

Martha's Vineyard Transit Authority (VTA)

Annual Report



Fiscal Year 2019

July 1, 2018 - June 30, 2019

Agency Overview

The Martha's Vineyard Transit Authority (VTA) provides fixed-route bus and ADA demand-responsive van service to the six towns on the Island of Martha's Vineyard. The VTA was created by the Massachusetts General Laws, Chapter 161B and is funded through local, state, and federal sources.

Leadership

Per MGL Chapter 161B, the VTA is managed by an Administrator, who is appointed by an Advisory Board. The Advisory Board is composed of one representative from each member community, one Rider Community Representative and one Disabled Community Representative:

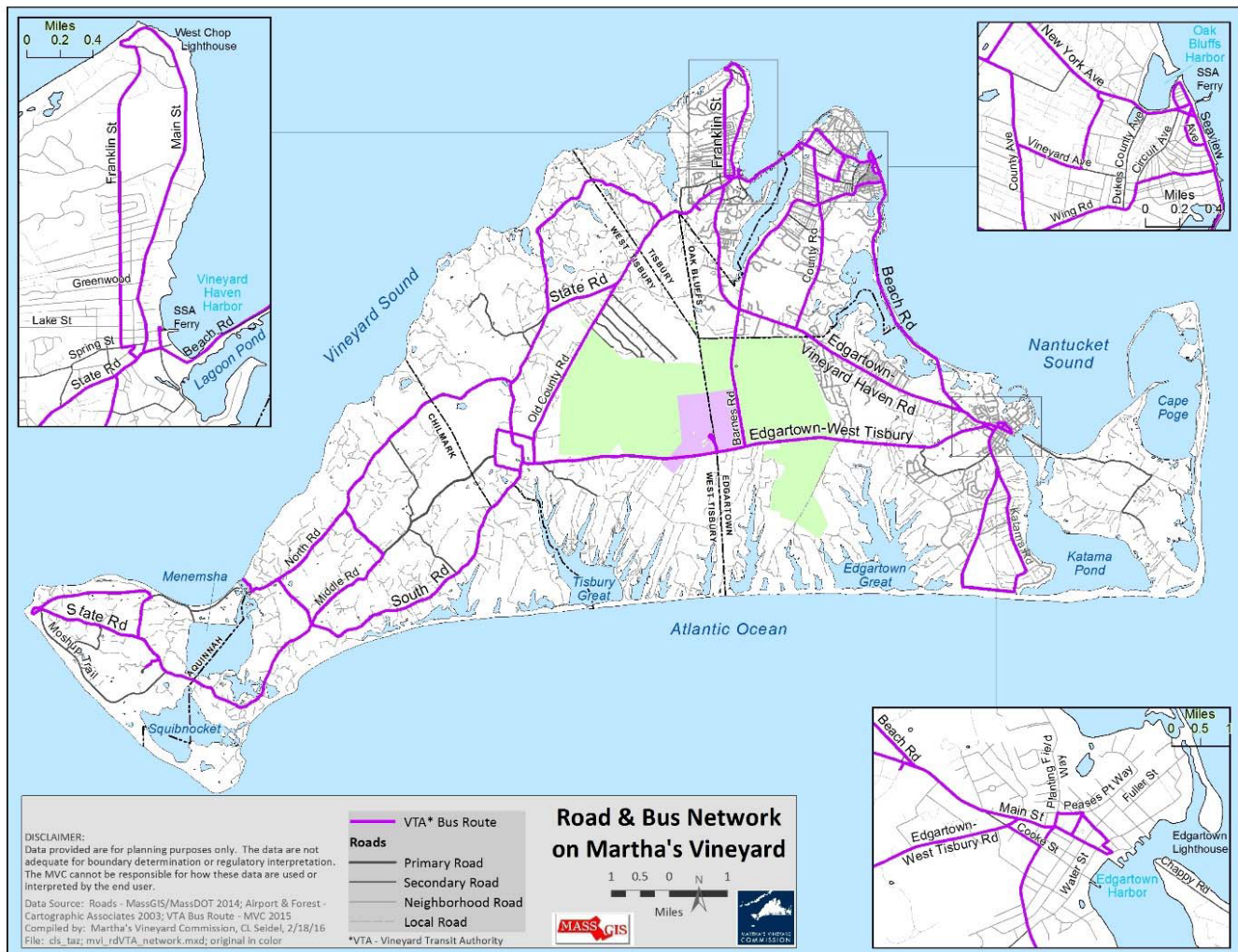
| | |
|-----------------------------------|------------------------|
| Oak Bluffs | Alice Butler, Chairman |
| West Tisbury | John Alley |
| Aquinnah | June Manning |
| Tisbury | Elaine Miller |
| Chilmark | Leonard Jason |
| Edgartown | Louis Paciello |
| Rider Community Representative | Vacant |
| Disabled Community Representative | Vacant |
| Administrator | Angela E. Grant |

