UNAPPROVED MINUTES

SHASTA COUNTY REGIONAL TRANSPORTATION PLANNING AGENCY (MPO)
JOINT RABA/RTPA WORKSHOP
Tuesday, April 9, 2002 4:00 p.m.
City of Redding, Redding City Hall, Community Room
777 Cypress Street, Redding, California

(Note: These minutes are not intended to serve as a transcript or verbatim record of the proceedings of the Shasta County Regional Transportation Planning Agency, but rather as a record of meeting time, place and attendance; the order and general nature of discussion; Agency deliberations; and action taken, if any.)

Agency Members Clarke, Comnick, McGeorge, Hawes, Duryee, Wilson and Kight were present.

1. Call to Order:
Chair Comnick called the meeting to order at 4:00 p.m.

2. Workshop to Discuss Farebox Ratio:
City of Redding Assistant Manager, Kurt Starman, explained the reason and format for the meeting. Mr. Starman explained the meeting will be in three parts. The first part is a workshop concerning RABA's farebox ratio. RABA would like the RTPA board to permanently lower the farebox ratio to 16.5%. The second part is a RTPA meeting only, to discuss and vote on the farebox ratio. The third part is a RABA meeting only to discuss RTPA's decision concerning the farebox ratio. At the RTPA meeting of February 26, 2002, the RTPA board voted to reduce the farebox to 16.5% for fiscal year 2001-2002, 17.5% for 2002-2003, 18.5% for 2003-2004 and 19% for fiscal years thereafter. Mr. Starman explained that for the last five or six months RABA has been in discussions with Forsythe concerning a new contract, as the current one will expire on June 30, 2002. RABA has some choices concerning their contract with Forsythe. They can either extend the contract for two more years, or do a request for proposal process and select a new contract operator. RABA wants to continue with Forsythe with a three year extension and also wishes to give the bus drivers a raise from $6.75 an hour to $8.00 an hour. Both of these however, are contingent upon a 16.5% farebox ratio. Currently RABA's position without a lower farebox ratio, is to either implement a fairly significant increase in the bus fares and/or implement a fairly significant service reduction. Mr. Starman finished by stating that the RTPA's current temporary reduction will be helpful in the first year or so, but not in the long term.

RTPA Executive Officer Dan Kovacich explained that if the RTPA keeps the farebox as is and RABA does incur additional costs they will be penalized. The penalty will be to reduce the TDA eligibility for the amount that the fare revenue is short. What that means is RABA will probably pass the hat among the four agencies that comprise RABA and ask the agencies to make up the penalty. The penalty cannot be made up from TDA resources.

RABA Chair Lindsay expressed concern about hearing comments from the public as well as RABA and RTPA Board members. He also stated that RABA has had many meetings in the last year concerning this issue, things haven't turned out how they hoped they would, which is why this meeting is occurring.

RABA Board Member McGeorge expressed concern over the rates staying at 19%. Mr. McGeorge noted that we are not a big city and it would be hard to maintain that ratio. He stated it would be the workers without transportation who ultimately would take the brunt of this.

RABA Board Member Stegall stated that the farebox ratio at 19% is an arbitrary number. The ratio could go as low as 15%, 16.5% is not as low as they could go. She continued to say the real concern is that what they are paying the bus drivers is embarrassing. The drivers currently get paid $6.75 an hour; $14,000 annually. By lowering the farebox ratio, they will be able to go to $8.00 an hour; $16,600 annually. She stated that RABA is not a business; it is a service provided to the community and to the County. Board member Stegall stated that the City of Redding will invest $243,000 of TDA money in order to make this happen. Currently that money is being used on streets and roads. She noted that this money was never meant to be used for streets and roads; it was meant for transportation. The City of Anderson would be asked to invest $15,000 out of a total budget of $65,000. The County of Shasta would be asked to invest $23,000 out of $1,500,000.00. The City of Shasta Lake would be asked to invest $18,500 out of $171,008. The City of Redding would be investing $243,000 out of $280,000, almost their entire TDA allotment.

