



Rhode Island Public Transit Authority
Senate Committee on Rules, Government Ethics and Oversight
March 6, 2023

The RIPTA Record

RIPTA outperforms similar agencies across the country in almost every key performance indicator.

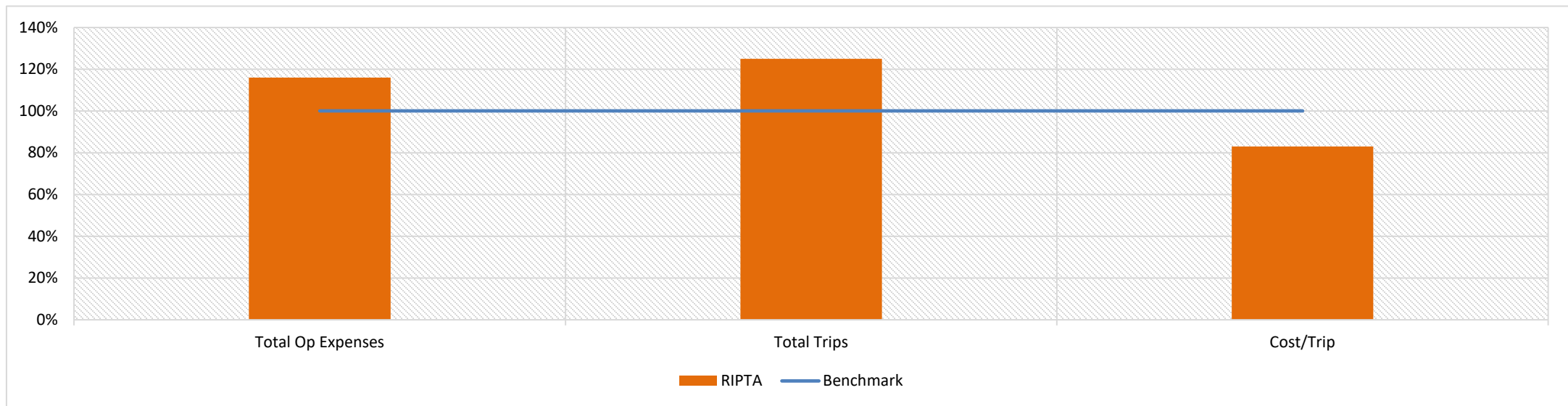
Despite a chronic lack of funding, RIPTA

- provides more trips,
 - in a larger area,
 - at a more effective cost per trip
- than other transit agencies that serve similar population areas or provide statewide service anywhere in America.**



Nationwide Comparison

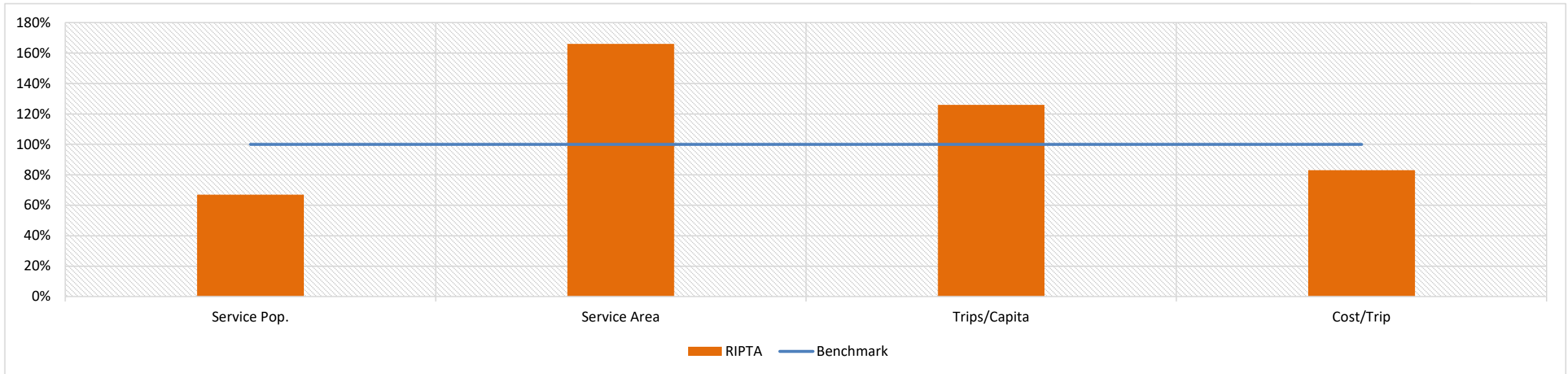
RIPTA outperforms similar agencies across the country in almost every key performance indicator.



