



Broome County Transit Keep It Public

Keep Broome County Transit Public



Broome County is reportedly considering the privatization of its bus system. Where transit privatization schemes have recently been tried in New York State and elsewhere, the experiments have failed miserably, literally leaving passengers stranded in the cold.

Amalgamated Transit Union (ATU) Local 1145 strongly urges Broome County to reject proposals to contract out bus operations. As the largest union representing transit workers in the United States and Canada, we have unfortunately witnessed firsthand what happens when corporate greed mixes with the mobility needs of riders: transit passengers always lose.

Instead of shrinking service through privatization, Broome County should move to give our local economy a boost by growing our bus system and linking it with other transportation networks in neighboring counties.

Regrets, They've Had A Few – Painful Lessons in Bus Privatization in NY State

Nassau County – A Valuable Lesson



Annual revenue issues at Long Island Bus (part of the Metropolitan Transportation Authority network) led Nassau County to contract out its entire operation to Veolia Transportation, a French conglomerate, in January of 2012. Just six weeks after taking over, Veolia, which had promised Nassau that it could do the work better and cheaper than MTA, slashed service.¹ Within two months the company publicly announced \$7 million in route and service cuts for the renamed Nassau Inter-County Express (NICE) service. Veolia has also had trouble serving disabled riders. Both the County and the State had to kick in millions more just to ensure a reduced level of service.²

Eighteen months into the privatization experiment, Veolia has run the system into the ground. Nassau bus riders were far less satisfied with NICE service in the first quarter of 2013 than immediately after the private operator took over the system, a new report shows. Overall **customer satisfaction dropped 18 percentage points - from 47 percent to 29 percent** - in the first three months of this year compared to the same period in 2012, according to NICE survey findings.

Other key performance indicators also plunged, according to the survey. Twenty-nine percent of riders felt buses ran on time, compared with 42 percent a year ago; 23 percent said bus stops were clean, versus 49 percent; and 18 percent said the buses themselves were clean, a sharp drop from 48 percent in 2012.³

Not Very “NICE” At All - Customer Survey

	2012	2013
Satisfied overall?	47%	29%
Buses clean?	48%	18%
Bus stops clean?	49%	23%
Buses running on time?	42%	29%

Compares first quarter 2013 to same period in 2012. Percentages refer to “yes” responses.

1 NICE to Trim Service. Newsday, February 17, 2012.

2 Nassau bus hits a bumpy road; Even with service cuts, private operator needs \$7M more. It's a valuable lesson. Newsday, August 9, 2012.

3 NICE ratings plunge; Rider satisfaction falls, Nassau bus survey finds; Decline for operator that took over last year. Newsday, August 14, 2013

Closer to Home: Bus Privatization Fails Again

Upstate New York communities near Broome County have experimented with bus privatization as well, and they too have had their regrets. Similar to Nassau County, a familiar pattern has emerged: private companies make lofty promises about delivering better service at lower cost. But in the end, transit dependent people get stung by increased fares and inferior service.

If Nassau County lawmakers had taken the time to see what another foreign corporation -- First Transit of the United Kingdom -- had done in **Schuyler County**, perhaps they would have realized that Veolia's promises were too good to be true. In July of 2008, First Transit Inc. began operating buses directly for Schuyler County. **Less than two weeks later, fares for riding the buses went up a staggering 80% percent.**⁴ First Transit increased monthly fares to \$130 and single trips to \$5. The fares had been \$72 and \$3.

In addition to raising fares, Schuyler County was forced to eliminate its bus route from Alpine Junction to Ithaca. Transit dependent riders notified legislators at public hearings that this route was already overcrowded, with riders having to stand for many miles. The county's local share under First Transit turned out to be \$100,000 through the end of the year, double what the county had anticipated.

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— Consolidated Area Transit (TCAT) Director Joe Turcotte

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By the end of 2008, Schuyler looked to neighboring Tompkins County for help. “Schuyler County contacted us to see what we could do,” said Tompkins Consolidated Area Transit (TCAT) Director Joe Turcotte. **“They were under a contract with another private provider that was really raising their rates and they no longer could afford it. So it’s either we were able to help them or they wouldn’t have had a service at all.”**⁵ In 2009, TCAT worked to extend routes into Schuyler County to pick up riders in Odessa, Montour Falls and Watkins Glen.

