



Public Transit Advisory Committee
Collier County Government Administration- Building F
3299 Tamiami Trail East – Suite 501 IT Training Room Naples, Florida
May 15, 2018
3:00 p.m.

1. Call to Order
2. Roll Call
3. Approval of Agenda
4. Approval of Minutes
 - a. March 20, 2018 Minutes
5. Committee Action
 - a. 5307/5339 FY18 POP
6. Reports and Presentations
 - a. Update on Beach Bus
 - b. Fixed Route Budget
7. Member Comments
8. Public Comments
9. Next Meeting Date – June 19, 2018
10. Adjournment

Two or more members of the Board of County Commissioners may be present and may participate at the meeting. The subject matter of this meeting may be an item for discussion and action at a future BCC meeting.

Collier Area Transit operates in compliance with Federal Transit Administration, (FTA) program requirements and ensures that transit services are made available and equitably distributed, and provides equal **AGENDA** access and mobility to any person without regard to race, color, or national origin, disability, gender or age. Title VI of the *Civil Rights Act of 1964*; FTA Circular 4702.1A, "Title VI and Title VI Dependent Guidelines for Federal Transit Administration Recipients.

Anyone who required an auxiliary aid or service for effective communication, or other reasonable accommodations in order to participate in this proceeding, should contact the Collier County Facilities Management Department located at 3335 Tamiami Trail East, Naples, Florida 34112 or 239-252-8380 as soon as possible, but no later than 48 hours before the scheduled event. Such reasonable accommodations will be provided at no cost to the individual.

MINUTES OF THE PUBLIC TRANSIT ADVISORY COMMITTEE
MEETING

March 20, 2018

LET IT BE REMEMBERED, the Public Transit Advisory Committee in and for the County of Collier, having conducted business herein, met on this date at 3:00 P.M. in REGULAR SESSION at Administrative Building "F", Suite 501, Collier County Government Complex Naples, Florida with the following members present:

ADVISORY COMMITTEE:

Chairman: Mr. John DiMarco (via teleconference)

Vice Chairman: Mr. John Jenkins

Mr. Arthur Dobberstein

Mr. Dylan Vogel

Mr. Harold Weeks

ALSO PRESENT:

Ms. Michelle Arnold, Director, Public Transit and Neighborhood Enhancement

Mr. Omar DeLeon, Senior Planner, Public Transit and Neighborhood Enhancement

Mr. Randell Farwell, Tindale Oliver

Mr. Brian Morales, General Manager with MV Transit

Mr. Barry Bland, General Manager with MTM

I. Call to Order

Vice-Chairman Jenkins called the meeting to order at 3:00 P.M.

II. Roll Call

Roll call was taken and a quorum was not established, with three committee members present. However, Mr. DiMarco joined the meeting via teleconference.

Mr. Vogel entered a motion to allow Mr. DiMarco's participation in the meeting via teleconference. Mr. Dobberstein seconded the motion. All members present were in favor. The motion was carried.

III. Approval of Agenda

Mr. Weeks entered a motion to approve the March 20, 2018 meeting agenda. Mr. Dobberstein seconded the motion. All were in favor. The motion was carried unanimously.

IV. Approval of Minutes

a. February 20, 2018 minutes.

Mr. Vogel entered a motion to approve the minutes of the February 20, 2018 meeting minutes. Mr. Weeks seconded the motion. All were in favor. The motion was carried unanimously.

V. Committee Action

a. Fare Study

Mr. Randell Farwell of Tindale Oliver addressed the committee to provide an update on modifications made to the original study which had been previously presented, as well as the decision of the Local Coordinating Board following presentation of the study at their meeting.

Mr. Farwell restated the objectives of the original study were to analyze potential fixed route and paratransit fare changes, assess potential ridership and revenue impacts, identify fare policy recommendations, and examine ridership impacts and revenue impacts, particularly as they relate to low income riders, with the following results:

- Feedback from all riders, both fixed route and paratransit, indicated the preference of an even dollar amount fare, as well as strong support for the purchase of passes from third party vendors, including a mobile application for purchasing passes.
- The majority of respondents were in favor of a fare increase if revenues were applied toward the improvement of services.
- ADA riders were generally in support of a fare increase of .50, with TD riders in support of up to a .25 fare increase.
- 60% of fixed route riders were generally in support of a slightly higher one-way fare, if it also included a free transfer. 71% felt that a one-way fare of \$2+ was too high.

