

REDDING AREA BUS AUTHORITY
 Special Meeting
 City Council Chambers
 777 Cypress Avenue
 Redding, California 96001
 February 22, 2010 5:15 p.m.

The meeting was called to order at 5:15 p.m. by Chair McArthur with the following Board Members present: Bosetti, Connick, Dickerson, Jones, Kehoe, Lindsay, and Stegall.

Also present were City Manager Starman, Assistant City Manager Tippin, City Attorney Duvernay, Transportation and Engineering Director Crane, Assistant City Engineer Aukland, Deputy City Clerk Mize, and Executive Assistant Stockwell.

CONSENT CALENDAR

The following matters were considered inclusively under the Consent Calendar:

Approval of Minutes - Regular Meeting of January 25, 2010

Approval of Cash Report, Accounts Payable Register and Staff Authorized Expenditures for January 2010

(R-010-250-025 & R-010-250-350)

It is recommended that the January Cash Report, including RABA investments totaling \$2,242,817.53, and Accounts Payable Register No. 7, check numbers 112065 through 112082 inclusive, in the amount of \$433,856.78 be approved.

System Report for January 2010

(R-010-800)

It is recommended that the System Report for January 2010 be accepted. Fixed Route ridership totaled 48,680, with a paid ridership of 46,940, showing a decrease in fixed ridership of six percent over last month and 13 percent from last year. Demand Response ridership totaled 4,797, with a paid ridership of 4,648, showing a seven percent decrease from December 2009 and a decrease of 24 percent over last year. 291 riders rode the Burney Express Route.

Authorization to Surplus and Sell Four Demand Response Vans

(R-010-900)

It is recommended that the Board declare two 1994 and two 2001 Ford Demand Response vans as surplus, authorize the sale of the vehicles, and deposit the revenue in RABA's capital reserve account.

Approve Replacement Fixed Route Vehicle Procurement

(R-010-090 & R-010-900)

It is recommended that the Board authorize staff to procure four fixed route coaches directly from the Gillig Corporation using the "piggybacking" procurement process funded with Federal Transit Administration (FTA) 5307 and State Proposition 1B grant funds .

Accept Second Quarter Financial Performance Indicators

(R-010-090)

It is recommended that the Second Quarter Financial Performance Indicators for fiscal year 2009-10 be accepted. The total farebox ratio (FBR) for the second quarter is 18.32 percent, which is higher than the first quarter's combined FBR of 15.28 percent and higher than the combined FBR of 15.45 percent for the second quarter of 2008-09. The year-to-date combined FBR is 16.80 percent, which is higher than the 16.20 percent required for the fiscal year 2009-2010 by the Shasta County Regional Transportation Planning Agency (RTPA).

Proposition 1B Capital Expenditure Plan and Corrective Action

(R-010-280-500)

It is recommended that the informational report regarding the Proposition 1B Capital Expenditure Plan and Corrective Action be accepted.

MOTION: Made by Board Member Jones, seconded by Board Member Connick, that all the foregoing items on the Consent Calendar be approved and adopted as recommended.

The Vote: Unanimous Ayes

GREYHOUND RELOCATION TO THE REDDING INTERMODAL PASSENGER TRANSFER CENTER

(R-010-370)

Transportation and Engineering Director Crane related that the Redding Intermodal Passenger Transfer Facility, also referred to as the Downtown Transit Center (DTC), is located at 1530 Yuba Street in downtown Redding and was designed to accommodate RABA’s fixed route buses and provide intermodal connections to intercity bus and rail service, interregional transit operators, commuters, potential service to the airport, and users of non-motorized transportation.

Mr. Crane explained that DTC currently serves as a stop to a number of other interregional transit operators, including Amtrak, Sage Stage, the Susanville Indian Rancheria transit van, and Trinity Transit. He relayed that Greyhound, the largest interregional transit operator in Redding and currently operating from their terminal located at 1321 Butte Street, recently informed RABA staff that they are restructuring nationwide and interested in moving their operations into smaller or intermodal type facilities such as RABA’s.