While RIPTA **has higher operating expenses** than its peers, **more trips** are provided resulting in **a lower, more cost-effective** cost per trip.

Nationwide Comparison

RIPTA outperforms similar agencies across the country in almost every key performance indicator.



Despite having a **smaller service population**, RIPTA provides **more trips/capita** across a **larger service area** and at a **more efficient cost per trip**.

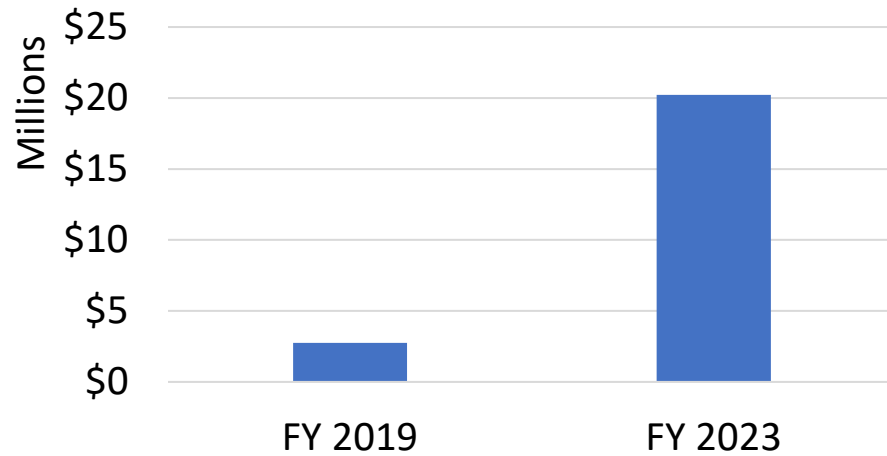
CEO Priorities

- Improve Financial Sustainability to Serve ALL Rhode Islanders
- Meet State Climate Goals
- Improve Community Relations
- Future of RIPTA



