in Ellensburg is provided as part of a county-wide service that is fully funded by WSDOT. In the two year period from July 1, 2015 through June 30, 2017 WSDOT has allocated $1,075,000 or about $537,500 per year. In addition WSDOT recently awarded an additional $100,000 to HopeSource bringing the total to $587,500 per year. HopeSource does not track expenses based on where trips start and end, so precisely establishing how much of the $587,500 per year is expended in Ellensburg cannot be determined from HopeSource records. HopeSource does, however, track ridership by geography. In calendar year 2014 HopeSource provided a total of 21,894 Dial-a-Ride trips in Kittitas County. Of those trips 14,143 trips, or 64.6% of the total trips, were provided completely within Ellensburg.

On a per trip basis, trips within Ellensburg will be less costly than trips in the outlying communities as they are shorter trips. To assess the potential costs other transit agencies in Washington State with characteristics similar to Ellensburg were assessed to determine a relative cost per trip. Agencies reviewed were Pullman, Yakima/Selah, Kelso/Longview, Walla Walla/College Place, Union Gap, and Wenatchee. All of these locations only provide services within the city limits and have geographies, at least relative to population, similar to Ellensburg. The cost per trip was determined using data published by WSDOT for FY-14 and was found to be $21.41 per trip average across these operators. Applying this average cost per trip to HopeSource financial data would mean that about 56% of the total cost of the Kittitas County-wide program is accumulated in Ellensburg (compared to 64.6% of the trips) and that the average cost per trip in the remainder of the county is $30.29. Given the substantial difference in average trip length, these numbers are a reasonable representation of the different aspects of HopeSource service in Kittitas County. While these are numbers calculated based on ridership, expenditures, and policies in other locations, the values seem to track very closely with what one would expect to find if a full cost accounting from HopeSource were available. To complete the analysis the average cost is applied to the annual number of rides to determine the annual cost of paratransit in Ellensburg, estimated to be about $303,000 per year.

To further back check an additional analysis was run on the same cities to determine the number of annual paratransit rides per capita. This is a very common method used to estimate paratransit demand in any given community. The number of annual trips for Ellensburg utilizing this methodology was found to be about 12,400 rides per year with the comparative cities averaging 0.67 annual paratransit riders per capita. Thus the above cost estimate may be a little high, but still within reasonable limits based on what is known about costs and paratransit demand in other Washington communities with similar conditions.

Capital Expenses

Within the past year HopeSource received a WSDOT grant to replace the two vehicles which provide service on Central Transit's routes. The spare vehicle remains an older vehicle that is beyond its financial useful life. The two buses cost $137,499.50 or $68,750 per bus.

In addition the city has continued development of bus stops through a an allocation of general fund money and a grant to the Arts Commission as part of a separate effort. The budget program has paid for the installation of four bus stop shelters in the city which will be installed with local art, developed by local artists, to enhance bus stop comfort for riders as well as provide an asset for the community.

3 UPDATED TRANSIT DEVELOPMENT PLAN

INTRODUCTION

Revision of Ellensburg's Transit Development Plan has been undertaken to update the initial plan that was adopted in 2013. The first two years of history have produced successes in ridership increases, further evolution of the service and service quality, and significant improvement in available customer information including the availability of real time bus location information. With those successes in mind, the essence of the original plan remains. But some new features of other community services, as well as a much needed update to the financial projections have been undertaken and are described below. First are the new features, then a list of potential incremental improvements and finally a description of three future financial scenarios each designed to test potential outcomes given various levels of funding. The primary goal of these scenarios is to test the financial sustainability of Central Transit assuming a local tax is passed by voters.

NEW FEATURES

Since adoption of the 2013 plan two new needs have arisen where Ellensburg as heretofore been unable, financially, to respond to the need. These have now been incorporated into the Transit Development plan and the financial projection for Central Transit.

Yakima – Ellensburg Commuter

This service was started in 2011 as a demonstration service through a WSDOT grant. The service was nearly an instant success. However, in mid-2013 the grant was not renewed and the service was in danger of being terminated. Yakima Transit recognized the value of the service and entered into a partnership agreement with Central Washington University to continue offering the service even though grant funds were no longer available. The City of Ellensburg was also asked to join the partnership, but was unable to identify a source of funds for the requested $20,000 a year as their contribution to the service. Subsequently, the Yakima Commuter only stops on the campus of CWU, no longer making stops at popular activity centers in Ellensburg. Residents who previously utilized the service have lamented the loss, some of them have returned to driving their personal autos for the commute.

To address the situation, the revised Transit Development Plan adds operational funding to join the partnership with City of Yakima Transit and CWU. This will restore stops for the Yakima Commuter service within Ellensburg.

Non-emergency Medical Transport

The Kittitas Valley Fire District Number 2 is often asked to perform non-emergency medical transports when these services cannot be pre-arranged through some other medical source, such as Medicaid or Medicare. Most often this occurs with unplanned releases from the hospital when the patient has not had an opportunity to make other arrangements in advance. In these cases hospital staff call 911 and fire district equipment and personnel are dispatched to conduct the transport, usually to a convalescent center. While the willingness of the fire district is admirable, the activity reduces availability of personnel and equipment to conduct their primary mission, emergency response and transport.

To address this, the City, as part of the transit development funding plan will establish a program designed to fill these non-emergency medical transportation gaps for trips within the City of Ellensburg. This will allow the fire district to maintain focus on their primary mission of first response and public safety. The details of the new program are not fully developed but are likely to include contracting with a private entity to provide cabulance service for non-emergency medical transportation as a gap filler when other sources are not available due to timing.

ADA Paratransit

For many years, WSDOT has supported the provision of fixed route service in Ellensburg and, as shown in Figure 31, is the majority funding body for that fixed route service. Under the American's with Disability Act, this fact has also made the state, through WSDOT, financially responsible for the provision of complementary paratransit service in Ellensburg. Without going into great detail, the ADA requires any entity providing publically available fixed route service to also offer paratransit service to people who, by reason of a disability, are unable to access or use the fixed route service. The complementary service must be provided in a manner essentially imitating the fixed route service during the same days and same hours and cannot be rationed or have any limits placed on its use. Through its long-standing rural mobility grant program, WSDOT, has combined this legal responsibility with a program which provides mobility options for Kittitas County residents. Currently, WSDOT contracts with HopeSource, through a biennial grant to simultaneously provide the county-wide program and the legally required ADA paratransit service within the City of Ellensburg. Thus, to many in the community, the service appears seamless with the two elements being practically indistinguishable.

