

MENDOCINO COUNCIL OF GOVERNMENTS

APPROVED MINUTES

Transit Productivity Committee - TPC

May 2, 2024

Primary Location:

MCOG / Dow & Associates Offices
525 S. Main St., Suite G, Ukiah

Teleconference Location:

Redwood Coast Senior Center, 490 N. Harold St., Fort Bragg

General Public Teleconference by Zoom

PRESENT:

MCOG Board Members: Dan Gjerde, Mike Carter
MTA Board Members: Jim Tarbell, Saprina Rodriguez
Senior Centers Rep.: Jill Rexrode, Redwood Coast Seniors (Alt.)
Staff & Others: Nephele Barrett, Janet Orth, and Jody Lowblad, MCOG
Jacob King, Dawn White and Mark Harvey, MTA

ABSENT: None

1. Call to Order. Chair Gjerde called the meeting to order at 10:02 a.m. Participants on the call were identified: Dan, Mike, Jacob, Dawn, Nephele, Janet and Jody in Ukiah; Jill in Fort Bragg; Jim and Mark joining by Zoom. Dan explained that Jim would not be allowed to vote as he did not attend at one of the two Brown Act noticed locations on the agenda. It was determined that a quorum of three voting members was present. Saprina arrived at 10:10 a.m. during Agenda #3, for a quorum of four.

2. Public Expression. None.

3. Review and Recommendation on MTA's Analysis and Prioritization of 2024/25 Unmet Transit Needs.

Janet reviewed the annual process, current status and the recommended action. Included in the agenda packet was MTA's analysis of the list of all testimony compiled by MCOG from the Social Services Transportation Advisory Council (SSTAC), Mendocino Transit Authority (MTA) and the February public hearing. The report was ranked by five categories: *High Priority* (3), *Medium Priority* (2), *Low Priority* (4), *Already Exists* (1), and *Not Feasible* (2) for a total of 12 needs. Jacob then reviewed the top four needs on the list, with staff and group discussion.

- "High Priority–Consider for FY 2024/25" – **#S-1**, Service/micro transit for Covelo, Laytonville, Brooktrails, Hopland, and Potter Valley, is partially written into MCOG's SB 125 Formula-Based Transit and Intercity Rail Capital Program (TIRCP) & Zero Emission Transit Capital Program (ZETCP) Allocation Package, to start with a pilot project serving Covelo and Laytonville, so this should be reasonable to meet. However, it was learned earlier this week that the SB 125 funds were frozen by the Governor in the State budget's May Revise, pending budget adoption in June. Fiscal Year 2024/25 would be a planning year, 2025/26 would start some level of service, and 2025/26 would be determined by results of the pilot to date.

#S-3, Continue restoration of temporary pandemic-related service suspensions, has largely been completed, with evening service the remaining piece, so is essentially the same as #P-3.

#P-3, Evening service 6pm to 10pm for all routes, primarily in Ukiah, would be reasonable to meet with funding participation by Mendocino College, as a majority of rides are to-from the campus.

- "Medium Priority–Consider for FY 2024/25" – **#M-1**, Service from Golden Rule to Ukiah and/or Willits for seniors, would not be feasible for fixed route as there is no safe stop on northbound US-101, and this need would be better served by either the Willits or Ukiah senior center assisted transportation programs. This was discussed at the November 2023 SSTAC meeting and needs further study. One opportunity would be a competitive FTA Section 5310 operations grant, when the next cycle opens in 2025. This would not be ready in FY 2024/25.

#S-4, Service to Noyo Harbor and downtown Fort Bragg central business district (visitor and local serving) will be addressed in MCOG’s Noyo Harbor Multimodal Circulation Plan later this year.

- There was no discussion of “Low Priority,” “Already Exists” or “Not Feasible” (or else not an unmet need by definition).

