

Nevele Transit Plan

May, 2014

Introduction

The transit plan for the Nevele casino consists of two tiers of service. Tier 1 service is employee bus service, and tier 2 service is additional independent service including a potential local bus loop operated by Ulster County Area Transit (UCAT). The tier 1 service will be implemented immediately upon opening of the casino and will establish the base line service fundamental to the operation of the casino. The tier 2 service could be implemented over time at a low cost in coordination with UCAT.

Tier 1 – Nevele Operated Proposed Shuttles/Transit Access

The tier 1 employee service includes two routes as shown on Figure 1 (attached).

- Employee Shuttle - This service includes a local shuttle operating between the site and the off-site employee parking lot located just over a mile south of the Nevele, across from Lewis Lane.
- Connector to Beacon Rail – This service includes an express bus route between the Beacon train station (serving Metro North trains) and the Nevele via I-84, NY Route 17 and Route 209.

The Nevele is projected to have approximately 2,350 employees. The off-site lot will have a capacity of about 545 spaces. Based on the experience of other similarly-sized casinos, the maximum number of employees on site at any given time will be about 1,000; thus, the site will need to accommodate about 500 employees during peak times, with the remaining 500 employees using the off-site lot.

Tier 1 Employee Shuttle

The proposed plan is to operate a shuttle bus between the Nevele and the off-site lot for most hours of the day. The travel time from the Nevele to the remote lot is approximately 4 minutes. Allowing for a minimal amount of dwell time at the ends of the route, a bus could realistically make the round-trip in about 10 or 12 minutes. A typical 40-foot bus can hold as many as 70 passengers at crush load; therefore, a single bus will be able to accommodate the demand for most shift changes most of the day based on shift change times developed by the Innovation Group for a similar sized casino. It will be necessary to pull a second bus into service at peak times (likely when “operations” employees are changing shifts). During portions of a service hour when there are no employees leaving or arriving, (such as from 20 minutes after the hour to 20 minutes before the next hour) the bus could be idled to save fuel. It would also be possible to install a “call button” at the off-site lot so that if an employee arrives there when the bus is otherwise not running, the bus or another vehicle could be sent out to pick up that employee. As with any type of transportation service, the operating plan would be fine-tuned once patterns of demand are more firmly established.

Based on the Innovation Group data, the only employees that typically change shifts between 2:00 a.m. and 7:00 a.m. are “cleaners” for the gaming rooms, and the number of these employees is less than 100. These hours of the night are also likely to be times when there is plenty of on-site parking available as most daytime and evening guests will have left. It is thus assumed that shuttle service to the remote lot

is not needed once the supervisory employees ending their shift at 2:00 a.m. have been delivered back to the lot until morning shift employees arrive during the 7:00 a.m. hour (6:00 a.m. on Saturdays due to anticipated shift time staggering).

With approximately 19 hours of service per day (20 on Saturdays), four full-time drivers and a supervisor would be needed. It is likely that the service could be operated with three drivers and one supervisor, if the supervisor also drove for part of the day. A full-time mechanic would also be needed. The second bus that would be operated at peak times would be driven by another Nevele employee. For the sake of costing, it is assumed that the three full-time drivers would be sufficient. Table 1 summarizes the expected cost of this service.

Table 1 – Continuous Employee Shuttle Opinion of Probable Cost

	Units and Items	Total Cost
Capital Cost	2, 40-foot buses at \$150K ea.	\$300,000
Annual Operating Cost		
Baseline Service	3 drivers+1 sup+1 mech	\$300,000
Add'l Peak bus	Assume 0.5 FTE	\$25,000
	Fuel and Maintenance	<u>\$50,000</u>
		\$375,000

Thus, the total potential cost to operate an employee shuttle is \$375,000 in annual operating costs.

