



**City Council Workshops
March 30 & 31, 2009
Agenda**

Monday, March 30, 2009

5:00 p.m. – Dinner

5:30 p.m. – Budget Workshop

Tuesday, March 31, 2009

5:00 p.m. – Dinner

5:30 p.m. – Budget Workshop

Joint Lewiston-Auburn City Council Workshop

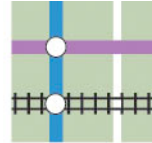


Lewiston City Hall
City Council Chambers
Wednesday, April 1, 2009
6:00 p.m.



AGENDA

1. Presentation from the Lewiston Auburn Transit Committee regarding the consultant's report on the transit bus system
2. Presentation regarding the Auburn-Lewiston Airport True Market Study
3. Discussion regarding other joint agency budgets



March 27, 2009

MEMORANDUM

To: Marsha Bennett
From: Tom Crikelair
Subject: Highlights from *citylink* Transit Plan
CC: LATC Transit Committee

This memorandum presents highlights from the ongoing 2009 study, *An Evaluation of the Fixed-Route Bus System in Lewiston-Auburn*. This interim synopsis is designed to provide information to municipal officials as they make budgeting decisions for the coming year.

Scheduling Problems and Unmet Needs

The study has identified scheduling problems that need to be fixed to allow buses to match published timetables. It has also identified opportunities to increase ridership and productivity by adjusting routes to address unmet community needs.

Buses run late in part because of increased traffic delays, and in part because more people are using the transit service. For example, the College Street bus is delayed because it must wait for large numbers of riders to get on and off the bus. Late buses lead to missed connections and skipped trips, as bus drivers struggle to get back on schedule.

In addition to fixing scheduling problems, the transit plan proposes route changes that will meet unmet needs in both cities. It adds new transit access for the following locations:

- Bates Street Senior Apartments
- B Street Community Center
- Hillview Apartments
- Montello School and Geiger School
- Multipurpose Center
- Webster School neighborhood (Hampshire, Goff, and Dennison Streets)
- Auburn Mall Apartments
- Androscoggin Valley Apartments
- Little Canada
- Franco American Cultural Center

The plan offers area residents improved access to supermarkets and retail centers on both sides of the river. It provides better options for commuters, including a new direct link between New Auburn and downtown Lewiston. It adds limited Saturday service to give working people without cars access to weekend shopping. And it suggests ways to improve service for the following locations:

- River Valley Apartments (Tall Pines)
- St. Mary's Hospital
- Bates College
- Central Maine Community College
- Lewiston-Auburn College
- Barker Arms Apartments
- Roak Block Apartments

New Auburn Transit Hub

The transit plan envisions a new transit hub on Spring Street in Auburn, alongside the Hannaford supermarket. This will require a cooperative effort involving the city of Auburn, MDOT, and Hannaford Brothers. FTA funds are available for this purpose.

A Spring Street hub will provide direct access from Auburn neighborhoods to the Hannaford supermarket. It will result in needed improvements for Downtown Shuttle riders from both cities. Citing the lack of a designated bus stop at the Spring Street supermarket, a resident of Auburn wrote in a recent letter to the transit committee: "People should not be expected to stand out there holding their bags as they wait for the bus to come."

High, Medium, and Low-Cost Scenarios

The plan provides three sets of service design choices that are summarized in Figure 1. The projected increase in operating costs for the three scenarios is shown in Figure 2.

A possible new shuttle service for the Multipurpose Center, St. Mary's Hospital, and Bates College is not included in the three scenarios, but is instead presented as a separate option. The city of Lewiston may be able to work together with St. Mary's Hospital and Bates College to fund a new free downtown shuttle to serve the hospital, the college, and the B Street neighborhood. One bus could serve this route every 20 minutes. If the shuttle runs from 9:00 a.m. to 4:30 p.m., it would cost approximately \$100,000 per year, with an annual local share cost of about \$50,000.

