

APPROVED MINUTES

SHASTA COUNTY REGIONAL TRANSPORTATION PLANNING AGENCY (MPO)
Tuesday, April 26, 2005, 4:00 p.m.
Shasta Senior Nutrition Programs,
2225 College View Drive, 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, Hawes, Goekler, Stegall, Connick and Murray were present. Agency Member Hartman was absent.

1. Call to Order:

Chair Hawes called the meeting to order at 4:05 p.m.

2. Public Comment Period:

There was no one who wished to speak during the Public Comment Period.

Consent Calendar

- 3-1 Minutes of February 22, 2005, RTPA Meeting
- 3-2 Future RTPA Meeting Schedule Through April 2006 - Information Only
- 3-3 Consider 2003/2004 Transportation Development Act (TDA) True-Up Instructions and Amended Claims
- 3-4 Consider Adopting a Resolution Making Required Findings and Certifications and Adopting a Priority List for the Annual Federal Transit Administration (FTA) Section 5310 Program for Transit Capital Projects
- 3-5 Accept TDA Fiscal and Compliance Audits for Year Ended June 30, 2004
- 3-6 Memorandum of Understanding Between Caltrans and Shasta County Regional Transportation Planning Agency

By motion made, seconded and carried, the items on the Consent Calendar were approved with Stegall and Murray abstaining on Item 3-1 because they were not at the February 22, 2005 RTPA meeting.

Regular Calendar

4. Unmet Transit Needs - Consider Approval of 2005/06
Transportation Development Act (TDA) Allocation
Instructions and Claims Budget and Unmet Needs Findings

Executive Officer Dan Kovacich explained that this was an annual process and Larry Scarborough, Chairman of the Social Services Technical Advisory Committee (SSTAC) would speak first.

Larry Scarborough went over a list of what SSTAC has considered unmet needs:

1. RABA service hours expanded in the evening, prefer four hours, but at least by two hours.
2. Routes expanded in the service areas, even if only one day per week, to outlying areas such as Mountain Gate, Palo Cedro, Bella Vista, Cottonwood and Happy Valley.
3. Fixed route service on Sunday.
4. Increase frequency to half-hour intervals, at least on busy routes
5. Smaller busses on routes that do not justify the larger busses.
6. Request that the RTPA write the appropriate State Legislatures and officials, requesting a review of the way farebox ratios are currently done. Specifically that fixed route farebox ratios be kept separately from Demand Response farebox ratios.

Larry explained the fixed route farebox ratios do fairly well until they get combined with Demand Response, and then they get pulled down.

Executive Officer Dan Kovacich explained the responses to other comments previously received were in the packets. He stated that staff has concluded there are no unmet transit needs that are reasonable to meet within the service area.

Dan noted that RABA has requested the farebox ratio requirement be reduced by either reducing the farebox requirement itself, or modifying a service area in which RABA operates. RABA also requested the deferral of TDA claims approval. Dan explained that if the Agency chooses to adjust the farebox ratio or modify a service area, there is a process that includes public hearings, etc. Following that process, staff would come back with revised claims that would reflect any action that may be taken at that time. Dan continued to explain that if the Agency chooses not to approve the claims, a 45-day review period is required. Staff would like to disburse streets and roads

monies to the three agencies that have streets and roads funding available starting July 2005.

Randy Bachman, RABA Executive Officer addressed the Board. He noted that RABA was aware that it is not meeting its farebox ratio requirement of 19% and believes it will only be around 13% this year. The RABA Board had reviewed the system in an attempt to improve the farebox ratio and came up with some alternatives. Randy continued to state that to reach 19% some substantial service reductions and substantial fare increases are needed. He noted that the RABA Board wanted the RTPA Board to consider whether to keep the farebox at 19% or not. Randy continued to note that since the claims process is concluding and RABA is not making farebox, they will receive subsidies from the City of Redding and City of Shasta Lake this year, but they do not want the system to be continually subsidized. If the RTPA Board approves the claims today, the RABA Board will consider potential modifications and come back to put those in place to re-allocate the funds.

