

**VILLAGE OF DOWNERS GROVE**  
**REPORT FOR THE VILLAGE COUNCIL WORKSHOP**  
**FEBRUARY 12, 2008 AGENDA**

SUBJECT:	TYPE:	SUBMITTED BY:
Transportation Fund	Resolution Ordinance Motion <input checked="" type="checkbox"/> Discussion Only	Cara Pavlicek Village Manager

**SYNOPSIS**

Commissioner Durkin requested a discussion of the Transportation Fund relative to the Grove Commuter Shuttle and the financial relationship to the local circulator study discussion.

**STRATEGIC PLAN ALIGNMENT**

The Five Year Plan and Goals for 2006-2011 identified *Exceptional Municipal Organization*. A supporting objective of this goal is *Financially Sound and Sustainable Village Government*. Further the Vision for 2021 identified that *Convenient Access to the Chicagoland Region* means *A Commuter-Friendly Community*.

**FISCAL IMPACT**

N/A.

**RECOMMENDATION**

Discussion only.

**BACKGROUND**

The Transportation Fund in the municipal budget includes full and part time employees and is classified as a *Special Revenue* Fund. As noted in the Village audit of financial statements, this fund has a deficit balance in its Net Assets, and as a part of the Management Letter from prior years, it was recommended the Village develop a plan or strategy for addressing this deficit balance. In response, staff recommended and Council approved the 2006 re-classification of the Fund from an Enterprise Fund to a Special Revenue Fund, which was the first step in addressing the fund. In addition, in FY07, the Village Council adopted an increase in the gasoline tax of 1 cent per gallon to establish a dedicated funding source for the Downers Grove Commuter Shuttle. At that time, staff had recommended to Council the consideration of the statutory authority of the Village to levy an annual Transportation Tax (which may not exceed 0.03 percent of equalized assessed value of property under Statute) for the purpose of operating, maintaining or improving any local transportation system owned and operated by any village. For units of government that are Home Rule, this tax can be adopted by Council without a referendum. Based upon EAV projections in 2006, this could have amounted to an estimated \$660,000 in revenue for the Transportation Fund and would equal a \$0.03 increase in the tax rate. Staff advised that the transportation tax could be evaluated annually, relative to the long-term viability of the bus system. This alternative was presented to Council in 2006 and was rejected. It has been reported out as part of the FY07 and FY08 budget approval process.

In FY08, the adopted Transportation Fund budget provides \$299,932 in revenue (which includes the estimated gasoline tax revenue of \$184,000). Expenditures in the FY08 adopted Transportation Fund budget are \$464,559 and provide for a negative ending fund balance of -\$1.8M. These monies are due to the General Fund.

It is also noteworthy that in FY07, Council directed that expenses/revenues associated with the taxi subsidy program be moved from the Transportation Fund to the General Fund. As such, the budget for FY08 is consistent with that direction and the primary purpose of this Fund is related to the operations of the Grove Commuter Shuttle which operates within the Village.

As additional background, the following is a summary of the operational details of the Grove Commuter Shuttle and the Taxi Subsidy Program:

The Grove Commuter Bus Shuttle

The Grove Commuter Shuttle has been providing weekday morning and evening feeder service to the Main Street and Belmont Road Metra stations since 1974. There are four fixed routes including the North, West, Southeast and Southwest Routes. There is no service to the Fairview Avenue Station at this time.

These routes also have Pace designations and are included on their system map. The North Route is designated as Pace Route 461, the Southwest as 462, the Southeast as 463 and the West as 464. Six vehicles are necessary to provide the Grove Commuter Shuttle service because the Southeast and Southwest Routes each utilize two buses due to a more frequent schedule while the North and West Routes each utilize one bus.

The North Route operates north of Ogden Avenue and west of Main Street. The Southwest Route provides service for south of the tracks and west of Dunham Road. The Southeast Route serves an area south of the tracks and east of Main Street. These three routes serve the Main Street train station. The West Route operates along Belmont Road, Walnut Avenue, and drops off passengers at the Belmont train station.

Free parking for shuttle riders is available at two Park & Ride locations for the Southeast Route at Fairview Plaza and for the West Route on Belmont Road south of 63rd Street in designated spaces.

One-way tickets may be paid to the bus driver. Monthly and 12-ride passes may be purchased at the Village Hall, through a mail insert or from the bus operators on the first two business days of each month. Costs are as follows:

- One-way ticket: \$2.00
- 12-ride pass: \$18.00
- Monthly pass: \$45.00

The chart below summarizes the Commuter Bus System activities prior to 2006, as reported by the Traffic Advisory Commission (TAC):

Grove Commuter Shuttle Action	Date
Fare increases implemented	Jun-03
Establishment of Local Transportation Subcommittee	Jan-03
Local Transportation Subcommittee Report to Village Council	Jan-04
Fare reductions implemented	Jun-04
Elimination of charter operations	May-04
Establishment of Transportation Advisory Committee	Jul-04
Council commitment to maintain bus system for at least one year after opening of parking facility	Mar-04
Presentation by TAC Outlining Recommendations	Mar-05
Opening of Downtown Parking Facility	Oct-05
Follow-up Report and Presentation by TAC	Nov-05

In addition to the above list, in 2005, the Village submitted an application for federal Congestion Mitigation and Air Quality (CMAQ) funding for three new buses in the amount of \$210,000. This application was ranked at or near the top among all transit service and equipment projects proposed in the Chicago area at that time. Staff's cost estimate of \$70,000 per vehicle was based on a chassis with a 14,000-17,500 pound gross vehicle weight rating. Information from vendors at that time indicated that such vehicles could be purchased for approximately \$50,000 to \$55,000 apiece. Further, the costs to convert the vehicles to a dedicated compressed natural gas (CNG) fueling system were estimated at about \$15,000 to \$20,000 per unit. Discussions with staff at the Regional Transportation Authority, Pace and the Chicago Metropolitan Agency for Planning resulted in expanding the grant to purchasing eight buses at the \$70,000 cost for a total of \$560,000.