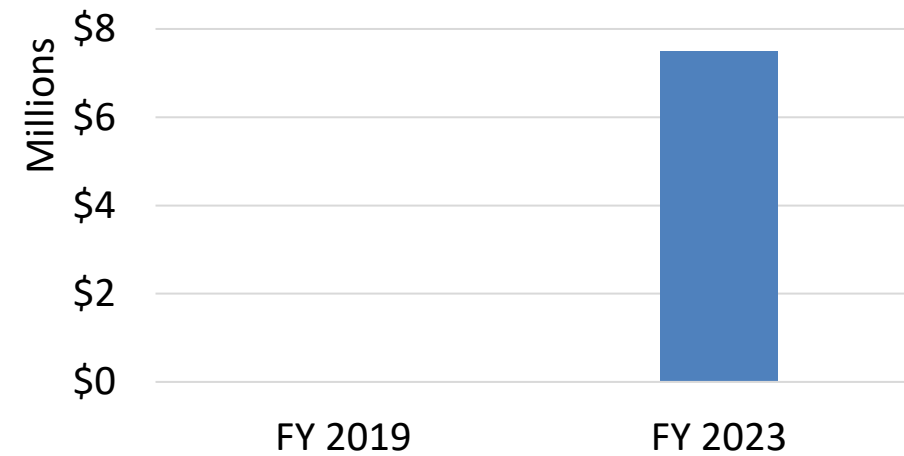
Improved Finances Since FY19

State Match



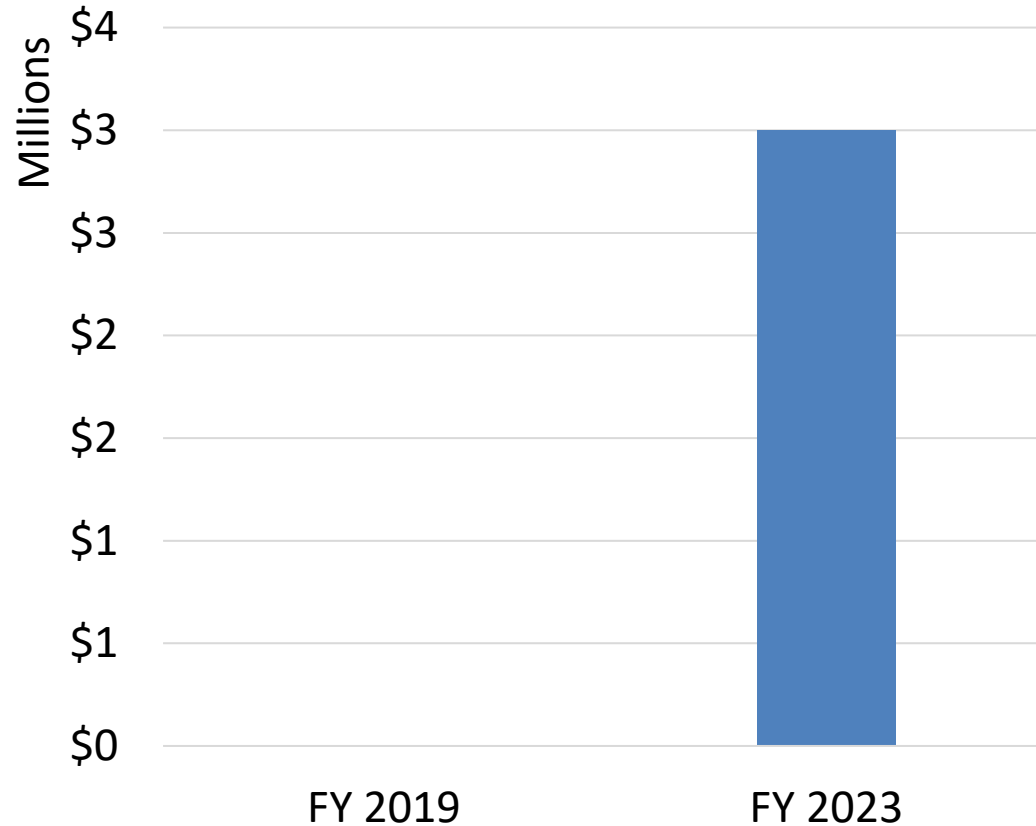
- RIPTA received \$2.7M in FY 2019
 - Unable to leverage federal funds and discretionary opportunities
- Governor's amended budget for FY 2023 calls for \$20M.

Available Line of Credit



- RIPTA has long struggled with cash flow. A line of credit provides a tool to smooth cash flows and ensure all obligations are met in a timely fashion