- 41% felt the pass option was too expensive.
- 12% were unable to get to a location to purchase a pass, and/or found it too confusing to purchase a pass on the bus.

Fare alternatives for fixed routes:

Mr. Farwell advised the Committee that in studying fare alternatives for fixed routes, 7 scenarios were drafted, with 4 scenarios chosen for presentation to the public. Highlights included:

- Increasing the base fare, eliminating transfers, with a reduction in the cost of the day pass.
- Replacement of the 7-day pass with a 15-day pass, priced at half the cost of the 30-day pass.
- Increasing the price of the 30-day pass since it is presently low in comparison to peer systems, but would remain a good value for the money.
- Military (active and retired) and college student eligibility for reduced fare rates.

Recommendations following analysis of the fixed routes were to:

- Increase the base fare from \$1.50 to \$2.00, and from .75 to \$1.00 for the reduced fare, with a free 90-minute transfer upon request, thus enhancing the value of the passes, with no penalty for transferring.
- Lower the day pass from \$4.00 to \$3.00.
- Provide a 15-day pass at \$20.00, \$10.00 for the reduced fare.
- Increase the 30-day pass from \$35.00 to \$40.00, \$20.00 for the reduced fare.
- Increase in the Marco Express single fare ride from \$2.50 to \$3.00, \$1.50 for the reduced fare.

The anticipated impact of these changes would be an estimated \$68,000 to \$200,000 in additional revenue, with the least impact in terms of ridership.

The Smart Card, a card which carries a stored value that may be renewed, was discussed. Use of this currently requires two transactions; a cash fee to purchase the card, in addition to the cost of the pass purchased using the card. To simplify the process one consideration is to waive the cost of the purchase of the card, which would be absorbed in the price of the pass. The cardholder would still have the option to register the card for tracking purposes and protect the remaining balance in the event it was lost or stolen. Any remaining balance may be transferred to a new card. If the card is not registered, however, there would be no remedy for the purchaser in the event a card was lost or stolen. Card registration may be done at the transfer center or on the bus.

Question: What is the incentive for riders to purchase a 30-day pass?

Answer: It is the more affordable option for frequent riders, with a savings reduction overall in cost per trip.

Question: What is the benefit for riders to purchase a 15-day pass versus the 30-day pass?

Answer: The 15-day pass is a more affordable option available for riders who are unable to pay the \$40.00 price of the 30-day pass.

Question: Would there be a negative public reaction if free transfers were not offered with the increase in base fare?

Answer: Yes, it is felt the ridership would decrease, with a related decrease in revenue.

Question: What is the definition of a 30-day pass?

Answer: The pass would be good for 30 consecutive days from date of purchase, including weekends.

Mr. Jenkins expressed a desire for the ability to purchase the Smart Card online via credit card, rather than the present system of cash payment at the transfer center, offering greater ease and accessibility to a larger segment of the population. Ms. Arnold stated that a "mobile ticket" option is presently under consideration, whereby passes may be purchased and stored on smart phone devices, with the potential for individuals, as well as employers/agencies to utilize this service.

Recommendations for paratransit/TD riders:

Mr. Farwell reviewed the steps taken when evaluating this Paratransit fares. In studying fare alternatives for paratransit/TD riders, consideration was given for balancing the need for revenue to provide additional services, while also minimizing adverse impacts to paratransit/TD riders. The final recommendation is for no fare changes for paratransit riders at present. Consideration is being given for postponing the decision for any increases to the ADA fare for some time within the next 2 years, in order to monitor paratransit services to better assess needs when the next fare increase is considered.

TD eligibility is presently based on a 5 level pay structure, which is a sliding scale based on documented income per individual. Simplification of the existing fare structure via consolidation of fare options is proposed, specifically comprised of \$1.00, \$3.00 or \$4.00 fares, and eliminating the \$5.00 and \$7.00 options.