Less than two years later, Schuyler had finally learned its lesson. In June of 2010, County legislators authorized a contract with The Arc of Schuyler to operate a public bus system, to be known as Schuyler County Transit.⁶

In fact, First Transit has left its mark all across the Upstate region and the Southern Tier. Earlier this year, **Chenango County lawmakers had to authorize an additional \$70,000 in state reimbursements to First Transit for transportation services at the end of last year in order to cover a budget shortfall. In 2010, the year-end additional funding was \$250,000.**⁷

The same scenario played out in Elmira just two years ago, and again it was First Transit at the center of the action. In order to accommodate their private contractor, the **Chemung County** Legislature was forced to approve bus fare increases for the county transit system. The cash fare went from \$1.25 to \$1.50. The senior/disabled fare went 50 cents to 75 cents. First Transit said that fares had to be increased to maintain riders' share of system costs.⁸

4 Schuyler OKs bus fare hike. Star-Gazette (Elmira, New York), July 15, 2008.

5 TCAT ridership grows in '08. The Ithaca Journal, December 23, 2008.

6 Schuyler County to start bus system. The Ithaca Journal, June 16, 2010.

7 Public transit budgets difficult to predict. The Evening Sun (Norwich, New York), January 7, 2013.

8 Legislature OKs transit fare hike. Star-Gazette (Elmira, New York), July 13, 2011.

Upstate NY Case Studies: Think Regional, Keep it Public

Broome County is of course not the first Upstate community to face financial challenges in the past few decades. But other counties faced with difficult choices with respect to public transportation services have found that the best way to preserve high quality, safe, convenient, and affordable bus services is **NOT** to privatize.

Utica – Up and Running Again



Utica has undergone serious financial strains in recent decades, and by 2005, the Utica Transit Authority was in danger of ceasing operations. In fact, the local municipal transit operator was near bankruptcy. In addition, Oneida County lost federal transit revenue due to the re-categorization of the City of Rome (outside of the Federal Urbanized Area). Privatization was strongly considered. However, Utica chose a different route. The Oneida County Executive contacted the Central New York Transportation Authority (Centro) to formally request a study on the possible merging of operations into the Syracuse-based system. The 1970 legislation that created Centro allowed it to expand into neighboring counties, including Oneida. Opting in required a one-time \$2.7M capital infusion, and two ongoing operations requirements: levying a mortgage recording tax (1/4 of 1%) and matching a portion of state operating assistance.⁹

Centro of Oneida began operations in 2005 with the acquisition of the Utica Transit Authority and VIP Transportation in Rome. All of the former UTA and VIP buses were reconditioned with digital destination signs, upgraded air conditioning systems and new fare collection equipment. All buses are wheelchair accessible. The system is now financially stable and running well.

Tompkins County – A National Model



Twenty years ago, transit service in Tompkins County was fractured between buses provided by the City of Ithaca, Cornell University, and Tompkins County. Service was limited to weekdays and very little Saturday service. Following a comprehensive study, Tompkins County Area Transit (TCAT), a private, not for profit corporation was launched fourteen years ago as a joint public transportation venture between the City of Ithaca, Cornell University and Tompkins County. The routes were expanded to add service on Sunday and expand what was offered during the rest of the week. The new service, which eliminated some of the less popular routes and cut the length of some of the longer routes, was created with input from residents collected at public meetings.¹⁰

Recently, for the sixth consecutive year, TCAT broke ridership records: 4.13 million rides in 2012, up 4.7 percent from 2011; more than 40 rides per person in Tompkins County. Only the New York MTA had higher rides per capita in New York. And so far in 2013, ridership is up another 10%.

Faced with a floundering transit system in the 1990's, Tompkins County took the right steps, and now their system is highly successful. In fact, TCAT was recently named the 2011 Outstanding Public Transportation System in North America by the Washington, D.C.-based American Public Transportation Association (APTA). TCAT won in its category (under 4 million annual trips).¹¹ About 10,000 workers rely on TCAT to get to work at least once a week.

⁹ Regional Organizational Models for Public Transportation. TCRP Project J-11/ Task 10. Transit Cooperative Research Program, January 2011.

¹⁰ TCAT kicks off its latest service plan. The Ithaca Journal, August 23, 1999.

¹¹ TCAT Celebrates Major Victory. <http://www.tcatbus.com/news/story/tcat-celebrates-major-victory.html>, July 1, 2011.

Major Regional Transit Study Ongoing: But Where is Broome?

During the past year, the Ithaca-Tompkins County Transportation Council has been conducting a comprehensive regional transportation study, incorporating data, information and input from representatives of transit systems, health and human service agencies, colleges and universities and county departments into a framework for a system that could improve mobility options for persons within the seven county area of Tompkins, Chemung, Schuyler, Seneca, Cayuga, Cortland and Tioga Counties.¹² These seven neighboring counties north and west of Broome are on schedule to move forward with a proposal which could result in the priority Elmira-Ithaca-Cortland-Syracuse corridor **and a possible route to Binghamton.**

This regional approach by the metropolitan planning organization to our west makes sense. Thousands of people commute to and from Broome County on a daily basis, and since we have no regional transportation authority in place, the overwhelming majority of these people are traveling by car, wasting money on fuel and spending far too much time on the road.

