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BOARD AGENDA

Wednesday, July 18, 2012
CITY OF ARROYO GRANDE, CITY COUNCIL CHAMBERS
215 E. Branch Street. Arroyo Grande, California
3:30 – 5:00 P.M.
(Ending time is approximate)

Chairperson: Jim Guthrie
Director: Shelly Higginbotham

Vice Chairperson: John Shoals
Director: Paul Teixeira

Individuals wishing accessibility accommodations at this meeting under the Americans with Disabilities Act (ADA) may request such accommodations to aid hearing, visual, or mobility impairment by contacting the SCAT offices at 781-1338. Please note that 48 hours advance notice will be necessary to honor a request.

NOTE: Arroyo Grande City Offices are served hourly by SCAT Route 24.
Please call 541-2228 for more information.

CALL TO ORDER AND ROLL CALL

PUBLIC COMMENTS: This portion of the agenda is reserved for any members of the public to directly address the South County Area Transit Board on any items not on the agenda and within the jurisdiction of the Board. Comments are limited to three minutes per speaker. The Board will listen to all communication, but in compliance with the Brown Act, will not take any action on items that are not on the agenda.

A. INFORMATION AGENDA

- A-1 Executive Director's Report (Receive)
- A-2 Report on YTD FY11-12 Wage Analysis (Receive)
- A-3 Reporting Criteria for Summer Youth and Avila Trolley (Receive)

B. ACTION AGENDA

- B-1 None

- C. CONSENT AGENDA: (Roll Call Vote)** the following items are considered routine and non-controversial by staff and will be approved by one motion if no member of the South County Area Transit Board or public wishes an item be removed. If discussion is desired by anyone, the item will be removed from the consent agenda and will be considered separately. Questions of clarification may be made by South County Area Transit Board members, without the removal of the item from the Consent Agenda. Staff recommendations for each item are noted following the item.

C-1 SCAT Minutes of April 18, 2012 (Approve by Roll Call Vote)

D. DIRECTORS' COMMENTS

E. EXECUTIVE COMMITTEE MEMBERS' COMMENTS

ADJOURNMENT

Next South County Area Transit Board meeting October 17, 2012

SOUTH COUNTY AREA TRANSIT

July 18, 2012

STAFF REPORT

AGENDA ITEM: A-1

TOPIC: Executive Director's Report

PRESENTED BY: Geoff Straw

STAFF RECOMMENDATION: Information

BACKGROUND/DISCUSSION:

Operations:

The Halcyon Park & Ride improvement project was completed in late June, after several delays over the past few months. Nonetheless, the new facility is a much-improved facility for both car and transit users. Staff has reached out to Pismo Premium Outlet manager Jennifer Dance to see if park-n-ride use within the Outlets lot has declined since the Halcyon facility reopened.

Staff is looking at alternative methods of washing the SCAT buses. Currently, staff members drive buses to a coin-operated wash system in Grover Beach. SCAT and RTA staff will attempt to find alternative methods and report back to the Board in the coming months.

Staff is also looking to improve operations at the Pismo Premium Outlets transfer facility. Currently, up to five buses (two SCAT, two RTA, and the Avila Trolley on Thursdays and Fridays) "pulse" at this facility hourly, which causes the last bus in the queue to slightly block the northern access from the Outlets facility onto Five Cities Drive. We will continue to work with Outlets and City of Pismo Beach staff to develop feasible alternatives.

Staff presented an alternate bus stop arrangement for the bus stop in front of City of Arroyo Grande council chambers at the July 2nd Traffic Commission meeting. The proposal was unanimously recommended, and the City Council approved the project at its July 9th meeting.

RTA recently implemented a Courtesy Stops program throughout its service area, including within SCAT service area. This program permits drivers – at their discretion – to drop off passengers at safe locations between established bus stops under certain circumstances.

Service Planning:

SCAT has joined Regional Rideshare and other transit operators in the region in providing fare-free service to youth as part of the Youth Ride Free program. This program runs from Memorial Day through Labor Day, and initial indications are that this program is very popular with many youth in the community. In fact, Aimee Wyatt has worked with youth recreation camps leaders to coordinate group trips on RTA and SCAT buses. It should be noted that last

year youth were provided the opportunity to purchase deeply discounted Summer Break Passes, but this year youth merely need to show a student body card to board for free. Through June 30, 2012, SCAT has boarded 8,282 youth riders since Memorial Day a 234% increase over the 1,627 that used the 2011 Summer Break Pass during the same month. See item A-3 for a more detailed discussion on this topic.

Avila Trolley Update:

On April 6th, SCAT began operating the fare-free Avila Trolley program Thursdays through Sundays. This service operates between Avila and the Pismo Premium Outlets on an hourly basis from 10:00 AM through 6:00 PM. It will operate through Labor Day. Initial ridership records demonstrate strong support, and staff will continue to monitor and report on this revised service in comparison to the previously operated year-round weekend-only service. See item A-3 for a more detailed discussion on this topic.

Marketing:

Staff fully implemented the “gas grouch” marketing campaign to induce private auto drivers to instead ride SCAT bus services. This bus “mini-wrap” decal program provides eye-grabbing images on the side of SCAT buses, and anecdotal evidence (primarily based on what SCAT drivers have relayed to us) is that the program is generating community interest.

Finance and Administration:

As mentioned at the last SCAT Board meeting, the SCAT service area has been designated as a federally-recognized Urbanized Area (UZA). With this designation, SCAT will soon be required to achieve a 20% farebox recovery ratio. Since SCAT’s YTD May 2012 FRR is 14.34%, staff will need to develop alternatives to increase the FRR. Staff will present alternatives to the Board for consideration at upcoming SCAT Board meetings.

SCAT is part of the California Transit Insurance Pool (CalTIP), which has provided insurance to SCAT since July 2002. As a member, SCAT is responsible for appointing an employee, Board member, or Secretary of the Board to represent SCAT at CalTIP Board meetings. SCAT does not currently have an eligible voting board member, which has caused concern from CalTIP management. Staff advises appointing Geoff Straw and Tania Arnold from RTA staff as Secretary of the Board to maintain voting representation at CalTIP Board meetings. We will bring this to the SCAT Board for approval in October.

SCAT and RTA negotiated separate contracts to purchase replacement buses, including three replacement low-floor clean-diesel buses for SCAT. As discussed in previous meetings, staff is still finalizing the details of the final vehicle configuration, including the issue of whether or not 40-foot buses would be appropriate for SCAT in the long term. For the time being, SCAT has contracted for 35-foot buses so that we can get in the manufacturing queue, but SCAT has the opportunity to revisit bus size prior to final build specifications in late-August. Staff continues to work on securing additional funding to replace the rest of the SCAT fleet, as the remaining fleet is quickly reaching the end of their FTA-defined economically useful life.

May financials are included in the Board packet. Overall financial results continue to be below budget projections – annual expenditures are at 83.49% of budgeted figures, while May represents 91.67% of the fiscal year. As always, we continue to monitor fuel prices and labor costs to ensure SCAT remains within its adopted overall budget.

Fixed route ridership continues to remain strong with 198,988 passenger boardings through May 2012 in comparison to 163,650 in 2011. That represents a 21.6% increase.