Board member Dean Goekler asked Dan Kovacich if the farebox ratio was adjusted or remained steady in 2002 when the RTPA lowered the farebox ratio to 16%, using the 80/20 method for the TDA funds?

Dan Kovacich answered that 80/20 is the cost allocation formula whereby the cost of RABA is allocated to the four jurisdictions. Eighty percent of the cost is allocated based on service hours provided in the jurisdiction, and 20% of the costs are allocated based on the population served by RABA. The funding formula has been in place since about 1994 and was not changed when the farebox was reduced in 2002.

Board member Dean Goekler asked why the farebox ratio is closer to the highest percent (19 percent), since it can be adjusted between 15-20 percent.

Dan Kovacich answered that the general theme of the legislation is that the farebox should be 20%. The 19% figure is a weighted average farebox based upon the service hours that were being provided in what was then considered a rural area of Anderson and is now considered urban, and the remainder of the service hours in an urbanized area. So it is a blended farebox standard based on the 20% urban standard and 10% rural standard. Dan concluded that it is at the discretion of the RTPA Board to go as low as 15%.

Board member Dean Goekler asked why the RTPA staff is recommending to keep the current service level for RABA

along with the current farebox ratio since RABA is in their grace period this year and next year there will be major changes with funding.

Dan Kovacich answered that the staff recommendation is based on the historic level of service provided and up until recently it was understood that RABA had a corrective action plan to meet the farebox requirement. Dan continued to note what RABA would have to do in order for staff to make a recommendation:

1. Implement items mentioned in the RABA staff report to bring the farebox up to about 17%, a 3-4 percent improvement.
2. Since rates for fixed routes in the City of Redding and the City of Shasta Lake have not been increased since 1997 or 1998, it would seem reasonable to raise rates, instead of increasing subsidy

Board member Mary Stegall noted that if the farebox stays at 19% the rate of increase that riders will be asked to pay would be a 50% rate increase, and 100% for Demand Response. People would pay \$1.50 per ride, more for transfers and \$3.00 per ride for Demand Response. Mary continued to note that the RABA board is probably open to some degree of compromise on a rate increase, but this would be too much all at one time for the ridership. Mary stated that she hoped the RTPA board would consider some sort of a compromise on the farebox ratio.

Board member Trish Clarke noted that when the farebox ratio drops, the subsidy from the taxpayers increase. She also noted that the staff report recommending approval had previously been reviewed by the other agencies, and they agreed with staff. She explained that there are some things the RABA board needs to do to make their service more cost effective. Lowering the farebox ratio does not create any new money to run the system.

Board member Ken Murray noted that the unmet needs hearing should be in September, and would like the RTPA board to change the cycle so there is time to respond after the unmet needs hearing. He stated there should be an adjustment of the RTPA meeting dates so there is more time between meetings for the RABA board to have the opportunity to respond to the direction of the RTPA board.

Executive Officer Dan Kovacich stated that it was the first time in a number of years that the City of Redding would not be getting any streets and roads monies, because Redding pays approximately 85% of RABA's operating costs. As RABA's costs have gone up, the share of costs allocated

to the City of Redding has gone up. Dan explained that FTA 5307 had been the primary source of funding for RABA capital for a number of years. FTA 5307 is used for both capital and operating. RABA no longer has 5307 money in the bank and is using its current allotment. Dan continued to explain that there will be a need for additional coaches as the fleet ages, the only place to get money for that is from TDA resources. Currently there is barely enough money for Redding's obligation to cover operating costs let alone some additional capital costs. The system as it is cannot be funded with the limited resources that are available. Dan suggested that a transit consultant be hired to redesign the entire system in light of the current funding constraints and issues. The current system was designed in 1994 based on revenues and costs at that time; it has not been changed in ten or eleven years. Dan suggested it might be appropriate to take a look at a long-term solution.

Board member Ken Murray agreed with Dan Kovacich's suggestion and recommended it be placed on the next RTPA meeting agenda.

Board member Dean Goekler asked for an explanation of why the agenda recommended that unmet needs are currently being met, and at the same time recommended an overhaul for the system because it is in trouble and funding is drying up.

Executive Officer Dan Kovacich noted that although RABA is sustaining some troubles, it was always presented that they had a plan to meet farebox. He stated that staff only became aware in the last week or so that RABA is looking at a 13% farebox.