Figure 1 *Three Scenarios for Lewiston-Auburn Transit Service*

<i>ROUTE</i>	<i>Option A LOW COST</i>	<i>Option B MEDIUM COST</i>	<i>Option C HIGHER COST</i>
<i>Main Street</i>	60-minute headways, add Montello and Geiger Schools	Same as Option A	Same as Option A, but add a 6:15p departure from Oak Street
<i>Sabattus Street</i>	60-minute headways, add service to Hillview	Same as Option A	Same as Option A, but add a 6:15p departure from Oak Street
<i>Lisbon Street</i>	60-minute headways	Same as Option A	Same as Option A, but add three evening trips, with a 9:10p pickup at LA College
<i>College Street</i>	60-minute headways, 7:15a to 6:10p, interlined with Shopper Shuttle	Same as Option A, but start one hour earlier, at 6:15a	Same as Option B, but add three evening trips, with a 9:07p pickup at CMCC
<i>CMMC / Shopper Shuttle</i>	New 30-minute shuttle linking Wal-Mart with CMMC and other mall locations	Same as Option A, but start one hour earlier, at 6:30a	Same as Option B, but add three evening trips, with a 9:07p pickup at CMCC
<i>New Auburn / Auburn Malls</i>	60-minute headways, new direct link between New Auburn and downtown Lewiston, add Webster School neighborhood and Auburn Mall Apartments, interlined with Shopper Shuttle	Same as Option A	Same as Option A, but add a 6:45a trip from New Auburn to Lewiston, and a 6:15p departure from Oak Street
<i>Minot Ave / Mountain Ave</i>	No <i>citylink</i> service, Pathways served by WMTS	Hourly midday service for Minot Ave and Mountain Ave	Same as Option B, plus commuter trips to Auburn industrial sites
<i>Downtown Shuttle</i>	Uninterrupted service, 7:45a - 5:10p	Uninterrupted service, 7:15a - 5:40p	Uninterrupted service, 7:15a - 6:10p
<i>Saturday Service</i>	No service	Two buses, 9:00a to 4:15p	Two buses, 9:00a to 4:15p

Figure 2 *Projected Increased Costs for LATC Services*

<i>ROUTE</i>	<i>Option A LOW COST</i>	<i>Option B MEDIUM COST</i>	<i>Option C HIGHER COST</i>
<i>Uninterrupted midday service</i>	49,110	49,110	49,110
<i>Main Street</i>	2,515	2,515	15,090
<i>Sabattus Street</i>	2,515	2,515	15,090
<i>Lisbon Street</i>	0	0	44,013
<i>College Street</i>	51,558	64,133	108,145
<i>CMMC / Shopper Shuttle</i>	Covered by College Street and Auburn Malls buses	Covered by College Street and Auburn Malls buses	Covered by College Street and Auburn Malls buses
<i>New Auburn / Auburn Malls</i>	8,803	8,803	22,635
<i>Minot Ave / Mountain Ave</i>	0	100,600	135,810
<i>Downtown Shuttle</i>	5,030	17,605	23,893
<i>Saturday Service</i>	0	40,240	40,240
<i>Total Cost</i>	119,531	285,521	454,240

Ridership, Fares, and Medicaid Passes

The plan identifies projected increases in ridership and fare box revenues. It suggests that the single-ride cash fare should remain \$1.25, that multi-ride tickets should be priced at \$5.00 instead of \$6.25, and that monthly passes could increase from \$30 to \$35.

The plan highlights the potential benefits of a Medicaid Transit Pass program for Lewiston and Auburn. The *BAT Community Connector* in Bangor sells about 800 Medicaid passes a month, generating more than \$350,000 a year in transit revenue. This is more than three times the combined fare box revenues generated by *citylink* buses. Medicaid passes save federal and state taxpayer dollars, while providing greatly increased mobility for low-income residents. In Bangor, Medicaid passes have also resulted in large increases in ridership and system productivity.

Comparisons with the Bangor transit system are useful because they can provide measures and targets for improving the Lewiston-Auburn service.

- The Bangor system serves six municipalities with a combined population of 63,572. The combined population of Lewiston and Auburn is 58,937.
- Bangor communities provide \$679,664 in municipal funding for their transit program, which amounts to \$10.69 per capita. Lewiston and Auburn provide \$260,000 in municipal funding for transit, which amounts to \$4.41 per capita.

- The Bangor system provides 814,643 rides a year, at a municipal-share cost of \$.83 per ride. The LATC system provides 233,306 rides a year, at a municipal-share cost of \$1.11 per ride.

