

REDDING AREA BUS AUTHORITY
 Regular Meeting
 City Council Chambers
 777 Cypress Avenue
 Redding, California 96001
 May 17, 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, Comnick, Dickerson, Jones, Kehoe, and Stegall. Ron Dixon, alternate for Rod Lindsay, arrived at 5:18 p.m.

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

CONSENT CALENDAR

The following matters were considered inclusively under the Consent Calendar:

Approval of Minutes - Special Meeting of February 22, 2010

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

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

It is recommended that the February Cash Report, including RABA investments totaling \$2,190,326.80, and Accounts Payable Register No. 8, check numbers 112083 through 112100 inclusive, in the amount of \$411,413.63 be approved.

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

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

It is recommended that the March Cash Report, including RABA investments totaling \$2,168,910.73, and Accounts Payable Register No. 9, check numbers 112101 through 112114 inclusive, in the amount of \$401,033.82 be approved.

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

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

It is recommended that the April Cash Report, including RABA investments totaling \$2,419,762.06, and Accounts Payable Register No. 10, check numbers 112115 through 112133 inclusive, in the amount of \$470,171.20 be approved.

System Report for February 2010

(R-010-800)

It is recommended that the System Report for February 2010 be accepted. Fixed Route ridership totaled 56,064, with a paid ridership of 50,352, showing an increase in fixed ridership of seven percent over last month and three percent from last year. Demand Response ridership totaled 4,845, with a paid ridership of 4,645, showing a one percent increase from January 2010 and a decrease of 17 percent over last year. 322 riders rode the Burney Express Route.

System Report for March 2010

(R-010-800)

It is recommended that the System Report for March 2010 be accepted. Fixed Route ridership totaled 58,606, with a paid ridership of 56,715, showing an increase in fixed ridership of 13 percent over last month and three percent from last year. Demand Response ridership totaled 5,668, with a paid ridership of 5,445, showing a 17 percent increase from February 2010 and a decrease of 11 percent over last year. 314 riders rode the Burney Express Route.

System Report for April 2010

(R-010-800)

It is recommended that the System Report for April 2010 be accepted. Fixed Route ridership totaled 58,118, with a paid ridership of 51,006, showing a decrease in fixed ridership of one percent over last month and an increase of one percent from last year. Demand Response ridership totaled 5,488 with

a paid ridership of 5,275, showing a three percent decrease from March 2010 and a decrease of 15 percent over last year. 299 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 four Demand Response vans as surplus, authorize the sale of the vehicles, and deposit the revenue in RABA's capital reserve account.

Accept Third Quarter Financial Performance Indicators
(R-010-090)

It is recommended that the Third Quarter Financial Performance Indicators for fiscal year 2009-10 be accepted. The total farebox ratio (FBR) for the third quarter is 14.98 percent, which is higher than the second quarter's combined FBR of 14.64 percent and higher than year-to-date combined fare box ratio of 14.70 percent. The year-to-date combined FBR of 14.70 percent is lower than the 16.20 percent required for the fiscal year 2009-2010 by the Shasta County Regional Transportation Planning Agency (RTPA).

Accept 2009-10 Budget Update - Third Quarter
(R-010-090)

It is recommended that the 2009-10 budget update for the third quarter be accepted. Staff indicated that RABA will need to consider service cuts and/or fare increases to ensure all agencies are able to fund their transit obligation under the existing cost sharing formula if recent trends worsen and State Transportation Development Act (STA) revenues continue to fall despite the addition of the State Transit Assistance (STA) program. Staff related that several options have been identified that could potentially save nearly \$400,000 annually, but that these options would be a significant burden on the riding public.

Set Public Hearing for July 19, 2010, Regarding Minor Route Changes to Routes 4 and 11
(R-010-350)

It is recommended that July 19, 2010, be set as a public hearing for the consideration of minor changes to Routes 4 and 11.

MOTION: Made by Board Member Jones, seconded by Board Member Stegall, 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 - Authorize Lease Agreement with Greyhound Lines, Inc.
(R-010-370)

Transportation and Engineering Director Crane recapped that at the regular meeting on February 22, 2010, staff was directed to negotiate a lease with Greyhound Lines Inc. to utilize the Redding Intermodal Passenger Transfer Facility, also referred to as the Downtown Transit Center (DTC), for the relocation of Greyhound operations.

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, informed RABA staff that they are restructuring nationwide and are interested in moving their operations into smaller or intermodal type facilities such as RABA's.

Mr. Crane indicated that RABA could lease facility space to Greyhound including administrative, storage, driver break room, and bus parking space for \$1,500 per month with three percent annual increases. Greyhound would contract separately with an independent sales contractor for their operations, including ticket sales and package express services. He related that Greyhound may relocate operations to the facility beginning June 1, 2010, pending negotiations, and that a five-year term lease was offered with two, two-year extension options.