**SOUTH COUNTY AREA TRANSIT
2011-12 Budget vs. Actual (unaudited)**

	FY 11/12 Adopted	March 2012	April 2012	May 2012	Year to Date	Percent Year to Date
Use of Resources						
<u>Administrative Expenditures</u>						
Insurance	\$ 48,290	\$ 2,730	\$ 2,727	\$ 2,727	\$ 32,086	66.44%
Rent	21,875	1,700	1,700	1,700	18,700	85.49%
Utilities	5,200	730	847	468	5,774	111.04%
Radio Expense	2,200	-	-	-	680	30.91%
Legal Services	1,000	-	300	-	300	30.00%
Payroll Processing	3,120	363	248	249	3,096	99.21%
Administration	63,500	5,292	5,291	5,292	58,208	91.67%
Finance	14,000	1,167	1,167	1,167	12,833	91.67%
Office Expense/Miscellaneous	4,250	628	50	-	2,297	54.05%
Audit	3,000	-	-	-	-	0.00%
Marketing/Community Relations/Printing	12,115	700	280	2,120	8,502	70.18%
Uniforms/Laundry/Physicals/Ads	6,500	53	-	446	1,409	21.68%
<u>Operating Expenditures</u>						
Salaries/Benefits	\$ 383,058	\$ 33,903	\$ 31,522	\$ 33,295	\$ 378,817	98.89%
Maintenance	184,850	7,441	8,865	9,003	93,001	50.31%
Dispatch	20,000	1,667	1,667	1,667	18,333	91.67%
Sign Maintenance	3,000	-	13	-	1,242	41.39%
SCAT Bus Fuel	198,950	19,217	19,832	19,893	191,176	96.09%
Contingency	15,000	-	-	-	-	0.00%
9 Total Admin and Operating Expenditures	\$ 989,909	\$ 75,590	\$ 74,508	\$ 78,026	\$ 826,455	83.49%
<u>Capital Service</u>						
Bus Stop Improvements	\$ -	\$ 20,671	\$ -	\$ -	\$ 24,821	-
Transition to New Facility	17,000	-	(398)	-	5,298	31.16%
Driver Seats and Large Vehicle Repairs	20,000	-	-	-	-	0.00%
Total Capital Service	\$ 37,000	\$ 20,671	\$ (398)	\$ -	\$ 30,119	81.40%
10 Total Use of Resources	\$ 1,026,909	\$ 96,261	\$ 74,110	\$ 78,026	\$ 856,574	83.41%

**SOUTH COUNTY AREA TRANSIT
OPERATING STATEMENT BY ROUTE
YEAR TO DATE THRU MAY 2012**

	RT 21 PISMO & SHELL BEACH	RT 21 - SAT PISMO & SHELL BEACH	RT 21 - SUN PISMO & SHELL BEACH	RT 22 OCEANO & GRAND AVENUE	RT 22 - SAT OCEANO & GRAND AVENUE	RT 22 - SUN OCEANO & GRAND AVENUE	RT 23 A.G. VILLAGE, A.G. H.S. & GRANDE AVE	RT 23 - SAT A.G. VILLAGE, A.G. H.S. & GRANDE AVE	RT 23 - SUN A.G. VILLAGE, A.G. H.S. & GRANDE AVE	RT 24 GROVER B. A.G. VILLAGE, SHOPPING PISMO & A.G.	RT 24 - SAT GROVER B. A.G. VILLAGE, SHOPPING PISMO & A.G.	RT 24 - SUN GROVER B. A.G. VILLAGE, SHOPPING PISMO & A.G.	RT 25 ROUTE 23 PM TRIPPER	AVILA BEACH TROLLEY	TOTAL FIXED ROUTE SERVICE	TOTAL SCAT
REVENUES:																
FARES	32,041	4,745	3,388	5,740	909	553	22,926	2,466	1,700	25,619	4,070	2,902	5,075	6,284	118,417	118,417
OPERATING SUBSIDIES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL ROUTE REVENUES	32,041	4,745	3,388	5,740	909	553	22,926	2,466	1,700	25,619	4,070	2,902	5,075	6,284	118,417	118,417
EXPENDITURES:																
ADMINISTRATION	17,466	3,231	2,847	3,233	578	530	14,813	2,653	2,367	17,425	3,223	2,839	1,415	4,113	76,734	76,734
MARKETING	1,508	293	252	261	46	41	1,309	250	208	1,505	292	251	165	2,122	8,503	8,503
OPERATIONS/CONTINGENCY	117,517	21,646	19,053	22,425	3,984	3,654	98,553	17,611	15,636	117,243	21,591	19,000	9,614	29,751	517,278	517,278
FUEL	42,844	7,292	6,392	10,634	1,899	1,746	35,621	6,402	5,631	46,939	7,989	7,002	1,253	9,531	191,176	191,176
INSURANCE	6,961	1,189	1,041	1,518	270	248	5,961	1,071	943	7,627	1,302	1,140	193	2,623	32,086	32,086
TOTAL EXPENDITURES	186,296	33,652	29,583	38,071	6,777	6,219	156,256	27,986	24,785	190,739	34,399	30,233	12,640	48,140	825,777	825,777
FAREBOX RATIO *	17.20%	14.10%	11.45%	15.08%	13.42%	8.88%	14.67%	8.81%	6.86%	13.43%	11.83%	9.60%	40.15%	13.05%	14.34%	14.34%
RIDERSHIP	57,170	7,052	5,144	9,491	1,197	883	41,564	4,219	3,163	44,725	6,058	4,249	6,049	8,024	198,988	198,988
SERVICE MILES	42,010.40	7,153.60	6,256.00	9,891.00	1,764.00	1,617.00	35,371.50	6,349.40	5,577.30	46,026.10	7,837.40	6,853.60	1,218.00	15,568.30	193,493.60	193,493.60
SERVICE HOURS	3,078.27	570.64	502.78	541.30	96.60	88.62	2,657.40	476.50	425.78	3,071.10	569.20	501.40	247.08	735.97	13,562.64	13,562.64
RIDERS PER MILE	1.36	0.99	0.82	0.96	0.68	0.55	1.18	0.66	0.57	0.97	0.77	0.62	4.97	0.52	1.03	1.03
RIDERS PER HOUR	18.57	12.36	10.23	17.53	12.39	9.96	15.64	8.85	7.43	14.56	10.64	8.47	24.48	10.90	14.67	14.67
COST PER PASSENGER	3.26	4.77	5.75	4.01	5.66	7.04	3.76	6.63	7.84	4.26	5.68	7.12	2.09	6.00	4.15	4.15
SUBSIDY PER PASSENGER	2.70	4.10	5.09	3.41	4.90	6.42	3.21	6.05	7.30	3.69	5.01	6.43	1.25	5.22	3.55	3.55

ROUTESUM REPORT
MARCH 01, 2012 - MARCH 31, 2012

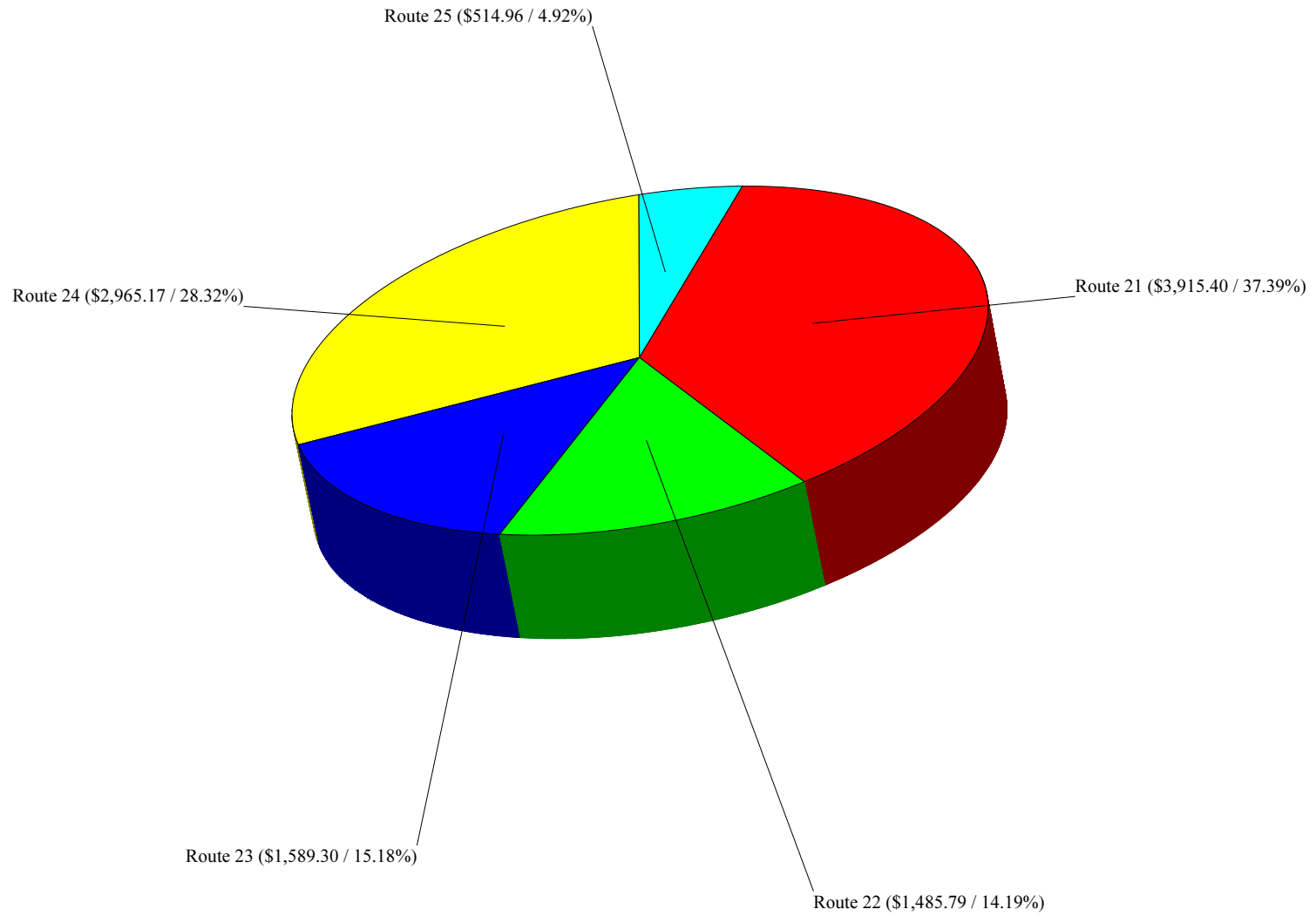
PORTABLE DATA SYSTEM 1 - SOUTH COUNTY AREA TRANSIT AUTHORITY (SCAT)