Board member Dean Goekler asked if RABA met farebox last year.

Executive Officer Dan Kovacich answered that they did not meet farebox in 02/03 initially, but had some additional revenue that made it possible to make farebox. The first year officially that RABA did not make farebox was 03/04. They also did not meet farebox this year.

Board member Dean Goekler asked if the RTPA staff was aware that RABA has been using reserve money to catch up.

Executive Officer Dan Kovacich answered that staff was aware and in fact had disbursed around \$345,000 from the \$500,000 in reserve for the purchase of the El Rancho Motel property.

Board member Trish Clarke recommended approval of staffs recommendation with an additional recommendation that RABA come back to the July meeting with a plan of action.

Board member Norma Connick seconded the motion.

Board member Mary Stegall asked at what point it would be appropriate to bring in a consultant and how would it help in this situation; or would it be better to hire a consultant later.

Executive Officer Dan Kovacich answered that staff would only suggest a consultant if the RABA board enthusiastically supported it. He recommended that any approach to this problem be done jointly with RABA and the RTPA. Funding would come from the Overall Work Program so it would be of no cost to RABA.

Board member Mary Stegall asked how it would help to pass staffs recommendation today and not look at a plan of action until after July 1st. How will RABA's plan affect the next year, if Board approves staff recommendation today?

Executive Officer Dan Kovacich answered that any changes RABA comes up with, such as cutting routes, etc., a public hearing process must be conducted by the claimant agency. If a route were being cut that serviced the City of Shasta Lake, public hearings would have to be held in the City of Shasta Lake, City of Redding and Shasta County. If the route were determined not to meet the reasonable to meet standard, they would be eligible to be terminated. The Agencies then would resubmit revised claims to the RTPA reflecting their lower transit obligations to RABA, with those funds being claimed for some other purpose. After this process it then could be presented to the Agency and claims revised, the claims could also be revised retroactively.

Board member Mary Stegall stated that she was voting no on the motion, hoping that the RTPA Board would be willing to work on a compromise position with the RABA Board on this issue.

Board chairman Glenn Hawes asked if RABA decided to raise rates if they would they have to go through a public hearing process.

Executive Officer Dan Kovacich answered that they would have to go through a public hearing process.

Board member Trish Clarke noted that the RTPA Board should work with RABA, but would like to see what RABA intends to do. First, see what RABA's plan is, then reach a compromise if their plan is going in the direction that will help bring a solution to the problem, rather than the RTPA taking the lead. Lowering the farebox ratio takes the pressure off of RABA to do anything.

The staff recommendation passed 4-2 with Hawes, Clarke, Comnick and Murray voting aye, Goekler and Stegall voting no.

5. **Conduct Public Hearing and Consider Adoption of the 2005/06 Overall Work Program (OWP)**

Executive Officer Dan Kovacich explained the 2005/06 OWP is essentially next years budget. It is funded with Federal Planning funds and TDA revenue is used to match it. The special projects in the budget are to fund the phase II of the Traffic Model Improvement Program, and Traffic Impact Fee Studies or Zone of Benefit Analysis or Plan Line Studies at the request of local agencies.

No one from the public addressed the Board.

By motion made and seconded (Clarke/Murray) the staff recommendation passed unanimously.

6. **Amendment #3 to the 2004 Federal Transportation Improvement Program (FTIP)**

Staff member Dan Little explained that this was the third amendment to the FTIP. This amendment was necessary because additional funds are available in two programs, the Hazard Elimination and Safety (HES) Program and the Highway Bridge Replacement and Rehabilitation (HBRR) Program. There is \$624,000 for HES projects and \$23.5 million for HBRR projects. Most of this money will go for programming for the Cypress Bridge Replacement Project.

No one from the public addressed the Board.

By motion made and seconded (Dean/Comnick) the staff recommendation passed unanimously.

There being no other business to discuss, Chairman Hawes dismissed the meeting for a recess at 4:48 p.m., to reconvene at 5:00 p.m. for a workshop.

Respectfully submitted,

Daniel J. Kovacich, Executive Officer

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