Question: Will there be a significant loss in revenue by the consolidation of fare options?

Answer: There is an estimated \$6,000 annual revenue loss, however the study did not include an analysis of anticipated increase in ridership with fare consolidation.

Question: May passes be used for paratransit/TD riders?

Answer: No, there is no fare box on paratransit buses. Riders pay with cash or purchased tickets.

Question: Would affording paratransit/TD riders the ability to purchase and use passes help to offset the potential \$6,000 annual revenue loss anticipated by not increasing the current fares?

Answer: Not initially due to the cost of purchase and installation of fare boxes on paratransit buses. A better understanding of the population is important as well, i.e., who may not be tech savvy or may simply be resistant to change.

Question: May credit/debit cards be used as a method of payment on these buses?

Answer: The use of credit/debit cards on the bus is generally not ideal due to connectivity and/or server issues, as well as delays caused to the boarding process.

Other policy recommendations for the Fixed route system included:

- Expanding the sale of passes via third party vendors.
- Use of smart phone applications for fare payment, as well as for the purchase of passes.
- College age students and active/retired military personnel eligibility for reduced fares.
- Incentivize business pass programs by maintaining the 30-day corporate day pass at a \$29.75 rate.
- Implement a “free transit day” to attract infrequent or new riders.

Question: Would fare boxes need to be installed on the paratransit buses to allow the use of these new smartphone applications?

Answer: Only the “reader” would need to be installed.

Question: Why was age 6 determined to be the age at which a child’s fare would be required?

Answer: Age cutoffs were determined as policy decisions.

Next Steps:

Presentation to the MPO Board on May 11, 2018.

Presentation to the Board of County Commissioners on June 12, 2018.

Mr. Jenkins entered a motion to approve the Collier County Fare Study as presented.

Mr. DiMarco seconded the motion. All committee members were in favor. The motion was carried.

b. Endorse the renewal of Members

Mr. Duggan and Mr. Weeks submitted applications for renewal as members of the Public Transit Advisory Committee.

Mr. Weeks entered a motion to recommend the reappointment of Mr. Duggan to the Public Transit Advisory Committee. Mr. Dobberstein seconded the motion. All were in favor. The motion was carried.

Mr. DiMarco entered a motion to recommend the reappointment of Mr. Weeks to the Public Transit Advisory Committee. Mr. Dobberstein seconded the motion. All were in favor. The motion was carried.

VI. Reports and Presentations

a. Performance Measures – Mr. Omar DeLeon

Quarterly ridership performance measures were reviewed, reflecting a steady decline in ridership since October 2017.

Low performance routes have been identified and studied for areas of improvement, with the initial phase of changes to commence April 1, 2018. Specifically, routes 20, 25, and 26 were chosen for a reduction in service level, while adding service to routes 11 and 12, with increased frequency during peak service. Additional service will be also added to the Ave Maria, route 28, and including Manatee Road as part of modification to route 18.

The second phase of service changes next season are expected to include increased service to the Town Center at Ave Maria, which has been endorsed by the Stewardship and the local community, as well as to the Arthrex facility on Oil Well Road.

Mr. Dobberstein asked why the ridership on Route 28 increased by 47%? (Route 28 travels from Immokalee to Naples, ending at the Government Center). Staff advised the group that there has been increased marketing efforts through Staff participation at public meetings, as well as on Spanish language television, Univision, providing information on the routes, as well as how to access public transit information. Route 20 reflects a significant increase in ridership as well; however, both routes 20 and 28 offer limited service, so these numbers may appear higher. No adjustments to either route have recently been made. A review of ridership patterns on route 28 will be done to determine what, if any contributing factors to the increase may be identified.

Mr. Jenkins stated feedback had recently been received which indicated full capacity on the Marco Island route, with some passengers standing, and felt perhaps additional service should be added on this route. Ms. Arnold stated that at this time, only routes 11 and 12, which includes U.S. 41 North and Airport Road, are planned for additional service beginning in April 2018.