Today, about 65% of all paratransit trips in Kittitas County start and end within the City of Ellensburg. In 2014, 21,894 paratransit trips were provided county-wide with 14,143 of those trips provided within the city limits of Ellensburg. While it is currently unknown if all these trips strictly meet the legal definition of being required by the ADA, the working assumption within the Transit Development Plan is that those trips are the responsibility of the financial agent who funds the fixed route service within the city. As the City of Ellensburg moves to become the financial agent for provision of fixed route service, the City also becomes legally responsible for providing ADA paratransit service. It should be noted that paratransit service is currently

provided throughout the City, while fixed route service is not. The legal requirement, through the ADA, is that paratransit service be provided within ¾ mile of wherever fixed route service is available. Given that some of the fixed route service scenarios expand the route footprint in the City, paratransit costs, due to limited detail of precise pick-up and drop-off locations and times, have been assumed to remain constant under the three financial scenarios. This assumption likely represents a small over-estimation in the low forecast and a representative estimate for the moderate and high forecasts.

The City has several options available by which it can meet the ADA responsibility but the most attractive, in terms of efficiency, is to continue to coordinate service with the WSDOT sponsored program within the rest of Kittitas County. The costs for the "city share" have been estimated and are included in the financial forecasts. The estimate includes adjustment for the fact that the paratransit trips within Ellensburg are much shorter than the paratransit trips provided in the balance of the county given that the vast majority of those trips are from outlying communities into Ellensburg. Final negotiations with HopeSource, or another organization that may be the future recipient of WSDOT sponsored rural mobility program funds, will determine the final cost, but discussions with HopeSource have confirmed that the assumed costs in the financial plan are as close as currently possible to accurate.

Fixed Route Service Improvements

One of the important by-products of Ellensburg becoming the fiscal agent for public transit in the city is that service improvement and expansion becomes a very real possibility. While WSDOT's Rural Mobility Grant program has been generous to the city and allowed modest improvements in service, the emphasis of the program, state-wide, is on maintenance of current services. Funding of expansion services has been a rarity throughout the past several years. With the City ready to utilize local funds (assuming a successful ballot measure), the option to make improvements in transit service in Ellensburg becomes very real. While the primary focus of the funding is to ensure service is sustainable, expansion can be considered. The list below should not be considered as a guarantee of expanded service. In each two-year budget cycle, the City Council will adopt a spending plan for Central Transit that is based on financial projections over the next two years. The list below, developed through the public process of adopting the 2013 Transit Development Plan may, or may not, be what happens in any given time period. However, in this initial period it presents the best thinking of the community and the Public Transit Advisory Committee.

The financial forecasts that follow illustrate how these service improvements might be implemented over a six year period. One may ask, why six years? In the early 2000's the Washington State Legislature adopted a law that requires every transit agency in the state to report their activity for the prior year and provide a six year plan to the Washington State Department of Transportation. This is very similar to the requirements of city public works and county road departments state-wide who must also annually adopt a six-year road program as a way of coordinating and predicting funding needs and coordinating projects. Once Ellensburg assumes responsibility for Central Transit a six year transit development plan will be required. Given that assumption of responsibility is more than a year away and that there are significant open funding questions, discussed further in the introduction to the financial forecasts, three potential levels of overall funding and the resulting service levels are provided. However, the elements in those service levels are based on the building blocks described below.

Current Service – Central Transit operates 358 days per year, offering service on weekdays, Saturday and Sunday. Service is not offered on New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, or Christmas Day.

Weekday service operates from 7:00 am until 8:30 pm on two loop routes that operate in opposite directions each hour, effectively providing service every 30 minutes, between 7:00 am and 6:30 pm and the final two hours of the service day hourly service is provided on only one of the loops.

Saturday service is provided hourly only from 8:30 am to 7:30 pm

Sunday service is provided hourly only from 9:30 am to 7:30 pm

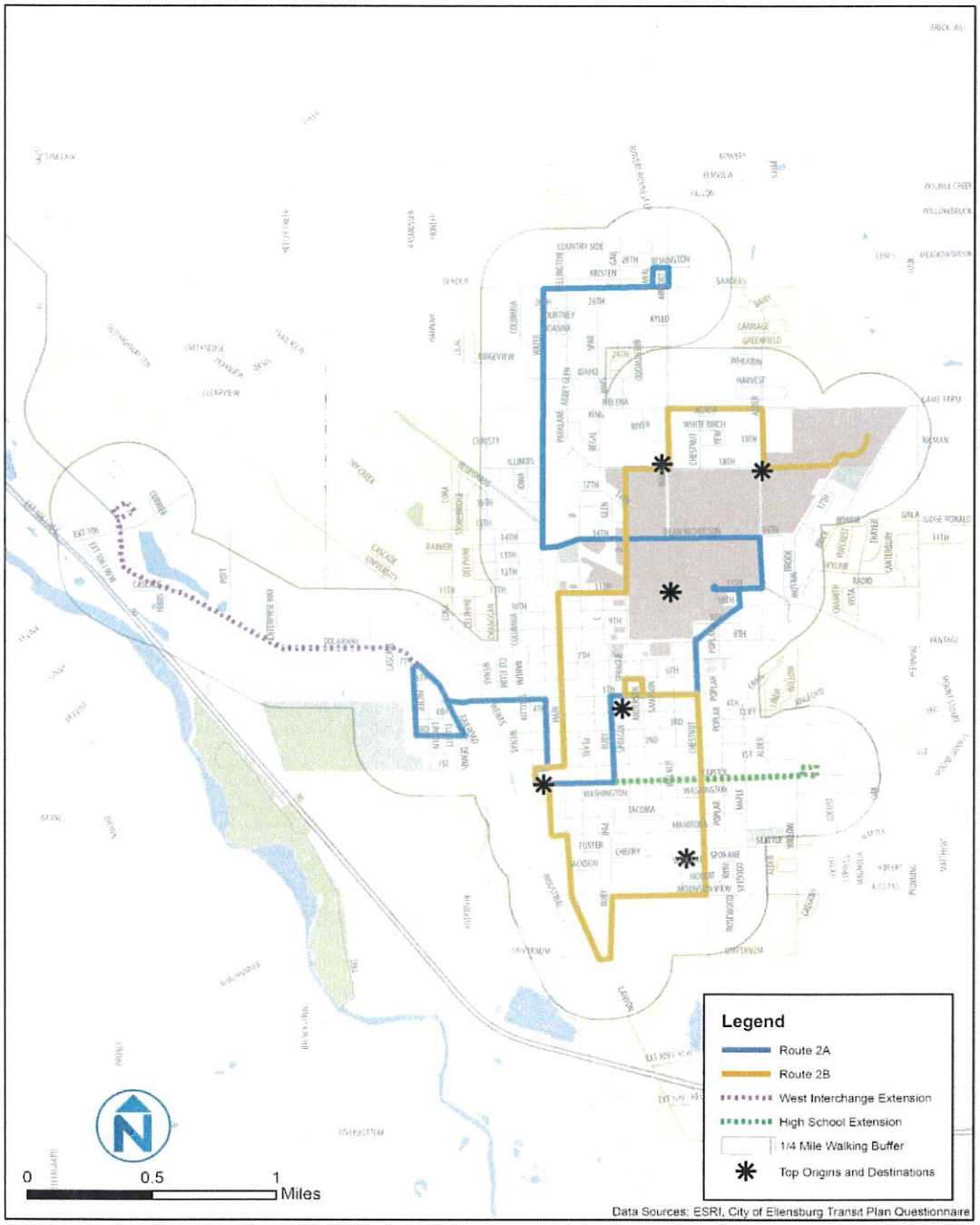
West Ellensburg Service – One of the most frequently requested service improvements in development of the 2013 TDP was to offer a new route that would serve neighborhoods located to the west of Water Street including the growing portion of the city along Dolarway Road and the West Interchange. One of the attractions of the West Interchange area is the ability to create a connection with regional-over-the-road services, such as Greyhound, which connect Ellensburg with Seattle and Spokane. In the 2013 Transit Development Plan the route depicted in Figure 34 was proposed and refined through community interaction as a suitable "starting point" for service to West Ellensburg. However, this route concept also implies changes to the present route system, which may not necessarily be of interest to the community. The financial projections assume the essence of this service is to connect West Ellensburg with the most popular transit destinations along the current route while avoiding to the degree possible duplication of the two routes. Popular destinations would include Fred Meyer, Safeway, Library, City Hall, and the SURC. Other destinations may be possible once the route is finalized through a community process. For purposes of the financial projections it is only necessary to utilize a cost placeholder for the service.

