Caledonia Shared-Ride Transit

Summary:

The Caledonia Shared-Ride Transit is a door-to-door transportation service for the residents of Caledonia, a town located north of the City of Racine, west of the Village of Wind Point, south of the Cliffside Park, and east of the State Highway 31. The Caledonia Shared-Ride Transit replaced the BUS (Belle Urban System) Route 10 operated by the City of Racine Department of Transportation. The BUS route 10 made a big loop around the town, making it difficult at times for people who lived in the middle part of Caledonia to have access to transit service. In efforts to provide better transit service to the residents of Caledonia, a Shared-Ride Transit program was implemented in July 2000. The City of Racine oversees the program, and manages the contracts with Caledonia and the vehicle service provider, Laidlaw.

Description:

The official name of the program is Caledonia Shared-Ride Transit, and is not referred to as a taxi service. (There are no taxi companies in the City of Racine.) The vehicles used for the Shared-Ride Transit consist of a wheelchair accessible mini-bus (like an airport shuttle) and a large 4-door sedan (Ford Crown Victoria).

The Shared-Ride Transit started on July 12, 2000, and is contracted to run until July 12, 2003. There are two ways to ride the Shared-Ride Transit: 1) call for a pick-up, which has a 45-minute response time; or 2) make a reservation. The Shared-Ride Transit runs Monday through Friday from 5:30 a.m. to 7 p.m., and on Saturdays from 7 a.m. to 5:30 p.m., with no service on Sundays and holidays. The fares for the shared-ride transit are as follows: $1.50 per person per ride, $0.75 for senior citizens and disabled persons, $0.50 for transfer from BUS to the Shared-Ride Transit, or free transfer to BUS Route 1 (Greentree) and BUS Routes 2 & 4 (Shorecrest).

The Town of Caledonia does not have its own transit office, and Racine oversees the transit operations in the town. The City of Racine serves as negotiator, mediator and coordinator of the Shared-Ride Transit program, and has a contract with Caledonia (service receiver) and Laidlaw (service provider).

Because the Town of Caledonia was not very receptive to the idea of changing transit services at first, the Shared-Ride Transit program took a long time to implement. The Southeast Wisconsin Regional Planning Commission (SEWRPC) was involved with various planning/transportation studies eight or nine years ago. The commission felt that there could be a better way to service the residents of Caledonia. The idea of a
shared-transit is not new. It was within the past few years that all parties involved agreed on the shared-ride transit service for the Town of Caledonia.

The idea of a shared-ride transit was raised during a brainstorming session of a SEWRPC meeting. It was suggested as an option for the Town of Caledonia. The town was previously asked twice about implementing a shared-ride transit. Several years had already passed when asked the third time about a shared-ride transit in Caledonia; the town came back with an answer of a “maybe”. Once the Caledonia Town Board agreed on the Shared-Ride Transit, and with the help of SEWRPC, the City of Racine transit office sent out (to service providers) for bids. After selecting the contractor with the best hourly prices for the service and a three-year contract, the implementation process began.

The project started in July 1999 when the City of Racine received approval to issue a proposal to the groups. In July 2000, the program was implemented. The program could have been implemented earlier, but it took some time to iron out the contract. Depending on the contract issues, it could take as little as 2-3 months for implementation. For the Caledonia Shared-Ride Transit, the three parties worked well together in ironing out the contract issues.

To advertise the new service, posters and magnets were distributed, information was featured in the town newsletter, and postcards were mailed out. There was a lot of publicity, which consisted of the press and a newspaper story. Various forms of marketing were used to get the information out.

Marketing the Shared-Ride transit is a continual process, where publicity is used at various times during the year to remind residents about the service. One needs to consider that new people are moving in and residents’ circumstances change that driving becomes no longer an option (e.g., losing driver license privileges, illness, aging population), and need public transit.