Mr. Crane relayed that after a more detailed inspection and discussion of operations with Greyhound, it appears that the current facility can accommodate both RABA and Greyhound using the existing facilities in the short term of 2010 and 2011, but that additional space is required regardless of

consolidating the two operations in order to accommodate the existing needs of RABA users. He explained that funding for this addition could come from State Proposition 1B capital funds that are due to RABA over the next several years.

Mr. Crane recommended that the Board approve the proposed lease agreement with Greyhound Lines Inc. to utilize the Downtown Transit Center to facilitate the relocation of Greyhound operations to the DTC and authorize the chairperson to execute the agreement.

Board Member Kehoe expressed concern that existing Veolia employees will be inconvenienced by combining the two operations and that it will create crowded conditions, therefore, the lease amount should be higher to compensate.

MOTION: Made by Board Member Jones, seconded by Board Member Connick, approving the lease agreement with Greyhound Lines Inc. to utilize the Intermodal Passenger Transfer Facility, also referred to as the Downtown Transit Center (DTC), for relocation of Greyhound operations; and authorize the chairperson to execute the agreement.

The Vote:

AYES: Board Members: Bosetti, Connick, Dickerson, Dixon, Jones, Stegall, and McArthur

NOES: Board Members: Kehoe

ABSTAIN: Board Members: None

ABSENT: Board Members: None

REVISED 7-YEAR FINANCIAL PLAN:

RESOLUTION - Adopting a Budget for Fiscal Year 2010-11 and a Revised 7-Year Financial Plan (R-010-090)

Assistant City Engineer Aukland gave a presentation regarding the proposed fiscal year 2010-11 operating and capital RABA budget of \$8,494,131 and the revised 7-Year Financial Plan. He reported that the key objectives of the budget were as follows:

- Implement adjustments to recommendations from the Short-Range Transit Plan (SRTP) such as continued marketing efforts and rolling stock replacement to reflect the current state of the economy;
- Maximize the use of federal and state grant funds for operating and capital expenditures;
- Be consistent with Shasta County Regional Transportation Planning Agency (RTPA) approved fare box ratio requirements; and
- Minimize the use of Transit Development Act (TDA) funds given these funds have been significantly decreased due to the economy and that the partner agencies utilize these funds to the extent possible for other transportation uses in addition to RABA.

Mr. Aukland summarized the proposed 2010-11 budget as follows:

- Operating Budget - The proposed budget of \$5,306,900 reflects a decrease of \$253,490 or 4.5 percent over the 2009-10 budget.
- Operating Revenue - The breakdown shows a significant decrease in the use of Transit Development Act (TDA) funds which have been backfilled with Federal Transit Administration 5307(FTA 5307) funds. Additionally, non-transit revenue is expected to increase due to the proposed lease agreement with Greyhound.
- Capital Outlay Budget - The \$3,187,231 budget indicates a decrease of \$2,189,554, or 59 percent over the 2009-10 budget which included a one-time allocation of \$1,670,099 in American Reinvestment and Recovery Act funding.
- Capital Outlay Revenue - The increase in available capital transit revenue through Proposition 1B will allow RABA to implement a relatively robust capital program funded with either Federal FTA 5307 or State Proposition 1B funding.

Mr. Aukland advised that the 7-Year Financial Plan was updated to comply with the direction set by the RTPA to gradually increase the fare box ratio to 19 percent by the end of the 2014-15 fiscal year. He said key assumptions of the plan include :

- Fixed route revenues will increase by a more realistic goal of 6.5 percent per year, which is a modification to the SRTP which projected an eight percent annual increase;
- Demand Response revenue will increase by four percent per year;
- Proposition 1B funding will continue through the 7-year Financial Plan (approximately \$976,000 per year);

- Increased FTA operating assistance will continue while Proposition 1B funding is available;
- Non-administrative expenses will increase by three percent per year, however, the 7-year Financial Plan estimates administrative costs will remain constant in 2011-12 and then increase 2.5 percent annually, along with personnel costs; and
- Fares remain constant

Mr. Aukland recommended that the Board accept the revised 7-Year Financial Plan and approve the resolution adopting the budget for fiscal year 2010-11 and the 7-Year Revised Financial Plan.

In response to Board Member McArthur, Mr. Aukland advised that in the coming year staff will research hybrid/alternative fuel “green” vans and buses as possible rolling stock purchases in the future.

MOTION: Made by Board Member Stegall, seconded by Board Member Cornick, accepting the revised 7-Year Financial Plan, and adopting Resolution No. RABA-172, a resolution of the Redding Area Bus Authority, adopting a budget for the fiscal year 2010-11 and a 7-Year Financial Plan.

The Vote:

AYES: Board Members: Bosetti, Cornick, Dickerson, Dixon, Jones, Kehoe, Stegall, and McArthur

NOES: Board Members: None

ABSTAIN: Board Members: None

ABSENT: Board Members: None

Resolution No. RABA-172 is on file in the Office of the City Clerk.

ADJOURNMENT

There being no further business at the hour of 6:08 p.m., Chair McArthur declared the meeting adjourned.

APPROVED:

Chair McArthur

ATTEST:

Pamela Mize, City Clerk and Secretary to the
Redding Area Bus Authority