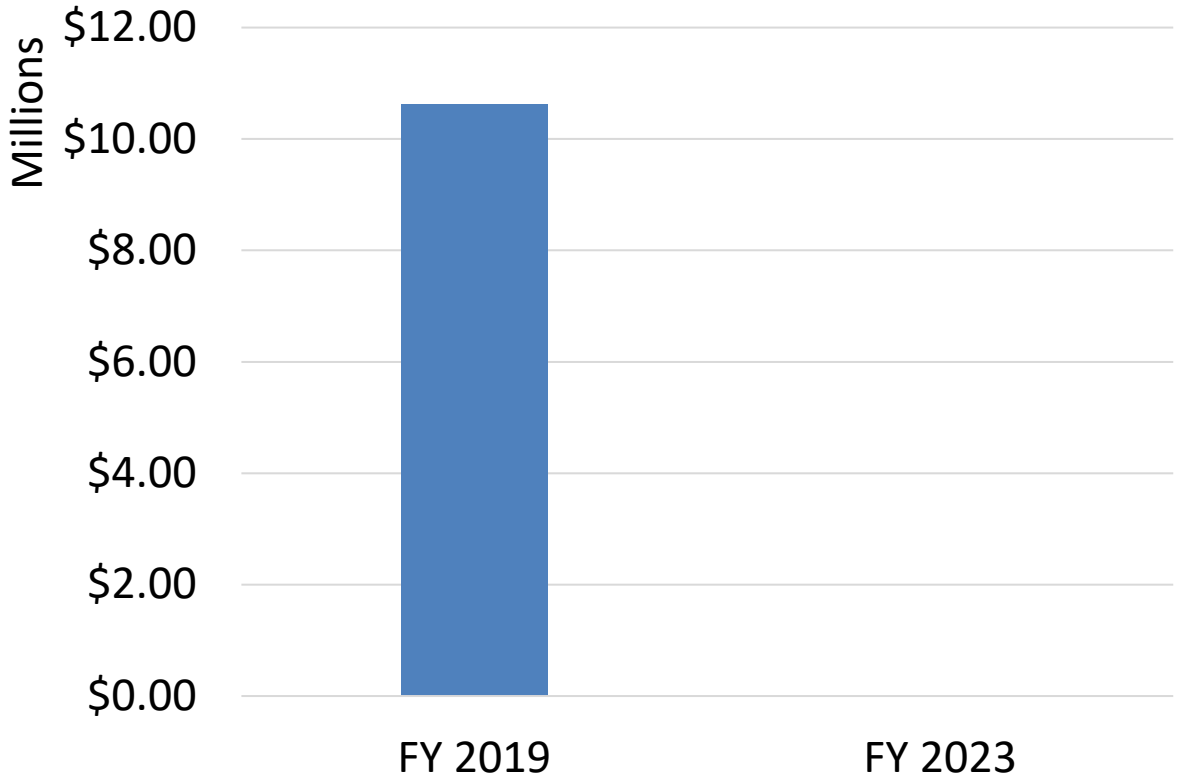
Legal Reserve



Target reserve level is \$5M

- Conducted claims study to develop a new strategy
- Strategy set goal for funding of claims and reserve for extraordinary circumstances
- Reserve is 60% funded (\$3M)
 - Would reduce interest expense on larger settlements

Pension Payable



- Due to cash flow issues RIPTA had fallen behind on its pension contributions
- Payable had reached over \$10M
- Established plan to resolve over a five-year period
- Received notice from state that we were owed \$8.4M in pharmacy rebates
 - \$6M was transferred to RIPTA
 - Remainder stayed with state to cover healthcare claim timing
 - \$6M was put towards payable and remaining payable was resolved in accordance to original plan

Pension is current and well funded (67%)

Community Progress

Engaging with all communities to see how RIPTA can help with mobility needs

- 5 community vans delivered in FY 22
 - Westerly, Foster, Cumberland, Pawtucket and CCAP
 - Additional vans for rural communities will be ordered soon
- Identify unserved/underserved areas, including New Shoreham
- Develop community partnerships to fund service
 - Newport Hop-On Hop-Off Service
- Pineapple Pass Program
 - Collaborative effort with the Rhode Island Department of Labor & Training and the Rhode Island Hospitality Association, the program enabled the hospitality association to provide bus passes to more than 500 restaurant and hotel employees.



