



LODI CITY COUNCIL

Carnegie Forum
305 West Pine Street, Lodi

"SHIRTSLEEVE" SESSION

Date: October 6, 2009

Time: 7:00 a.m.

For information regarding this Agenda please contact:

Randi Johl

City Clerk

Telephone: (209) 333-6702

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Informal Informational Meeting

A. Roll Call by City Clerk

B. Topic(s)

B-1 Service and Route Modifications Due to State Budget Cuts for Local Transit Services
(PW)

C. Comments by Public on Non-Agenda Items

D. Adjournment

Pursuant to Section 54954.2(a) of the Government Code of the State of California, this agenda was posted at least 72 hours in advance of the scheduled meeting at a public place freely accessible to the public 24 hours a day.

Randi Johl
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

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AGENDA TITLE: Service and Route Modifications Due to State Budget Cuts for Local Transit Services

MEETING DATE: October 6, 2009 (Shirtsleeve Session)

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Receive presentation on service and route modifications due to State budget cuts for local transit services.

BACKGROUND INFORMATION: As a result of recent actions related to adoption of the California State Budget, San Joaquin County Council of Governments staff has instructed local transit operators to reduce their Fiscal Year 2009/10 Transportation Development Act (TDA) revenue estimates by 20 percent. Federal revenue levels will remain the same as in the previous fiscal year. As a result, Lodi Transit revenues are expected to be \$443,000 less than projected in the current budget.

Transit service cost overall have been operating at lower than the budgeted level for the first four months of this fiscal year. As a result, operations costs through October are on track to come in approximately \$70,000 below budget estimates. This leaves a remaining projected deficit of \$373,000 (\$443,000 - \$70,000) that must be offset by service reductions over the next eight months. There are no undesignated reserves within the Transit Fund that could be used for operations. An alternative to service reductions is to use General Fund revenues to cover all or part of the projected deficit. This is not a recommended alternative. It is crucial that quick action be taken to implement changes by November 1, 2009 in order to minimize the severity of service reductions.

A series of public meetings have been scheduled to inform the public about the pending service changes. These include meetings to be held at LOEL Center on October 8 at 10:00 a.m. and with the Senior Commission at Hutchins Street Square Senior Center on October 15 at 8:00 a.m. The City Council Public Hearing will be held on October 21 at 7:30 p.m.

The transit contract with MV Transportation requires that the City purchase a minimum of 40,000 revenue hour but no more than 50,000 revenue hours per year. This year's transit services are on course to operate at approximately 44,000 revenue hours which is less than budgeted, as mentioned above. Lowering the transit services to the minimum operating level 40,000 revenue hours could be implemented but it would only generate \$120,000 in additional cost savings. As a result, renegotiation of the MV Transportation contract will be required to address the projected deficit.

Renegotiating the MV Transportation contract involves the development of alternatives for the mix of transit services that could be provided under the new constrained funding model. Staff has diligently worked to evaluate several alternative transit service scenarios that would provide the most service to the

APPROVED: _____
Blair King, City Manager

most riders and still provide a \$373,000 cost reduction over the next 8 months. Objectives of the recommendation provided below include; 1) maintaining as many of the routes as possible, 2) affecting the fewest number of riders as possible, and 3) reducing costs by \$373,000. The final changes need to be in effect by November 1, 2009. The recommended transit services would include the following changes:

- A. Eliminate “Same Day Service” option on the Dial-A-Ride/VineLine.** Currently, additional buses and drivers are maintained on duty to provide same-day service seven days a week. Operating the Dial-A-Ride/VineLine service on a reservation-only basis would save approximately \$60,000 over the next eight months. Eliminating the “Same Day” option would not eliminate rides for passengers but it would require a re-education of passengers to reserve a day in advance. Approximately 30 percent of the 53,000 passengers annually using this service are “Same Day.” Even though we would not formally offer “Same Day Service,” we might accommodate a “Same Day Request” if an already established service run could service that request. For Fiscal Year 2009/10, the annual operating cost for the Dial-A-Ride/VineLine service is projected to be \$1,405,000 and the subsidy per passenger is projected to be \$21.28 (Short Range Transit Plan). Fares on Dial-A-Ride/VineLine are \$5.00 for the general public and \$1.50 for seniors/disabled/Medicare. Approximately 13 percent of the passengers are general public. The fare box recovery is projected to be 6.8 percent for Fiscal Year 2009/10.
- B. Reduce Fixed Route Service Monday through Friday to 8:00 a.m. until 5:00 p.m.** Reducing operating times of the Fixed Route service would save approximately \$70,000 over the next eight months. The existing hours of operation are 6:15 a.m. until 6:54 p.m. Approximately 78% of the 254,000 passengers annually using the Fixed Route Service do so between 8:00 a.m. and 5:00 p.m. Approximately 13 percent of riders use the service between 6:15 a.m. and 7:45 a.m. (eliminated morning service) and 9.3 percent of riders use the service between 5:00 p.m. and 6:54 p.m. (eliminated afternoon service). Morning riders affected by this change have the option to use the three Express Routes that operate between 6:10 a.m. and 7:30 a.m. It is uncertain how many affected riders would adjust their travel times to fit the new schedule. The subsidy per passenger on the Fixed Route service is \$4.17 per passenger. Fares to ride the Fixed Route are \$1.00 for the general public and \$.50 for Seniors/Disabled/Medicare. The fare box recovery for Fiscal Year 2009/10 is projected to be 13.8 percent.
- C. Reduce Dial-A-Ride/VineLine service Monday through Friday to 8:00 a.m. until 5:00 p.m.** Federal regulations require that the VineLine Service at least match the operating times of the Fixed Route Service. It can be greater but cannot be less. Currently, about 88 percent of Dial-A-Ride/VineLine weekday riders travel during these hours.
- D. Eliminate Saturday and Sunday service on the Fixed Route and Dial-A-Ride/VineLine service.** This service reduction would save about \$110,000 in operating costs. Approximately 8.2 percent of the total ridership on the Fixed Route system occurs on Saturday and Sunday, which breaks down to 4.6 percent on Saturday and 3.6 percent on Sunday. Approximately 14.8 percent of the total ridership on the Dial-A-Ride/VineLine service occurs on Saturday and Sunday, which breaks down to 8.1 percent on Saturday and 6.7 percent on Sunday.
- E. Eliminate Transit services on three additional holidays and eight furlough Fridays.** This service reduction will produce an operations savings of approximately \$27,000. This would cancel 11 days of service through the end of the year. The holiday dates are: 1) Veteran’s Day, 2) Friday after Thanksgiving, and 3) Martin Luther King, Jr. Day.