Again as a placeholder for the financial analysis the service is assumed to be introduced in phases starting with a weekday route that operates every hour for eight hours a day, then expanded to 10 hours per day, then adding hourly Saturday and Sunday service, then improving weekday service to the same 14 hours as the current service, then increasing the frequency to every 30 minutes on weekdays and then to Saturday and Sunday with service hours matching the present service. The order and timing of those improvements varies based on the projected financial capacity of the City as shown in the three scenarios.

Extensions of Current Service – The second most requested service improvements involve expanding the length of the service day on weekdays, Saturdays and Sundays, as well as improving the frequency of services in the early evening on weekdays and on weekends. The order and timing of these improvements would also be based on financial capacity of the City. As assumed in the financial projections these are very incremental improvements to the span of service, such as one later trip in the evening and one earlier trip in the morning, as opposed to wholesale expansion to very early morning or very late night hours.

Other Service Concepts - There is no implicit effort within this plan update to discount the possibility that other service concepts could be assembled and discussed with the community. Once in the hands of the City and a predictable funding stream is available, new ideas and opportunities may arise and can be considered by the community. But the financial scenarios presented below are based on the three building blocks described above.

Figure 34 Concept for West Ellensburg Service Presented in 2013 Transit Development Plan



FINANCIAL FORECASTS

Three financial forecasts are presented below which show a low, a moderate, and a high financial forecast. These elements are not fully predictable and therefore, represent an envelope of possibility for consideration. The forecasts are designed to display answers to three essential questions:

1.) Is the current transit program in Ellensburg sustainable if WSDOT were to halt award of all discretionary grants to the city

2.) Under a less pessimistic scenario of WSDOT grants what may be possible through a combination of local city funds, ASCWU funds and WSDOT funds.

3.) What are the influences of the local economy on revenue production that would support Central Transit? For purposes of these financial forecasts a 0.2% Sales and Use Tax has been assumed that would be levied beginning October 1, 2016. At the outset it is assumed the tax will generate $791,812 per year, which is based on taxable sales and use for a three year average from 2012-2014. That represents the starting point. From there different assumptions are made about the "real" growth (not including inflation) of the local economy in each of the scenarios.

The essential assumptions for each scenario are outlined below and a summary of the three six year financial scenarios follows.

Common Assumptions

The following represent assumptions that do not change in each of the financial forecasts.

Inflation – has been assumed at 3% throughout the three scenarios

Revenues:

ASCWU Partnership – $75,000, this amount is assumed to grow, based on increased enrollment, at the same rate as real growth in the local economy so it does vary, but only slightly by each forecast. Consequently, the fee increases at a different rate in each of the three scenarios based on three different assumptions for growth of the local economy. The Associated Students of Central Washington University have approved a student fee of $3.00 per enrolled student per semester. This fee is forecast to remain constant throughout the six year forecast period.

Costs:

Unit Costs of Service are assumed at $43.00 starting July 2017. This is the FY-15 cost per hour of service for HopeSource. However, HopeSource will have reduced administrative burden and fuel costs, based on current trends, that will be lower in 2017 than experienced in 2015. Those two factors will trade-off against inflationary pressures over the two years, making this a reasonable starting point for cost estimating.

Administrative Costs –The City will undertake costs to administer, monitor, report, account for and be responsible for the operations of public transit in Ellensburg. It represents a best estimate which was arrived at by working with the City Manager's office and comparing the costs to other similarly scaled operations within the city. This also recognizes that there will need to be someone who can be responsive to rider concerns and requests which presently are funneled directly to HopeSource. This expense would also be designed to ensure a consistent monitoring of service quality to ensure Ellensburg is getting the best possible service from HopeSource or any other service contractor who might succeed HopeSource. Finally, this would also allocate a small

amount of funds to ensure Central Transit has accurate, quality, easy to understand, and up to date transit information available for the community, current riders, and prospective riders of Central Transit.