Feedback from the Immokalee area indicated that while written route information is available in Spanish, English, and Creole, a need remains for verbal education as well. A travel training day event is planned in Immokalee, date to be determined, which will be a hands-on training event for the public to learn how to utilize the bus system.

Other potential reasons contributing to lower ridership were discussed, including increased automobile ownership, increased cost of living which has forced many service workers to live outside of Collier County, and heavier dependence on ride sharing services such as Uber and Lyft. Unfortunately, public transit revenue hours have not changed in the past five years, with only the Immokalee route added to provide service to that area. The need remains for additional operating revenue for the transit system to remain competitive to retain and improve ridership.

Mr. Dobberstein recommended consideration of a park-and-ride option, offering pickup from a collection point at the Lee County line, with service south into Naples. Mr. DeLeon stated that several locations throughout the county are presently being considered as park-and-ride pickup points, and a Lee County line pickup point could be considered as part of a future planned park-and-ride study.

In support of this option, there is presently an agreement in place which allows Collier County buses to travel into Lee County.

A dedicated bus lane was also mentioned as a possible way to incentivize citizens to utilize the transit system.

b. TDP Goals and Objectives ES

Several objectives within the Transit Development Plan were presented for committee discussion, as well as solicitation of ideas to move these objectives forward.

Mr. Dobberstein asked why the TDP contains a goal to increase ridership by 1% each year when national trends show a decrease in ridership due to overall lower gas prices, ride sharing services, etc. Are there other goals/objectives that should be given priority, given the current trends?

Staff advised that this objective was an area of improvement previously identified by the Advisory Committee. Plans to implement ideas for increased ridership are presently underway, including increasing the frequency on routes 11 and 12.

Mr. Jenkins stated the use of a Smart Card and making the process as easy as possible for people to access and utilize would be extremely beneficial; making public transit work for the public.

Mr. Dobberstein suggested greater public/employer outreach with assistance from the Chamber of Commerce.

Mr. Jenkins suggested more community partnerships, such as with NCH and Arthrex, offering employee pass programs, as well as corporate discounts to the employers, and potentially extending these benefits to employee family members.

Mr. Dobberstein suggested a partnership with the school district and its employees. Ms. Arnold stated that conversations have been had with the school district, as well as libraries to encourage ridership, and these relationships need to be strengthened and expanded.

Mr. Jenkins inquired as to a partnership with local malls, such as Coastland Center. Mr. DeLeon stated this concept was successfully implemented in Miami-Dade, but would require someone to initiate and manage such a program here.

Ms. Arnold stated consideration is being given to partner with tourist based companies and hoteliers who offer presold packages, to possibly include a bus pass in the sale of the package.

Ms. Arnold presented the possibility of a partnership with a group such as Friends of Transit, who would assist in establishing an Adopt a Shelter or Adopt a Rider program.

Mr. Weeks pointed out that this type of program would need to be originated and implemented through such a group, and would need to be reviewed by the County Attorney. Due to the lengthy process involved, it was felt that it would be worthwhile to pursue this as soon as possible.

c. Vendor Contract Amendment

Ms. Arnold provided an update on modifications made to the operating vendor's contract with MV Transit, which was approved by the BOCC in February 2018. MV Transit is responsible for providing the bus drivers, training, management of job assignments, etc. The previous contract stipulated the requirement of a CDL (commercial driver's license) for potential applicants. The modified contract removed the CDL stipulation in order to expand the applicant pool for paratransit bus drivers, since the size of these buses does not require a CDL license. Training requirements were also modified to fit the type of service being provided; i.e., fixed route versus paratransit. In addition, performance measures were modified, as well as language modification regarding liquidated damages in order to incentivize the achievement of performance measures.

An amendment is being brought to the BOCC April 10, 2018 regarding MTM, the scheduling and dispatch/customer service vendor, requesting to add a part-time scheduler/dispatcher, as well as an IT professional to assist with the implementation of planned online services. In addition, performance measures were modified, as well as language modification regarding liquidated damages in order to be consistent with what is required of MV Transit.

