

# CABQ Transit: High Level Peer Review

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## Key findings:

- Albuquerque transit is more efficient than many peers.
- Fare revenues are much lower than other peer systems.

A high-level peer review was conducted to compare Albuquerque transit's performance relative to a group of peer systems. Performance was evaluated during 2018.

A total of 12 comparison cities were selected. Population and geography were used as a guide in selecting this peer group. The peer cities are:

- |                 |                 |
|-----------------|-----------------|
| • Austin        | • Kansas City*  |
| • Bakersfield   | • Oklahoma City |
| • Colo. Springs | • Omaha         |
| • El Paso       | • Sacramento*   |
| • Fresno        | • Tulsa         |
| • Indianapolis  | • Tucson        |

Some cities in the comparison group are much larger in population than Albuquerque, such as Austin, Sacramento, Kansas City, and Indianapolis. Cities with an asterisk include multiple agencies within the region. A brief visualization comparing 12 larger systems is presented on page 6.

Generally, Albuquerque meets or exceeds the average performance of its peers. This analysis is a simple representation of many countervailing factors, and no statistic perfectly captures a comparison between any two transit systems, let alone twelve.

The analysis does allow for generalized insights. These statistics demonstrate Albuquerque tends to have a more efficient system than those in this peer group. The city has the third highest riders per capita, for example. Likewise, although Albuquerque's operating costs and level service provision are about at the peer group average, the city's efficiency with respect to cost and service provision is considerably higher than the peer group average.

### Demographics

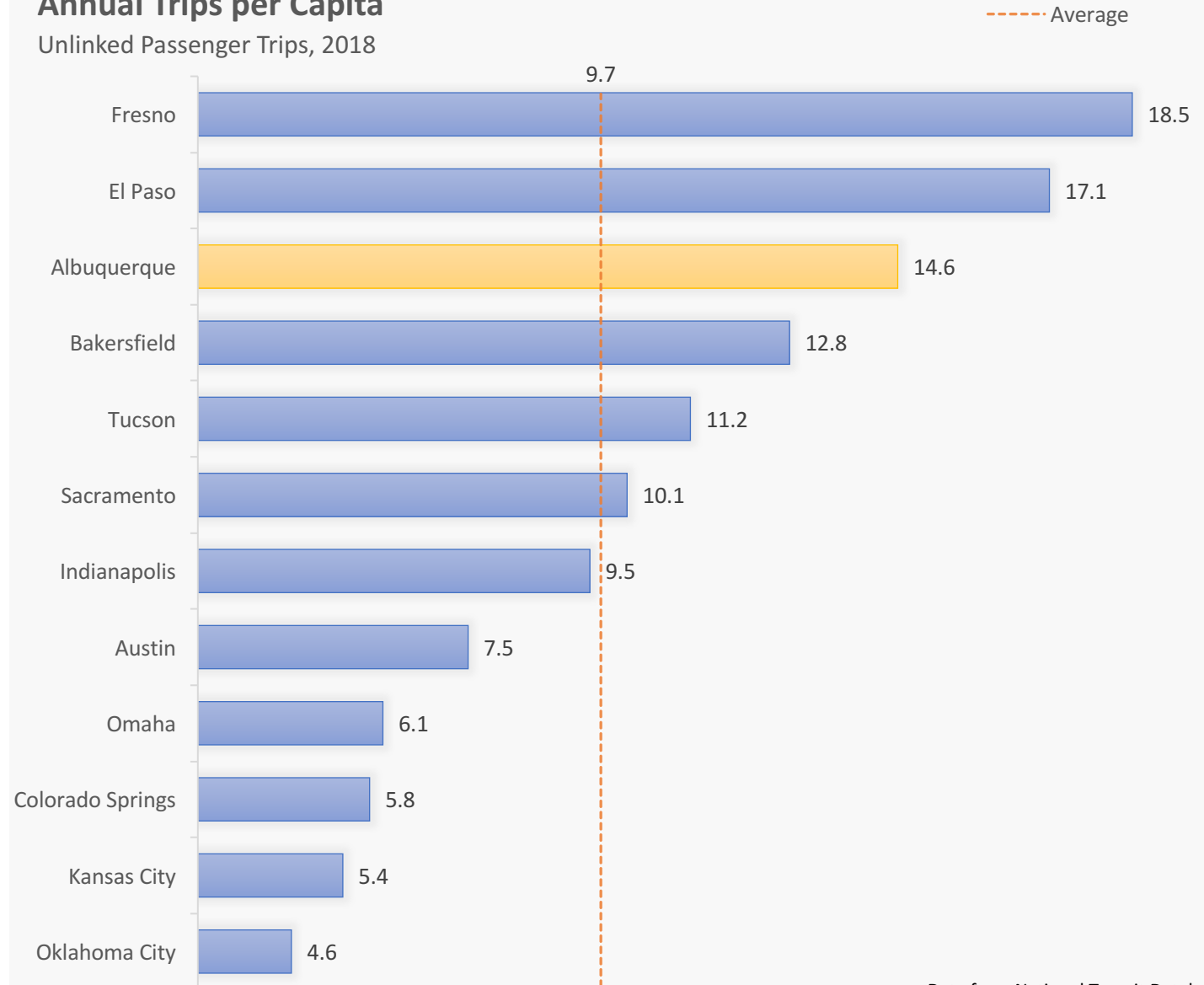
The average service population of the peer group is about 706,000. Albuquerque is about 40,000 short of that average. Austin, TX has a population roughly twice as large as the average. Throughout the comparison, note that Austin is an outlier in the regard. Albuquerque is one of roughly 5 cities in the southwest; the remaining are either on the west coast or Midwest. Comparisons across geography add another layer of complexity, as some systems have been operating for longer than Albuquerque's.