Service design improvements will result in increased community benefits, increased ridership, and increased productivity. These improvements are reflected in projected increases in system ridership and projected decreases in municipal subsidy per ride.

Future subsidy requirements depend on operating costs, ridership, productivity, and the availability of federal subsidies. Financial projections developed for the transit study assume that enough FTA funding will be available to cover half of all operating deficits. Ridership projections suggest that without a Medicaid pass program, transit usage should increase between 25% and 70%. The local-share cost for each city is projected to increase between \$26,000 and \$102,000, as shown in Figure 3.

Figure 4 shows that a moderately successful Medicaid Transit Pass program (between 200 and 300 passes) should result in ridership growth of between 46% and 101%, and increased local costs of between \$7,000 and \$76,000. These projections do not include riders or costs associated with the proposed B-Street / St Mary’s shuttle.

Figure 3 *LATC Scenarios without a Medicaid Transit Pass Program*

	Local funds	Annual riders	Local \$ per capita	Local \$ per rider	Ridership increase	Extra \$ per city
LOW	311,312	292,565	5.28	1.06	25%	25,656
MEDIUM	384,008	339,315	6.52	1.13	45%	62,004
HIGH	464,184	397,565	7.88	1.17	70%	102,092

Figure 4 *LATC Scenarios with a Medicaid Transit Pass Program*

	Local funds	Annual riders	Local \$ per capita	Local \$ per rider	Ridership increase	Extra \$ per city
LOW	273,538	340,565	4.64	0.80	46%	6,769
MEDIUM	340,884	399,315	5.78	0.85	71%	40,442
HIGH	412,598	469,565	7.00	0.88	101%	76,299

With a Medicaid pass program, the mid-level cost scenario would increase LATC’s municipal share contributions from \$4.41 per capita to \$5.78 per capita, well below Bangor’s \$10.69 per capita investment. It would reduce the LATC municipal cost per rider from \$1.11 to \$.85, which is comparable to Bangor’s municipal cost of \$.83 per ride.

Auburn-Lewiston Municipal Airport
Auburn-Lewiston, Maine

Auburn-Lewiston True Market Study
Executive Summary of Results

Prepared by
Sixel Consulting Group

March 2009

Introduction and Methodology

The Auburn-Lewiston Municipal Airport (LEW) is interested in developing and implementing programs to retain and improve commercial air service to the region. A key element of this effort is the generation and development of credible information that can be utilized to evaluate current air service in the region and identify opportunities for local air service at LEW. Ticket Lift Surveys/True Market Studies provide objective information on air travel in the region that cannot be acquired economically from other sources.

As the domestic airline industry continues to undergo considerable change, it is prudent for airport management and community leaders to understand the local air travel market. Airlines make service decisions based on two primary factors: return on investment and company strategy. However it is also true that air carriers spend very little time analyzing smaller markets, and specific information on smaller communities is limited. Ticket Lift Survey information provides objective background data for evaluating and analyzing service gaps and opportunities.

The primary objective of the Ticket Lift Survey is to develop information on the travel patterns of local airline passengers that reside in the geographic area that would likely be served by the Auburn-Lewiston Municipal Airport.

In order to estimate the size of the total market and the number of air passengers traveling to each destination, passenger leakage data normally is mathematically combined with U.S. Department of Transportation (DOT) airline report information. However, in the case of Auburn-Lewiston, where there is no local passenger market, Sixel Consulting Group must make further analyses. Portland, Augusta, and Rockland enplanement information was multiplied by Auburn-Lewiston's share of the catchment area for all three airports, resulting in an estimate of local enplaned passengers.

The percentage of total trips initiated locally is multiplied by the estimated Auburn-Lewiston enplanements to generate an estimate for locally originated passengers. This number is multiplied by each market's share of traffic from the ticket lift to estimate local enplanements by destination. The ratio of local enplanements at Portland, Augusta, and



Rockland, versus the number of trips generated to Portland, Augusta, and Rockland, is calculated and applied to each market pair. The sum of these two results provides an estimate of the total passenger volume generated between the Auburn-Lewiston area and each domestic and international market pair.

The "true market" estimate for the Auburn-Lewiston Municipal Airport for the study period is approximately 486,600 passengers (enplaned plus deplaned). While this number represents the projected total number of passengers per year from the area, it does not necessarily indicate the total demand for local air service at LEW. It is assumed service at Auburn-Lewiston itself would capture only a small portion of the total number of potential passengers.