Ms. Arnold further stated that the current contract model is presently under review and based upon the size of the Public Transit system, the old model which supported one vendor is seen to be more appropriate. Changes to the contract and subsequent implementation are targeted for late spring/summer.

Mr. Dobberstein expressed concern at the removal of the CDL requirement for drivers and encouraged a subsequent review be done to measure any potential negative impacts caused by the removal of this requirement.

Staff advised the committee that even with removal of this requirement, Collier Transit maintains higher standards than most other similar organizations. The much larger Chicago Transit Authority has also recently removed the CDL requirement. The CDL requirement pertains more to the size of the vehicle driven and not to the quality of the

driver. This will also afford drivers the opportunity to be promoted to fixed route driver status upon acquisition of CDL licensure.

Question: Is CDL training done in-house or must drivers acquire this training elsewhere?

Answer: Drivers must obtain CDL training externally, as there is no in-house training offered.

Question: May individuals with previous felonies be considered as drivers and/or with CDL training?

Answer: The County requires rigorous background checks and each application would need to be considered based upon the findings of the report.

Question: Why are performance measures in place?

Answer: Performance measures were put in place in response to issues previously encountered.

Question: If there is a scheduling error, coupled with a driver error, which vendor is penalized?

Answer: The expectation is for coordination between the two vendors; however, a subsequent review would be done to determine culpability.

Driver incentives were discussed. Incentive pay is awarded to the vendor if they exceed stated goals, with a disincentive penalty if they fall below a stated goal.

Mr. Dobberstein suggested the Advisory Committee be periodically updated as to the review findings following the removal of the CDL requirement and performance measures changes, in addition to more information with regard to bus fleet numbers.

Mr. Vogel noted improvements on the paratransit buses in regard to updated technology. Ms. Arnold noted that 20% of the paratransit trips are to be provided on buses are owned by MV Transit, and the drivers are being equipped with iPads linked to the Route Match scheduling system, with the removal of the use of paper manifests to promote greater efficiency.

Mr. Dobberstein inquired about who is responsible for the maintenance of the vendor owned paratransit buses?

Mr. Brian Morales, General Manager, MV Transit, clarified for the committee that a local vendor is contracted with, who provides vehicle maintenance. A preventative maintenance program was required from MV Transit prior to the commencement of the contract with the County, with service maintenance every 5K miles in keeping with county and vendor standards. These buses share the CAT and MV Transit logos. Fuel is also purchased for these buses by MV Transit from a secondary vendor. These buses are stored at a location on Radio Road with the other vehicles owned by MV Transit. The buses are kept in service through 250K miles, at which point they are reviewed for continued use. Prior to use, these vehicles must be ADA compliant and pass inspection by the County maintenance manager, as well as meet the internal standards set by

MV Transit. There are presently a total of 34 paratransit vehicles in service in the County, with 8 owned by MV Transit, affording a "spare ratio" of 20%.

Question: Why are there presently two vendors, rather than keeping with the original concept of one vendor, and why is the change now being made to switch back to just one?

Answer: Other jurisdictions were studied and it was determined that a two-vendor system could provide greater efficiency. However, for the size of the Collier public transit system, the two-vendor system does not necessarily allow the desired flexibility and the one vendor system may provide greater efficiency overall.

VII. Member Comments

Mr. Weeks made an inquiry as to the status of the "Friends of the PTAC" organization and the subsidy of passes for paratransit/TD riders. Ms. Arnold stated that documents in this regard would need to be developed, which must then be reviewed and adopted by the BOCC.

Mr. Weeks encouraged continued partnering between Public Transit and the Blue Zone initiative.

VIII. Public Comments

There were no public comments entered.

IX. Next Meeting Date – April 20, 2018

X. Adjournment

There being no further business for the good of the County, the meeting was adjourned by order of the Chair.

Public Transit Advisory Committee

John Jenkins, Vice-Chairman

These minutes approved by the Board/Committee on _____ as presented _____ or as amended _____.