Commuting from Broome County to other counties
Tompkins: 400
Cayuga: 130
Cortland: 600
Onondaga: 415
Tioga: 3,370
Total: 5,045

Commuting into Broome County
Chemung: 240
Chenango: 2,090
Cortland: 535
Delaware: 645
Onondaga: 215
Otsego: 365
Susquehanna, PA: 3,750
Tioga: 6,560
Tompkins: 305
Bradford, PA: 605
Wayne, PA: 135
Total: 15,445¹³

Southern Tier Transportation Authority – The Time is Now

Rather than shrinking service through privatization, Broome should be thinking about growing service as they did in Utica in 2005 and Tompkins in 1999. Utica's choice was made somewhat easier with the option to fold operations directly into the nearby existing Central New York Transportation Authority. However, given the strength and national prominence of TCAT to our immediate Northwest, lawmakers should give consideration to creating a *Southern Tier Transportation Authority* to encompass Broome, the seven counties involved in the Ithaca-Tompkins County Transportation Council's regional transportation study, as well as Chenango, Delaware and Otsego.

In addition to Centro, other current regional transportation authorities in New York State include the Capital District Transportation Authority in Albany, the Niagara Frontier Transportation Authority in the Buffalo region, and the Rochester - Genesee Transportation Authority in Rochester.

There are many significant benefits that could originate from the creation of a regional transportation authority (RTA). Most importantly, it would maximize federal transit funding. In addition, such an RTA

¹² http://www.tompkins-co.org/itctc/RTS/indexRTS_projectsite.html

¹³ 3-year American Community Survey (ACS) Data, 2006-2008.

would address regional travel needs, improve regional planning and create administrative and operating efficiencies. Other areas that have moved to regionalize have cited:

- More efficient and effective service at affordable fares.
- More effective regional planning for public transit from comprehensive plans addressing transit operations and investment needs.
- An increased ability to address transportation problems that are regional in nature, such as traffic congestion or air quality.
- The ability to create dedicated local funding sources, ensuring that there will be adequate matching funds for state and federal funding sources.
- Operational and administrative efficiencies from coordination of duplicative transit services and administrative functions.
- Improved efficiency and effectiveness in grants administration.

Climate Change Impacts



In 2011, the City of Binghamton put considerable time and resources into its Energy and Climate Action Plan, a visionary document intended to “put Binghamton on a path to a healthy future that preserves and enhances our quality of life for residents, visitors, workers, businesses and institutions.”¹⁴ Without question, we need to do our part to reduce our carbon footprint and enhance the quality of life of our citizens, now and in the future. One key objective in the plan is to reduce transportation emissions through greater fuel conservation and efficiency. The study notes that approximately 885,499 miles are traveled by vehicles within the City every day. “This travel uses fossil fuels, which causes transportation to account for about a third of all emissions produced in the City of Binghamton,” according to the plan. Binghamton therefore called for promoting and facilitating commuting by walking, biking, carpooling, and public transit instead of private cars.

Now, just two years later, Broome County is considering a transit privatization scheme that will have the opposite effect. As we have seen across the State and indeed throughout North America where cities have contracted out transit, private companies quickly cut service by eliminating unprofitable routes, reducing hours, and raising fares. All of these actions cause customer dissatisfaction and ridership loss, which of course reduces the number of buses that systems operate during peak hours and cuts into vehicle miles traveled. If we plan to carry out the laudable goals of our climate action plan, bus privatization is certainly not the way to move forward.

Privatization = Poor, Shrinking Service Regionalization = Mobility Options, Growing Economy

When transit systems privatize operations, they lose control of their ability to respond to riders’ concerns about quality of service issues. Just ask the people in Nassau and Schuyler Counties about their recent experience with the foreign companies that have driven service in their areas into the ground. Moreover, no one in the

14 http://www.binghamton-ny.gov/sites/default/files/files/ECAP%20FINAL%202011_12_01.pdf



private sector would contract out a crucial internal operation without knowing the full scope of management issues. The public sector deserves the same respect. Private firms don't typically contract out work that involves their core customer base directly nor do they give control of their capital equipment to outsiders. For contracting out to work in public transit, that is precisely what is required.

Lower wages and reduced benefits are the game plan of private transit providers, leading to dissatisfied workers. This culminates in major turnover issues, resulting in training problems, safety issues, etc.

Hidden costs involved in transit privatization, including the cost to retrain workers, and monitor contractors are all part of the downside when transit service goes private. Finally, the competitive environment purported to exist is difficult to maintain as just a handful of private companies provide transit service. Huge foreign corporations have absorbed small private providers, leaving few major players left (Veolia and First Transit dominate the bus side). As such, these companies have actually created a monopoly of their own, with no incentives to provide high quality service and no accountability. They are motivated only by profit rather than the provision of quality, affordable service for people who rely on transit.

Broome County residents deserve better. Many of us who take the bus every day to work are transit dependent. Others would love to save money at the pump and ride the bus instead of driving, but Broome County and its neighboring counties do not provide adequate transit options. The time is now for the Southern Tier to consider regionalizing services so that we can provide mobility to our citizens and get our economy back on track.

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