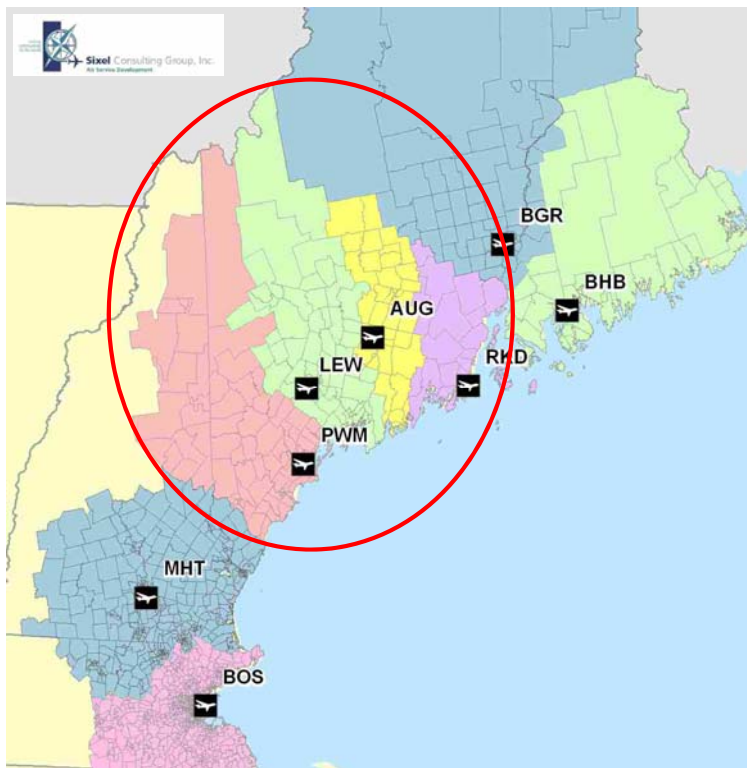
Leakage occurs primarily because of service availability and pricing competition in the local community versus alternate, larger regional airports. While the airport will continue to lose a share of its market due to competition, it is reasonable to expect passenger activity could increase significantly with local air service provided in Auburn-Lewiston.

It must be noted, ticket lift data did not include any tickets booked directly through the Southwest Airlines website for travel to/from Manchester. It is believed that travel by Auburn-Lewiston area residents, on Southwest at Manchester, is underrepresented in this survey. It is also believed that this lack of true data from Southwest has caused the survey to under represent demand to/from leisure destinations, such as Orlando, from Auburn-Lewiston.

True Market Study Findings

The Auburn-Lewiston Municipal Airport can reasonably expect to capture passengers from a large region to the north and northwest of the Airport, due to local infrastructure. This area is home to 278,000 people as of the latest US Census estimates. The immediate Auburn-Lewiston Municipal Airport catchment area includes those communities within a 45 minute drive of the Airport. It does not include areas that are closer to air service at Portland than Auburn-Lewiston. This area is home to 168,000 people.

Currently, the Portland International Jetport extended catchment area includes all the census tracts in the Portland, Auburn-Lewiston, Augusta, and Rockland catchment areas combined (see following graphic).



The Auburn-Lewiston portion of this area contains 28% of the regional population, and produces a significant number of passengers who currently fly to/from Portland. This data can be found on the following table.



Catchment Area	Population	Percentage of Regional Population
AUG Augusta	154,411	15.61%
LEW Auburn-Lewiston	278,207	28.13%
PWM Portland	461,671	46.68%
RKD Rockland	94,814	9.59%
Total	989,103	100.00%