EXECUTIVE SUMMARY
Committee Action
Item 5a
Endorsement of the Federal Transit Administration (FTA)
Section 5307 & 5339 Program of Project

Objective:

To endorse the Program of Projects for the Federal Transit Administration (FTA) Section 5307 & 5339 grant application submittals.

Considerations:

Each year the Public Transit & NBHD Enhancement (PTNE) division receives federal grant funds for the management of the Collier Area Transit (CAT) system under the Urbanized Area Formula Program (49 U.S.C. § 5307) to be used for transit capital projects and operating assistance as defined by the Federal Transit Administration (FTA). In March of 2018 FTA announced an approximate of 50% of the full apportionment.

Collier County is located within the Bonita Springs/Naples Census Urbanized Area; therefore, a portion of the Section 5307 funding received is shared with Lee County. The full amount allocated to the Bonita Springs/Naples Urbanized Area is \$3,214,306. The portion of the grant funds awarded to Collier County is \$2,590,120 and the difference of \$624,186. would be distributed to Bonita Springs/Lee County.


Section 5339 program provides capital assistance for new and replacement buses, related equipment and facilities. For urbanized areas with populations of 200,000 and over, funds are apportioned and flow directly to a designated recipient. Collier County is the designated recipient for the urbanized area. The estimated amount to be allocated to the Bonita Springs/Naples Urbanized Area is \$411,466.

The attached program of project details the anticipated items to be undertaken with these funds.

Recommendation:

Recommend endorsement of attached Program of Projects for the FTA Section 5307 & 5339 grants.

Prepared by:  Date: 5-9-18
Joshua Thomas, Grants Support Specialist

Approved by:  Date: 5-9-18
Michelle Arnold, PTNE Director

5307 FY18-19 Program of Project		
ALI	Description	Amount
1% Enhancement	Bus wraps	\$25,901
1% Security	Security - add flashers to back light of buses & back up alarm for PT	\$25,901
20% ADA	ADA paratransit services	\$518,024
Transit Enhancement	2 shelter purchase & construction for Fleishmann	\$162,094
Operating Assistance - Transit Operations	Operations	\$394,700
Preventive Maintenance - include warranty	PM	\$1,050,500
Operating Assistance - Fuel	Fuel	\$413,000
Total Amount		\$2,590,120

5339 FY18-19 Program of Project		
ALI	Description	Amount
warranty-Avail/Farelogistics		\$105,043
Fleishmann purchase/construction		\$100,000
PT Software		\$206,423
Total Amount	1st Apprtmnt 50% 142,596	\$411,466

EXECUTIVE SUMMARY
Reports/Presentations
Item 6a
Collier Area Transit Beach Bus

Objective:

To provide Beach Bus service to Collier County residents and visitors.

Considerations:

CAT staff partnered with the Florida Department of Transportation and the Collier County Tourist Development Council to offer a Beach Bus route for those who wanted to get to the beach without the hassle of finding parking during the busy season. The Beach Bus operated from December 29 through April 30, 2018, from 8am until 2:30pm, then from 4:30pm until 7:10pm, Friday through Monday. There were (2) Beach Buses that provided the service to the route. The Beach Bus Route started at Creekside, headed west on 111th Ave to Connor Park, then to Delnor-Wiggins State Park, down Gulf Shore Drive to Vanderbilt Beach, down Vanderbilt Beach Road to US 41, past the Mercato and back to Creekside again. On February 9th, CAT changed the direction of one of the buses so that it could pick up passengers on the opposite side of the road. This proved extremely effective. The bus that changed direction had an additional 217 passengers than the one traveling in the original direction of the route.

The Beach Bus ran approximately every 20 minutes, which was a great change from the 60-minute service last year. The Beach Bus was a flag-down service this year compared to the route last year that picked up at designated stops. Passengers could waive the Beach Bus down anywhere along the route to board or wait at one of the bus stops along the route. As an additional enhancement to the service, a portion of Connor Park was designated as a free parking lot for Beach Bus passengers, which normally charges \$8 per car to park daily.

To promote usage this season, the route was free for all passengers, compared to the \$1.50 fare per person charged last year. The only charge to passengers was a \$2 fee per person that Delnor-Wiggins State Park charges to those entering the state park. CAT collected \$1,092 in fees for Delnor-Wiggins State Park.