Paratransit Costs - Have been calculated based on 65% of Kittitas County paratransit trips and a cost per ride ($21.41) based on experience in other smaller cities in Washington State, these costs escalate with inflation and demand is forecast to remain stable. There is more discussion on this in the ADA Paratransit service section above

Yakima Commuter Costs - $20,000 per year based on Yakima's request to Ellensburg in 2013. The cost is inflated over time based on the 3% per year inflation factor.

Non-Emergency Medical Transport - $75,000 – a placeholder cost based on the estimated costs to establish a partnership with a cabulance provider and the estimated number of trips provided per year. The cost is inflated over time based on the 3% per year inflation factor.

Assumptions that Vary Based on Financial Forecast:

Revenues:

Fares – Central Transit has not historically collected fares. Even though one could argue the student fees collected by ASCWU are, in fact, fares. The line item in the financial forecasts is intended to represent fare revenue generated from transport of non-ASCWU for both fixed route and paratransit. At some point in the future, the City Council will have to decide the appropriate fare levels for Central Transit. Given that has not happened, fare revenue is forecast based on changes in two factors, the level of fare and the level of ridership.

Low Forecast – ridership remains about the same as today as service improvements are slight. A fare range that would generate this amount of revenue is estimated to be $0.50 to $0.75 per boarding.

Moderate Forecast – modest improvement in ridership accompanied by fares in a range of $0.75 to $1.00.

High Forecast – significant ridership gains in response to significant service improvement with fares in a range of $1.00 to $1.25 per boarding.

Again, it should be noted the fare levels are an independent decision and could go with any of the three scenarios. However, given the non-ASCWU fares generate relatively minor amounts of revenue, the ridership and fare level estimates could be interchanged through any of the scenarios without causing significantly different financial outcomes

WSDOT Grant Revenues

These appear in four different places in the forecast. In essence, three of the revenues streams are all subject to the Biennial (every two year) Rural Mobility Grant Program and Federal (FTA Section 5311) funds administered by WSDOT through the Rural Mobility Consolidated Grant Program. This is a state-wide competitive grant program that mingles and makes the best use of funds that are appropriated by the state legislature in the state transportation budget specifically for rural mobility and Federal funds (FTA Section 5311 and others), that are passed through the state to rural transit providers. WSDOT makes the best match of need to available funds through a complex ranking process that begins with each Rural Transportation Planning

Organization(RTPO). In the case of Ellensburg the RTPO is QUADCO representing Adams, Grant, Kittitas, and Lincoln Counties and all the incorporated towns and cities within those counties. Projects are first prioritized through a process conducted by QUADCO, then submitted to the state for another funding prioritization that blends all the state RTPO's and MPO's processes.

The amounts streaming through these process vary based on the total available funding and the priorities established at each level; local, RTPO, and state through the process. Historically, the emphasis for these funds has been for maintaining a basic level of service to the community, which would also include the replacement of worn out buses. So, for example, it is highly unlikely that as a result of the City of Ellensburg becoming the financial agent for Central Transit, the state would no longer fund the county-wide paratransit program. Equally unlikely is that the state funds would be applied to fund significant service improvements in Ellensburg. While the current biennial grant award to Kittitas County, through HopeSource, has been generous, there is no guarantee the same levels of funding will be available in the next biennium which begins July 1, 2017. This makes the state funds an ideal source to fund capital projects or demonstration projects, but less ideal for the funding of on-going operating costs. The estimates of state funding in each financial forecast have been divided into three line items based on a similar classification of grant requests used by the state in the biennial grant selection process. The three line items are

WSDOT Operating Assistance Grant

WSDOT Paratransit Operating Assistance Grant

WSDOT Capital Grant

Each of the three have different assumptions in each of the three financial forecasts, detailed below.

WSDOT Paratransit Formula Grant – This line item is different than the other three grant sources discussed above as it is awarded only to public agency transit operators in the state in support of continued operations of ADA paratransit service. At the state level a line item is legislatively appropriated in the transportation budget that is distributed on a formula basis to public agencies operating paratransit services. The formula is based on population, for example, King County receives the largest proportion of the formula. Any individual award of the formula will depend on the overall amount appropriated by the legislature and the relative level of population compared to the balance of the state population. The financial scenarios assume that Ellensburg will first have to establish a publically operated paratransit system before qualifying for this formula grant. Therefore, there is a one year lag build into the forecast. The high forecast is based on the amount of paratransit formula awarded to the City of Pullman with a population similar to that of Ellensburg. The low and moderate forecasts simply assume differing amounts based on a less generous legislature in future biennia and the dilution of population. Ellensburg, despite population growth, is likely to continue to represent an increasingly smaller proportion of state population given the significant percentage and numerical growth of larger cities in the state.

The other three WSDOT Grant sources in each scenario are detailed below:

In the Low Forecast – while considered highly unlikely, all three funding sources are assumed to be unavailable to the City of Ellensburg. In essence, this scenario is intended to test the ability of locally generated funding to completely support the operation of Central Transit, fixed route, paratransit, and vehicle replacement, without any assistance from WSDOT. This forecast is designed to answer the question: Can Central Transit exist and operate without state support?

In the Moderate Forecast – This shows reduced levels of funding compared to today's funding which are detailed below.

WSDOT Operating assistance – assumes Central Transit is able to make a case for state funds necessary to sustain fixed route operations at about $25,0000 per year (shown as $50,000 every other year to test potential cash flow issues). This is a level of funding that would be similar to other WSDOT funding of fixed route services in other well-established transit programs such as Grant, Yakima, Wenatchee, and Pullman.

WSDOT Paratransit Operating Assistance Grant - Is assumed to be about one third of funding presently dedicated to paratransit operations in Ellensburg. As these funds have always been awarded to cover a county-wide paratransit program, it is unknown how the separation of the two services will be viewed and funded by the state. A very significant part of that decision may depend on how the City and the county-wide operator (presently HopeSource) coordinate efforts in both operations and grant writing.

WSDOT Capital Grants – Assumes that a case can be made to replace the "spare" vehicle currently in service at a match ratio of 50% state to local(the maximum is 80% state to local). Assumes that all expansion of the vehicle fleet is a 100% local expense and that replacement vehicles will be matched at 50% state to local.

In the High Forecast

WSDOT Operating assistance – assumes Central Transit is able to make a case for state funds necessary to sustain fixed route operations at about $40,000 per year. This is a level of funding is somewhat higher than WSDOT funding of fixed route services in other well-established transit programs such as Grant, Yakima, Wenatchee, and Pullman, but is similar to state support of the relatively new transit program in Okanagan County. It represents an assumption that the long history of state support for fixed route transit in Ellensburg will continue to be provided at a moderate rate until the transit agency becomes well established financially.