Questions and discussion included:

- MCOG and MTA staff met May 1 and discussed whether the needs could be met with SB 125 funding, if or when available. This source is meant to reduce greenhouse gas (GHG) emissions, increase ridership, and avoid service budget cuts, i.e. address the transit “fiscal cliff.” (Nephele)
- Covelo-Laytonville is a lifeline service, starting one day per week. Electric vehicle (EV) range will be tested for these trips. Seasonal temperatures, heat and cooling are factors of energy use. (Jacob, Dan)
- One idea for this project has been to deploy the EV on a city route and a gas/diesel vehicle on the longer-distance route; however, that might not meet the GHG requirement for funding. Other agencies have used the emission credits market to accomplish a similar goal. Hybrid electric vehicles also qualify for SB 125 funding. (Janet, Jacob)
- MTA does not want to start a service that will later be taken away. SB 125 is a temporary funding source, though has no expenditure deadline. (Jacob, Janet, Nephele)
- Covelo and Laytonville service are needs that have been on the unmet list for many years; this is the closest we have come to meeting them. Transit is needed for medical and other essential trips. (Janet, Jacob)
- The restoration and evening services are interrelated though listed twice, since one need came from SSTAC and the other from public hearing. MTA would ask Mendocino College to be a funding partner for participation in costs. This is a recurring need heard in MTA board meetings and should be restored. (Jacob)
- Further details of service to Golden Rule retirement community. This would qualify for a FTA Section 5310 service expansion grant. MTA could assist with certain aspects of service. This can be reviewed more at MCOG’s next Senior Centers Transportation workshop later this month. (Jacob, Nephele)
- Discussion of whether any needs are reasonable to meet and how best to recommend. There is no LTF funding available for unmet needs this coming fiscal year, so feasibility will depend on other sources. Staff anticipates operational demands on SB 125 besides these needs, so funding should be stated separately in the recommendation. (Dan, Janet, Nephele)

Recommendations:

Upon motion by Rodriguez, seconded by Carter, and carried unanimously by roll call vote (*4 Ayes – Gjerde, Carter, Rodriguez and Rexrode; 0 Noes; 1 Absent – Tarbell not voting*), the TPC recommended a finding that “there are unmet transit needs that are reasonable to meet” for Fiscal Year 2024/25 contingent on available funds, as identified on the FY 2024/25 list:

- #S-1 Service/micro transit for Covelo and Laytonville
– *contingent on SB 125 funding availability*
- #P-3 Evening service 6pm to 10pm for all routes, primarily in Ukiah
– *Ukiah service is reasonable contingent on funding partnership with Mendocino College*

4. Review and Recommendation on Fiscal Year 2024/25 Transit Claim. Janet summarized her written report, noting several uncertainties in MCOG’s draft budget. The County Auditor’s estimate of Local Transportation Funds (LTF) from sales tax shows no increase over the revised estimate for FY 2023/24, which had caused MCOG to amend the current-year budget and reduce allocations. The new estimate of \$4,243,383 is comparable to the most recent audited year actual LTF revenue of \$4,543,795.

The Executive Committee recommended setting the LTF Reserve at ten percent, down from 15% when there were surplus funds coming in. Since prior-year surpluses have been expended and the Reserve substantially depleted, an allocation of new funds (\$247,368) is needed to replenish the Reserve. This reduces the availability of LTF funds for MTA’s 2024/25 claim to \$3,240,044, a substantial decrease.

State Transit Assistance (STA) from fuel taxes has increased in recent years, with a State Controller's estimate of \$1,066,235 for FY 2024/25. As mentioned under Agenda #3, SB 125 transit funds are pending State budget decisions; a portion for Administration in the new year's budget is being reviewed as part of the staffing contract. One or more of these uncertainties, including a potential revised Auditor's LTF estimate, could be resolved for MCOG's final budget adoption June 3, although more likely an amendment will be required early in the fiscal year.