### Trips

Albuquerque has a high number of unlinked passenger trips per capita, relative to the peer group. The per capita average is 9.7. Albuquerque's 14.6 puts it well above that average, competing with cities like El Paso, TX and Fresno, CA.

### Annual Trips per Capita

Unlinked Passenger Trips, 2018



Data from National Transit Database. 2018

## Service

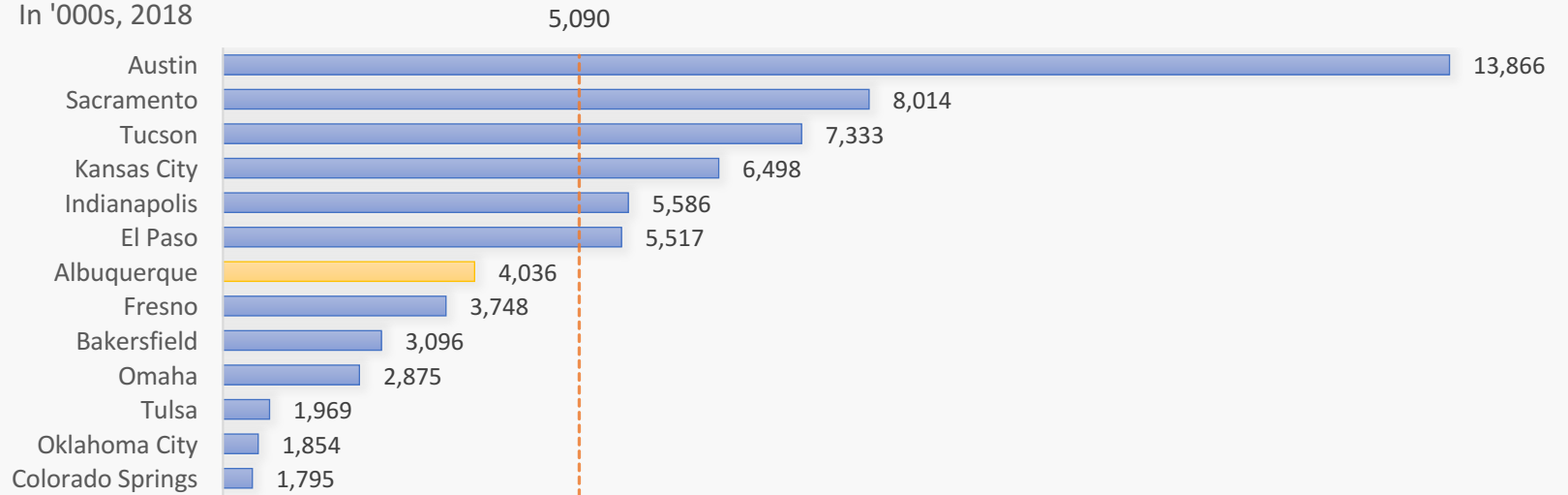
Peers averaged 5.09 million revenue hours while Albuquerque provided just 4.04 million. Austin is a notable outlier within the peer group; removing that transit agency puts the peer group average at 4.36 million, just above Albuquerque.