WSDOT Paratransit Operating Assistance Grant - Is assumed to be about one half of funding presently dedicated to paratransit operations in Ellensburg. As these funds have always been awarded to cover a county-wide paratransit program, it is unknown how the separation of the two services will be viewed and funded by the state. A very significant part of that decision may depend on how the City and the county-wide operator (presently HopeSource) coordinate efforts in both operations and grant writing.

WSDOT Capital Grants – Assumes that a case can be made to replace the "spare" vehicle currently in service at a match ratio of 70% state to local (the maximum is 80% state to local). The scenario assumes that all expansion of the vehicle fleet is a 100% local expense and that replacement vehicles will be matched at 70% state to local.

Local Transit Levy –

As stated before, for purposes of these financial forecasts a 0.2% Sales and Use Tax has been assumed for the local transit levy that would be levied beginning October 1, 2016. At the outset it is assumed the tax will generate $791,812 per year, which is based on taxable sales and use for a three year average from 2012-2014. That represents the starting point. From there different assumptions are made about the "real" growth (not including inflation) of the local economy in each of the scenarios. For the past four years the average "real" growth in the local economy, that

is the percentage increase in sales of goods and services that is above inflation, has been in the range of 1.2 to 1.6%. This is often very difficult to pinpoint as inflationary pressures are not evenly distributed across all elements of the local economy. Therefore, a conservative approach to forecasting "real" growth, is a best practice in assessing the level of revenue generation of a sales and use tax.

For the low forecast- the "real" growth of the local economy is assumed to be 0.25% per year, still growth, but very modest.

For the moderate forecast – the "real" growth is assumed to be 0.5% per year, still well below the historic trend.

For the High Forecast – the "real" growth is assumed to be 1.0%, very close to the historic trend over the past three to four years.

Again, one of the purposes of the forecasts is to test the financial resilience of Central Transit to ensure sustainability at current levels of service. Many different combinations of low, moderate and high revenues are possible as are potential changes in the cost structure. The intent is to draw a picture that creates an envelope of possibilities. The real decisions will pivot on annual budget forecasts and decisions of the City Council as more and more information is known and as trends are updated over the next year prior to the city taking over the operation.

Costs that Vary by Scenario

As a reminder some costs are assumed as constants across all three scenarios and are listed earlier in this plan update. The costs that vary are two: fixed route operating costs and new vehicle acquisitions. The vehicle acquisitions are directly related to the fixed route operations and directly related to the timing and level of service provided for service expansion in West Ellensburg. The service levels assumed in each scenario are presented below based on the building blocks mentioned earlier. What must be emphasized is that these forecasts are intended to be exemplary, the timing, distribution and makeup of each service improvement will ultimately depend on the annual decisions of the City Council, as advised by the community. The intent of the scenarios is not necessarily what <u>will</u> be accomplished, but what <u>could</u> be accomplished.

Low Financial Forecast

In general, only very modest improvements in service occur in this scenario. Insufficient financial resources are forecast to be available to allow expansion of service into West Ellensburg. So only small improvements are made to current service which result in about 7% more hours of service being available over the six year period. What is vital about this scenario is that is shows that Central Transit is sustainable at present levels of service even if external grant sources fall to historic low points.

Weekday Service – within the first year service could be improved to either extend the time when 30 minute frequency is available by one hour to 8:00 pm or start service earlier in the day by one hour, 6 am, or split the difference with service starting 30 minutes earlier, 6:30 am, and thirty minute service frequency extending until 7:30 pm, essentially thirty minutes later than today.

Saturday Service – within the first year the middle part of the day on Saturday from 11:00 am to 4:00 pm would be improved from a bus every 60 minutes to a bus every 30 minutes.

Sunday service would remain constant in this scenario.

Moderate Financial Forecast

This scenario offers the opportunity for somewhat more aggressive service improvements. Over the life of the six year plan service can be improved by about 80% compared to today.

Weekday Service – in the first year improvements similar to the low forecast are possible, except that no choice has to be made about extensions in the morning or afternoon. In this scenario both as possible, service can start at 6:00 am and operate every half hour until 8:30 pm. In year four, the length of service can be extended to 9:00 pm

West Ellensburg weekday service is added in year two with hourly frequency through an eight hour service day, example 8 am to 6 pm. The extent of service can be improved one hour in year four, 7 am to 6 pm, for example.

In year 5 West Ellensburg weekday service can be extended, although still hourly, to match weekday service in the other part of the city from 6 am to 9 pm.

Saturday Service – in the first year similar improvements can be made compared to the low forecast but the period of the day offering thirty minute service can expand to 10:00 am to 4:00 pm.

In year 3, the extent of Saturday service would be expanded to match weekdays with service offered from 8:30 am until 9:00 pm

In year 4, Saturday service into West Ellensburg would be added on an hourly basis for ten hours, 9 am to 7 pm, for example

In year 5 – West Ellensburg Saturday service would be extended to match the other part of the city.

Sunday Service – Would remain as current until year three when the extent of service would be extended to match Saturday service or 8:30 until 9:00 pm

In year 4, Sunday service into West Ellensburg would be added on an hourly basis for eight hours, 9 am to 5 pm, for example

In year 5 – West Ellensburg Sunday service would be extended to match the other part of the city.

High Financial Forecast

This scenario offers the opportunity for somewhat more aggressive service improvements. Over the life of the six year plan service can be improved by about 100% compared to today.

Weekday Service – in the first year improvements similar to the low forecast are possible, except that no choice has to be made about extensions in the morning or afternoon. In this scenario both as possible, service can start at 6:00 am and operate every half hour until 8:30 pm. In year four, the length of service can be extended to 9:00 pm

West Ellensburg weekday service is also added in year one with hourly frequency through a ten hour service day, example 8 am to 6 pm. The extent of service can be improved one hour in year two, 7 am to 6 pm, for example.

In year 4 West Ellensburg weekday service can be extended to match weekday service in the other part of the city from 6 am to 9 pm and the core part of the day, perhaps 8 am to 5 pm can be improved to service every 30 minutes.

Saturday Service – in the first year similar improvements to the moderate forecast with the period of the day offering thirty minute service expanded to 10:00 am to 4:00 pm.