Mr. Crane indicated staff believes that the existing administrative facilities of RABA at the DTC could meet RABA and Greyhound’s current and short-term needs, albeit somewhat constrained, and long-term expansion plans include construction of additional administrative space that could handle passenger ticketing, driver lounge, and passenger amenities for a major carrier such as Greyhound. Funding for this addition, Mr. Crane stated, could come from State Proposition 1B capital funds that are due to RABA over the next several years.

He said that RABA staff has had preliminary discussions with Greyhound that include providing leased facilities at the DTC for Greyhound operations for use of the administrative, storage, break room and bus facility space; Greyhound would contract separately with an independent sales contractor to manage the operation component, including ticket sales and package express services.

Mr. Crane recommended that the Board consider the relocation of the Greyhound Lines, Inc., to the Redding Intermodal Passenger Transfer Facility, and direct staff to negotiate a lease agreement with Greyhound Lines in order to facilitate relocating their operations to the RABA facility, with staff returning to the Board for approval of the lease agreement.

Board Member Kehoe expressed a number of concerns about the proposal, including no stated time lines by Greyhound and disabled patrons being inconvenienced. He commented that more information should be provided by staff before action can be taken on the recommendation, including a Board field trip to the intermodal facility.

Board Member Bosetti expressed support for the proposed DTC lease with Greyhound, but urged staff to negotiate with Greyhound in offsetting some of the expenses for the possible expansion of the intermodal facility.

Board Members Lindsay and McArthur expressed support for the proposed DTC lease with Greyhound, stating that this is in alignment with RABA’s mission statement, the Short-Range Transit Plan, and the Long-Range Transit Plan.

MOTION: Made by Board Member Jones, seconded by Board Member Lindsay, directing staff to negotiate with Greyhound to provide leased facilities at RABA’s Downtown Transit Center (DTC) for Board consideration; and provide a Board tour of the DTC facility prior to consideration of the lease agreement.

The Vote:

- AYES: Board Members: Bosetti, Connick, Dickerson, Jones, Lindsay, Stegall, and McArthur
- NOES: Board Members: Kehoe
- ABSTAIN: Board Members: None
- ABSENT: Board Members: None

2008/2009 SYSTEM PERFORMANCE REVIEW

(R-010-800)

Transportation and Engineering Director Crane explained that with system changes implemented as part of the Board-approved Short Range Transit Plan (SRTP) and with RABA's final accounting for fiscal year ending June 30, 2009, (FYE 09) now audited and complete, it was appropriate to update the Board to provide a summary of system performance for FYE 09.

Assistant City Engineer Aukland gave a slide presentation reviewing RABA's system performance for FYE 09 and summarized that the system experienced notable increases in service effectiveness while enjoying a slight increase in fixed route ridership. He advised, however, that operational costs were higher due to a new contract operator agreement and higher vehicle maintenance costs.

Mr. Aukland highlighted some of the key system performance indicators as follows:

Fixed Route System

Fixed route ridership increased by a modest 1.40 percent over the previous year to nearly 659,000 riders, with most gains realized in the senior/disabled and discount (nonprofit groups) fare categories, which accounts for nearly 43 percent of the total ridership. Overall fixed route farebox recovery ratio decreased from 19.32 percent in FYE 08 to 17.67 percent in FYE 09. The combined fixed route and demand response farebox recovery ratio was 16.53 percent, which exceeds the temporary reduction of 15.5 percent approved by the Shasta County Regional Transportation Planning Agency (RTPA).

Demand Response System

Demand response ridership decreased slightly in FYE 09 from the previous year to 79,340 passengers, resulting in a positive financial impact since the cost per ride is nearly five times that of the fixed route system. Due to increased cost of the contract operator, almost all statistical categories saw undesired results, but RABA is implementing a few initiatives this fiscal year to curb these performance decreases including using Proposition 1B capital funds to purchase new dispatch software and automated vehicle location devices to make trip scheduling and dispatching more efficient. Overall farebox recovery ratio for demand response decreased from 14.92 percent in FYE 08 to 14.34 percent in FYE 09.