RABA Board Member Kehoe asked Assistant City Manager Starman to explain what the consequences would be of a temporary reduction in the farebox ratio to 16.5% and escalating it up. Specifically, clarification of what the probable outcome would be of fare increases and what the service reductions would look like.

Assistant City Manager Starman answered that if RABA had to rely on additional fares alone to solve the problem, they would have to raise the total revenue 15%. Supply and demand would come into play causing ridership to fall as prices increase. Therefore; they would have to increase the fares 20%. Starman continued that if they were to solve the problem solely by decreasing expenses, $480,000 by the end of the contract term, this is equal to about three fixed routes. The Routes 1, 3 & 4 might be recommended to be eliminated. They could also use a combination of eliminating one or two routes and have a more moderate fare increase.

RABA Board Member Kehoe asked Mr. Starman what the fare increase in the first alternative means in dollars and cents. Assistant City Manager Starman answered that bus fare is currently at $1.00; they would have to raise it to $1.20. Other areas would go from $1.50 to $1.80.

RABA Board Member Kehoe asked how that would affect ridership.
Assistant City Manager Starman answered that a 20% increase in fares would mean a 5% reduction in ridership. The last time RABA raised the fares in 1998, initially there was a 5% reduction in ridership, which has since increased.

RTPA Executive Officer Kovacich stated that he agrees with Mr. Starman, that in the beginning there would be a drop in ridership, but this would build up again over time.

RTPA Member Clarke asked if any thought had been given to improve the efficiency of Demand Response to make up the costs i.e. incorporate route dispatch schedules to help make it more efficient.
Assistant City Manager Starman answered that there were four reports from studies and analysis done in the late 90's on Demand Response. Two recommendations were implemented at that time.

RTPA Member Wilson stated that she has been out in the community talking to people. Many expressed concern that the price of fuel is going up. They are not subsidized, how will they pay for fuel?
RTPA Member Duryee stated that Shasta Senior Nutrition Program (SSNP) is not like Demand Response and shouldn't be included in this discussion. Demand Response is a federal mandated program. There is no way to do anything to change it except to make it as efficient as possible. She stressed that the RTPA needs to find a way to move people more efficiently. She noted that TDA money is for transportation first, not streets and roads. There are needs that are reasonable to meet and should be addressed, because this issue will come up every year.

RTPA Chair Comnick asked what the statistics on the 1998 ridership was when the fares were increased in 1998 compared to ridership at this time. Assistant City Manager Starman answered that the ridership dropped about 4% after the fare increases last time. The ridership is now somewhat higher on the fixed routes than it was before those fare increases.

RTPA Chair Comnick asked about the mobile home park outside of Anderson on the Airport Road Corridor that have people who need to catch that bus, but can't make it to the road. RTPA Board Member Clarke stated that herself, Ray Duryee and Sue Hansen had a meeting with the park owner last week and are working on getting the bus inside the mobile home park.

RTPA Executive Officer Kovacich explained from the needs assessment, there were 866,000 rides on the fixed routes system, generating $503,000 in revenue, which comes to 58 cents per ride. We have transfers and monthly passes. Many passes are subsidized by Social Service programs. Not everyone who rides the bus generates $1.00 in revenue. So everyone who rides the bus would not be paying the $1.20 increase necessarily.

RABA Chair Lindsay asked what happens when Social Services stops buying rides for their clients? If the compensation goes away, what do they do then?

3. <u>Public Comment Period</u>:
Mary Onwiler, transit rider, stated that lowering the farebox wouldn't be as costly as they think, if the bus routes were operated more efficient. Many routes are too tight to meet schedules and some busses sit idle for up to 30 minutes. Ms. Onwiler noted there is a problem with dispatch, not the drivers. She believes RABA could be more cost effective with new businesses coming to Redding, the employees will be bus riders.

Mike Evans, Chair, Social Services Technical Advisory Committee (SSTAC), stated that TDA funds are for transportation. If the farebox was set at 16.5% then the system would have the flexibility to do what it needs to do to serve people. Then the RABA board would have the responsibility to implement service improvements. He added that there is a growing number of people that need service, without cutting routes or significant increases in fares. He stressed that the real legislative intent of the TDA funds should be looked at.

