

To: Chairs, Vice Chairs and Ranking Members of the House and Senate Transportation Committees

CC: VTrans

From: Clayton Clark, General Manager, Green Mountain Transit

Date: January 20, 2025

Subject: GMT Update

As the Legislature begins its work for the 2025-26 biennium, Green Mountain Transit (GMT) is eager to collaborate on initiatives that support accessible and sustainable public transportation in Vermont. Public transportation plays a vital role in connecting communities and supporting economic growth in Vermont. This memo provides an update on GMT and its priorities for the coming biennium.

GMT Legislative Report

In the 2024 legislative session, Act 148 directed Green Mountain Transit (GMT) to evaluate options for delivering cost-effective transit service across its service area. This evaluation was conducted in partnership with the Agency of Transportation, Special Service Transportation Agency, Rural Community Transportation, and Tri-Valley Transit. The analysis was performed by Steadman Hill Consulting, which examined financial implications, operational considerations, and potential service transitions. The final report is due February 1, 2025.

Here are the key findings:

- Transferring transit service to other providers would likely result in considerable savings for the State of Vermont.
- Staffing capacity issues at GMT has impacted our responsiveness and communication with the Legislature and Administration, making us an inconsistent partner. Offering more services than we can effectively manage has led to higher costs, decreased performance, and high employee turnover. Rural transfer would improve the ability to manage urban transit.
- The report identifies challenges related to leadership and governance, including high turnover among General Managers and a Board of Commissioners whose size and composition may hinder effective oversight and strategic direction. Specifically, the report notes that high turnover has led to inconsistent leadership and loss of institutional knowledge, while the Board's size and diverse interests may present challenges in providing clear guidance and holding management accountable.
- The biggest challenge to a rural transit transfer will likely involve labor relations, as the recommendation is to transfer Franklin County service to a non-union provider.

Urban Service Reductions

GMT is coordinating with VTrans on our budget requests. We have not made any direct requests for additional funding for FY25 or FY26. However, we do know that transit advocacy organizations and individual municipalities are taking or considering taking action to request additional funds for transit. We are providing them with requested technical information.

To date, GMT has already reduced service in our urban area of operations by roughly 10%, with annual cost savings estimated at \$700,000. These reductions were achieved by decreasing service, particularly on Saturdays, and aligning service levels with staffing. To date, there have been no layoffs, as the savings are through reduced overtime.

If GMT is level funded in the FY26 Transportation Bill, we will need to reduce another \$1.2 million in service. This will result in the layoff of 13 part-time drivers and 7 full-time drivers. Part-time drivers are our most cost-effective labor pool, but our collective bargaining agreements require their layoff first before we can lay off full-time drivers.

Fiscal Years 2027 and beyond are more problematic. If we are level funded, we will need to cut another \$3 to \$4 million in service. This would gut our system, and the reductions would also substantially decrease our federal appropriation.

GMT currently receives four of the FTA's six performance-based funding metrics, which provide over \$2 million in additional funds. These funds would likely also be lost if substantial service cuts are implemented.

Dedicated Funding for Public Transit: Chittenden County Solution to Chittenden County Problem

GMT recognizes the 2024 state election results indicate a lack of public support for new statewide fees or taxes to support public transit. However, some previously proposed funding options could be implemented at the county level. Generating additional funds specifically for the Chittenden County urban transit area offers the most politically viable approach to addressing GMT's systemic funding challenges. GMT's urban transit system is unique in Vermont. Although it offers the most cost-effective public transit in the state, its size relative to other agencies creates an outsized impact on Vermont's overall transit system.

Therefore, securing dedicated funding for Chittenden County's urban transit needs is crucial to ensure the continued viability and effectiveness of the system.

Other Topics

In addition to the preceding information, the following topics may also be of interest to the Committees:

Urban Fares: Though implementation was delayed, GMT's new fare collection system is functioning effectively. It is meeting the revenue target previously established by the Senate Transportation Committee, has not resulted in a ridership decrease, and has contributed to improved safety for passengers and drivers.

Employee Protections: Legislation will likely be introduced to include transit workers in the list of protected professionals under 13 V.S.A. § 1028. This statute provides enhanced penalties for individuals who assault public employees performing their duties.

Labor Negotiations: GMT is currently engaged in negotiations with the Teamsters Union regarding the next 3-year contract for urban drivers. GMT's financial constraints may pose challenges to these negotiations and increase the possibility of a work stoppage.

Affiliated Non-Profit: The Green Mountain Transit Foundation and Association was established in 2024 and is awaiting non-profit status confirmation from the IRS. This entity will expand GMT's development funding opportunities and grant eligibility, particularly in areas where transit services intersect with human service needs.

Thank you for your service to Vermonters.

Sincerely,
Clayton

Clayton Clark
General Manager, [Green Mountain Transit](#)
Pronouns (he/him)
Follow me on [LinkedIn](#).
Follow GMT on [Facebook](#), [Instagram](#), and [Twitter](#).