In year 2, the extent of Saturday service would be expanded to match weekdays with service offered from 8:30 am until 9:00 pm

In year 2, Saturday service into West Ellensburg would be added on an hourly basis for ten hours, 9 am to 7 pm, for example

In year 4 – West Ellensburg Saturday service would be extended to match the other part of the city.

Sunday Service – Would remain as current until year two when the extent of service would be extended to match Saturday service or 8:30 until 9:00 pm

In year 2, Sunday service into West Ellensburg would be added on an hourly basis for eight hours, 9 am to 5 pm, for example

In year 4 – West Ellensburg Sunday service would be extended to match the other part of the city.

Other Capital Expenses

Each financial forecast assumes differing levels of other capital improvements. These are most particularly aimed at additional bus stop shelters.

In the Low Forecast this is estimated to be $30,000 over six years, about enough to add four to six new shelters to the system.

In the Moderate Forecast is it estimated to be $75,000 over six years, enough to add six to ten new shelters and provide night time illumination where it is most needed at about four shelters.

In the High Forecast is it estimated to be $90,000 over six years, enough to add ten to twelve shelters and provide night time illumination where it is most needed at about eight shelters.

Reserve Funds

The financial plans also assume the City will establish two reserve funds, by policy, under all the scenarios.

Operating or Cash Flow Reserve – Set a the equivalent of two months of operating expense, this reserve fund is intended to protect City cash flow in the event revenues are not received as anticipated or there are spikes in monthly operating costs. The purpose is to ensure the city never has to utilize a line of credit to pay a contractor for services (like operating Central Transit) or to pay some large one time expense. In transit finance an operating or cash flow reserve is considered a best practice with two months equivalent operating expense being the minimum and four months being desirable for larger agencies.

Capital Reserve – This is essentially a depreciation account. This is also a transit agency finance best practice. The purpose is to set aside enough funds to ensure the local match necessary to replace rolling stock is available when those vehicles reach their useful life. The local match varies by scenario as the Low Forecast assumes there are no capital grants, making the city fully financially responsible for the replacement of worn out buses. Therefore, 100% of the replacement cost for each vehicle is accrued over its useful life to ensure funds are available to

replace the vehicle. In the Moderate Forecast, this is reduced to accruing 50% of the value as the assumption is that state grants to fund 50% of replacement cost will be available. In the High Financial Forecast, the assumption is that only 30% of the value needs to be accrued over the life of the vehicle as state replacement grants will be available to fund 70% of the cost. It is worth noting in both the Moderate and High Forecast, the fleet of vehicles is larger than the three buses presently needed (two in service and one spare), also influencing the accumulation of the capital reserve. Also notable is that the capital service balance will rise and fall depending on the need to acquire replacement vehicles. When needed, funds are withdrawn from the capital reserve to fund acquisition of new buses.

Low Financial Forecast Summary

Revenues:

Fares – Current ridership, fares at 50 to 75 cents per boarding for non-ASCWU students

WSDOT Grant Fixed Route Operating Revenues – No operating support for fixed route from WSDOT

WSDOT Grant Paratransit Operating Revenues – No paratransit operating support from WSDOT

WSDOT Grant Capital Revenues – No capital replacement funding received from WSDOT

WSDOT Formula Paratransit Grants – low estimate of Ellensburg's % of state-wide population qualifying for the formula

Local Transit Levy – local economic activity forecast at 0.25% growth per year above inflation

Costs:

Service Improvements – Weekday service extended by one hour, earlier or later,
Saturday service improved to every 30 minutes in midday,
Sunday service remains constant

Capital Costs - limited to vehicle replacement and adding four to six passenger shelters over six years

Reserve Funds:

Operating Reserve Fund – Varies based on total operating costs – set at one sixth (two months) of annual operating cost

Capital Reserve Fund- set to ensure funds available to replace all vehicles every seven years with 100% local funds

Figure 35 Low Financial Forecast

Ellensburg Transit Study
Financial Plan - Low Financial Forecast

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Operating Revenues and Assistance	**$885,312**	**$ 947,884**	**$976,296**	**$1,005,623**	**$1,035,892**	**$1,067,135**
Beginning Cash and Reserves [5]	**$461,890**	**$328,734**	**$345,113**	**$368,752**	**$429,930**	**$498,938**
Farebox	*$5,000*	*$5,150*	*$5,305*	*$5,464*	*$5,628*	*$5,796*
WSDOT Operating Assistance Grant	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*
WSDOT Paratransit Operating Grant	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*
CWU Operating Assistance	*$75,000*	*$75,188*	*$75,375*	*$75,564*	*$75,753*	*$75,942*
WSDOTParatransit Formula	*$0*	*$50,000*	*$51,500*	*$53,045*	*$54,636*	*$56,275*
City of Ellensburg Operating Assistance (in kind)	*$13,500*	*$0*	*$0*	*$0*	*$0*	*$0*
Local transit levy	*$791,812*	*$817,546*	*$844,116*	*$871,550*	*$899,875*	*$929,121*
Total Revenues and Reserves	$ 1,347,203	$ 1,276,617	$ 1,321,409	$ 1,374,374	$ 1,465,822	$ 1,566,073
Operating Expenses[1]	**$886,861**	**$913,467**	**$940,871**	**$969,097**	**$998,170**	**$1,028,116**
Administration[2]	*$125,000*	*$128,750*	*$132,613*	*$136,591*	*$140,689*	*$144,909*
Transit Fixed Routes	*$358,233*	*$368,980*	*$380,049*	*$391,451*	*$403,194*	*$415,290*
Yakima Commuter Support	*$20,000*	*$20,600*	*$21,218*	*$21,855*	*$22,510*	*$23,185*
Non-Emergency Medical Transport	*$75,000*	*$77,250*	*$79,568*	*$81,955*	*$84,413*	*$86,946*
Transit ADA Paratransit[3]	*$302,736*	*$311,818*	*$321,172*	*$330,807*	*$340,732*	*$350,954*
Vehicle Purchase/Replacement[4]	*$5,893*	*$6,070*	*$6,252*	*$6,439*	*$6,632*	*$6,831*
Capital Expenses	**$68,750**	**$15,000**	**$15,000**	**$0**	**$0**	**$158,125**
Vehicle Replacement	*$68,750*					*$158,125*
Bus Stops/Shelters/Etc.	*$0*	*$15,000*	*$15,000*			
Capital Revenues	**$68,750**	**$15,000**	**$15,000**	**$0**	**$0**	**$158,125**
WSDOT Capital Grant	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*
Transfers from Operating Revenues	$68,750	*$15,000*	*$15,000*	*$0*	*$0*	*$126,500*
Transfers from Capital Reserve	$ -	*$0*	*$0*	*$0*	*$0*	*$31,625*
Capital Reserve	$5,893	$11,963	$18,214	$24,654	$31,286	$6,492
Req'd Operating Reserve (2 months)	$147,810	$152,245	$156,812	$161,516	$166,362	$171,353
Remaining Cash	$175,031	$180,906	$193,726	$243,761	$301,290	$81,980
Total Reserve Funds and Cash	$328,734	$345,113	$368,752	$429,930	$498,938	$259,825

