

# MINUTES

## Concord Kannapolis Area Transit Commission

February 29, 2024, 8:30 am

Rider Transit Center

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### MEMBERS:

Mayor Darrel Hinnant-City of Kannapolis  
Dianne Berry- City of Kannapolis  
Darrell Jackson- City of Kannapolis  
Betty Stocks-City of Concord  
John Sweat Jr.-City of Concord

### OTHERS:

Phil Conrad- CRMPO  
Craig Meeks-Rider Transit  
Obdulio Oden-Transdev  
Joshua Smith-City of Concord  
Jaime Tippett Poe- Rider Transit  
L.J. Weslowski- Rider Transit

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### Call to Order, Quorum, and Approval of Minutes

Mayor Hinnant called the meeting to order at 8:33 am, declared a quorum.

No individuals were present for public comment.

Mayor Hinnant requested a motion to approve the minutes of the Concord Kannapolis Area Transit Commission meeting from 12/21/2023.

Mr. Sweat made a motion to approve; Mr. Jackson second. Minutes approved unanimously as presented.

### Rider Transit Microtransit Update and Discussion

Using a PowerPoint, Mr. Weslowski presented.

Microtransit was first conceived as an idea to solve transit's "First Mile/Last Mile" problem.

With the rise of Transportation Networking Companies (TNCs) like Uber and Lyft, the idea of what Microtransit could be broadened significantly – "Transit Uber".

This led to additional complimentary models such as zones in areas where higher density/traditional transit services didn't make sense/couldn't operate.

Most recently, Microtransit has been positioned as a standalone service option to replace some traditional transit services (big empty bus syndrome).

Microtransit is highly attractive to users – smaller, more modern vehicles, private to near private experience, often a much more direct trip than traditional transit.

Microtransit is not new. On Demand Public Transit has existed for decades – just not instantly on demand.

Transit systems have wanted to provide same day/real time service for years – but don't have the funding to be able to provide it.

Microtransit is more efficient for passengers, but not the community – it leads to more vehicles on the road and more vehicle miles traveled than traditional mass transit options.

Microtransit cannot, in the long run, carry more people for less money.

Promises/contracts that start that way of that are built out as “Loss leads” and aren't sustainable.

Where Microtransit succeeds and ridership does grow, it requires a *significant investment* in Operating costs to do so.

Rider staff has been examining Microtransit for several years.

Numerous product demos and web meetings from a variety of companies such as Via, RideCo and Pantonium beginning in late 2019, early 2020.

Several pitched pilot/demo products, all in the area of \$50,000 for 6 months

Two (Via and RideCo), agreed to model our data and provide us feedback without paying for a demonstration project first.

#### VIA's 2020 Analysis and Proposal

After looking at our geography and Fixed Route ridership data, Via didn't feel that they could effectively replace our Bus service the way they did in Wilson, NC

What they proposed was to add two Microtransit vehicles, per route, to help expand the footprint of our existing service and feed more people into the Bus system.

Via provided a turnkey rate of \$89/hr./vehicle.

8 routes x 2 new MT vehicles/route = 16 new vehicles @ \$89/hr.

FY 24 Projected Cost, Existing 8 Fixed Routes = \$3,226,264 (\$79.50/hour)

New Via Microtransit service:

40,584 (current 8 FR bus hours) x 2 x \$89 = \$7,223,952

Total 1 Bus/2 MT vehicle model cost in FY 24 = \$10,450,222 (+ \$7,223,758)

#### RideCo's 2020 Analysis and Proposal

Keep 4 Concord routes and CCX as Fixed Route

Convert Brown, Blue and Green Routes in Kannapolis to Microtransit across 1 large zone, using 5-6 vehicles, using three existing Fixed Route 35' buses and three to four new 35' buses or LTVs.

No turnkey cost per hour was provided at the time.

Presented option to replace all of Kannapolis Fixed Routes with Microtransit

Benefits:

- Repurpose Existing Assets

- Lower Wait Times & Greater Coverage

- Guaranteed Rider Base

- Integrate ADA Service

#### RideCo's FY 24 Passengers Per Hour Models and Cost Per Hour

RideCo, as a current partner, did provide a turnkey cost of \$80-\$95/hour.

Curb to curb models (lowest Pass/Vehicle Hour) average 1-4 passengers/hour.

Stop to stop models average 4-6 passengers/hour.

In 2023, Rider Transit Fixed Route buses averaged 8.23 passengers/hour.

Pictorial examples were shown of buses at different times from and different dates of empty buses that change to up to 8 riders within the same 60 minute round.