The amount of service provided and the number of annual trips represents the system productivity. Compared to the peer group Albuquerque transit has high productivity. The city is about 60% more productive than the peer group average. Note that while the transit system in Austin offers the most number of revenue hours, it has one of the lowest productivity scores.

Trips per revenue hour is not a perfect measure of productivity. A more accurate measure would take into consideration other demographic factors, like service population.

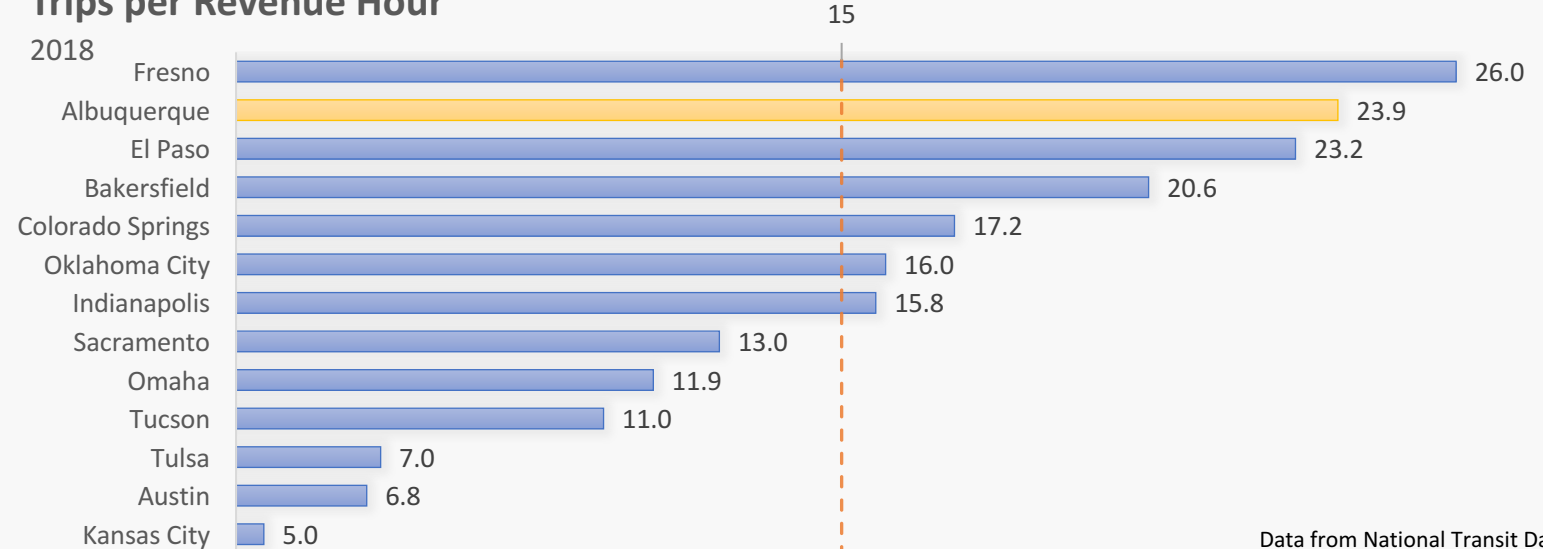
## Annual Revenue Hours

In '000s, 2018



## Trips per Revenue Hour

2018



Data from National Transit Database. 2018

### Expenses

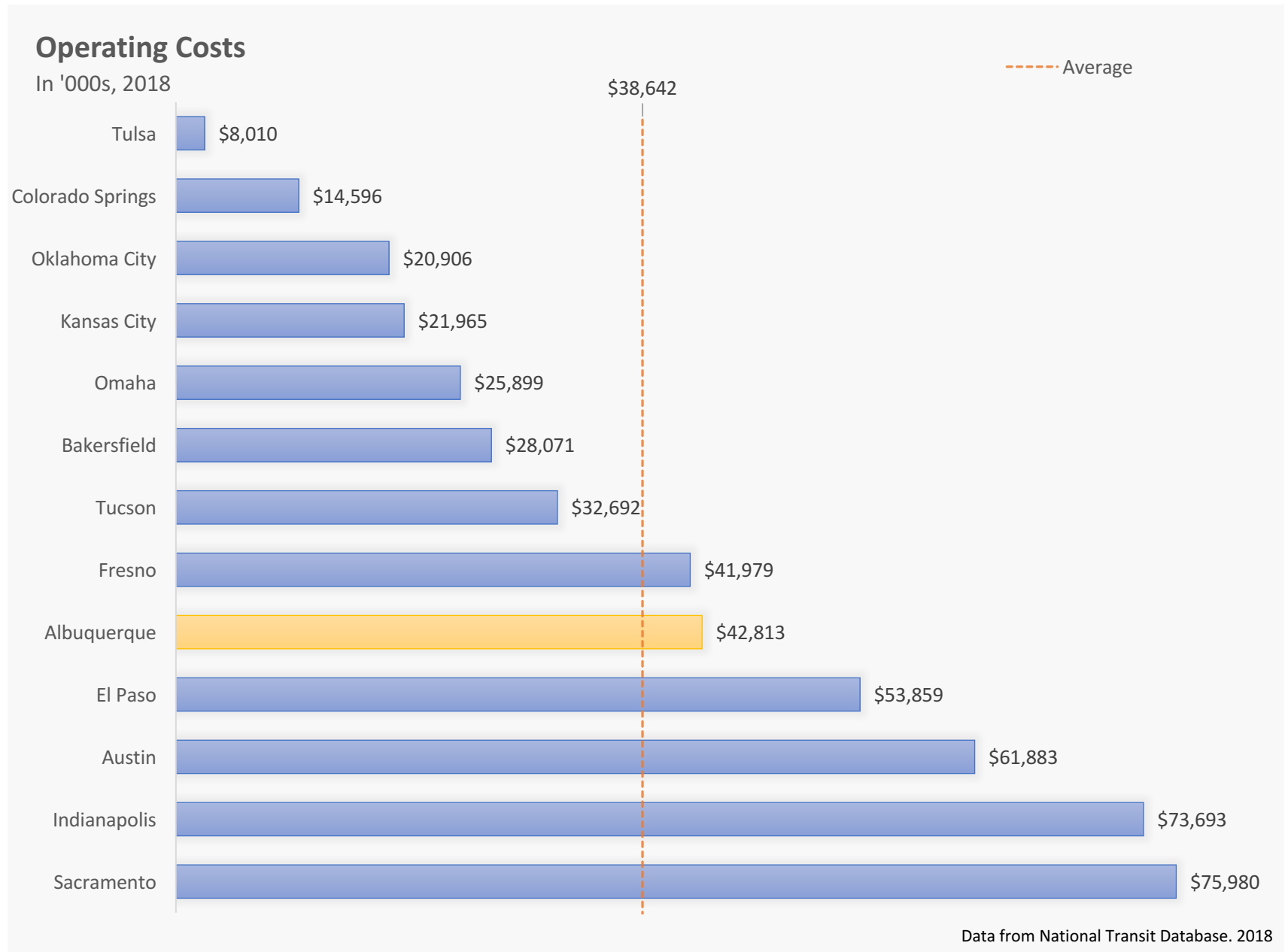
Operating costs were measured based off the cost of operating motor bus and demand response service only. These are the reference comparisons with Albuquerque, and including other service types would dramatically alter the results.