Revenue and Ridership By Route

Route	Current Revenue	Unclassified Revenue	Dump Count	Preset	Token Count	Ticket Count	Pass Count	Bill Count	Ridership
21	3,915.40	64.72	70	0	0	0	3,099	2,097	6,518
22	1,485.79	20.12	21	0	0	0	1,130	781	2,405
23	1,589.30	19.20	24	0	0	0	1,990	881	3,611
24	2,965.17	59.61	65	0	0	0	2,460	1,610	5,412
25	514.96	0.00	0	0	0	0	341	335	753
TOTAL	10,470.62	163.65	180	0	0	0	9,020	5,704	18,699

ROUTESUM REPORT
MARCH 01, 2012 - MARCH 31, 2012
PORTABLE DATA SYSTEM 1 - SOUTH COUNTY AREA TRANSIT AUTHORITY (SCAT)

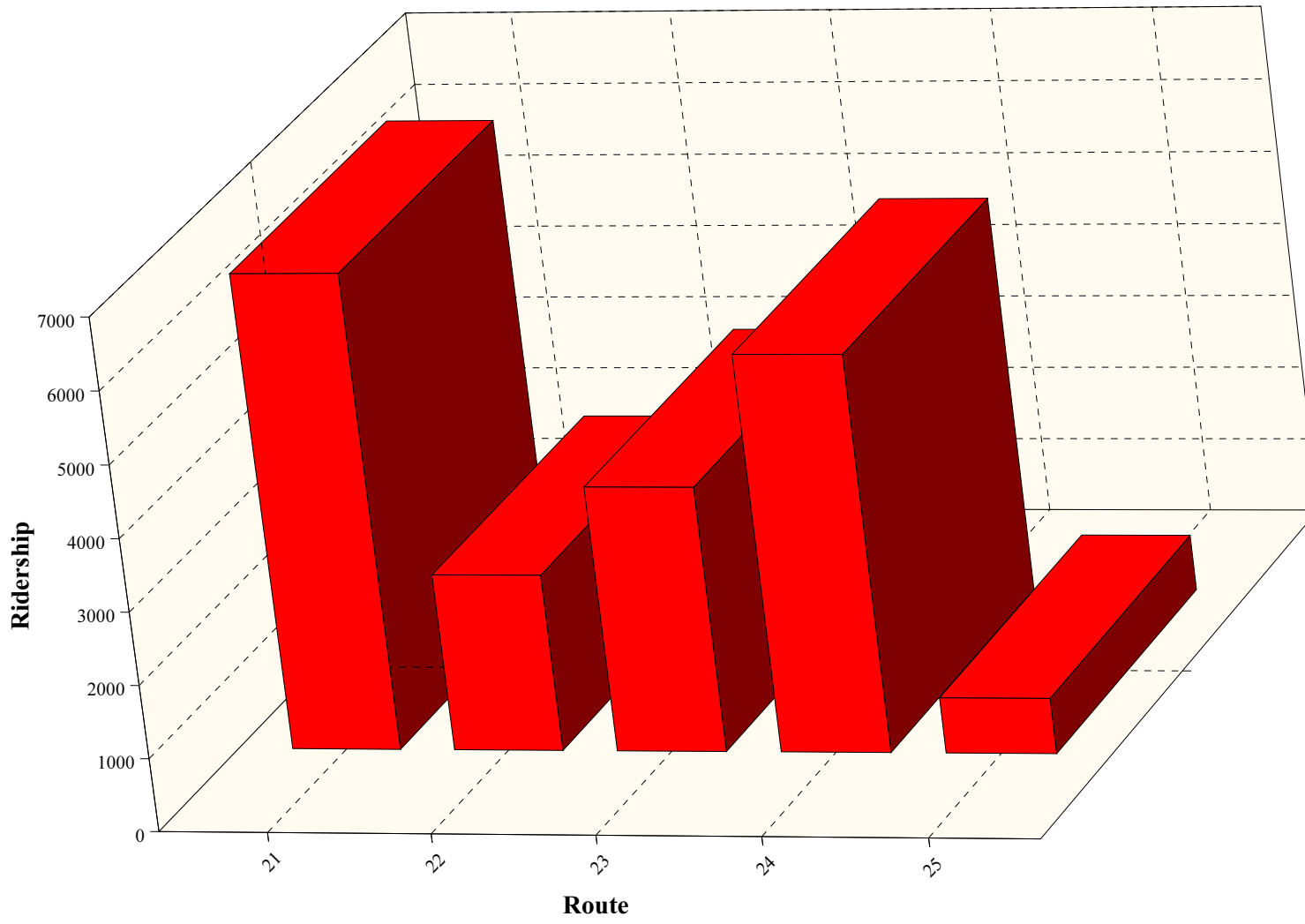
Revenue By Route



A-1-7

ROUTESUM REPORT
MARCH 01, 2012 - MARCH 31, 2012
PORTABLE DATA SYSTEM 1 - SOUTH COUNTY AREA TRANSIT AUTHORITY (SCAT)