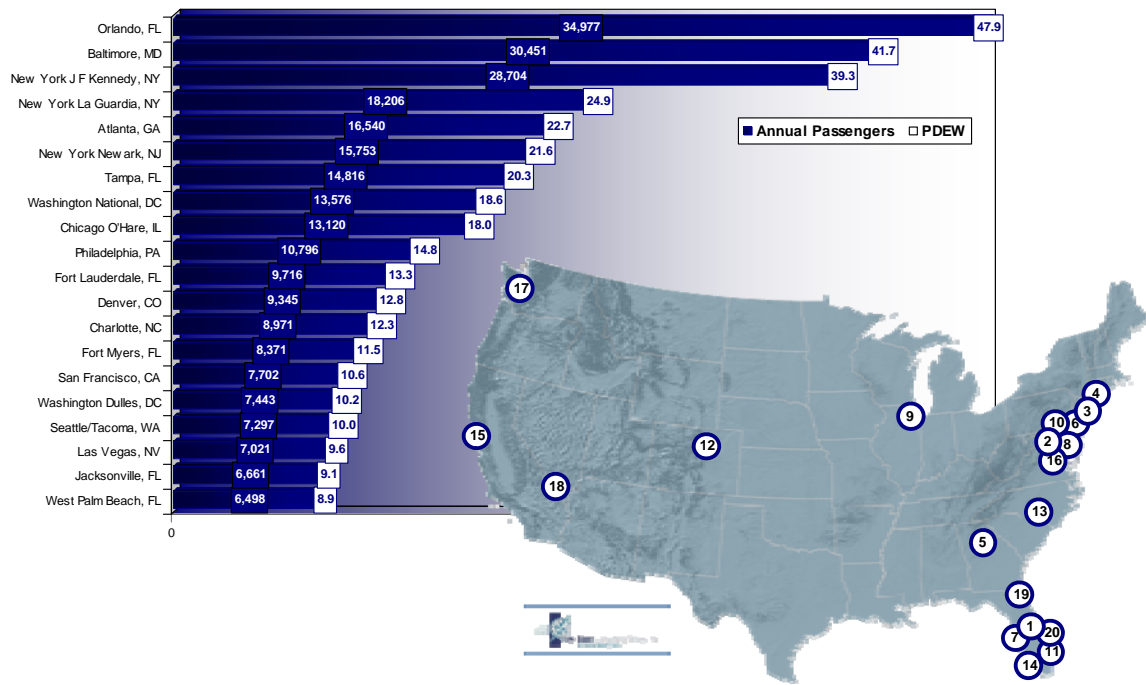
74.5% of the survey air travelers originated their trips from the Portland International Jetport. Passengers originated the remaining 25.5% of trips at other airports in the region, including Boston, Manchester, and Bangor.

The True Market Study found that the Auburn-Lewiston market is likely to produce as many as 486,600 total origin and destination airline trips per year, or 667 passengers per day each way. While it is unlikely all of these passengers would use the Auburn-Lewiston Municipal Airport, it is likely the level of passenger traffic in the market will support commercial air service. Other highlights of the study include:

- The LEW catchment area is projected to produce a total of \$90 million in annual airline revenue, or \$123,300 in revenue per day each way.
- 15 of Auburn-Lewiston’s top 20 projected true passenger markets are located on the east coast.
- 13 of Auburn-Lewiston’s top 20 projected true revenue markets are on the east coast.
- Only 29% of current passengers from the Auburn-Lewiston catchment area fly non-stop to their destinations – 71% of passengers connect, at least once, in reaching their destination.

The majority of Auburn-Lewiston’s top passenger markets are projected to be on the east coast. In fact, of the top 30 true passenger markets from LEW, 18 are on or near the east coast (see following chart/map). The distribution of these markets indicates the need for connecting hub service in the northeast – which can best link passengers with their most frequent destinations.





Due to the distribution of the top destinations from the market, it is likely the most successful service will be to an east coast hub, connecting to most major destinations. Among other regional travel highlights from the study, it was found:

- Almost three-quarters of projected passengers from the Auburn-Lewiston Municipal Airport (LEW) catchment area – 72% – fly to destinations on the east coast.
- East coast passengers from the Auburn-Lewiston area represent a projected 351,000 trips per year, or 481 passengers per day each way.
- More than two-thirds – 69% – of the projected airline revenue created in the Auburn-Lewiston catchment area goes to destinations on the east coast.
- East coast revenue from the Auburn-Lewiston area represents a projected \$62.3 million in airline ticket purchases per year, or \$85,400 in revenue per day each way.
- With such a high percentage of Auburn-Lewiston passengers and revenue flowing to destinations on the immediate east coast, it is essential that any air service to/from LEW be able to connect to each of these high volume destinations.