The peer group averaged \$38.6 million in operating expenses in 2018.

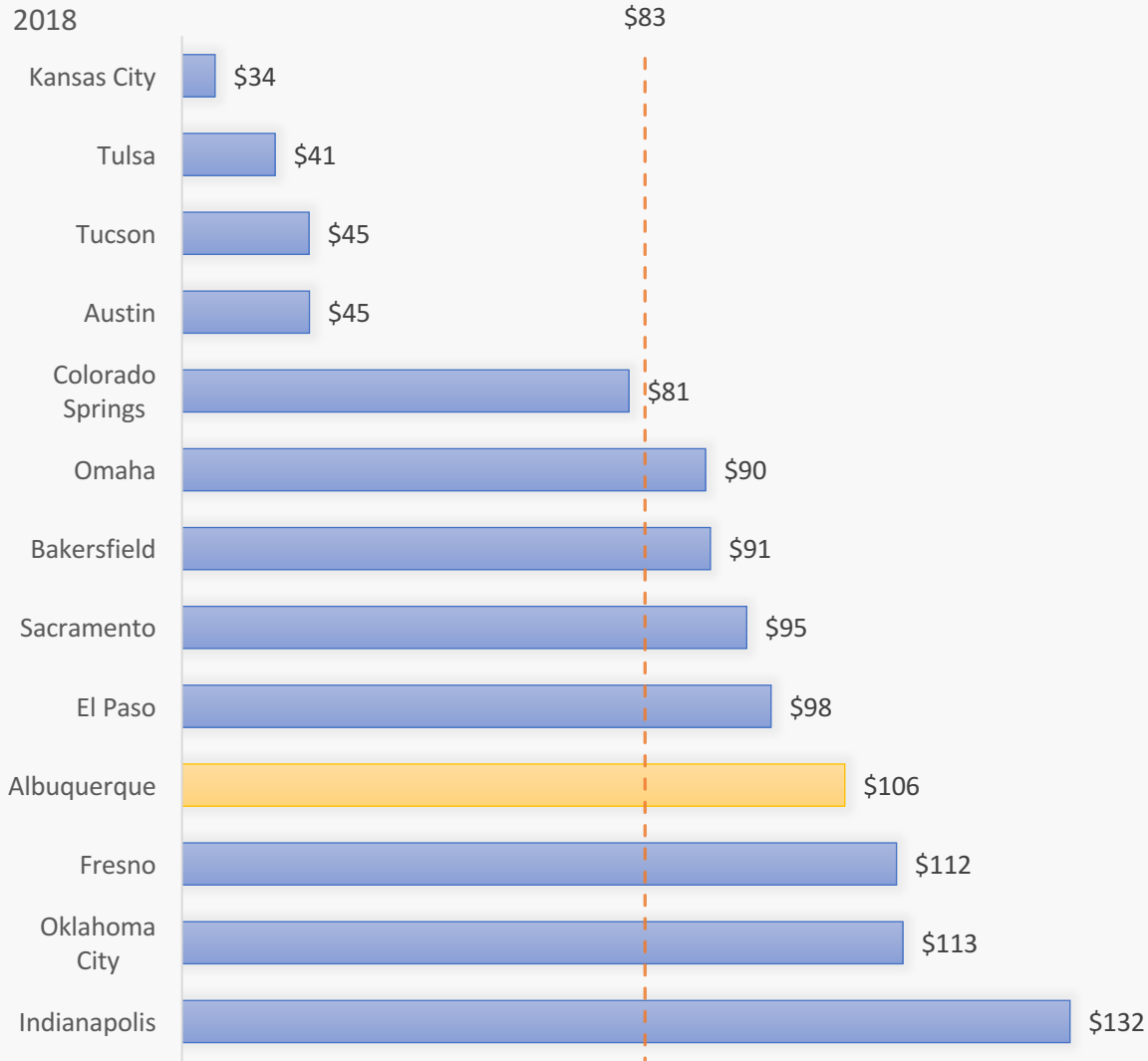
Albuquerque's operating costs were roughly equal to the peer average, at \$42.8 million.