Ridership By Route



A-1-8

ROUTESUM REPORT

APRIL 01, 2012 - APRIL 30, 2012

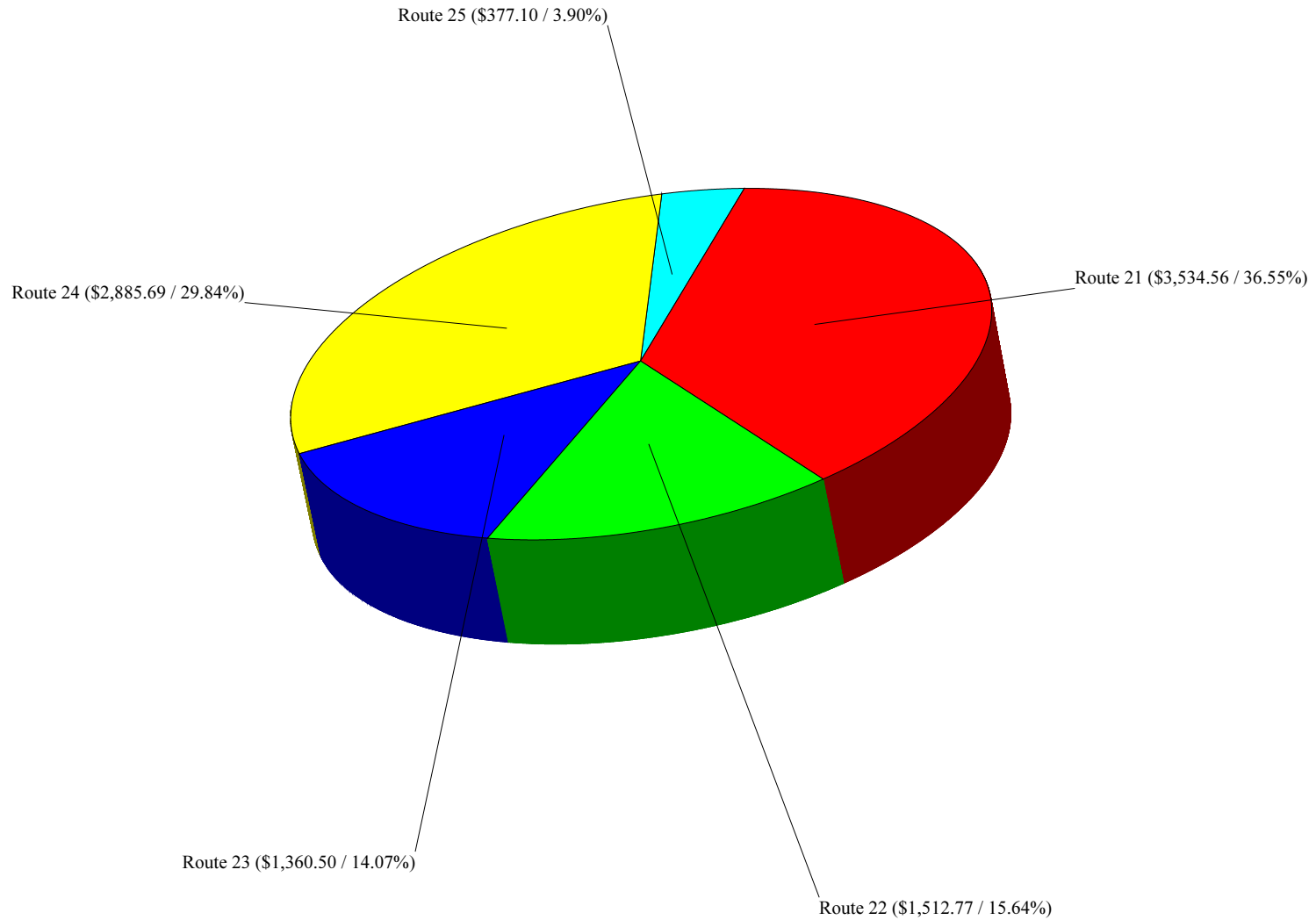
PORTABLE DATA SYSTEM 1 - SOUTH COUNTY AREA TRANSIT AUTHORITY (SCAT)

Revenue and Ridership By Route

Route	Current Revenue	Unclassified Revenue	Dump Count	Preset	Token Count	Ticket Count	Pass Count	Bill Count	Ridership
21	3,534.56	67.04	70	0	0	0	2,898	1,828	6,018
22	1,512.77	17.50	19	0	0	0	1,098	799	2,586
23	1,360.50	42.20	30	0	0	0	1,873	758	3,381
24	2,885.69	45.90	45	0	0	0	2,397	1,544	5,281
25	377.10	2.00	2	0	0	0	287	236	591
TOTAL	9,670.62	174.64	166	0	0	0	8,553	5,165	17,857

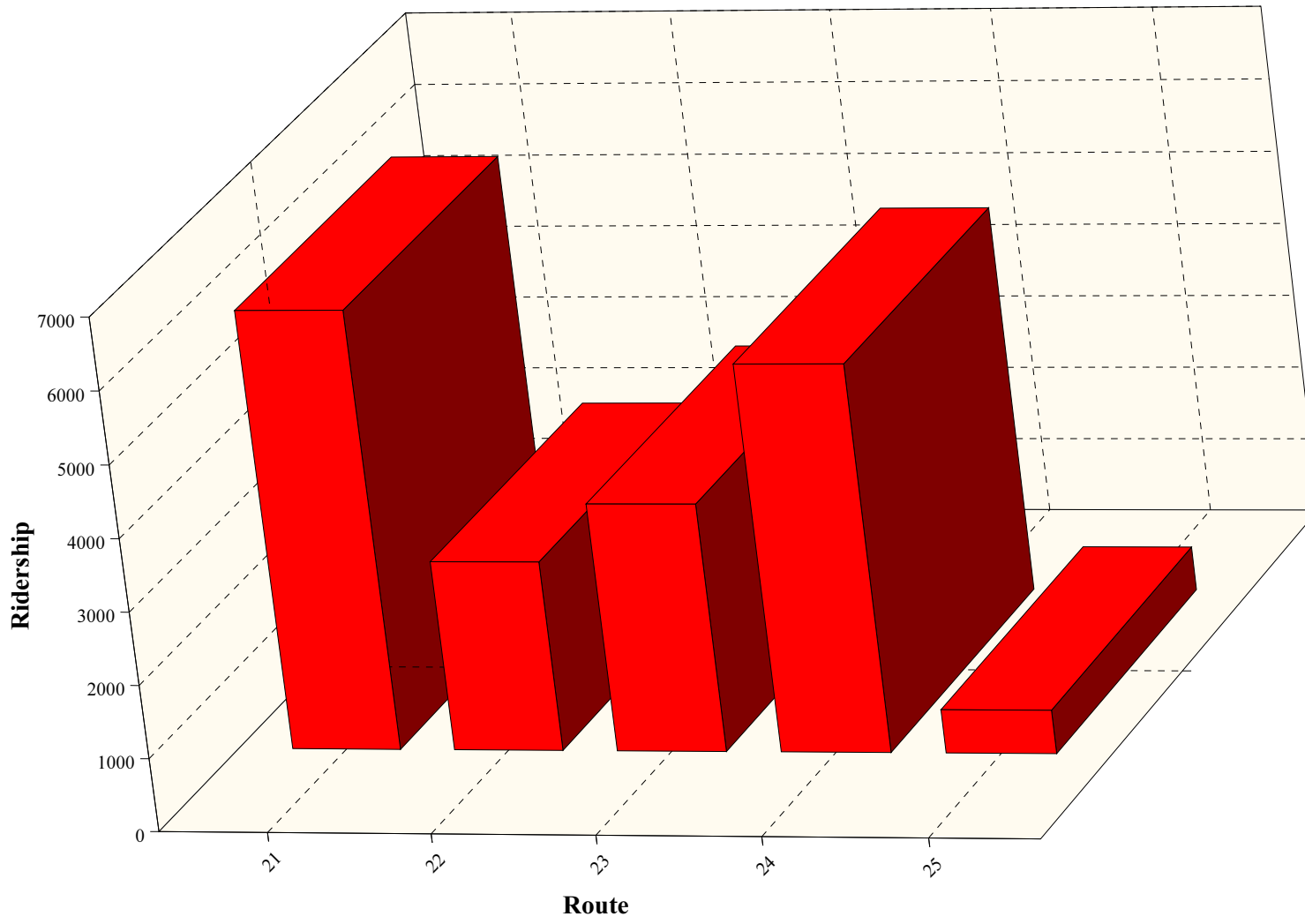
ROUTESUM REPORT
APRIL 01, 2012 - APRIL 30, 2012
PORTABLE DATA SYSTEM 1 - SOUTH COUNTY AREA TRANSIT AUTHORITY (SCAT)

Revenue By Route



ROUTESUM REPORT
APRIL 01, 2012 - APRIL 30, 2012
PORTABLE DATA SYSTEM 1 - SOUTH COUNTY AREA TRANSIT AUTHORITY (SCAT)