By February 2007 the Village entered into an agreement with Pace for the administration of the grant funds. The specification development process began in March and is notable for a few reasons. In particular, the vehicles changed from being fueled by CNG to ultra low sulfur diesel, and the chassis specification was increased to a 23,500 pound gross vehicle weight rating, which is an important cost factor. Although the Village would be operating and maintaining the vehicles, the Village's agreement with Pace stated that Pace would own the vehicles and that they would revert to Pace's use in its regular public transportation services should the Village discontinue service or dramatically alter utilization of the equipment. Consequently, the compatibility of the buses within Pace's existing operations was a prevailing factor during the specification development process. Also notable was that any additional funds provided by the Village over and above the original \$112,000 would be repaid by Pace to the Village based on straight line depreciation in the event Pace recovers the vehicles for their use. On August 21, 2007, the Village Council voted in favor to allocate funds to Pace for the purchase of five new buses, while keeping two of the existing buses in reserve.

The ridership data for the Grove Commuter Service has been tracked for several years by Village staff and the numbers are reported to the Transportation Advisory Commission each month. The total number of customers served has continued to decline since 2001. The average number of daily riders was about 288 in 2001. Ridership dropped to 265 in 2002 (loss of 23 riders), 214 in 2003 (loss of 51 riders), 163 in 2004 (loss of 51 riders) and to about 143 daily customers in 2005 (loss of 20 riders). During the recent discussions on route changes, TAC had the opportunity to hear from many of the riders. On several occasions, riders said the one thing they felt would help increase ridership was a commitment from Village Council on the long term continuation of the Grove Commuter Shuttle. The continued uncertainty has been viewed as a leading reason for riders abandoning the bus service for other options for commuting.

#### Taxi Subsidy Program

The Village's Taxi Subsidy Program are available to Downers Grove residents who are disabled or at least 65 years of age. This program, which was originally implemented in 1975, has recently been expanded through Village staff selling coupons at various assisted-living facilities on a monthly basis. This practice is designed to make the purchasing of taxi coupons easier for Village seniors and disabled residents. Ten dollars worth of coupons cost qualified individuals \$3.00 (equaling a 70 percent discount), and eligible residents may purchase a maximum of 10 coupon sheets per month. These coupons are used instead of cash to pay for taxi service.

There are currently 380 residents who are enrolled in the Village's Taxi Subsidy Program. This amount is expected to increase to approximately 450 enrollees by the end of the year. Approximately 1,500 sheets of coupons are purchased monthly. The table below summarizes the annual revenues/expenses and number of users of the program.

Year	Revenues	Expenses	Net Expense	# of Users
<b>3/31/2007</b>	20,109	35,224	(15,115)	380
<b>2006*</b>	43,363	140,414	(97,051)	574
<b>2005</b>	65,756	200,998	(135,242)	NA
<b>2004</b>	57,957	178,610	(120,653)	NA
<b>2003</b>	50,239	156,107	(105,868)	NA
<b>2002</b>	43,806	128,486	(84,680)	NA
<b>2001</b>	35,880	115,582	(79,702)	NA
<b>2000</b>	34,622	92,657	(58,035)	NA
<b>1999</b>	24,462	75,445	(50,984)	NA
<b>Total</b>	376,194	1,123,523	(747,330)	954

Three taxi companies have been authorized by the Village to participate in the Taxi Subsidy Program. Taxi drivers are aware that the coupons are to be used only by senior citizens and individuals with disabilities. In addition, taxi drivers are required to maintain user logs of individuals submitting coupons. These logs contain information regarding the date of service, the pick-up and drop off locations, and the individual's name. These logs are submitted to the Village on a monthly basis for reimbursement.

Village staff conducted a sample audit of the taxi subsidy user logs. The data gathered from the sample audit indicates the majority of individuals using the taxi coupons are traveling to medical facilities, grocery stores, or local addresses. In addition, the resident names listed on the user logs coincide with the coupon purchase list maintained by Village staff.

Finally, via the Downers Grove Township, another transportation program exists known as Dial-A-Ride, which is a curb-to-curb shared ride service for township residents who are 65 or older and for qualified disabled residents of any age. Service is provided to and from any point in Downers Grove Township and to Good Samaritan Hospital. Service is provided from 8:00 AM to 4:00 PM, Monday thru Friday, excluding major holidays. The fare is \$3.00 for each one way ride.

Before using the service, riders must be registered with the Township office. To register, the rider must have an RTA card. Persons over 65 may apply for an RTA card at the township office and register for Dial-A-Ride at the same time. (Disabled persons under 65 can request an RTA card application from the Lisle Township office.)

Once a rider is registered, reservations for general purpose rides can be made one or two business days in advance. Rides for medical appointments can be made up to a week in advance. A passenger may be accompanied by an escort. The escort does not have to be registered but does have to pay a separate \$3.00 fare.