As seen on the next page, Albuquerque's \$106 cost per unit of service was above the peer group average of \$83. The city's cost effectiveness, measured as the operating cost per trip, was \$4.43, well below the average of \$5.81.

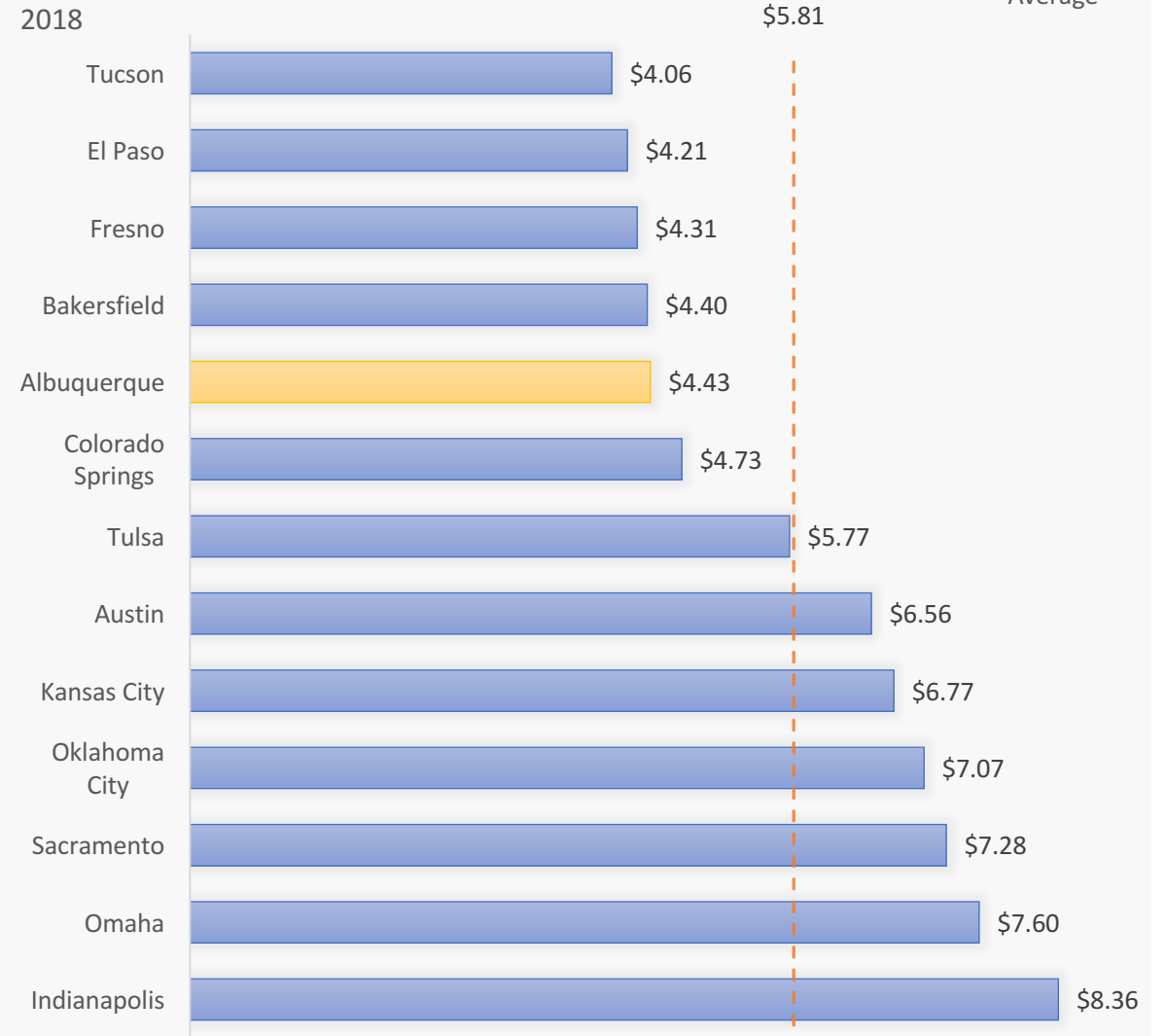
Albuquerque is, again, near the peer group average with overall operating costs and in the upper quarter with effectiveness measures.