Ridership By Route



A-1-11

ROUTESUM REPORT

MAY 01, 2012 - MAY 31, 2012

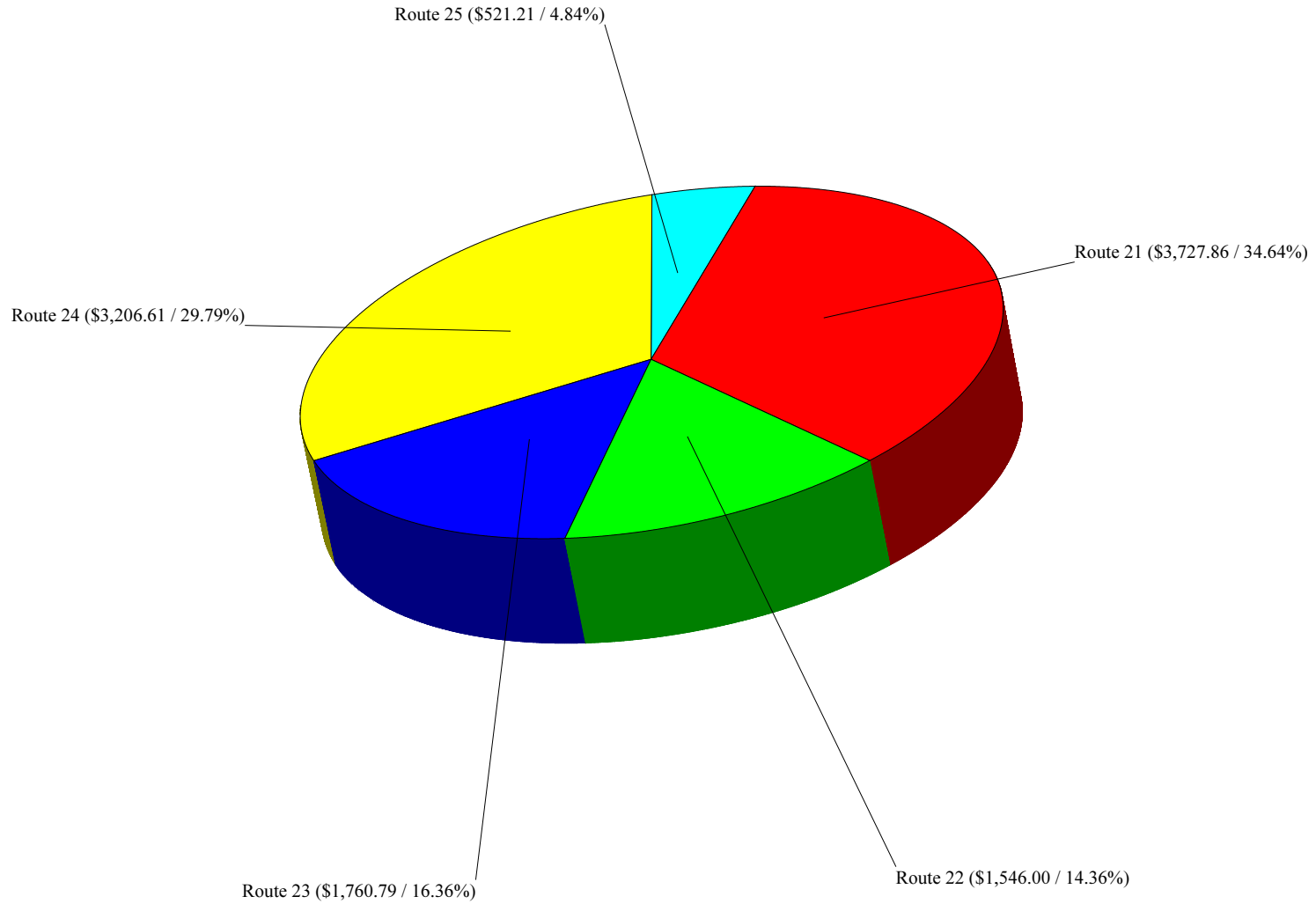
PORTABLE DATA SYSTEM 1 - SOUTH COUNTY AREA TRANSIT AUTHORITY (SCAT)

Revenue and Ridership By Route

Route	Current Revenue	Unclassified Revenue	Dump Count	Preset	Token Count	Ticket Count	Pass Count	Bill Count	Ridership
21	3,727.86	77.52	84	0	0	0	3,450	2,039	6,915
22	1,546.00	13.39	14	0	0	0	1,133	838	2,516
23	1,760.79	24.50	30	0	0	0	2,281	922	4,126
24	3,206.61	52.64	60	0	0	0	3,156	1,716	6,312
25	521.21	1.45	2	0	0	0	341	348	752
TOTAL	10,762.47	169.50	190	0	0	0	10,361	5,863	20,621

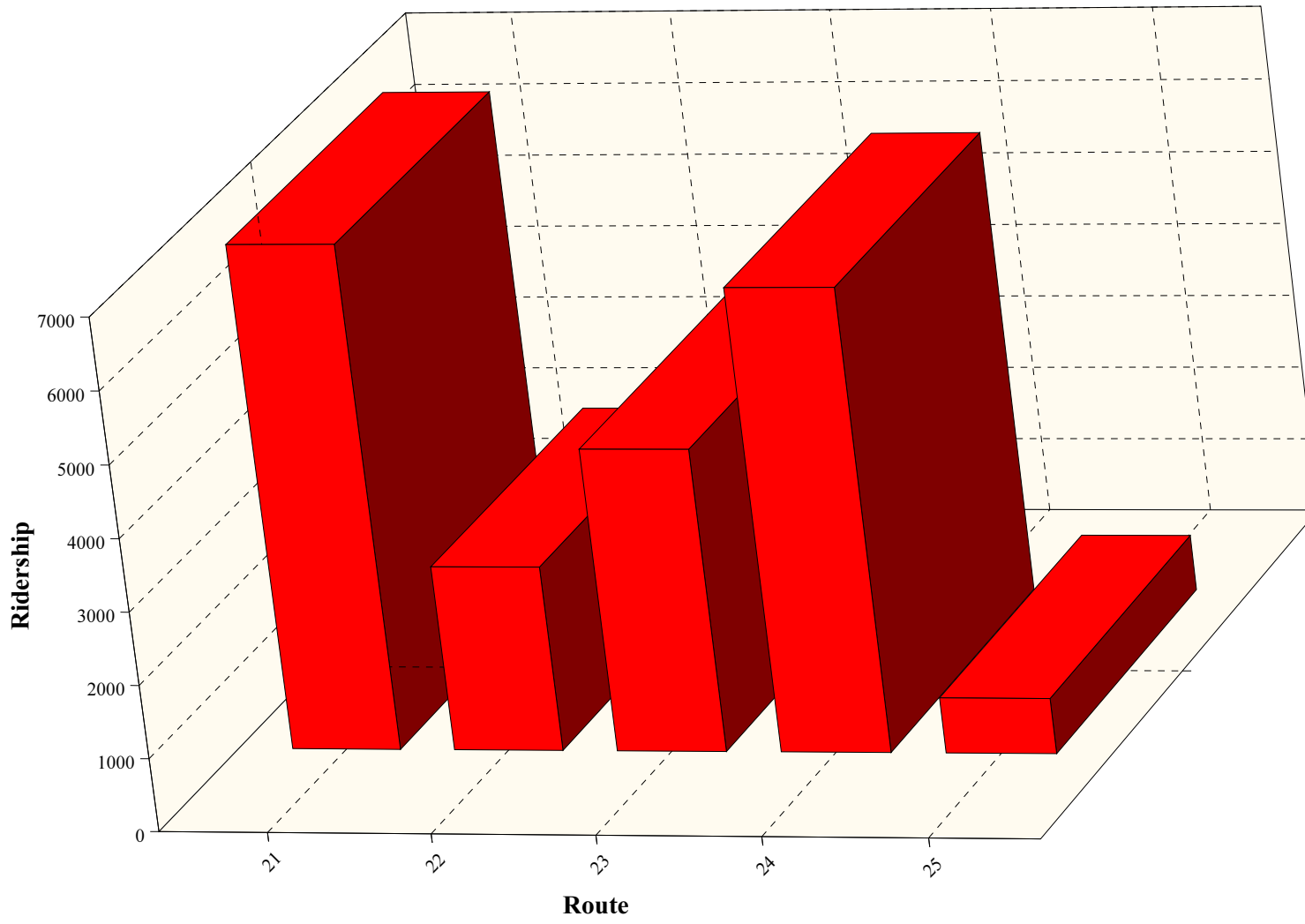
ROUTESUM REPORT
MAY 01, 2012 - MAY 31, 2012
PORTABLE DATA SYSTEM 1 - SOUTH COUNTY AREA TRANSIT AUTHORITY (SCAT)

Revenue By Route



ROUTESUM REPORT
MAY 01, 2012 - MAY 31, 2012
PORTABLE DATA SYSTEM 1 - SOUTH COUNTY AREA TRANSIT AUTHORITY (SCAT)

Ridership By Route



A-1-14

**SOUTH COUNTY AREA TRANSIT
July 18, 2012
STAFF REPORT**

AGENDA ITEM: A-2
TOPIC: FY11-12 SCAT Wage Analysis
ACTION: Information
PRESENTED BY: Geoff Straw

BACKGROUND/DISCUSSION:

At its April 2012 SCAT Executive Committee meeting, staff was directed to provide details on the status of wage costs. Staff provided the attached letter to Executive Committee members on June 28, 2012.