Overall, the Beach Buses had a total of 1,903 passengers over the four-month span. Compared to last year's passenger count of 318, this year's Beach Bus brought in six times the number of passengers as last year.

Recommendation:

This item is information only. No approval required.

Prepared by:

Elena Ortiz Rosado

Elena Ortiz Rosado, Events, Sales and Marketing Coordinator

Date: 5-9-2018

Approved by:

Michelle Arnold

Michelle Arnold, PTNE Division Director

Date: 5-9-18

EXECUTIVE SUMMARY
Reports/Presentations
Item 6b

Fiscal Year 18-19 Transit Budget

Objective:

To provide information on potential shortfall for upcoming budget year and consequence.

Considerations:

PTNE staff has been preparing the Fiscal Year 2018-19 budget. The Transit Budget for the Fixed Route service has been restricted to an operating budget of approximately \$6.5 million over the past 3 to 5 years. The General Fund contribution to the budget has been approximately \$1.4 million annually. The PTNE Division has been working within these constraints and have made modifications to the Operating contract when possible to reduce cost.

PTNE made modifications to the system to improve efficiency within the allocated revenue hours (72,800 revenue hours maintained since FY 15) by shifting revenues from low performing routes to higher performing routes; by introducing technology to improve access to information for planning purposes; to improve operations (electronic fareboxes increase accuracy in capturing revenue and the boarding of passengers); and improve the convenience for the passengers. The Division believes that enhancements to the Fixed Route service (adding revenue hours for improved frequency) are now required to provide for a system that will attract more ridership.

There are several factors that are coming into play in preparation of the FY19 budget that make it difficult to fund the transit system. Carryforward funds available from previous budget years were used to subsidize current budget obligations. The carryforward funding has been exhausted and will not be sufficient to supplement the 2019 fiscal year. The lack of funding will lead to a budget shortfall for FY 2019. Adding to this deficiency is two State Service Development Grants have expired placing the full burden cost for operating of those routes on the County during FY19.

Because of this the draft FY19 budget has resulted in a **\$634,600** shortfall in fund 426. Staff proposed utilizing FTA Section 5307 grants to make up as much of the shortfall with the understanding that operating expenses require a 50% local match.

FY 18-19 5307 funding is being used to make up some of the operating shortfall for FY 19. However, this will be a temporary solution to the budget issue. Staff has conducted an analysis of the budget needs through 2023 and would like to discuss this with the Committee so that we can begin to pursue alternative revenue options in an effort to avoid reducing service.

Recommendation:


This item is information only. No approval required.

Attachment:

Five Year Budget Analysis

Prepared

& Approved by:



Michelle Arnold, PTNE Division Director

Date:

5-9-18

Budget vs Revenue

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Total Operations	\$ 6,281,200	\$ 6,438,230	\$ 6,599,186	\$ 6,764,165	\$ 6,933,270
Grants Subsidies	\$ 3,255,100	\$ 2,842,100	\$ 2,842,100	\$ 2,842,100	\$ 2,842,100
Farebox	\$ 846,700	\$ 846,700	\$ 846,700	\$ 846,700	\$ 846,700
Farebox increase	\$ 64,000	\$ 64,000	\$ 64,000	\$ 64,000	\$ 64,000
Misc	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000
Carry Forward	\$ 117,500	\$ 117,500	\$ 117,500	\$ 117,500	\$ 117,500
General Fund Operating with 2.5% increase	\$ 1,514,000	\$ 1,551,850	\$ 1,590,646	\$ 1,630,412	\$ 1,671,173
General Fund Operating with 2.5% increase	\$ 44,200	\$ 44,200	\$ 44,200	\$ 44,200	\$ 44,200
General Fund Match (425)	\$ 394,700	\$ 394,700	\$ 394,700	\$ 394,700	\$ 394,700
Total	\$ 6,281,200	\$ 5,906,050	\$ 5,944,846	\$ 5,984,612	\$ 6,025,373
Balance	\$ -	\$ (532,180)	\$ (654,339)	\$ (779,553)	\$ (907,897)

Option 1 is to sell advertising and increase the Local Fund Contribution.