ride free!
**BELLEVUE
TROLLEY** 

MAY 27-OCTOBER 31, 2022
compliments of Discover Newport


DiscoverNewport.org

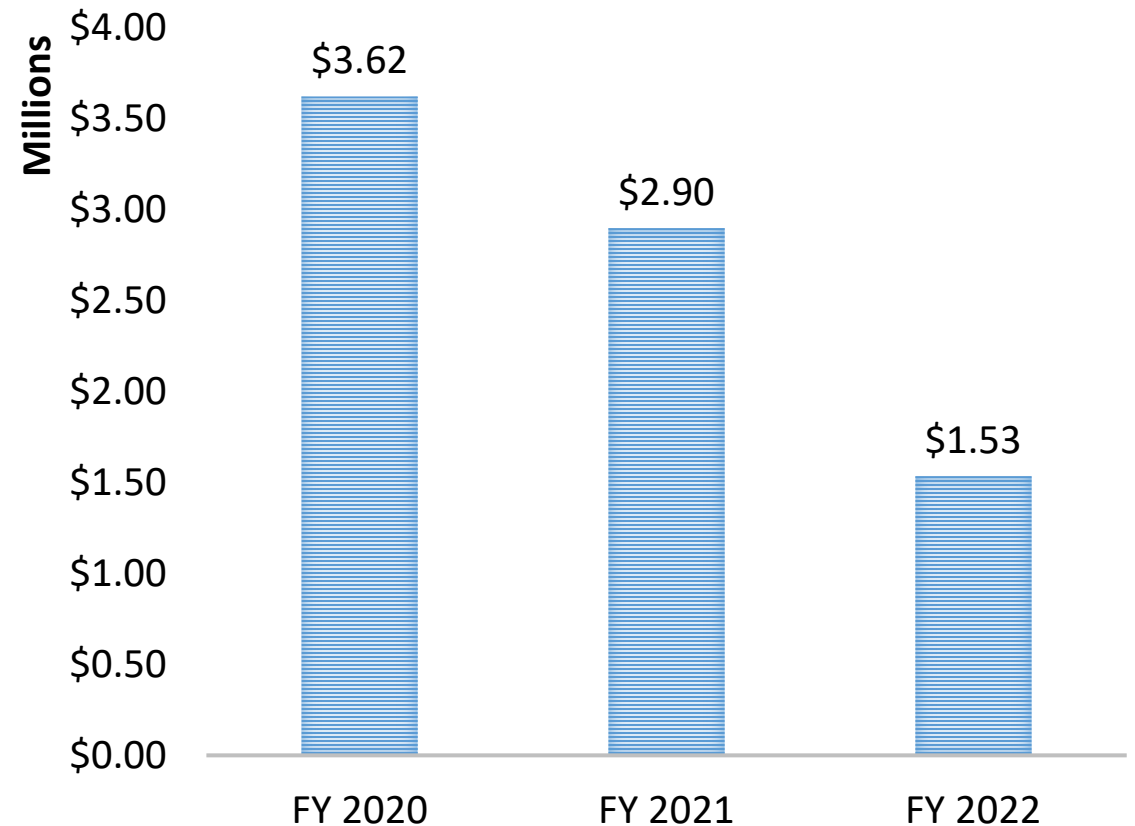

RIPTA.com 401.781.9400

Impacts of COVID-19

COVID-19 Pandemic had a severe negative impact on RIPTA

- Ridership declined by approximately 50%.
- Passenger revenue declined as a result.
- As employers embraced remote work and businesses shut down across the state, employees drove less. This resulted in a **significant decrease** in gas tax revenue.
- Gas tax revenue has nearly recovered, and passenger revenue continues to increase.
- Federal relief funding played a vital role in offsetting the financial impact of the pandemic.

AVERAGE MONTHLY LOSS



RIPTA was **one of a few** transit agencies **in the nation** to **maintain full service** throughout the pandemic.