Tier 1 Employee Shuttle Alternative (Shift-specific Employee Shuttle)

As an alternative to the continuous employee shuttle, a shift-specific employee shuttle service could be considered. For example, if specific work groups (such as “operations” employees) are required to park in the off-site lot, then shuttle service could be operated at the specific times when those employees are starting and ending their shifts. Based on the shift change times developed for a similar sized casino, “operations” employees are the largest work group and typically have shift changes at 4:00 p.m., midnight, and 8:00 a.m. This alternative employee shuttle scenario has the potential to reduce operating costs as shuttle service to the off-site lot would only need to be operated at those three shift change times, although it would require higher capital cost with more intense shuttle service needed at peak shift change times. Also, an “on-demand” van or car would be needed at other times if an employee needed to get to the off-site lot for an emergency or for other reasons.

Bus Connector to Beacon Rail

The second means of tier 1 transit service is to operate an express bus service between the Beacon train station (serving Metro North trains) and the Nevele via I-84 and NY Route 17. The primary benefit of this service is that it will accommodate Nevele employees who live in the NYC area. It will also provide direct access to the Nevele for customers. As currently designed, this service will have the ability carry between 400 and 500 people per day to the site, split between employees and customers.

The travel time between the rail station and the site is just under one hour; therefore, one bus in service would be able to meet a train from New York City every two hours. Based on current Metro North

schedules, the proposed plan is to have a bus depart from Beacon station every two hours starting at 8:10 a.m. until 12:10 a.m. the next morning. It will depart from the Nevele every two hours starting at about 9:05 a.m. with the final arrival just before midnight.

This service can be operated with three full-time drivers. Assuming that the employee shuttle is also implemented, separate supervisors and mechanics will not be necessary. The cost for these three drivers would be about \$150,000 annually. The fuel cost would be in the range of \$85,000.

Table 2 – Bus Connector to Beacon Rail - Opinion of Probable Cost

	Units and Items	Total Cost
Capital Cost	one, coach bus at \$500K	\$500,000
Annual Operating Cost	Assume 3 FTEs and fuel	
<u>Baseline Service</u>		<u>\$235,000</u>
Total Annual Operating Cost		\$235,000

Higher quality buses are needed for this service, given the much longer distance and travel time. At the high end, coach buses cost on the order of \$500,000 each. Given this high cost, contracting the service with a public or private entity may be considered. A typical cost for contracting, which includes vehicles, is in the range of \$125 per hour. With 16 hours of service per day, the contracting cost would come to \$730,000, which is approximately equal to the cost of buying a coach bus and operating it internally for one year.