**User Assessment**

**Customers:**

The Town of Caledonia does not have its own transit services, and the City of Racine Department of Transportation provides the transit services to the residents of Caledonia. The BUS route #10 was based on a fixed 45-minute route, running 10-12 times a day in service for 20 years. Since the BUS route #10 made one big loop around town, those living in the middle part of town had difficulty having access to transit. Due to the big loop, transit ridership on BUS Route #10 was low.
Agency:

The City of Racine Department of Transportation oversees the Caledonia Shared-Ride Transit program. When the Town of Caledonia approved the shared-ride transit program, the City of Racine asked for bids and selected Laidlaw as its contractor. The City of Racine has a contract with Laidlaw and the Town of Caledonia. The program was implemented after the three parties, the City of Racine, Laidlaw, and Town of Caledonia, agreed on the terms of the three-year contract, which included a set of fixed prices for the operation.

Technology Assessment:

Relative Benefits:

One of the main advantages of the shared-ride transit program is that the premium service provides transfers into the fixed route transit system. The trips are quicker than before, and due to the door-to-door service, there is a better coverage area. In addition to a wider coverage area, there is flexibility, convenience, and more direct transportation available in town.

Trial process:

The City of Racine did not oppose the idea of providing a Shared-Ride Transit for the Caledonia residents. There was no cost to the City of Racine for instituting the Shared-Ride Transit program. As long as there were zero expenses to implementing the program, there was no problem with providing the service.

When the contract expires on July 12, 2003, it could be that transit services will no longer be provided in Caledonia. The town will decide on the fate of the program by May 2003. It is unfortunate that the expiration of the contract coincides with the state budgetary problems. Had it not been for the budgetary problems, it was highly likely that the Town of Caledonia would have continued the Shared-Ride Transit program after July 12, 2003.

Observability:

From the start of the program, the ridership and revenues were monitored. Laidlaw had to provide numbers, a detailed breakdown of miles run and hours worked on a monthly basis. It was relatively easy to see the program results by looking at the ridership numbers. (One advice to anyone interested in starting a shared-ride transit is to have the contractor provide detailed information on a timely basis.)
Initially, as expected, the ridership decreased after the transit service transitioned from the BUS #10 to the Shared-Ride Transit. Over the three-year period, after the initial dip in the ridership, the ridership increased and then later stabilized.

The shared-ride transit averages a couple of trips an hour. Before the change from bus to a shared-ride transit, ridership for the year 2000 averaged 1100 riders a day. For the last 6 months of year 2002, shared-ride transit ridership averaged 1260 riders a day. (The ridership is based on a survey from those paying by cash and using token, passes, and free transfers.) For January 2003, shared-ride transit had 1316 riders a day.

**Complexity:**

The Shared-Ride Transit is a specialized service for the elderly and the disabled who needs door-to-door service. The Shared-Ride Transit is available door-to-door when transit services are available to the general public. If the program ceases to exist come July 2003, the door-to-door service for the elderly and the disabled will also be terminated as well. At this point, there are no alternatives for Caledonia when the shared-ride transit program ends in July 2003. However, final decisions are further pending.

The disadvantages of a shared-ride transit compared to a regular transit service are minimal compared to the benefits: 1) shared-ride transit costs more, 2) shared-ride is not a solo trip, and 3) other people are picked up along the way.

It took 5-6 years to approve the project, and the shared-ride transit was approved because Caledonia came back to Racine with changed attitudes toward shared-ride transit. If a town/city is unwilling to change, implementing a shared-ride transit could get complicated. Such a program could only get implemented if the town/city has the potential for change.

It would not take that long to implement the same program in another city. The implementation time will depend on the availability of the carriers (vehicles). There is about 60-70 of the shared-ride transit programs in Wisconsin.

**Cost:**

The Town of Caledonia was able to take advantage of the “Congestion, Mitigation Air Quality” (CMAC) program due to its location. The CMAC grant is applicable from Sheboygan to Kenosha. Because Racine/Caledonia is located in an ozone non-containment area, the town applied and received a CMAC grant. Federal and state subsidies, and fare revenue supplant the shared-ride transit program in Caledonia. Due to the federal assistance, Caledonia’s share of the costs was reduced. Federal money provided $20,000 a year for three years. Federal assistance will end on July 12, 2003,
which coincides with the end of the contractual period between Racine, Caledonia, and Laidlaw.