Pandemic Initiatives

- RIPTA heard from employers and riders that essential workers relied on RIPTA to get to their jobs
- **RIPTA never reduced service or laid off employees despite ridership decline**
- American Public Transportation Association (APTA) reported that 65% of transit agencies had to reduce service



Federal Relief Funding

RIPTA has received \$128.9M in federal relief funding from three relief bills

- Funds are being used to support operations; offsetting losses brought on by the pandemic
- All relief funds are expected to be exhausted in FY 2025
- RIPTA is facing losses of more than \$40M annually **beginning in less than 16 months**



Nationwide Driver Shortage

According to the American Public Transportation Association (APTA), **96% of transit agencies are experiencing a workforce shortage**. 84% of agencies nationwide have said the shortage is affecting their ability to provide service. Reasons stated:

- Aging transit workforce
- Strong competition for workers
- Work schedules and compensation
- Complex regulatory framework hampers agencies' ability to fill vacancies

RIPTA Driver Shortage

- RIPTA faced a decline in bus operators going into Fall 2022 which compromised our ability to maintain service
- Service frequencies were reduced to rebalance the system
- Extensive recruitment efforts are underway to fill vacancies and ideas are being explored to reposition the Authority for growth
- 44 driver openings today



Ready to Drive
Your Career
Forward?

- Variety of Career Paths
- Supportive & Growth-Oriented Culture
- Stable & Secure Employment
- Outstanding Benefits

Now Hiring

RIPTA Driver Shortage

- Through collective bargaining and working with our labor unions we have been able to:
 - Increase starting wages and top wages for key positions to improve recruitment
 - Reinstated a part-time driver program for recent retirees
 - Paid one-time Covid Service Bonus