- F. Maintain Express Route services Monday through Friday.** Three Express Routes operate in the morning and afternoon on Monday through Friday. Ridership on this service is primarily students but it is available to all passengers. Total ridership on the three Express Routes was 40,061 for FY 2008/09 and it was evenly distributed across the three routes. Fare subsidy and fare box return information for this special service is not available. The cost to operate the Express Routes is approximately \$50,000.
- G. Reduced operations cost savings including fuel, cleaning, and maintenance costs.** The total estimated cost savings in these categories could reach as high as \$50,000. For example, the annual budget for vehicle maintenance (excluding fuel) is more than \$400,000 and we are reducing the budgeted revenue hours and have reduced the fleet this year by four buses.

A Public Hearing to consider transit service reductions is scheduled for October 21, 2009. After the Public Hearing, it is staff's objective to have the Council vote to approve a revised contract with MV Transportation or to provide specific direction on the content of a revised contract with MV Transportation that would be brought back to the City Council at a meeting prior to November 1, 2009. Delays in implementing operating cost savings measures will result in more service cuts over a shorter period of time.

Attached are service level decreases implemented by other agencies in response to reduced funds.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: Not applicable.

F. Wally Sandelin
Public Works Director

FWS/pmf

CARRIER	CITY	NATURE OF SERVICE REDUCTIONS	WHEN IMPLEMENTED	DATE OF ARTICLE
SJ RTD	Stockton	<ul style="list-style-type: none"> • \$38 million budget cut to \$30 million • 11-14 drivers to be laid off • Reduction in hours by 7.1% • Possible additional reduction in hours by another 6.6% • Replace most Dial-a-Ride service in Stockton w/a modified Fixed Route service (Hopper) 	October 4, 2009	9/17/09 & 7/17/09 (Stockton Record)
Modesto Area Express (MAX)	Modesto	<ul style="list-style-type: none"> • Reduce early morning and late evening routes • Initial plan was to lay off 10 of 90 bus drivers • Eliminate some Saturday routes 	August 15, 2009	June 1, 2009 (Modesto Bee)
Livermore Amador Valley Transit Authority	Dublin, Livermore, Pleasanton	<ul style="list-style-type: none"> • Raised fares • Cut services by 25% 	March 2009	* June 1, 2009 (Modesto Bee) * Website www.lavta.org
Riverbank Oakdale Transit Authority	Riverbank and Oakdale	<ul style="list-style-type: none"> • Eliminate trolleys 	July 1, 2009	June 1, 2009 (Modesto Bee)
Bus Line Service of Turlock (BLAST)	Turlock	<ul style="list-style-type: none"> • Raised bus fares from \$.75 to \$1.25 • Reduced Saturday buses by 1/2 		June 1, 2009 (Modesto Bee)
Roseville Transit	Roseville	<ul style="list-style-type: none"> • Eliminate or realign underperforming local routes and reinvest in high performing routes (\$438,224) • Suspend under utilized first and last runs of local routes (\$167,265) • Extend local route changes to and operate w/minimal service on Saturdays (\$325,329) • Consolidate or eliminate underperforming routes and add buses to high performing commuter routes, start Hwy. 50 commuter route (\$111,352) • Increase Dial-A-Ride fare \$0.25 (\$2.25 to \$2.50) • Total Cost Savings: \$819,466 • 	<p>Jan. 4, 2010</p> <p>Jan. 4, 2010</p> <p>Jan. 4, 2010</p> <p>Nov. 30, 2009</p> <p>Jan. 4, 2010</p>	City Website
E-Tran & E-Van	Elk Grove	<ul style="list-style-type: none"> • (3) Supplemental routes would be moved into mainline fixed route service • (4) commuter routes and (2) local fixed routes would implement service reductions • (8) routes would be discontinued • No service provided on the 8 major holidays • 	September 1, 2009	July 22, 2009 City Council Meeting

CARRIER	CITY	NATURE OF SERVICE REDUCTIONS	WHEN IMPLEMENTED	DATE OF ARTICLE
Calaveras Transit Services	Calaveras County	<ul style="list-style-type: none"> • Elimination of Charter Services • Eliminate various non-performing routes • Reduction, elimination or realignment of various routes within the county • On-time Performance schedule adjustments • Fare increases for One-way regular \$1.50 to \$2.00; One-way discounted \$0.75 to \$1.00; Ticket book (15) regular \$20.00 to \$26.00; Monthly Pass (regular) \$45.00 to \$60.00; Monthly pass (student) \$0 to \$40.00 • Funding shortfall in excess of \$420,000 	July 1, 2009	<ul style="list-style-type: none"> * June 2, 2009 Calaveras Co. Board of Supervisors Agenda * Calaveras Co. PW Dept. press release