Melinda Brown, representing People of Progress, stated that it is not acceptable to raise rates. There is not enough known about the 5% impact. She believes the route to the Social Services office on Breslauer should not be cut. Redding shouldn't be held to a higher standard because we are not an urban area like San Francisco. She suggested the parameters be put on the Demand Response system.

Vi Klassen, citizen, stated that she has been saying for many years that RABA should change the farebox to 15%. Shasta County is considered small urban, because the population is less than 200,000. In some spots we're urban, but most of the County is not. People on the RTPA board live in under-urbanized areas. We need people to live closer together to make it pay better. RABA is not a business, it's a service. One of the criteria people have who move to Redding is whether there is a transportation system.

Jerry Flanagan, Teamsters Union Representative, stated that the Teamsters have negotiated a labor agreement on behalf of RABA drivers with Forsythe & Associates, contingent upon appropriate funding. If approved the agreement would expire in 2005. Drivers that are making $9.00 to $10.00 an hour now would be making $10.90 an hour. It would take only five years to get to the top step. This is much less than the City or County employees get paid. Bus drivers are responsible to transport citizens of this community around and yet get paid barely over minimum wage.

There being no further business to discuss, Chair Comnick adjourned the meeting at 5:00 p.m.

Respectfully submitted,

____

Daniel J. Kovacich, Executive Officer

/jac

UNAPPROVED MINUTES

SHASTA COUNTY REGIONAL TRANSPORTATION PLANNING AGENCY (MPO)
SPECIAL MEETING
Tuesday, April 9, 2002 5:00 p.m.
City of Redding, Redding City Hall, Community Room
777 Cypress Street, Redding, California

(Note: These minutes are not intended to serve as a transcript or verbatim record of the proceedings of the Shasta County Regional Transportation Planning Agency, but rather as a record of meeting time, place and attendance; the order and general nature of discussion; Agency deliberations; and action taken, if any.)

Agency Members Clarke, Comnick, McGeorge, Hawes, Duryee, Wilson and Kight were present.

1. Call to Order:
Chair Comnick called the meeting to order at 5:00 p.m.

2. Public Comment Period:
Robert Harding, taxpayer and businessman, stated that when your expenses exceed your income, you either make more money or cut expenses. He stated that RABA is a public service business, the same as the City water department, utility department, sewer department or street department. When the City needs money for streets, they raise taxes. He continued to say that what RABA is asking the Agency to do doesn't make sense. The City raised utility rates because it had to pay more for the commodity. RABA is a service that is actually a business. He stated that the State says 20% can be collected on the farebox, but can citizens drive their cars for 20 cents on the dollar, or go to the movies, or buy electricity for 20 cents on the dollar? Mr. Harding emphasized this issue needs to be looked at from a different view because it is not a welfare service - not any more than the electric service is. He stated that the Board should rescind the February vote of 16.5% and bring the farebox ratio back up to 19%.

Patrick Minturn, Shasta County Department of Public Works Director, stated the farebox ratio is a benchmark, a performance standard. Legislation gives a minimum standard of 19%. RABA does not serve 90% of the County, it serves less than 10%.

3. CONSIDERATION OF REQUEST BY RABA TO LOWER FAREBOX RATIO
Executive Officer Kovacich clarified that in areas where a population is under 350,000 TDA funds may be used for other than transportation, if unmet transit needs that are reasonable to meet, have been met. Above that the agencies are free to provide any transit that they desire. Mr. Kovacich reassured the Agency that the action being asked of them to take is not illegal, it is consistent with state law. He reiterated that we are not taking advantage of a loophole.

Member McGeorge moved for the RABA 16.5% farebox reduction, Kight seconded. Members McGeorge, Duryee and Kight voted in approval, members Clarke, Wilson, Hawes and Comnick opposed. Motion failed.

There being no further business to discuss, Chair Comnick adjourned the meeting at 5:10 p.m.

Respectfully submitted,

____

Daniel J. Kovacich, Executive Officer

/jac