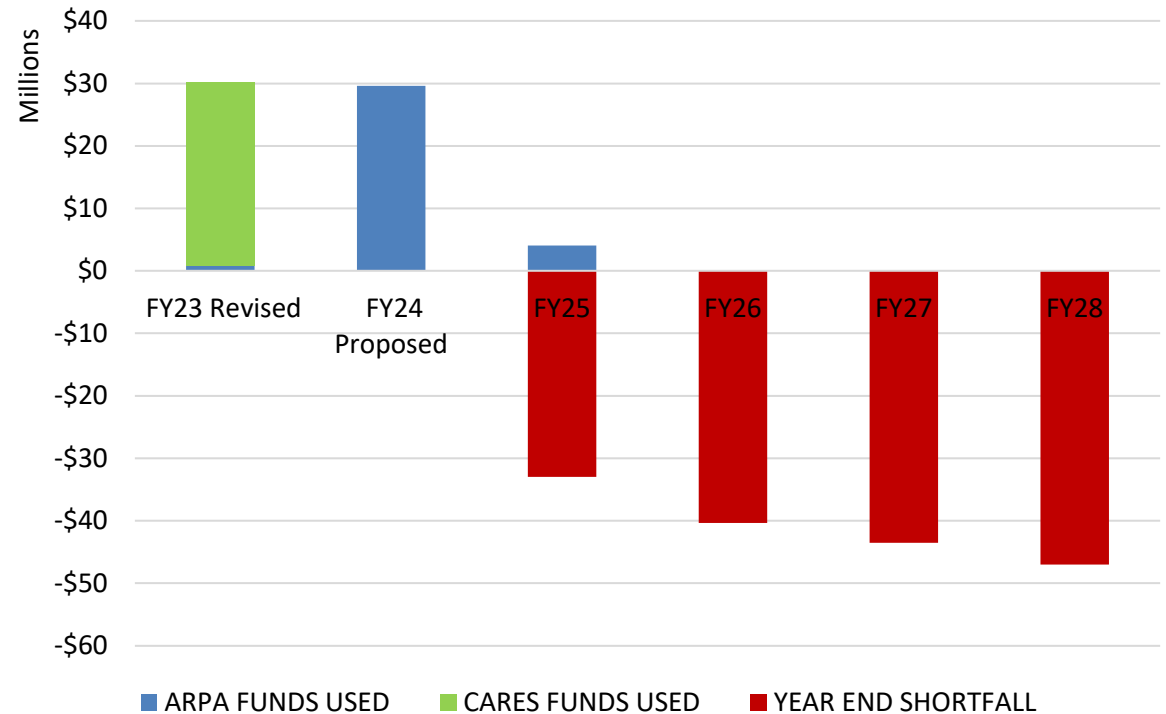


Future of RIPTA

- Reinststate service frequencies that were reduced in Fall 2022
- Find new funding sources to resolve fiscal cliff in FY 2025
- Ensure funding is adequate to support the Transit Master Plan
- Expand current limited funding so RIPTA can better attract and invest in its employees
 - Ability to offer higher, competitive starting wages and good benefits will help RIPTA compete in a tight labor market for drivers, mechanics, and more

Fiscal Cliff

- FTA formula funding to RIPTA increased from \$42.4M to \$47.4M
- Funds support capital and maintenance
- **Funds CANNOT be used to support operations or resolve fiscal cliff**



Infrastructure Bill

Majority of new funding is through discretionary programs

RIPTA has applied for \$108M in funds since the law was passed

- Received \$34.2 million
- Another \$34M pending



Transit Master Plan

Rhode Island adopted its first-ever Transit Master Plan, Transit Forward RI 2040, in December of 2020. The plan identifies five initiatives to transform transit in Rhode Island:

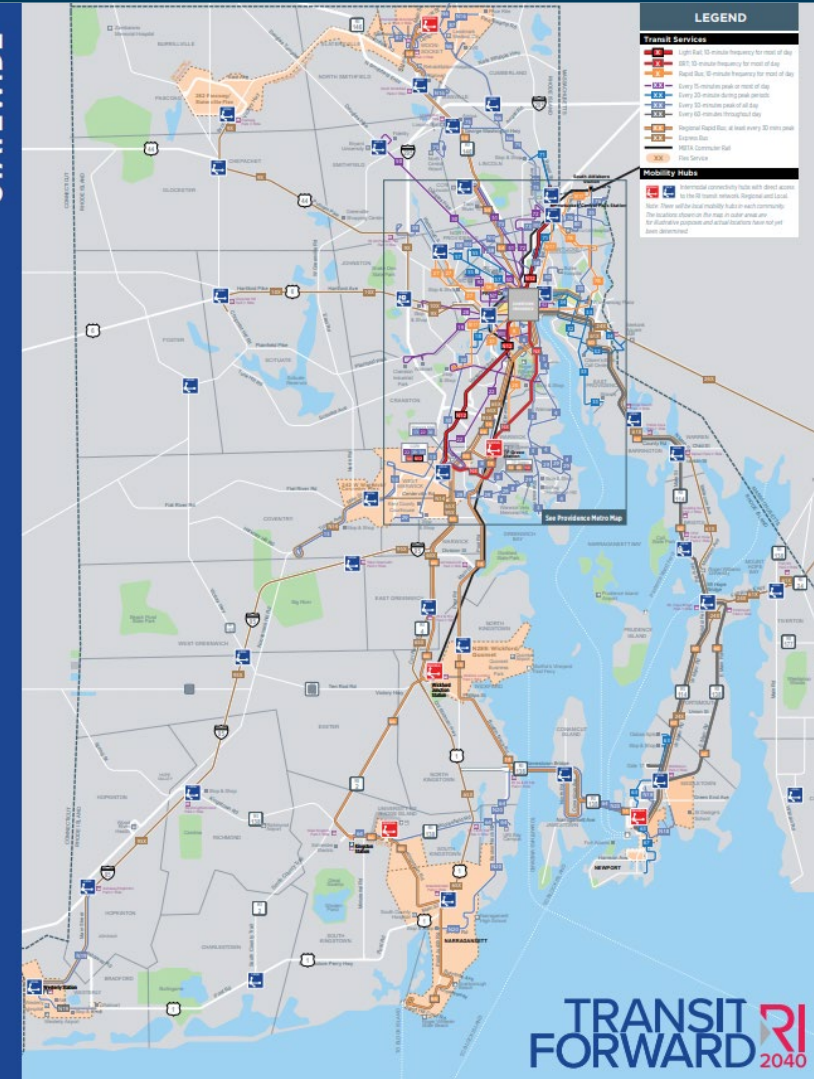
- Improve existing services
- Expand service to new areas
- Develop High Capacity Transit
- Improve access to transit
- Make service easier to use



