

OPERATIONAL EFFICIENCY STUDY

BOARD MEETING PRESENTATION

Rhode Island Public Transit Authority August 7, 2025

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AGENDA

Review of Operational Efficiency Study (OES)

Overview of Scope

02 Highlights from OES

03 Recommendations



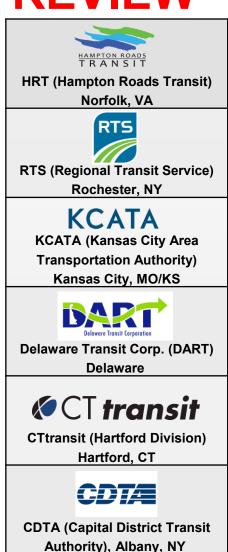
OVERVIEW OF OES SCOPE

- Peer and best practices review (interviews and desktop research)
 to compare RIPTA's operation of other agencies
- Financial Assessment of federal funding, revenue sources, and operating cost drivers
- Performance assessment of service including quantitative and qualitative review
- Recommendations for near-term shortfalls and future investment



HIGHLIGHTS: PEER AND BEST PRACTICES REVIEW

- Many agencies have funding challenges due to expiring COVID funding, unstable or flat funding, and rising costs due to inflation
- Examples of ways agencies are working to optimize operations
 - Changing service levels or types of service offered
 - Shifting resources to higher performing routes
 - Microtransit to replace underperforming routes
 - Technology and process improvements
 - Identifying new revenue sources such as advertising, road-user fees, employer access agreements, etc.
- Workforce recruitment is a major challenge





HIGHLIGHTS: FUNDING AND OPERATING COSTS

Revenue Assessment

- Federal Influx of federal funds during COVID that has concluded
- Fares Higher farebox recovery rate than most peers
- Advertising Just below average advertising revenue compared to peers
- State Covers remainder of costs

Operating Cost Review

- Administrative costs Slightly below peer average
- Operating costs In line with peers
- Costs per revenue hour and mile In line with peers
- Cost per capita Below peer average



HIGHLIGHTS: PERFORMANCE ASSESSMENT OF RIPTA SERVICES

- Fixed-route service Forms the backbone of the system and performs well, especially in core urban corridors
- Flex/Flex On Demand Essential for users in lower density areas; zones are sprawling or overlap so services could be refined
- RIde ADA and RIde Anywhere Provide life-changing transit access, particularly in rural areas that may not be served by fixed routes
- Employer partnerships and other commuting programs Fills gaps in areas where the addition of fixed-routes is otherwise infeasible, and programs can be a source of revenue



EFFICIENCY STUDY RECOMMENDATIONS

Address FY26 Budget Shortfall

- Additional opportunities to use federal funds exist, but will not result in enough cost savings to offset FY26 shortfall
 - Federalize positions linked to capital assets
 - Increase use of federal formula funds to reimburse route segments for rural, lowincome, and reverse commute
- Service reductions needed given the scale of the budget shortfall

Future Priorities

- Expand employer and partnerships programs to expand revenue
- Strengthen investment in high-performing routes
- Continue implementing RIPTA Transit Master Plan to support ridership growth





THANK YOU

QUESTIONS?