STAFF RECOMMENDATION:

Accept this letter as an information item.



June 28, 2012

SCAT Executive Committee Members

Re: **Analysis of FY11-12 SCAT Wages**

Dear Bob, Kevin & Steve –

At the April 10, 2012, SCAT Executive Committee meeting, staff was tasked with investigating, evaluating and reporting back to the Committee an analysis of projected FY11-12 SCAT employee wages and benefits in comparison to budgeted levels. Please find below a summary of my findings, as well as recommendations on how to address the deviations from budget both in the current fiscal year as well as for FY12-13 and beyond.

It should be noted up-front, that SCAT and RTA have identified ways during the current fiscal year to reduce costs in other areas, and – in conjunction with higher than budgeted farebox revenues – there is no need to use reserves to cover the projected FY11-12 cost overrun in wages/benefits.

Findings

RTA expects that SCAT wages and benefits will be approximately \$24,250 higher than budgeted at the end of the fiscal year (budgeted \$383,058 vs. approximately \$407,300 projected actual). Below are details on why the actual costs are projected to be above budgeted levels:

1. Straight paid hours (not including overtime, vacation/sick/PTO or holiday hours) are projected to be 1,000 hours greater in FY11-12 in comparison to FY10-11. When we include benefits, the resulting impact is approximately \$14,250.
 - a. SCAT's Vernon Griego was promoted from a SCAT Vehicle Service Worker to an RTA Mechanic in October 2011. Originally, he was paid SCAT wages to complete pre-pullout vehicle inspections and then was paid RTA wages when he arrived at RTA later in the morning. However, due to Union wage issues, he was fully transferred to RTA after working 320.75 paid hours at SCAT. Now, charges for Vernon's and other Mechanics' work is transferred to SCAT based on the hours worked on SCAT vehicles.
 - b. SCAT's Terry Berkeley was promoted to the SCAT evening Road Supervisor in October 2011 and has worked 868 hours through April 2012. He replaced Lead Driver Will James, whose position was vacated in May 2010 and the Lead Driver position was left unfilled in FY10-11. However, the FY11-12 budget assumed that the Lead Driver / Road Supervisor position would remain unfilled. The net impact is projected to be approximately an additional 1,115 paid hours.

The budget included a contingency of 600 hours to account for unexpected changes in service hours due to increasing demand and/or for other ancillary needs. As noted above, the net

annual impact to the bottom line is equivalent to roughly 836 hours ($320.75 + 1,115 - 600 = 835.75$ hours).

2. As you know, the SCAT Board authorized a wage scale increase in August 2011 to bring SCAT Driver wages more in-line with RTA's, and that should have been implemented on each Driver's anniversary date in FY11-12. However, RTA senior staff discovered that the wage increase was incorrectly applied across-the-board in August 2011, and we reported the approximately \$8,000 impact to the SCAT Board in October 2011. The SCAT Board permitted the incorrectly-applied wage increases to remain, but directed staff to hold-off on future scheduled wages increases until each Driver's next anniversary date.
3. The move to the new SCAT yard in Arroyo Grande has resulted in an additional \$2,000 in annual Driver wages/benefits due the longer deadhead travel time.

RTA expects annual farebox revenues to be \$17,500 over budget. In addition, RTA has done a great job managing vehicle maintenance costs, which should result in roughly \$80,000 in savings compared to the adopted FY11-12 budget. In conclusion, there is no need for SCAT to use reserves to pay for the cost overrun in wages/benefits in FY11-12.

Recommendations

RTA and SCAT staff fully considered the changes to the wage levels and hours required when we developed the FY12-13 SCAT budget. In addition, RTA staff has implemented another review process at the administrative level to ensure that all anniversary wage increases are fully evaluated prior to implementation in the payroll program. As such, RTA and SCAT staff members believe the FY12-13 budget is realistic and has included all anticipated changes from the current FY11-12 budget. We have implemented monthly budget meetings between Coleen, RTA Operations Manager Phil Moores and RTA HR Specialist Chip Spence to ensure timely reviews. Nonetheless, I will ensure that if these types of cost overruns occur during FY12-13, we will inform the Executive Committee as soon as we are made aware of the discrepancies.

Summary

Again, RTA and SCAT staff members do not believe there is a need to either amend the FY11-12 budget or to use reserves to account for the cost increases in the wages/benefits line-item. Please call or email if you need additional information.

Best Regards,



Geoff Straw
Executive Director

cc: Tania Arnold, RTA CFO / Director of Administration
Coleen Kubel, SCAT Supervisor

**SOUTH COUNTY AREA TRANSIT
July 18, 2012
STAFF REPORT**

AGENDA ITEM: A-3

TOPIC: Analysis Criteria for Summer 2012 Avila Trolley & Youth Ride Free programs

ACTION: Information

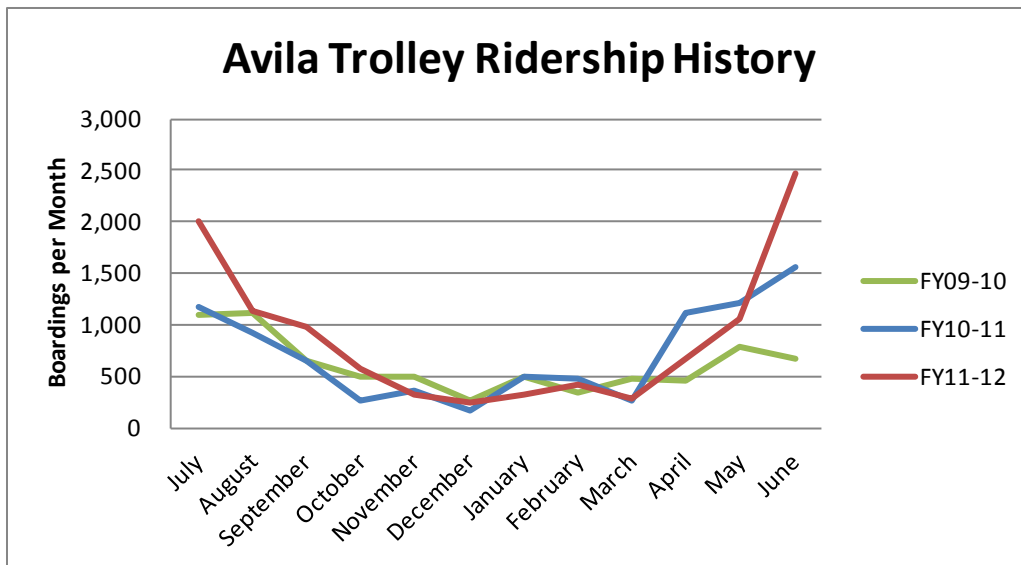
PRESENTED BY: Geoff Straw

BACKGROUND/DISCUSSION:

This report will provide some suggested evaluation criteria for two recently-adjusted services operated by SCAT: the Avila Trolley, and SCAT's participation in the countywide summer Youth Ride Free program. Details of each program are provided below, followed by a list of suggested evaluation criteria.

Beginning in April 2012, the Avila Trolley service was adjusted to provide Thursday through Sunday service during the summer only; previously it was operated year-round on weekends as well as on Fridays during the summer months. Ridership on the Avila Trolley in April through June 2011 totaled 3,872, while April through June 2012 totaled 4,207. Below are tabular and graphical representations of Avila Trolley ridership over the past three years.