A copy of MTA's claim was included in the agenda packet. MTA claimed the full balance of LTF and STA funds available. The total claim comes to \$4,437,822. Staff considered the claim acceptable as presented. These two funding sources combined result in a decrease of 21% from the amended 2023/24 budget. Since there was no cut to the senior centers' 2023/24 allocation, the LTF available is reduced by 25% for their contracted transportation programs. While the Covid years delivered surplus funds, this estimated draft budget represents a return to past levels, while costs have risen with inflation in the meantime. To continue services at the current level will require more funds than MCOG can provide. Discussion included:

- MTA is short about \$1 million to meet its budget needs. Over the past year, MTA has claimed more remaining federal funds available. Sustainability is key to the next five years. The federal government wants transit service returned to pre-pandemic levels, while the State is calling for increased ridership. Ridership has been coming back, though it is still a challenge. MTA is now fully staffed with drivers to meet those goals, which is very costly. (Jacob)
- If MTA cuts back on staffing, that impacts meeting those objectives. Going forward, more people will transition to electric vehicles, reducing gas tax revenues, a long-term problem. The SB 125 pilot program can meet some unmet transit needs, though how long can MTA meet new needs, let alone continue status quo, under this fiscal outlook? (Saprina)
- The revenue shift is a larger issue the State has been studying over the past several years, to move from gasoline consumption to vehicle miles traveled (VMT) in some form of road charge, to become better aligned with environmental goals. (Janet, Dan, Jacob)
- Hopefully the past cycle of the LTF funding peak and subsequent adjustments is over and will level off, so that in the 2025/26 budget, the Reserve will be intact to roll forward and not require infusions. (Nephele)
- The new Ukiah Transit Center being planned can contribute to greater efficiencies and reduce operational costs. (Jacob)
- Under the discussion of unmet needs, part of the reasoning to use SB 125 funds was to avoid service cuts; on the other hand, the transit center has a one-time shot to use these formula funds as a local match to a competitive federal grant. So care must be taken to balance capital and operational needs. MCOG staff will bring an amendment of the SB 125 allocation plan to the board in June. (Nephele)
- MTA's claim for SB 125 funds will come to MCOG through a separate process, not affecting today's recommendation on the annual claim. (Janet, Nephele)
- What if MTA delayed claiming SB 125 for vehicles? The federal TIRCP competitive program cycle is now open, so MTA has a good chance in this traditional source, getting points for small rural operators. Discussion of program requirements. (Saprina, Jacob, Nephele)
- Suggestion that MCOG and MTA's funds in the County treasury could be invested for a higher interest rate than the current 2.5%, perhaps as much as 4.5%, to augment the budget. MCOG's cash balances are about \$5 million, while the SB 125 will come as a lump sum of an additional \$5 million or more into a separate interest-bearing account. Discussion. (Dan, Janet, Nephele, group)

Discussion of impacts on Senior Centers budgets included: (Jill, group)

- How can the centers make up the 24% budget deficit? They are not eligible for SB 125 funds.
- FY 2024/25 will be year 3 of MTA's recently revised LTF distribution formula, so due for evaluation.
- Another cycle of the Federal Transit Administration (FTA) Section 5310 grant program is due to open in 2025, not in time for this budget. Operations eligibility includes service expansion, mobility management, dispatch and marketing. To date, some of the centers have received awards for vehicles and operations.
- Can a joint application be submitted? No, only single contract awards are being made. MTA provides some 5310 eligible services, so could apply to defray senior centers eligible costs, though it might reduce MTA's own DAR funding. More discussion at MCOG's upcoming senior centers workshop.

Recommendation:

Upon motion by Gjerde, seconded by Rodriguez, and carried unanimously by roll call vote (4 Ayes – Gjerde, Carter, Rodriguez and Rexrode; 0 Noes; 1 Absent – Tarbell not voting), the TPC recommended that MCOG accept Mendocino Transit Authority’s claim as submitted for the FY 2024/25 transit allocation.

Local Transportation Fund (LTF)		
MTA Operations	2,721,637	
Unmet Transit Needs	0	
Senior Center Operations	518,407	
Total LTF		3,240,044
State Transit Assistance Fund (STA)		
MTA Operations	1,197,778	
MTA & Seniors Capital	0	
Transit Capital Reserve	0	
Total STA		1,197,778
Capital Reserve Fund (CRF)		
MTA Capital, Current Year	0	
Senior Capital, Current Year	0	
Long-Term Capital Reserve	0	
Total CRF		0
Total Recommended FY 2024/25 Transit Allocation		4,437,822

5. Review and Recommendation on MCOG Standards. Janet recapped her written staff report, with staff’s recommendation that no revisions are needed this year to the adopted Transit Performance Standards. The current standards provided in the agenda packet were updated administratively for the two Cost standards, using the “CPI Adjusted Rolling Average” method according to MCOG’s adopted policy.