NOTES:
[1]Operating expenses and revenues inflated by 3% each year
[2]EstCity of Ellensburg overhead for fixed-route and ADA paratransit operations support.
[3]Assumes no coordination with county-wide dial-a-ride system with certified ADA eligible riders receiving a priority per ADA guidelines
[4]Assumes vehicles have 7-year lifetime, annual infation increases, and 100% local cost
[5] Year 1 beginning cash is sales tax revenue accumulated from 10/1/16 through 6/30/17

Moderate Financial Forecast Summary

Revenues:

Fares- Ridership grows at 5% per year, fares at 75 cents to $1.00 per boarding for non-ASCWU students

WSDOT Grant Fixed Route Operating Revenues – $50,000 every other year, about 12% of current

WSDOT Grant Paratransit Operating Revenues - $100,000 every year, about 30% of current grant

WSDOT Grant Capital Revenues – 50% state funds available for replacement vehicles only

WSDOT Formula Paratransit Grants - Moderate estimate of Ellensburg's % of state-wide population qualifying for the formula

Local Transit Levy - local economic activity forecast at 0.5% growth per year above inflation

Costs:

Service Improvements – Weekday morning and evening service on current route extended by one hour
Service added to West Ellensburg in year two, improved in year five, hourly frequency
Saturday – 30 minute service in midday, evening hours extended
Service added to West Ellensburg in year 4, hours extended in year 5, hourly frequency
Sunday – Service hours extended to match Saturday in year 3
Service added to West Ellensburg in year 4, hours extended in year 5, hourly frequency

Capital Costs – Vehicle replacement and one vehicle added in year 2 for West Ellensburg service, add 6 to 10 shelters, illumination at 4 shelters

Reserve Funds:

Operating Reserve Fund – Varies based on total operating costs – set at one sixth (two months) of annual operating cost

Capital Reserve Fund – set to fund 50% of vehicle replacement costs

Figure 36 Moderate Financial Forecast

Ellensburg Transit Study
Financial Plan - Moderate Financial Forecast

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Operating Revenues and Assistance	**$1,037,812**	**$ 1,099,126**	**$1,185,408**	**$1,164,995**	**$1,255,071**	**$1,240,312**
Beginning Cash and Reserves [5]	**$461,890**	**$534,547**	**$436,860**	**$560,364**	**$569,214**	**$446,848**
Farebox	*$7,500*	*$7,725*	*$7,957*	*$8,195*	*$8,441*	*$8,695*
WSDOT Operating Assistance Grant	*$50,000*	*$0*	*$51,500*	*$0*	*$53,045*	*$0*
WSDOT Paratransit Operating Grant	*$100,000*	*$103,000*	*$106,090*	*$109,273*	*$112,551*	*$115,927*
CWU Operating Assistance	*$75,000*	*$75,375*	*$75,752*	*$76,131*	*$76,511*	*$76,894*
WSDOTParatransit Formula	*$0*	*$80,000*	*$82,400*	*$80,000*	*$82,400*	*$84,872*
City of Ellensburg Operating Assistance	*$13,500*	*$13,500*	*$13,500*	*$13,500*	*$13,500*	*$13,500*
Local transit levy	*$791,812*	*$819,526*	*$848,209*	*$877,896*	*$908,623*	*$940,424*
Total Revenues and Reserves	$ 1,499,703	$ 1,633,672	$ 1,622,268	$ 1,725,359	$ 1,824,286	$ 1,687,160
Operating Expenses[1]	**$911,138**	**$1,056,027**	**$1,087,707**	**$1,209,448**	**$1,312,147**	**$1,351,511**
Administration [2]	*$125,000*	*$128,750*	*$132,613*	*$136,591*	*$140,689*	*$144,909*
Transit Fixed Routes	*$373,670*	*$497,377*	*$512,298*	*$610,740*	*$688,397*	*$709,049*
Yakima Commuter Support	*$20,000*	*$20,600*	*$21,218*	*$21,855*	*$22,510*	*$23,185*
Non-emergency Medical Transport	*$75,000*	*$77,250*	*$79,568*	*$81,955*	*$84,413*	*$86,946*
Transit ADA Paratransit [3]	*$302,736*	*$311,818*	*$321,172*	*$330,807*	*$340,732*	*$350,954*
Vehicle Purchase/Replacement [4]	*$14,732*	*$20,232*	*$20,839*	*$27,500*	*$35,406*	*$36,468*
Capital Expenses	**$68,750**	**$87,875**	**$15,000**	**$15,000**	**$92,000**	**$173,125**
Vehicle Replacement	*$68,750*					*$158,125*
New vehicles		*$72,875*			*$77,000*	
Bus Stops/Shelters/Etc.	*$0*	*$15,000*	*$15,000*	*$15,000*	*$15,000*	*$15,000*
Capital Revenues	**$68,750**	**$87,875**	**$15,000**	**$15,000**	**$92,000**	**$173,125**
WSDOT Capital Grant	*$34,375*	*$0*	*$0*	*$0*	*$0*	*$79,063*
Transfers from Operating Revenues	$34,375	*$87,875*	*$15,000*	*$15,000*	*$92,000*	*$15,000*
Transfers from Capital Reserve	$ -	*$0*	*$0*	*$0*	*$0*	*$79,063*
Capital Reserve	$14,732	$34,964	$55,803	$83,303	$118,710	$76,116
Req'd Operating Reserve (2 months)	$151,856	$176,004	$181,285	$201,575	$218,691	$225,252
Remaining Cash	$367,958	$225,891	$323,276	$284,336	$109,447	$1,335
Total Reserve Funds and Cash	$534,547	$436,860	$560,364	$569,214	$446,848	$302,702