Avila Trolley Ridership History			
Month	FY09-10	FY10-11	FY11-12
July	1,104	1,163	2,013
August	1,111	917	1,138
September	652	645	985
October	487	263	572
November	492	357	314
December	272	168	242
January	500	495	320
February	339	484	425
March	477	254	283
April	466	1,115	670
May	778	1,204	1,062
June	661	1,553	2,475
Total	7,339	8,618	10,499



It is clear that ridership patterns are similar over the years, where summer ridership is higher than the off-season months. It is also clear that June 2012 Avila Trolley ridership set a monthly record. However, it should be noted that when the ~600 boardings that were experienced on Saturday June 16 are removed, the monthly ridership is in-line with that experienced in previous years (the Classic at Pismo Beach Car Show surely boosted ridership considerably).

Below are some suggested criteria for evaluating the success of the Avila Trolley by comparing 2011 and 2012 results:

1. Passenger boardings per vehicle hour of service.
2. Average boardings by day of week.
3. Log of circumstances that impact ridership (special event, inclement weather, etc.).

SCAT worked with Regional Rideshare and RTA to implement the summer Youth Ride Free program, which permits all K-12 students to board without having to purchase a pass or pay a cash fare – the rider merely needs to provide proof (school identification card or other identification) that he or she is eligible for the program. In previous summer periods, youth could purchase a deeply discounted Summer Break Pass that was valid between Memorial Day and Labor Day. Based on preliminary estimates on SCAT services, youth ridership has increased 234% based solely on the number of “PROMO” key entries by drivers in 2012 vs. the number of Summer Break Pass boardings in 2011. However, the 2011 figure is certainly underrepresented somewhat, because some youth riders paid the discounted cash fare in 2011 instead of purchasing a summer-long pass. Regardless, there is a remarkable increase in youth riding this summer in comparison to previous summers.

Below are some suggested criteria for evaluating the success of the Summer Youth Ride Free program:

1. Total net revenue lost on a per-passenger basis. It will be important to assign a reasonable cost for administering the previous Summer Break Pass, including printing costs, distribution costs, staffing costs and marketing costs.
2. Log of unusual circumstances, including over-crowding, misbehavior or other operational challenges.

Staff is interested in discussing these suggested criteria and to understand what other criteria might be important to the community.

STAFF RECOMMENDATION:

Accept this letter as an information item.

**SOUTH COUNTY AREA TRANSIT
MINUTES OF APRIL 18, 2012 BOARD MEETING
ARROYO GRANDE CITY COUNCIL CHAMBERS**

C-1

Directors Present:	Jim Guthrie, Chairperson Shelly Higginbotham Paul Teixeira	City Council Member, Arroyo Grande Mayor, Pismo Beach County Supervisor, District 4
Directors Absent:	John Shoals	Mayor, Grover Beach
Staff Present:	Steve Adams Bob Perrault Kevin Rice Geoff Straw Tania Arnold Coleen Kubel Terry Berkeley	City Manager, Arroyo Grande City Manager, Grover Beach City Manager, Pismo Beach Executive Director Chief Financial Officer, Director of Administration SCAT Lead Operations Supervisor SCAT Operations Supervisor

CALL TO ORDER AND ROLL CALL: Chairperson Jim Guthrie called the meeting to order at 3:33 p.m. Roll call was taken; a quorum was present.

PUBLIC COMMENT: Chairperson Guthrie asked for public comment on non-agenda items. There were none.

BOARD ADMINISTRATIVE ITEMS:

INFORMATION AGENDA:

A-1 Executive Directors Report: Mr. Geoff Straw updated the Board on the status of the Halcyon Park and Ride improvement project, currently waiting on warmer overnight temperatures to complete paving. A new shelter is ready for that location once the improvements are complete, and it will have wind protection. Mr. Straw also mentioned other improvements being worked on at the Pismo Premium Outlets and the stop near Arroyo Grande City Hall. Parking configuration options are being considered due to limited space for parking large vehicles at the Outlets with the Avila trolley meeting the SCAT and RTA buses on the hour on the weekends. Bus maneuvering continues to be an issue at the City Hall stop but staff hopes to work with the City staff in relocating two parking spots, making it easier for the bus to access the stop and safely load and unload passengers.

Upcoming RTA service changes, being implemented on the June 10th, won't have a direct impact on SCAT, although Mr. Straw discussed that it should improve the ability of customers to transfer efficiently from the RTA route 10 to the SCAT routes, reducing delays for holding SCAT vehicles and the number of missed transfers. Mr. Straw also discussed the June 10th fare increase on the RTA 31 day pass and Regional 31 day pass and their

respective discounted passes. The Regional 31 day pass will likely lead to a slight increase in the amount of SCAT farebox revenue from the Regional Pass Revenue Sharing agreed to by the operators when the pass was adopted.

Mr. Straw briefly discussed the changes related to the Avila Trolley service and the proposed changes included in the Board packet for adoption in Item B-1. Due to poor ridership in the off peak time frame, it is being suggested that service be changed to four days per week during the peak season, and eliminate service during off-peak months. The Avila Foundation has endorsed the proposal, which is likely to save a little revenue.

On an exciting note, **Mr. Straw** discussed with the Board the impacts of the SCAT service area being designated as a federally recognized urbanized area (UZA). It will lead to a net funding increase of approximately five hundred thousand dollars to the Five Cities area. It is an exciting time for SCAT but also presents challenges in the additional reporting requirements that SCAT will have to meet. The Nipomo service area also presents some challenges, it was not included in the new UZA, and it was pulled out of the Santa Maria UZA. It is recommended that a bi-monthly meeting be established to determine how this will impact budgets.

SCAT is a member of the California Transit Insurance Pool (CalTIP) and has the responsibility for appointing an employee, Board member, Secretary, or Treasurer to the Board to represent SCAT at CalTIP Board meetings.

Mr. Straw recommended to the Board that Ms. Tania Arnold from RTA staff be appointed as Secretary or Treasurer to the SCAT Board in order to maintain voting rights at CalTIP Board meetings. This will be brought to the Board for approval at the July meeting.

Mr. Straw discussed the status of the SCAT vehicle procurement and the two demonstration vehicles that were shown to local officials in the SCAT service area. Staff recommends moving forward with a notice to proceed to for three thirty-five foot vehicles to get in the queue with the vendor while staff is working on the final analysis of what vehicle size should be ordered. There is still time to change to forty foot vehicles if that is the direction that the Board would like to go. The limited SCAT budget available for vehicles was discussed and how this will eliminate the ability to use the funding to purchase spare parts.

Chairperson Guthrie asked about the spare parts and how RTA purchasing spare parts would help SCAT. **Mr. Bob Perrault** mentioned the high mileage on the SCAT vehicle, and asked if the spare parts would extend the life of the new vehicles. **Mr. Straw** stated that no, the additional spare parts would not extend the life but would reduce vehicle down time.

Mr. Straw spoke about the significant ridership increase and thanked staff for handling the large increase because that is a big challenge. The financials included in the report show a farebox recovery ratio of 13.89% which will be a challenge with the new urbanized area designation given a 15% farebox recovery ratio requirement will have to be met. **Mr. Straw** complemented staff on keeping costs down and farebox revenue up.

Mr. Straw concluded his Director's report.

Director Shelly Higginbotham inquired as to how much public outreach was done for the upcoming RTA fare increase. **Mr. Straw** spoke about the mobile office hours and the public workshops that were conducted. Staff asked very specific questions during mobile office hours to try and reach as many riders as possible, inquiring as to what riders' method of payment was, what works well, and what doesn't work. Feedback was very positive with good attendance at the public meetings.

Vice Chairperson Paul Teixeira asked about service alternatives available with the elimination of the trolley in the off-season for the residents of Avila Beach. **Mr. Straw** responded that at this time there are no other travel options.

Vice Chairperson Teixeira asked about the number of seats available on a thirty-five versus a forty foot bus. **Chairperson Guthrie** also inquired how many seats would be lost moving from the current high floor thirty-five foot bus versus the low floor thirty five foot bus. **Mr. Straw** stated that moving from a thirty-five high floor to forty low floor buses would be minimal (gain five seats), but would reduce standing room only loads. Moving from the thirty-five foot high floor to thirty-five foot low floor buses results in a loss of three seats.

Chairperson Guthrie mentioned that Nipomo is no longer going to be part of an urbanized area. What impact is that going to have on RTA given that Santa Maria was funding being provided to RTA for service to that area? **Mr. Straw** said the challenge will be maintaining that two hundred thousand dollar funding piece. It will help that Nipomo will become eligible for non-urbanized funds that the SCAT service area is no longer eligible for. The real challenge will be how that money gets used. Demand has to increase significantly before service is increased in order to achieve the mandated 15% farebox recovery ratio requirement.