The City of Racine, the Town of Caledonia, and Laidlaw agreed on a three-year contractual period, where Racine bills Caledonia quarterly, and pays Laidlaw on a monthly basis. Laidlaw’s implementation costs consisted of obtaining the vehicles and providing training to the drivers. As for the City of Racine, it did not really cost the city anything, except for the time involved to get the bids and implement the plan. Since the Caledonia Shared-Ride Transit falls under the City of Racine’s Department of Transportation umbrella, the city pays for the marketing of the program.

As for the actual costs of the program (cost of running a shared-ride transit on a hourly system):

- Year 1: $35.68/hr
- Year 3: $37.85/hr

On a weekday, the two vehicles used for the Shared-Ride Transit average 25.5 hours. For Saturdays, the one vehicle averages 10.5 hours. For the year 2000, the cost per mile was $4.26, and ran 22,000 miles. Caledonia paid 16% of the costs.

To implement the same program in another city, the operating cost could total $270,000 a year at the rate of $37.85 per hour. To implement a brand new system in another town/city, there will be additional costs of time. (It can be time consuming to iron out all contractual issues and get the right proposal to fit into a community.)

**Consequences of Failure:**

There was a concern for failure. The City of Racine had a contract for three years, and Laidlaw had a cancellation clause. It was agreed upon that a cancellation of the program will provide Laidlaw with a lump sum after the first year, smaller lump sum after the second year, and a lesser lump sum after the third year. All parties involved recognized that the program may not be well received, but everyone was also committed to the three-year plan to make it work. A longer-term commitment provides a sense of security to the public that the program is dependable. The Town of Caledonia also had a positive clause in the contract where the town could cancel the program and have their regular transit services restored. However, no one envisioned budgetary problems that could end the program all together when the contract expires in July 2003.

**Implementation Issues:**

As the mediator/negotiator/coordinator, the City of Racine was very attentive to the concerns of the contract, and maintained an active communication with the contractor. Mr. Glasheen advises, “don't just set up a contract and forget about it, deal with the contractor.” One should not just set up a contract and walk away, and assume
everything will work out. One has to maintain a constant communication with all concerned parties to ensure that the contract will be carried out accordingly. To ensure the populace knows about the new program, a lot of publicity is necessary. In addition to a lot of publicity, "do price it reasonable."

Once the program is implemented, there will be changes in the ridership at first. There will be a small dip in the ridership, and then the numbers will improve. Eventually, the ridership will stabilize. The stabilization of the ridership will signify a positive sign that the program was able to have found its riders and keep them. For a new town or small community, it is advisable that they do a lot of research and they check with other shared transit cities. Mr. Glasheen asserts, "don't reinvent the wheel...do copy and tailor [the program] to one's circumstances." All issues and concerns should be addressed in the contract. If one is looking for a longer-term commitment, include it in the proposal. One needs to keep in mind that for a one-year deal, the community/town will be paying for the full price of the vehicles. One-year is a very short time to have a return on its investments. A three-year commitment will even out the costs over the years.

Surveys were not conducted since the implementation of the program. However, people do vote with their pocketbooks, and it is evident the increasing number of riders is a positive sign to the satisfaction of Caledonia's residents.

The Town of Caledonia was not receptive to the idea of changing transit services. The town had to change their thinking first. The town had to accept the idea that perhaps switching from bus service to a shared-ride transit will improve access for the Caledonia residents. In addition to getting the town’s approval, the town has to be a particular size in order to operate a shared-ride transit. A shared-ride transit will not work in Racine because there are 5000 transit riders a day. There are 370 hours of service on a weekday in Racine. Racine has too many riders to efficiently operate a shared-ride transit.

As for the future of the City of Racine, one of four phases of the future transit center will be completed at the end of this year. The City of Racine is the only city to have both the fixed-route and shared-ride services under one umbrella. Usually small towns have the shared-ride transit service under one umbrella by itself. Due to budgetary constraints, it will be unfortunate that the shared-ride transit service will no longer be provided to the Caledonia residents when the contract expires in July 2003. It will be interesting to examine the effects and assess residents' opinions after the program ends.
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