NOTES:
[1]Operating expenses and revenues inflated by 3% each year
[2]EstCity of Ellensburg overhead for fixed-route and ADA paratransit operations support.
[3]Assumes no coordination with county-wide dial-a-ride system with certified ADA eligible riders receiving a priority per ADA guidelines
[4]Assumes vehicles have 7-year lifetime, annual infation increases, and a 50% local match, but only for replacement vehicles, expansion vehicels are 100% local
[5] Year 1 beginning cash is sales tax revenue accumulated from 10/1/16 through 6/30/17

High Financial Forecast Summary

Revenues:

Fares- Ridership grows at 10% per year, fares at $1.00 to $1.25 per boarding for non-ASCWU students

WSDOT Grant Fixed Route Operating Revenues - $40,000 per year, about 20% of current

WSDOT Grant Paratransit Operating Revenues - $150,000 per year, about 50% of current

WSDOT Grant Capital Revenues – 70% of vehicle replacement costs

WSDOT Formula Paratransit Grants - Estimate based on current allocation to Pullman

Local Transit Levy - local economic activity forecast at 1.0% growth per year above inflation

Costs:

Service Improvements

Weekday morning and evening service on current route extended by one hour

Service added to West Ellensburg in year one, improved in year two by extending hours or operation, hourly frequency, improved to 30 minute frequency in year 4

Saturday – 30 minute service in midday, evening hours extended

Service added to West Ellensburg in year 2, hours extended in year 4, hourly frequency

Sunday – Service hours extended to match Saturday in year 3

Service added to West Ellensburg in year 2, hours extended in year 4, hourly frequency

Capital Costs - Vehicle replacement and one vehicle added in year 1 and one additional in year 4 for West Ellensburg Service, add 10 to 12 shelters, illumination at 8 shelters

Reserve Funds:

Operating Reserve Fund – Varies based on total operating costs – set at one sixth (two months) of annual operating cost

Capital Reserve Fund - set to fund 30% of vehicle replacement costs

Figure 37 High Financial Forecast

Ellensburg Transit Study
Financial Plan - High Financial Forecast

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Operating Revenues and Assistance	**$1,080,312**	**$ 1,208,735**	**$1,251,311**	**$1,295,480**	**$1,341,301**	**$1,388,837**
Beginning Cash and Reserves [5]	**$461,890**	**$319,577**	**$400,604**	**$503,063**	**$420,944**	**$438,934**
Farebox	*$10,000*	*$10,300*	*$10,609*	*$10,927*	*$11,255*	*$11,593*
WSDOT Operating Assistance Grant	*$40,000*	*$41,200*	*$42,436*	*$43,709*	*$45,020*	*$46,371*
WSDOT Paratransit Operating Grant	*$150,000*	*$154,500*	*$159,135*	*$163,909*	*$168,826*	*$173,891*
CWU Operating Assistance	*$75,000*	*$75,750*	*$76,508*	*$77,273*	*$78,045*	*$78,826*
WSDOTParatransit Formula	*$0*	*$90,000*	*$92,700*	*$95,481*	*$98,345*	*$101,296*
City of Ellensburg Operating Assistance	*$13,500*	*$13,500*	*$13,500*	*$13,500*	*$13,500*	*$13,500*
Local transit levy	*$791,812*	*$823,485*	*$856,424*	*$890,681*	*$926,308*	*$963,361*
Total Revenues and Reserves	$ 1,542,203	$ 1,528,311	$ 1,651,916	$ 1,798,543	$ 1,762,244	$ 1,827,771
Operating Expenses[1]	**$1,017,411**	**$1,121,632**	**$1,155,281**	**$1,323,528**	**$1,367,482**	**$1,408,507**
Administration [2]	*$125,000*	*$128,750*	*$132,613*	*$136,591*	*$140,689*	*$144,909*
Transit Fixed Routes	*$482,890*	*$571,075*	*$588,208*	*$735,821*	*$757,895*	*$780,632*
Yakima Commuter Support	*$20,000*	*$20,600*	*$21,218*	*$21,855*	*$22,510*	*$23,185*
Non-emergency Medical Transport	*$75,000*	*$77,250*	*$79,568*	*$81,955*	*$84,413*	*$86,946*
Transit ADA Paratransit [3]	*$302,736*	*$311,818*	*$321,172*	*$330,807*	*$340,732*	*$350,954*
Vehicle Purchase/Replacement [4]	*$11,786*	*$12,139*	*$12,503*	*$16,500*	*$21,244*	*$21,881*
Capital Expenses	**$156,625**	**$15,000**	**$15,000**	**$92,000**	**$15,000**	**$173,125**
Vehicle Replacement	*$68,750*					*$158,125*
New vehicles	*$72,875*			*$77,000*		
Bus Stops/Shelters/Etc.	*$15,000*	*$15,000*	*$15,000*	*$15,000*	*$15,000*	*$15,000*
Capital Revenues	**$156,625**	**$15,000**	**$15,000**	**$15,000**	**$15,000**	**$173,125**
WSDOT Capital Grant	*$48,125*	*$0*	*$0*	*$0*	*$0*	*$110,688*
Transfers from Operating Revenues	$108,500	*$15,000*	*$15,000*	*$15,000*	*$15,000*	*$15,000*
Transfers from Capital Reserve	$ -	*$0*	*$0*	*$0*	*$0*	*$47,438*
Capital Reserve	$11,786	$23,925	$36,428	$52,928	$74,172	$48,616
Req'd Operating Reserve (2 months)	$169,569	$186,939	$192,547	$220,588	$227,914	$234,751
Remaining Cash	$138,223	$189,741	$274,088	$147,427	$136,848	$107,075
Total Reserve Funds and Cash	$319,577	$400,604	$503,063	$420,944	$438,934	$390,442

NOTES:
[1]Operating expenses and revenues inflated by 3% each year
[2]EstCity of Ellensburg overhead for fixed-route and ADA paratransit operations support.
[3]Assumes no coordination with county-wide dial-a-ride system with certified ADA eligible riders receiving a priority per ADA guidelines
[4]Assumes vehicles have 7-year lifetime, annual infation increases, and a 30% local match. Expansion vehicles are 100% local
[5] Year 1 beginning cash is sales tax revenue accumulated from 10/1/16 through 6/30/17