Chairperson Guthrie asked about the possibility of running a connector service from Ramona Garden Park to the Premium Outlets in order to avoid the two pulse points, although the farebox issue will be a challenge. **Mr. Straw** responded that consultants as well as Coleen have looked at it in the past and it can be implemented fairly easily, although there will be other issues, such as what type of vehicle should be used.

Chairperson Guthrie inquired as to when the Federal funding would become available. **Mr. Straw** responded that it could be as early as October 2012.

B. ACTION AGENDA:

B-1 Service Change Recommendations Weekend Beach Trolley: **Mr. Straw** spoke about the current service provided with the Avila Trolley, currently year round service, Saturday and Sunday only that connects to SCAT routes 21 and 24 and RTA Route 10. Staff has been taking suggestions for changes from the agencies that help fund the program. Doesn't require an additional miles and hours to run the service, just a reallocation of resources. It is a fare-free service. Due to the routing there may be some congestion issues at the Premium Outlets transfer center if the service continues to be pulsed. Outreach was conducted to determine the importance of the connection at the Outlets. With a different type of clientele, we may have the opportunity to change the pulse time for the trolley. The cost impact may be reduced in comparison to current funding requirements. **Mr. Straw** stated that it is recommended that the service change be implemented.

Director Higginbotham asked if it had been decided on which four days during the week the service would operate. **Mr. Straw** stated that staff hadn't and asked for any feedback from the Board on what they believe would be the most productive service days, either Thursday through Sunday or Friday through Monday.

Ms. Coleen Kubel suggested that service would be Thursday through Sunday with continued service on the Monday holidays based on current ridership trends.

Director Higginbotham inquired if staff had spoken to the riders who currently use the service, and the hoteliers in the area. That is who the service is targeted to. **Director Guthrie** also wanted to know how much the service change would affect ridership due to the very different route that we operated this year. **Ms. Kubel** stated that ridership is not actually lower this year, it is lower in off peak times. Currently peak ridership during the summer is 90 – 170 people per day on Saturday on Sunday and would expect roughly 70 – 100 on Thursday and Fridays. During the off peak season is about 30 – 40 per day.

Director Higginbotham confirmed what the service recommendation is, running four days a week from 10 a.m. until 5:56 p.m. **Mr. Straw** stated that was correct. **Director Higginbotham** advised staff to speak to the managers at the Premium Outlets and promote the trolley service, making note of the additional riders and promote the service change, since they have worked with us so well. Do we promote the use of the trolley for other events? Can you rent them? **Mr. Straw** stated that staff will be taking a Charter Policy to the RTA Board on May 2nd since the agencies have not been doing it correctly since the FTA Charter Rule was amended in 2008, and seek a waiver from the FTA for services that meet stated criteria.

Director Teixeira wanted to make sure that staff checked with merchants in Avila since the service change will have a direct impact on them and will not be operating in the off season. **Mr. Straw** discussed the various agencies and groups that the service change recommendation was discussed with, and has been endorsed by, with no specific direction on which days they prefer.

Chairperson Guthrie advised that Thursday through Sunday is much better and the first time visitors see it, they are much more like to use it later in their visit.

Chairperson Guthrie opened public comment.

Chairperson Guthrie closed public comment.

Director Higginbotham made a motion to approve Beach Trolley service recommendation, with service days being Thursday through Sunday from Memorial Day to Labor Day, and the motion and was seconded by **Vice Chairperson Teixeira**. The motion carried on a roll call vote with Director Shoal absent.

B-2 Fiscal Year 2013 Operating and Capital Program: **Mr. Straw** stated that the budget was balanced and is pleased with the funding projections for the following year.

Ms. Tania Arnold continued the budget staff report, noting that the budget assumes the same level of service related to the hours and miles including the service change that occurred in January 2012 that split route 23 into

22 and 23. The major challenges continue to be containing costs, including issues related to the aging fleet. Fuel pricing continues to be very uncertain. Revenue is looking good, including a grant from RTF for preventative maintenance for \$70,000 and LTF is projected to come in a significant amount higher next year. In reviewing page B-2-5, reserves are looking promising and include an increase in equipment replacement reserves from savings carried over from 2010/2011. The LTF increase being requested is just over \$38,000 with a significant portion being put towards equipment replacement reserves. Page B-2-6 provides notes on the expenditure line items, with continued benefits from obtaining coverage from CalTIP and being able to keep that line item costs contained. No other significant increases in the administrative expenditures are proposed. Operating expenditures, salaries and benefits has gone up due to workers compensation insurance increases based on recent loss history. Staff continues to monitor the issue closely and Coleen continues to work on safety awareness programs which mitigate costs given the status of the current insurance market. Health insurance premiums continue to rise, although the impact is relatively small due to the limited number of benefited positions at SCAT. **Ms. Arnold** continued with a discussion on maintenance costs, which have been reduced as a result of efficiencies using the RTA maintenance staff based on current year projections. Fuel prices continue to fluctuate and staff will continue to monitor the situation closely and keep the board updated as to where projections for the year are forecasted throughout the fiscal year.

Ms. Arnold continued with a discussion on the capital section of the budget, which includes a computer upgrade for Coleen, the vehicle procurement discussed earlier funded through the Prop 1B program, and large vehicle repairs. Staff is advising budgeting for a large vehicle repair given the age of the fleet and the fact that the new vehicles won't be arriving until the end of the fiscal year. As mentioned earlier, staff is recommending \$21,380 be included to increase the equipment replacement reserves.

Mr. Straw made note that the three new vehicles are being fully funded with state money, and no match is needed. Also, on salaries and benefits, the comparison to current year is not a true comparison given the 2011/2012 numbers do not include the overage for the early implementation of the driver wage scale.

Chairperson Guthrie asked staff to take the next step and break out the difference in the current year from the amount in the budget to the amount that is currently being projected. **Mr. Straw** stated that analysis will be provided to the Executive Committee and the Board prior to the end of the fiscal year.

Vice Chairperson Teixeira asked about storing fuel and being able to recognize cost savings related to that program. **Mr. Straw** stated that SCAT and RTA don't currently have the space or the ability to store fuel, and it may not be a safe bet for the agency given the uncertainty of the fuel market.

Chairperson Guthrie inquired as to why staff wasn't asking for a proportional increase in LTF given the significant increase? **Mr. Straw** stated that staff wanted to be fair and work with the jurisdictions on maximizing the funds available to them.

Chairperson Guthrie questioned the reasoning behind not wanting to implement the fare transfer to generate additional farebox revenue and reduce fraud issues. **Mr. Straw** responded that a major service change was just implemented in January 2012 and it is best practice to wait a year or two. It is best not to create a negative

effect on riders that may have had to go from riding one route to riding two due to the service change with an additional fare increase. **Chairperson Guthrie** asked staff to promote the use of passes as a means to decrease the impact on those who do transfer.

Chairperson Guthrie opened public comment.

Chairperson Guthrie closed public comment.

Vice Chairperson Teixeira made a motion to approve the fiscal year 2013 operating and capital program as presented and the motion and was seconded by **Director Higginbotham**. The motion carried on a roll call vote with Director Shoal absent.

C. CONSENT AGENDA: Consent Agenda Items were approved upon a motion by **Director Higginbotham** and seconded by **Vice Chairperson Teixeira**. The motion carried on a roll call vote with Director Shoal absent.

D. DIRECTORS' COMMENTS: **Vice Chairperson Teixeira** thanked staff for the changes to the Avila trolley and is looking forward to a successful summer service. **Director Higginbotham** is interested in finding out how the summer youth ride free promotion goes. **Chairperson Guthrie** is pleased to see the high ridership and would like to staff to look at creating a connector between Ramona Garden Park and the Premium Outlets to create a more efficient service.

E. EXECUTIVE COMMITTEE MEMBERS' COMMENTS: None

F. ADJOURNMENT: The meeting was adjourned at 4:43 pm.

Respectfully submitted,
Tania Arnold
Chief Financial Officer
Director of Administration