Mission

We believe that public transportation is essential to the economic vitality, environmental stability and quality of life on the Island of Martha's Vineyard. We provide safe and secure environment for our customers, community and employees through consistent training, enforcement and allocation of resources. We continuously strive to improve the cost efficiency of our services and approach our financial relationships with integrity and transparency.

Description of Services

The VTA operates twelve year-round routes, plus two additional summer peak season routes and paratransit service in accordance with Americans with Disability Act (ADA). The fixed routes are organized into a hub and spoke system around four hubs, which are located in the Vineyard's largest communities (Vineyard Haven, Oak Bluffs, Edgartown and West Tisbury). With one exception, all VTA routes serve at least one hub. Connecting to and between hubs allows passengers to transfer between routes and increases accessibility to the Island's major services and destinations. The VTA also interlines buses to offer one-seat rides between key destinations. The VTA's annual operating budget for FY19 was \$5.99 million, plus \$1.967 million in capital funds. This investment supports 1.30 million riders and 1.28 million miles of service.



Funding Updates

MassDOT Discretionary Funding Program

Section 74 of the Fiscal Year 2019 Massachusetts Budget created an additional \$4 million of funding for Regional Transit Authorities that (1) provide best practice services and/or (2) seek to initiate, maintain or expand service to a priority population. The VTA applied for this competitive grant and was awarded \$83,500 to restore fixed route service on Routes 1 and 13 during the in-season, which often exceed capacity during peak periods. Service along these two routes will be restored to 15-20 minute headway during peak season. The receipt of the additional funds is contingent on meeting the performance criteria as set forth in the Memorandum of Understanding. The first round of performance evaluations will take place in October 2019.

Advancing Commonwealth Energy Storage (ACES)

In August 2018 the VTA was awarded an ACES grant from the Massachusetts Clean Energy Technology Center (MassCEC) to fund a lithium ion energy storage project. The lithium ion battery storage units will be located at the VTA Operations and Maintenance Facility and will be paired with solar PV to enable the electrified transit fleet to charge in accordance with the fleet's schedule and minimize or eliminate demand charges incurred from charging buses during peak hours.

Service Modifications

The VTA made numerous modifications to the service offering throughout FY 2019, as compared to the previous year. Nearly all of the modifications were reductions of service. These changes were either the elimination of trips or a shortening of the periods during which they run. The reasons were a combination of budget constraints and the results of ridership analysis - complying with MassDOT's directive to eliminate any underperforming service that cannot be reasonably expected to improve to meet performance standards.

Changes to In-Season 2018 as Compared to In-Season 2017 Starting in July

The last Route 4 evening trip was eliminated. The operating period for the previous trip was noted to run June 30 – August 25, 2018 only, instead of April 29 – October 9, 2018. The last Route 5 trip was changed to operate upon request only. Similarly, the last two Route 6 trips were eliminated. All of these trips were originally offered to provide a way to return to up-Island destinations late in the evening during the summer, but they were under-utilized by mass transit standards and have been discontinued. For Route 8, Friday and Saturday service in September and early October after 7:45 pm was eliminated. These trips previously ran every 30 minutes until 10:15 pm. The period for the remaining evening service was shortened to end the last week of September instead of Columbus Day weekend in mid-October. One round trip on Route 10 Tisbury Park-and-Ride was added. The 5:15 AM trip serves the 5:30 AM ferry trip recently added to the Steamship Authority's schedules. The season for Route 11 service was shortened to the end of September instead of mid-October.