## Operating Cost per Revenue Hour



## Operating Cost per Trip



Data from National Transit Database. 2018

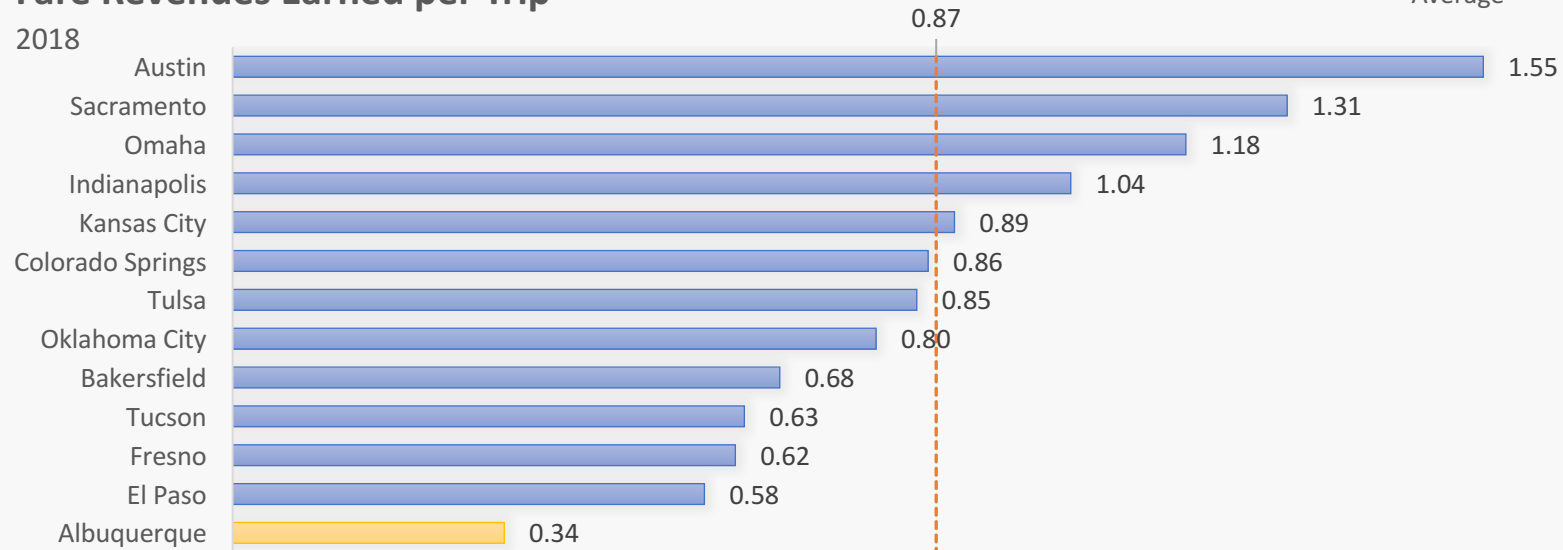
## Fares

Fare revenue was compared across the peer group. Although Albuquerque was at or above the peer group average for most of the above metrics, Albuquerque is behind with respect to fare revenue. The city's \$3.2 million in fare revenues is well below the \$5.3 million peer group average.