- The most successful air service at Auburn-Lewiston will connect to a hub along the east coast – preferably in the northeast – that offers a wide range of one-stop destinations from New York to Florida.
- Service to hubs not on the immediate east coast, or not in the northeast, will not be able to draw as many local Auburn-Lewiston passengers, as connections would require “backtracking.”

The True Market Study shows that the Auburn-Lewiston area does produce significant travel demand – most of which is being captured by the Portland International Jetport. It is believed local air service, at LEW, would capture, at least, a small portion of this local traffic, providing a convenient alternative – especially for the region’s business travelers.

Recommended Course of Action

Based on the results of the True Market Study, it is recommended that the Auburn-Lewiston Municipal Airport continue its air service development process, to recruit airline service to the Airport. The results of the study indicate the most successful potential service would connect to a hub in the northeast. With that in mind, the study recommends:

- The Auburn-Lewiston Municipal Airport (LEW) should first seek hub service to a major northeast hub with connections to all of the area's top east coast destinations.
- In order to build air service, success will hinge upon connectivity to east coast destinations, above all others.
- It is recommended that the Airport first seek a regional carrier's service to Boston.
 - Boston service would connect to all of LEW's top east coast passenger and revenue markets.
 - Boston service is not offered from Portland – without overlap with current Portland service, it is likely to draw some passengers from the Portland area who prefer to fly, instead of drive.
- Should Boston service be found to be impractical, or should there be significant local demand, beyond that defined in the True Market Study, for non-stop service to New York City, the Airport should seek a regional carrier's service to either New York LaGuardia or New York/Newark Liberty.
- Finally, while seeking daily regional service, the Airport should also consider recruiting leisure-only low cost carriers such as DirectAir, which can offer weekly non-stop service to LEW's most popular leisure destinations in Florida.
 - It should be noted, the short runway length of both runways at LEW might be a deterrent to mainline jet service.

In order to recruit new airline service to an unserved and unproven market such as Auburn-Lewiston, an airline will require a significant "risk sharing" contribution from the community. This funding must provide marketing support, airport fee waivers, and most importantly, a revenue guarantee to guard the airline against a financial loss in the first two years of service. The amount of the revenue guarantee will depend on the type of service that is launched.



A regional jet service will likely require a total guarantee in the amount of \$1 million per year per daily flight frequency. Thus, two daily regional jets flights in Auburn-Lewiston would likely require a total revenue guarantee commitment of \$4 million over two years.

Turboprop service would require a much smaller revenue guarantee – usually in the range of \$500,000 per frequency per year. Twice-daily turboprop service would likely require a total revenue guarantee of \$2 million over two years.

In order to raise this revenue guarantee funding, the study recommends the Airport apply for a federal Small Community Air Service Development Grant, from the DOT, in spring of 2009. This funding will be awarded in fall of 2009. The study recommends a grant request of \$600,000 to \$750,000 in total federal funding.

In order to make a better case for the Grant, the study recommends the community raise at least \$150,000 in local matching funds. This funding can come in the form of landing fee waivers for the new service, terminal rent waivers, marketing funds and trades, along with city, county, and state contributions.

The study also recommends the Airport begin the process of educating airlines about the Auburn-Lewiston market by attending Airport Council International's "JumpStart" air service development conference in Montreal in May/June 2009. At this conference, the Airport and its Consultant will be able to meet with multiple airlines, in a number of pre-set 25 minute meetings, to quickly determine their interest in learning more about the market. By meeting with multiple airlines in just a few days, the Airport will save the time and expense of traveling to multiple airline headquarters to deliver individual presentations.

The meetings will provide insight into the future business plans of multiple airlines, and identify those airlines to which Airport leaders and the Airport's Consultant will travel to deliver individual presentations. The Airport will also learn what kind of incentives and risk mitigation it must generate from its local community to support the introduction of service at Auburn-Lewiston.

These two major air service development initiatives will provide significant value to the Airport, at minimal cost. The Airport's current consulting contract provides steep discounts from standard prices for both Grant proposals and JumpStart presentations. The Airport's total Grant cost will be \$5,000, while the Airport's total JumpStart cost (not including travel and printing) will be \$2,500. This \$7,500 investment is a good value to the community, as it will spread the results of Auburn-Lewiston's market study to potential government and airline stakeholders.