Bus Wrap Advertisement	\$ 93,500	\$ 93,500	\$ 187,500	\$ 187,500	\$ 281,250
Shelter Advertisement	\$ 73,800	\$ 73,800	\$ 147,600	\$ 147,600	\$ 147,600
Total Revenue	\$ 167,300	\$ 167,300	\$ 335,100	\$ 335,100	\$ 428,850
Increase Local Fund Contribution	\$ 197,580	\$ 319,239	\$ 444,453	\$ 479,047	\$ -
Balance	\$ 0	\$ -	\$ -	\$ -	\$ -

Option 2 - Remove Routes to balance budget (No Advertising or Fare Adjustments)

Route 21	\$ 134,000	\$ 134,000	\$ 134,000	\$ 134,000	\$ 134,000
Route 26	\$ 147,000	\$ 147,000	\$ 147,000	\$ 147,000	\$ 147,000
Route 18	\$ 258,000	\$ 258,000	\$ 258,000	\$ 258,000	\$ 258,000
Route 27	\$ 349,000	\$ 349,000	\$ 349,000	\$ 349,000	\$ 349,000
Route 23	\$ 297,000	\$ 297,000	\$ 297,000	\$ 297,000	\$ 297,000
Total Possible Reductions Reductons	\$ 1,051,000	\$ 1,051,000	\$ 1,051,000	\$ 1,051,000	\$ 1,051,000
Remove Route 21, 26, and 18 FY 2020 to FY 2022	\$ 539,000	\$ 713,500.00	\$ 713,500.00	\$ 713,500.00	\$ 888,000.00
Terminate Mid-Day Service for Route 27 (50% Reduction of Service)		\$ 65,981	\$ (72.49)	\$ (19,969.30)	
Terminate Mid-Day Service for Route 27 (100% Reduction of Service)					
Balance	\$ 6,820	\$ 65,981	\$ (72.49)	\$ (19,969.30)	

Option 3 - Allow Advertisement, Terminate Route 21, Eliminate Route

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Advertising Revenue Route 21	\$ 167,300.00	\$ 167,300.00	\$ 335,100.00	\$ 335,100.00	\$ 428,850.00
Eliminate Route 26	\$ -	\$ 134,000	\$ 134,000	\$ 134,000	\$ 134,000
Increase Local Fund Contribution	\$ -	\$ 147,000.0	\$ 147,000.0	\$ 147,000.0	\$ 147,000.0
Total	\$ -	\$ 615,600.00	\$ 616,100.00	\$ 73,091.99	\$ 198,046.81
Balance	\$ -	\$ 83,420.00	\$ 45,180.50	\$ 0.00	\$ 0.00

Option 4 -Increase Local Fund Contribution

Increase Local Fund Contribution	\$532,180	\$654,339	\$770,553	\$907,897
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Increased Carry Forward Balance had Public Transit Budget increased budget in relationship to other departments.

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Budget Surplus	\$ -	\$ 52,576	\$ 1,272,053	\$ 552,714	\$ 720,985
Carry Forward Balance	\$ -	\$ 52,576	\$ 1,324,629	\$ 1,877,343	\$ 2,598,329
Real Budget	FY 2020	FY 2021	FY 2022	FY 2023	
Adjusted budget	\$ 6,438,230	\$ 6,599,186	\$ 6,764,165	\$ 6,933,270	
Carry Over Balance	\$ 7,390,111	\$ 7,390,086	\$ 7,390,061	\$ 7,390,036	
Total Available	\$ 2,598,329	\$ 3,550,210	\$ 4,341,110	\$ 4,967,006	
Total Needed	\$ 9,988,440	\$ 10,940,296	\$ 11,731,171	\$ 12,357,042	
Carry Over Balance	\$ 6,438,230	\$ 6,599,186	\$ 6,764,165	\$ 6,933,270	
	\$ 3,550,210	\$ 4,341,110	\$ 4,967,006	\$ 5,423,773	