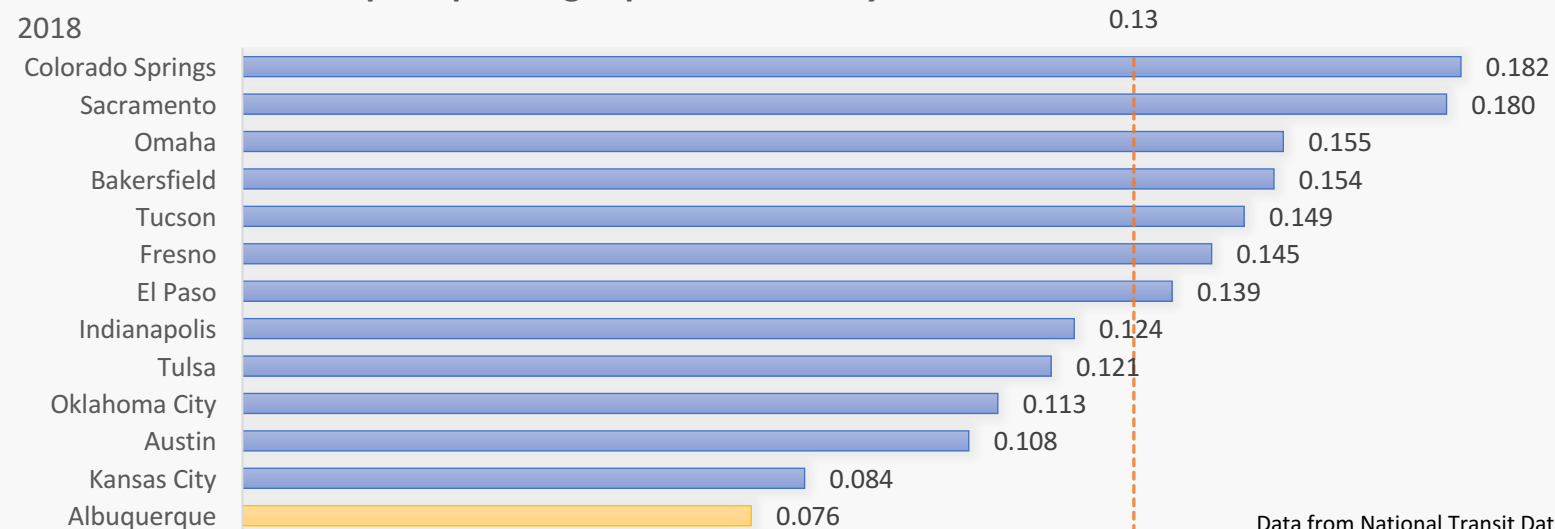
Fare efficiency measures – i.e. fares per trip – still put Albuquerque at the bottom of the sample. The city had the lowest fare revenues earned per trip, coming in 64% below the average.

Albuquerque's recovery ratio – the fare revenue earned per operating expense – was also the lowest of the peer group. Note cities with recovery ratios above 0.150 (Colorado Springs, Sacramento, Omaha, Bakersfield, and Tucson) have relatively low service provision and service efficiency. This may indicate these systems operate under a different business model, which would explain the dramatic differences in recovery ratio.

### Fare Revenues Earned per Trip



### Fare Revenues Earned per Operating Expense - *Recovery Ratio*



Data from National Transit Database. 2018

### Large Systems Comparison

A sample of large were selected to compare against Albuquerque's metrics. The simply the comparison, three metrics were selected: service population, annual trips, and fare efficiency. Cities in orange have light rail service options (or the equivalent). As expected, cities with more population tend to have light rail service. Albuquerque has both a relatively small service population and annual trips provided. Note a cluster around Albuquerque's service population (Dallas, Portland, and Phoenix) all have below average fare efficiency. Albuquerque has comparable fare efficiency to this subset of systems.