Changes to Off-Season 2018-2019 as Compared to Off-Season 2017-2018

Largely due to the differences in traffic delays between seasons, the VTA operated a completely different set of timetables in the Off-Season Winter than the Off-Season Fall and Spring periods. The Off-Season Winter operated December 31, 2018 – March 29, 2019. This was the first time this was done during the Off-Season. The two sets of timetables were presented on the two sides of the VTA's System Route Map publication.

Changes to the In-Season 2019 as Compared to In-Season 2018 for May and June

The extended trips of Route 4 and 5 were further scaled back, with trips that historically ran Fridays and Saturdays (before becoming daily in the peak season) were eliminated for the In-Season Spring. These trips continued to be offered daily in the peak season starting June 22, 2019. The first and last trips of the Route 10A schedule were trimmed. For Route 11, the start of evening service was delayed one week from the last week of June to the first week of July. Much of the VTA's success over the past two decades was founded on providing service to serve potential latent travel demand on the Vineyard. The eliminated trips represented cases where

VTA services were requested, but not used consistently enough to performance standards to warrant the continuation of those particular trips. The selective scaling back keeps available resources focused on the VTA's productive service. The VTA continues to monitor and accept requests for unmet travel needs in the region, and will seek ways to provide these trips if sufficient demand exists. Further service cuts are anticipated for FY 20 in order to fund a collective bargaining agreement, an increase in insurance premiums and an increase in rent from the MV Airport Commission.

Clean Transportation Initiatives

In 2017, the VTA commenced an ambitious project to electrify its transit fleet and fuel the fleet with renewable solar energy and integrated energy storage. This system of locally generated renewables, storage and vehicle charging will create a first-of-its-kind fully integrated, clean, resilient, and flexible public transportation system.

To date, the VTA has made great strides in its electrification project. The VTA has 10 all electric battery buses two six more are slated to arrive in the spring of 2020. The upgraded operations and maintenance facility to support the electric buses will have solar canopies installed this year. In route inductive charging stations are being designed, and the infrastructure has been ordered.

Partnerships & Community Outreach

The VTA continues to partner with the Island's councils on aging, elderly and disabled housing authorities, and schools to provide reduced fare annual passes for the Island's elderly, disabled and youth. Reduced fare passes are available for purchase through the councils on aging and all Island schools. The VTA also offers a Military reduced fare.

For the past 14 years, the VTA has maintained the Island's school bus fleet, saving the school district money and the complications of getting vehicles to the mainland for repair services, as viable and affordable alternatives do not exist in the private sector on the Island.

The VTA leases office space within their building to the Registry of Motor Vehicles (RMV) to operate a local branch for the Island. Every two years, the VTA hosts a boat and recreational vehicle registration event, a joint event sponsored by the RMV and Mass Energy and Environmental Affairs. This event is designed so members of the community can easily obtain proper registration for recreational boats and vehicles without having to travel to the mainland.

The VTA maintains its own fuel island on the property, with above-ground diesel and unleaded fuel tanks. We are the largest consumer of fuel on the Island. We allow other public agencies to fuel at our facility which, with the pooling of our fuel purchases saves tens of thousands of dollars annually for these public agencies: the Martha's Vineyard School District, the Airport, Dukes County Sheriff's Department, several Towns police, fire and highway departments, Island Elderly Housing, the Land Bank and the County. A computerized fuel authorization system allows access for these agencies to fuel twenty-four hours a day.

The VTA property is host to training exercises for MV Tactical Response Team and fire department drills. The VTA has provided vehicles and drivers, as needed, to the Airport so they can coordinate their MCI Drills, as required by FAA. We are a member of the County and all Island Towns' Emergency Management plans for evacuations, transportation and cooling/warming rehabilitation vehicles in the event of an emergency.