Operating Cost RideCo's 2020 Analysis and Proposal – Using FY 24 Average RideCo Turnkey Blended Cost Per Hour

FY 24 Projected Cost, Existing 8 Fixed Routes = \$3,226,428 (\$79.50/hour)

FY 24 Projected Cost, Existing 5 Fixed Routes (Concord) = \$2,016,518 (\$79.50/hour)

FY 24 Projected Cost Savings, 3 Fixed Routes (Kannapolis) = \$1,209,910 (\$79.50/hour)

New RideCo Microtransit service (*Kannapolis only*, 6 vehicles):

40,584 (current 8 FR bus hours) x .75 x \$87.50 = \$2,663,325 (+ \$1,453,415, +120.13%)

Total 5 Bus/6 MT vehicle model cost = \$4,679,843 (+ \$1,453,415, +45.05%)

Ms. Berry asked for the maximum seating capacity onboard the current vehicles.

Mr. Weslowski stated that it is 31 plus the standing room.

RideCo's FY 24 Passengers Per Hour Models and Cost Per Hour, Whole Fixed Route Replacement Modeling

Cost = \$80-\$95/hour/vehicle

Curb to curb model = 3-8 MT vehicles per Fixed Route replaced

Stop to Stop model = 2-3 MT vehicles per Fixed Route replaced

Curb to curb = 24-64 vehicles to replace 8 Fixed Route buses

Stop to stop = 16-24 vehicles to replace 8 Fixed Route buses

FY 24 Fixed Route (Current system design) Cost @ \$79.50/hr. of service = \$3,226,428

Stop to stop model, 16-24 vehicles, \$80-\$95 per hour: (+ \$3.267M - \$8.34M)- 16 to 24

MT vehicles x (40,584/8 buses x 2-3) = 81,168 to 121,752 service hours

- Annual operating cost @ \$80/hr. = \$6,493,440 - \$ 9,740,160 (+ \$3.267M - \$6.51M)

- Annual operating cost @ \$95/hr. = \$7,710,960 - \$11,566,440 (+ \$4.48M - \$8.34M)

Curb to curb model, 24-64 vehicles, \$80-\$95 per hour: (+ \$6.51M - \$27.62M)

- 24 to 64 MT vehicles x (40,584/8 buses x 3-8) = 121,752 to 324,672 service hours

- Annual operating cost @ \$80/hr. = \$9,740,160 - \$25,973,760 (+ \$6.51M - \$22.75M)

- Annual operating cost @ \$95/hr. = \$11,566,440 - \$30,843,840 (+ \$8.34M - \$27.62M)

Gastonia Microtransit Service Model Change

7/1/24 – full change over to Microtransit from Fixed Route Buses

36-month contract, do not exceed annual cost caps

More modern, flexible, responsive – 15-minute maximum wait times, curb to curb service.

14 new smaller, less expensive vehicles to replace 6 bus routes.

Old service = 20 sq. miles, new service will cover all 50 sq. miles.

New service operating cost will be about \$10k less, promising a better experience and increased ridership.

Gastonia will provide vehicles, maintenance and a parking facility.

Contractor – River North Transit – is a 3<sup>rd</sup> Party Broker, not a Service Provider

All current Bus Operators, making \$17/hr., plus City benefits and State Retirement, will be let go on 6/30.

New drivers will be Independent Contractors, through a 3<sup>rd</sup> party, making \$20-\$22 (WC accessible vehicles) /hr., but no benefits, manage own taxes.

Customer service will be 3<sup>rd</sup> party, online/phone only.

Contractor determines billable hours (\$40.71, \$42.34, \$44.03 over 3 years)

Contractor can change the rate with notice, but without approval. Gastonia can either agree to pay the higher rate, or cut service to stay under the annual cost cap.

Mayor Hinnant asked if the current Gastonia contract rate is half of what we have been quoted. Mr. Weslowski stated that is correct and our Paratransit rate is in agreement with the RideCo rate.

Mr. Conrad clarified that Gastonia was going to provide the vehicles.

Mr. Weslowski stated that we did not clarify with RideCo who would provide vehicles.

Mr. Conrad stated that if this does not work, Gastonia will have a lot of smaller vehicles and not the buses they need.

Mr. Weslowski stated that they are not immediately getting rid of their buses, they are planning to keep them in the interim.

General Driver training, Customer Service, Safety & Security, Drug & Alcohol Program, ADA Legal and Sensitivity training all lacking or unaddressed.

All marketing, promotions and press must be cleared and approved by the Contractor.

Drivers will bid/select shifts on Sundays for the upcoming week – no guarantee of hours either way (for drivers or the community)

Based off industry standards, curb to curb service with an increase in service of 150% - there should be 30 vehicles minimum to start, not 14 – just to carry what buses do today.

Wilson, NC (pop. 47,731, 23.4 sq. miles), replaced 8 buses with 8 minivans –  
service exploded, *now using 25-30 minivans less than 4 years later.*

Gastonia (pop. 81,161, 50 sq. miles) – plus in Centralina region

Concord & Kannapolis (pop. 166,386, 96.12 sq. miles)

Began on 9/18/23.

The zone covers the portion of the Orange Route severed by the Lincoln Street Bridge issue.

