



March 6, 2014

To: Fox Cities Transit Commission

From: Nikki Voelzke – Community Relations Specialist

Subject: Connector Update

The Connector provides transportation to Fox Cities residents who work second or third shift schedules or who need to travel throughout the community beyond regular Valley Transit bus routes. Ridership on this service has increased each year and since beginning in October 2007, has been primarily used for employment trips. In 2013, employment related trips accounted for 94% of the 16,793 rides taken on the service.

The Connector is funded through a combination of state, federal and local dollars. The majority of local funding comes from United Way Fox Cities and is supplemented with grants from local businesses and foundations. In 2013, Thrivent Financial for Lutherans and Menasha Corp joined United Way to provide the local funding necessary to operate The Connector.

Due to a change in federal funding policies, the designated employment transportation funds we had been awarded in the past (Job Access Reverse Commute – JARC and Wisconsin Employment Transportation Assistance Program – WETAP) have been eliminated effective this year. This means that the federal and state funding portion must come from general operating funds which require a larger local share match. In 2013, the local share required was \$92,784. With the changes made this year and based on ridership trends, without any changes to the service, the local share required this year will be \$131,000.

Raising the local share required has always been a challenge and with the trend of increasing ridership, we don't believe the service as it operates today is sustainable nor do we believe that United Way and Valley Transit would be able to commit to and raise the additional \$40,000 in local money required. At the same time, we know this service is incredibly valuable, not only to the riders who use it but to the entire community. A recent study by UW-Oshkosh reported that the total economic benefit of The Connector to individuals, businesses and our community is \$1,206,099. Because of this, we have begun exploring options with United Way that would sustain the service in one form or another and avoid the unrealistic and unsustainable increase in local funding required.

The options currently being explored include:

1. Eliminating the Extended Service Area trips (trips outside of our regular bus routes) but keeping the Extended Service Hour trips (what the service was originally

- designed to address – early morning and late night transportation)
2. Keeping the service as it is today and increasing the fares by \$1.00.
 3. Keeping the service as it is today, increasing the fares by \$1.00 and attempting to negotiate a decrease in the cost per trip with the vendor.

We also recognize United Way's original intent which was to gradually decrease their level of funding support in order to invest in other community needs. Back when the service was created, we anticipated having a Regional Transit Authority that would absorb The Connector into the operations cost. United Way has agreed to continue support for The Connector and will work to secure other local funding partners. Based on the scenarios listed above, it's unlikely they'll be able to raise the entire local share needed. Now that we are able to determine the number of trips taken by each municipality's residents, staff recommends approaching our municipal partners for Connector support.

We'll be meeting with United Way later this month to continue identifying solutions to these funding challenges. United Way is in the process of planning a series of focus groups with stakeholders to inform them of the challenges, seek their input and suggestions for solutions and we would like to have at least one Transit Commissioner participate in the focus groups.

We will update you throughout our work on this issue.