Transit Master Plan Implementation

- NEW Wave Smart Fare Technology
- NEW Routes 16, 23 and 68
- NEW Downtown Transit Connector (DTC)
 - Service every 5 minutes between RI Hospital, Kennedy Plaza and Providence Station on Routes 3, 4, 51, 54, 58, and 72
- Flex Service Expansion
 - 281 Woonsocket Flex expanded to Manville
- Route 10x Expansion
 - New Park-N-Ride service in Foster
- Route 13 restructured to serve CCRI Warwick

TRANSIT FORWARD RI SERVICES STATEWIDE



Dorrance Street Transit Center

- Governor McKee announced the launch of a nationwide RFP for a new, innovative, downtown transit center in January
- Project is well-received. Pre-bid meeting was attended remotely by interested parties from across the country.
- Lots of momentum
- Featured in local and industry publications



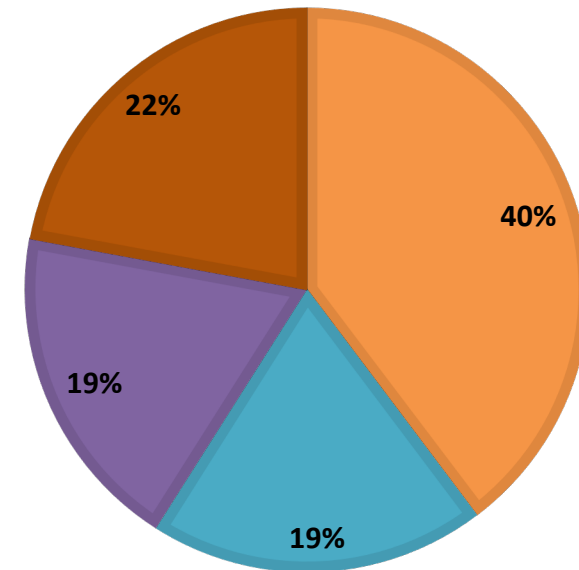
Meeting Climate Goals

40% of Rhode Island's greenhouse emissions are from vehicles

- In 2018, first three electric buses arrive in RI
- Additional 14 electric vehicles will join fleet
- State's first electric bus in-line charging station is underway

TOP EMITORS

- Transportation
- Residential Heating
- Electricity Consumption
- Other (Industrial, Heating, Waste, Agriculture)



Meeting Climate Goals

- Awarded over \$27.5M federal and state funds to electrify the Newport Garage and incorporate clean energy and resiliency
 - Over \$22 million from USDOT
 - \$1.5M from OER
 - \$4M from Senator Reed
- Renewable energy solar farm collaboration
 - Solar installation on a brownfield in East Providence
 - Saving the Authority over \$250,000 annually
 - Commitment to sustainable clean energy



Financial Considerations

- Fiscal Cliff: \$40M annually
- Transit Master Plan: \$260M annually
- System-wide free fare: \$24M+ annually
- Electric Fleet: Additional \$1.5M - \$2M per bus w/infrastructure
- Competitive Wages & Benefits



Summary

Despite historically tight budgets RIPTA has

- Outperformed similar agencies across the country
- Continued to perform during the pandemic
- Improved its financial condition
- Is preparing for Rhode Island's transit future today