Burney Express Service

RABA's Burney Express service contracted to Shasta County saw a nearly seven percent decrease in ridership for FYE 09 from the previous year, and with increased contract operator costs, system performance statistics declined in all categories. Overall, the Burney route farebox recovery ratio decreased from 18.40 percent in FYE 08 to 16.96 percent in FYE 09, but was significantly higher than the 10 percent ratio for this service required by the RTPA.

Vehicle Fleet

RABA's active vehicle fleet consisted of 16 fixed route buses, 19 demand response vans, and three Burney express vans for FYE 09. Four additional demand response vans were purchased in Spring 2009 to replace four in the fleet. The fixed route fleet totaled over 547,000 roadway miles, demand response nearly 486,000 and Burney Express nearly 90,000 over the course of the year. On average, the fixed route fleet costs \$1.31 per mile to operate, demand response \$0.51, and Burney \$0.52. The 2003 fixed route bus models all received major engine and/or transmission overhauls this year due to their age and skews the maintenance costs and corresponding cost per mile for these vehicles.

Mr. Crane recommended that the Board accept the 2008/09 system performance review.

MOTION: Made by Board Member Jones, seconded by Board Member Bosetti, accepting RABA's system performance review for the fiscal year ending June 30, 2009.

The Vote: Unanimous Ayes

2009/2010 BUDGET UPDATE

(R-010-090)

Assistant City Engineer Aukland related that a RABA budget update was presented October 2009 that included a summary of a decline in budgeted transit revenue, related system expenditures, and adjustments to ensure all member agencies would be able to meet their transit requirements. He cautioned that the economic crisis continues to impact transit revenues and adjustments are being implemented to again ensure RABA transit obligations are met.

Mr. Aukland gave an overhead presentation showing recent budget trends and projected RABA revenue and expenditures. He explained that RABA relies heavily on State Transportation Development Act (TDA) funding, which includes both the State Transit Assistance (STA) and Local Transportation Fund (LTF) programs to operate the transit system. He said the STA program, derived from the sales tax on gasoline, was suspended over the next five years by State budget actions last spring and advised that the Governor's current budget proposal recommends eliminating the STA in perpetuity. He concluded that the LTF, derived from a 1/4 cent of the general sales tax, may be the only source of TDA revenues currently available for RABA, and that funding source is down nearly 15 percent from the projection for the fiscal year through the end of the second quarter. He projected, however, that all member agencies will be able to meet transit obligations without service cuts or fare increases for the present, but cautioned that the City of Redding just met their transit obligations at \$3,692,021, leaving only \$19,209 of LTF funds available for other uses. He observed that current projections show each agency should expect a reduction in the amount of LTF available for other uses and the City of Redding likely will not receive any LTF funds for other uses.

Mr. Aukland offered that the shortfall in LTF revenue can be made up with a combination of additional federal revenue and a reduction in RABA operational costs. The federal funds would come from the American Recovery and Reinvestment Act Operating Assistance (ARRA) at \$207,000 and RTPA Federal Planning Funds for Transit Administration at \$129,000. In addition, he said staff projects a savings of nearly \$734,000 in operating expenses for the current fiscal year due to lower than expected costs for fuel, personnel, and purchased transportation.

Mr. Aukland informed that staff is continuing to look at ways to reduce operational expenses, including the options of utilizing capital reserves, the potential for additional revenue if funds are restored that were diverted by the State for the last three years, and the possibility of service cuts and fare increases.

Mr. Aukland recommended that the Board accept the 2009/2010 RABA budget update.

MOTION: Made by Board Member Jones, seconded by Board Member Kehoe, accepting the 2009/2010 RABA budget update.

The Vote: Unanimous Ayes

ADJOURNMENT

There being no further business at the hour of 6:11 p.m., Chair McArthur declared the meeting adjourned.

APPROVED:

Chair McArthur

ATTEST:

Pamela Mize, Deputy Secretary to the
Redding Area Bus Authority