The VTA is home to the only Commercial Driver's License (CDL) course. The VTA allows private, as well as other public agencies, to train on and use the course for licensing.

Operational Facts and Figures

Fixed Route

Facts:

| | FY 19 | FY 18 |
|---|-----------|-------------|
| Annual Ridership | 1,305,195 | 1,347,337 |
| Annual Farebox & Other Revenue | 1,666,065 | \$1,683,544 |
| Annual Cost of Operations | 4,695,938 | \$4,425,849 |
| % of Fare Box Recovery of Operating Costs | 35.48% | 38.04% |
| Fleet Size | 32 | 33 |

Fixed Route:

| | | |
|------------------------|-----------|-----------|
| Number of Fixed Routes | 14 | 14 |
| Annual Passenger Trips | 1,305,195 | 1,347,337 |
| Annual Revenue Hours | 67,047 | 68,528 |
| Annual Revenue Miles | 1,097,108 | 1,087,337 |
| Annual Vehicle Hours | 71,025 | 72,905 |
| Annual Vehicle Miles | 1,162,191 | 1,156,742 |

Performance Measures:

| | | |
|--------------------------------------|---------|---------|
| Operating Expense Per Passenger Trip | \$3.60 | \$3.28 |
| Operating Expense Per Revenue Hour | \$70.04 | \$64.58 |
| Operating Expense Per Revenue Mile | \$4.28 | \$4.07 |
| Passenger Trips Per Revenue Hour | 19.47 | 19.66 |
| Passenger Trips Per Revenue Mile | 1.19 | 1.24 |
| Required Subsidy Per Passenger Trip | \$2.32 | \$2.04 |

Fare Information:

Fixed Routes Fares:

| | | |
|-----------------------|--------------|--------------|
| Adult | \$1.25/zone | \$1.25/zone |
| Base | | |
| Elderly | | |
| Fare | \$0.75 | \$0.75/zone |
| Disabled Fare | \$0.75 | \$0.75/zone |
| Under 12 | \$1.25/zone | \$1.25/zone |
| Under 6 | free | Free |
| Student Pass | Reduced Fare | Reduced Fare |
| Incremental Zone Fare | \$1.25/zone | \$1.25/zone |
| Free Fare - describe | 6 and under | 6 and under |

ADA - Demand Response

Facts:

Annual Ridership
Annual Farebox & Other Revenue
Annual Cost of Operations
% of Fare Box Recovery of Operating Costs
Fleet
Size

| FY 19 | FY 18 |
|-----------|-----------|
| 12,298 | 13,160 |
| \$32,384 | \$30,787 |
| \$549,408 | \$584,893 |
| 5.89% | 5.26% |
| 6 | 6 |

Demand Response Statistics:

Annual Passenger Trips
Annual Revenue Hours
Annual Revenue Miles
Annual Vehicle Hours
Annual Vehicle
Miles

| | |
|---------|--------|
| 12,298 | 13,160 |
| 7,321 | 6,776 |
| 106,696 | 85,966 |
| 7,788 | 7,209 |
| 118,551 | 91,451 |

Performance measures:

Operating Expense Per Passenger Trip
Operating Expense Per Revenue Hour
Operating Expense Per Revenue Mile
Passenger Trips Per Revenue Hour
Passenger Trips Per Revenue Mile
Required Subsidy Per Passenger Trip

| | |
|---------|---------|
| \$44.67 | \$44.44 |
| \$75.05 | \$86.32 |
| \$5.15 | \$6.80 |
| 1.68 | 1.94 |
| 0.12 | 0.15 |
| \$42.04 | \$42.11 |

Fare Information:

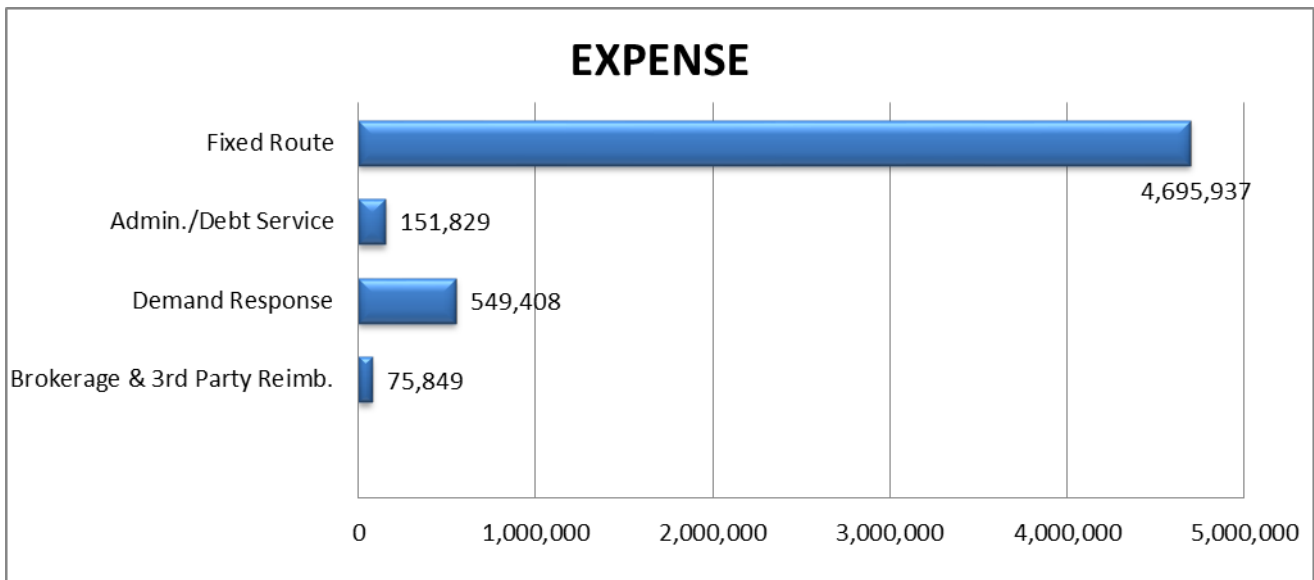
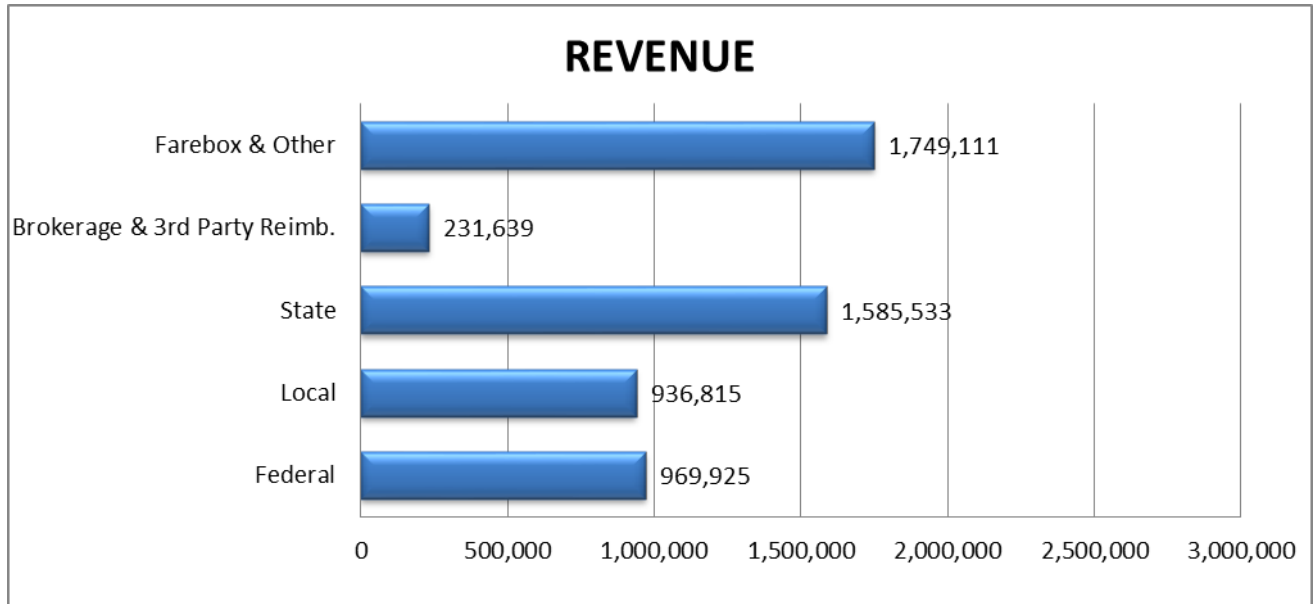
Paratransit:

Elderly
Disabled
Pass Program
Ticket Program

| | |
|-------------|-------------|
| \$2.00/town | \$2.00/town |
| \$2.00/town | \$2.00/town |
| N/A | N/A |
| N/A | N/A |

Finance

Revenue and Expenses



Statement of Net Position

| ASSETS | | 2019 | 2018 |
|---|--|---------------|---------------|
| Current Assets | | | |
| Cash and cash equivalents | | \$ 986,967 | \$ 645,431 |
| Receivable for operating assistance | | \$ 2,020,467 | \$ 1,869,833 |
| Other current assets | | \$ 452,436 | \$ 534,830 |
| Prepaid fuel hedge | | \$ - | \$ - |
| Total current assets | | \$ 3,459,870 | \$ 3,050,094 |
| Restricted & Noncurrent Assets | | | |
| Restricted assets | | | |
| Cash and cash equivalents | | \$ 221,136 | \$ 221,136 |
| Receivable for capital assistance | | \$ 1,442,525 | \$ 4,361,861 |
| Total restricted assets | | \$ 1,663,661 | \$ 4,582,997 |
| Receivable for operating assistance | | \$ 464,195 | \$ 438,784 |
| Capital assets, net | | \$ 15,763,867 | \$ 14,696,379 |
| Net OPEB asset | | \$ 326,777 | \$ 348,950 |
| Total restricted assets & noncurrent assets | | \$ 18,218,500 | \$ 20,067,110 |
| Total assets | | \$ 21,678,370 | \$ 23,117,204 |
| Deferred Outflows of Resources | | | |
| Deferred outflows of resources related to pension | | \$ 174,473 | \$ 53,888 |
| Deferred outflows of resources related to OPEB | | \$ 15,562 | \$ 39,104 |
| Total assets & deferred outflows of resources | | \$ 21,868,405 | \$ 23,210,196 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Accounts payable and accrued expense | | \$ 279,868 | \$ 231,670 |
| Total current liabilities | | \$ 279,868 | \$ 231,670 |
| Restricted and noncurrent liabilities | | | |
| Liabilities payable from restricted assets | | | |
| Accounts payable and accrued expense | | \$ 1,437,623 | \$ 4,036,516 |
| Total liabilities payable from restricted assets | | \$ 1,437,623 | \$ 4,036,516 |
| Other post-employment benefits | | \$ - | \$ - |
| Net pension liability | | \$ 421,760 | \$ 226,827 |
| Revenue Anticipation Notes | | \$ 1,762,820 | \$ 1,500,284 |
| Total restricted and noncurrent liabilities | | \$ 3,622,203 | \$ 5,763,627 |
| Total liabilities | | \$ 3,902,071 | \$ 5,995,297 |
| Deferred Inflows of Resources | | | |
| Deferred inflows of resources related to pension | | \$ 21,132 | \$ 58,003 |
| Total liabilities & deferred inflows of resources | | \$ 3,923,203 | \$ 6,053,300 |
| NET POSITION | | | |
| Invested in capital assets | | \$ 15,763,867 | \$ 14,696,379 |
| Restricted | | \$ 226,038 | \$ 546,481 |
| Other current assets | | \$ 1,955,297 | \$ 1,914,036 |
| Total net position | | \$ 17,945,202 | \$ 17,156,896 |