Tier 2 Service – Independent and Local Shuttle Loop

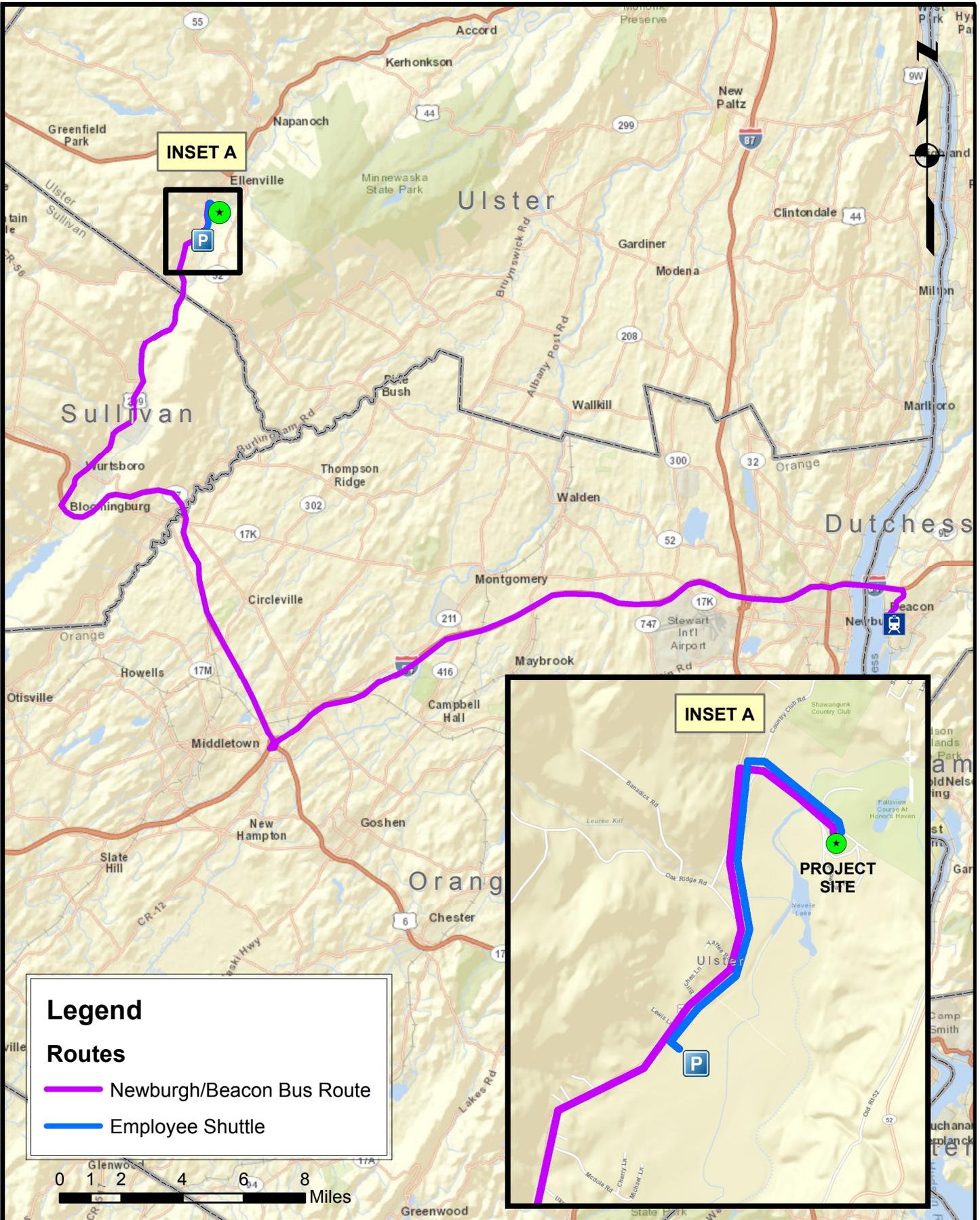
As the casino becomes operational, additional independent operators are expected to provide transit access. This tier 2 service will include regional charters and a potential local shuttle loop operated by UCAT.

Two meetings were held with UCAT representatives (the transit operator in Ulster County), and UCAT has indicated a desire to operate local shuttle service in Ellenville to serve both the new casino as well as other local destinations such as the Walmart, downtown destinations and senior housing sites. This local shuttle could not replace the employee shuttle described above, as it would not have nearly enough capacity, nor a sufficient span of service to address all shift changes. However, it could help address peak demand at certain shift changes, as well as provide community benefits and better local access to the casino.

UCAT has proposed a local operating agreement with the Nevele to share costs for the service, similar to an agreement that UCAT currently has with New Paltz for a local shuttle. The cost to the Nevele of participating in this local shuttle would be a 10% share of the capital cost of new bus (to match state and federal dollars) amounting to a one-time cost of between \$10,000 and \$15,000, and some portion of the net cost of service, after accounting for fare revenue and other government sources of funds. Based on the New Paltz experience, the Nevele share of the operating cost could be on the order of \$40,000 to \$80,000 per year and would depend on ridership and the degree to which other employers in the area participate in the funding.

Summary of Cost Estimates

For the Nevele to operate the Tier 1 service for both the employee shuttle and the bus connection to Beacon Rail, the total initial capital cost would be approximately \$950,000, with estimated annual operating cost for the Tier 1 service at \$610,000. It is assumed that there would be no fare revenue for the local employee shuttle, but the rail connector could potentially generate some fare revenue from casino visitors among the riders on that route.



Legend

Routes

- Newburgh/Beacon Bus Route
- Employee Shuttle



NEVELE RESORT BUS ROUTES

NEVELE RESORT AND CASINO
TOWN OF WAWARSING, NEW YORK