Recommendation:

Upon motion by Rodriguez, seconded by Carter, and carried unanimously by roll call vote (4 Ayes – Gjerde, Carter, Rodriguez and Rexrode; 0 Noes; 1 Absent – Tarbell not voting), the TPC recommended approval of the existing standards as presented, with no changes necessary.

6. Annual Review of MTA Performance Reports Against MCOG Standards. Janet presented findings of her analysis, as documented in the written staff report, with highlights shown in the table below. In summary, the three-year average compared with the past two years’ review shows no change in results; however, 2023 performance has improved over 2022. Her main observations were that 1) costs have dropped considerably for a second year, from the highest cost year in 2021, so all service types met Cost per Hour; and 2) all service types continue to need improvement in ridership numbers, with none meeting Passengers per Hour or Cost per Passenger. She recommended a report of improvement in fixed route performance, maintenance of effort by DAR and by Senior Centers specialized services as a whole, and cost reduction for all service types.

Service Type	2023	3-Year Average
Dial-A-Ride (DAR) maintained same 3-year average; Farebox slipped in 2023 but met Cost per Passenger, for equivalent 2 of 4 annual result	2 of 4	2 of 3
Short Distance Bus Routes maintained the same 3-year average, also met Cost/Hr in 2023, improving annual performance	2 of 3	2 of 3
Long Distance Routes dropped from 3 of 3 to 1 of 4 in 3-year average, meeting just Farebox; and met Cost per Passenger in 2023, improving annual result	2 of 4	1 of 4
Senior Centers maintained the same 3-year average; Farebox slipped in 2023 but met Cost per Hour, for equivalent 1 of 4 annual result	1 of 4	2 of 3

Discussion included:

- This review is meant to consider senior services as a whole; separate data is available by each center. Redwood Coast Seniors achieved four of four standards in 2023, so congratulations. (Janet)

- Has there been any follow-up on outreach or marketing for senior center rides in Brooktrails, or in the other communities studied, resulting from the recent Mobility Solutions feasibility study? This could build ridership and cost efficiencies. No coordinated efforts to date. (Saprina, Nephele)
- Has MTA had conversations with Anderson Valley Seniors about their plans, and should they get a full funding share when not fully participating? MTA and MCOG staffs reached out about a year ago, though little or no contact since then; they appear to be struggling and the office hours limited. Their share is minor. Encourage them to attend MCOG's upcoming workshop. Discussion. (Saprina, group)
- Redwood Coast Seniors fares are very low and due for an increase to bring in more revenue. Is any approval needed? Just your own board of directors, maybe a public hearing at MTA. Meet to discuss. (Jill, Jacob)
- Further review of report details and discussion of productivity improvement opportunities, including outreach, support and marketing for awareness of transit services, particularly senior centers; evaluate fare rate structures; and provide another Senior Centers Transportation workshop. Ideas for ways to market and increase awareness of the transit services. (Group)

Recommendation:

Upon motion by Rodriguez, seconded by Carter, and carried unanimously by roll call vote (*4 Ayes – Gjerde, Carter, Rodriguez and Rexrode; 0 Noes; 1 Absent – Tarbell not voting*), the TPC recommended acceptance of the report, noting improvement in fixed route performance, maintenance of effort by DAR and by Senior Centers specialized services as a whole, and cost reduction for all service types over the past year, and also noting opportunities to support and market specialized transportation services provided by the Senior Centers to help increase ridership.

– Annual Transit Performance Reviews (one year and three years) are attached

7. Miscellaneous / Members' Concerns / Announcements. Review of voting committee members' options for attendance under the Brown Act and legislative bills pending that may allow more flexibility.

Jacob received the Transit Manager of the Year award by CALACT (California Association for Coordinated Transportation) at its spring conference.

8. Adjournment. The meeting was adjourned at 11:53 a.m.

Submitted by Janet Orth, Deputy Director & CFO