Allows customers to place same day, real time trip requests via RideCo app or Call Center

1 Dedicated vehicle, backed up by Paratransit  
(RideCo plan for the zone was 2 *vehicles*)

Staff will compare ridership at 6 months and 12 months to pre COVID and post bridge issue utilization data.

Pilot will provide local baseline ridership and cost data for potential future Rider Transit Microtransit projects.

Mayor Hinnant asked if there was a merger between CCTS and Rider Transit, would there be enough idle vehicle capacity to utilize the vehicles as Microtransit?

Mr. Weslowski stated that there is probably not. There is a wait list for the Department of Aging program and are utilizing their transportation for only medical trips, not groceries or otherwise, but we could change that with a merger.

Mr. Jackson asked if we have considered taking routes that are not effective and creating a hybrid or transferring those to microtransit.

Mr. Weslowski stated that we have looked at substitution for the brown and green routes, but we would have to decide the number of vehicles needed, and this could be a higher cost.

Mayor Hinnant asked private/public partnership with businesses who are requesting stops providing funding towards the routes.

Mr. Weslowski stated that there have been several local businesses who have made requests for stops, but to date, none have been willing to provide financial support towards transportation.

Mr. Smith and Mr. Weslowski discussed mode shift-moving from one platform of transportation such as Uber to public Microtransit.

Mayor Hinnant stated that most of the current Rider Transit passengers have no other transportation option, but it would be beneficial and make the system more viable if we could attract choice riders.

Discussion among many attendees regarding the Gastonia Microtransit Service Model Change with increased cost and support from elected officials.

#### Rider Transit Microtransit Pilot

The First Three Months – A Snapshot

October ridership was 171, 5.51 ppl/day.

November ridership was 215, 7.41 ppl/day.

December ridership was 218, 7.27 ppl/day.

3 months, 657 hours @ 81.25/hr. = \$53,381.25.

Ave current MT cost/pax = \$92.76.

Ave current Bus cost/pax = \$ 8.24.

#### NCDOT Microtransit Study-Cabarrus County

CCTS led, Rider Transit supported grant application.

Cabarrus County is one of 7 study grants awarded by NCDOT.

100% NCDOT funded.

Benesch, one of our current on call transit planning firms, was selected by NCDOT to lead the project.

Kickoff meeting is scheduled for 3/12/24.

### **Concord Salisbury VA Express (CSVAX)**

Using a PowerPoint, Mr. Weslowski presented.

2021 elimination of the Rowan Express severed access for many Concord, Kannapolis and Cabarrus County residents to access the VA Hospital and associated services in Salisbury.

Rider Transit receives a regular pattern of questions about/requests for service to/from the VA in Salisbury.

We also received a regular flow of questions about service to/from Salisbury and Rowan County in general.

Staff has developed a service concept to reconnect Concord and Kannapolis with the VA in Salisbury

- M-F, 8am-5pm, 4 round trips per day to start
- Express service from the Rider Transit Center to the Salisbury VA via I-85
- Proposed one mid-route stop in downtown Salisbury to re-open access to everyone between the two urbanized areas and counties.

Propose two new smaller vehicles for the project: EVs may be a viable option.

If CKTC concurs, would like to move the concept to both City Councils to request approval to pursue grant money to start the project.

Mayor Hinnant clarified that a local funding match is required.

Mr. Weslowski stated that it is complicated, but there will likely be a local match, we just will not know what the local match percentage will be.

Agreement from Transit Commission Members to further investigate and pursue funding for Concord Salisbury VA Express, but request that a presentation go to the managers, currently Mr. Smith in Concord and Mr. Melton in Kannapolis for initial approval.

### **Rider Bus Stop Amenity Project Update**

Using a PowerPoint, Mr. Weslowski presented.

Phase 1 is underway.

Signage was placed at each location to notify users upgrades are coming soon.

4 of 19 stops are currently under construction.

Mr. Meeks stated that M. H. Graves has begun construction.

### **Reports/Other Business**

- Other Business
- Rider Transit Operations Staffing Challenges-Received a proposal from Transdev Corporate. Local Transdev staff are attempting to get an agreement from the union on the proposal.
- Customer Service Satisfaction Survey Update-First round completed at the end of January. The second phase will be done April 30-May 1<sup>st</sup>.
- 2024 Triennial Review Update-Occurs every 3 years. Review will be the last week of August.
- Busway Concrete-First phase was completed in January with assistance from Concord Transportation Department.
- Transportation Simulation 2.0-At Chamber Awards received acknowledgement of the first Transportation Simulation.
- 2024 NCPTA conference in April-April 5-10<sup>th</sup> at Embassy Suites in Concord for the last of 3 years in Concord.
- Next Meetings – 4/25, 6/27, 8/22, 10/24, 12/19

Mayor Hinnant requested a motion to adjourn. Mr. Jackson made a motion; Mr. Sweat second. Unanimous. With no additional discussion or items on agenda; meeting adjourned at 10:12 am.