

**NOTICE OF MEETING**  
**OF THE**  
**TRANSIT JOINT POWERS AUTHORITY FOR MERCED**  
**COUNTY SUBCOMMITTEE ON BUS SERVICE AND**  
**PASSENGER FARES**

Merced County Association of Governments  
Conference Room  
369 W. 18<sup>th</sup> Street  
Merced, CA 95340  
(209) 723-3153

**THURSDAY, December 11, 2008 – 2:00 P.M.**

**1. INTRODUCTION**

**MEMBERS OF THE PUBLIC MAY ADDRESS ANY ITEM ON  
THE AGENDA DURING CONSIDERATION OF THAT ITEM.**

**2. ORAL COMMUNICATION**

**PERSONS WISHING TO ADDRESS AGENDA ITEMS OR  
COMMENT ON ANY ITEM NOT ON THE AGENDA MAY DO  
SO AT THIS TIME. COMMENTS ARE LIMITED TO THREE  
MINUTES PER PERSON. PLEASE STATE YOUR NAME AND  
ADDRESS FOR THE RECORD.**

**FOR ITEMS NOT ON THE AGENDA, NO ACTION WILL BE  
TAKEN AT THIS TIME. IF IT REQUIRES ACTION, IT WILL  
BE REFERRED TO STAFF AND/OR PLACED ON THE NEXT  
AGENDA.**

**COPIES OF STAFF REPORTS OR OTHER WRITTEN DOCUMENTATION RELATING TO ITEMS OF BUSINESS REFERRED TO ON THE AGENDA ARE ON FILE IN THE OFFICE OF MERCED COUNTY ASSOCIATION OF GOVERNMENTS. PERSONS WITH QUESTIONS CONCERNING AGENDA ITEMS MAY CALL MCAG TO MAKE INQUIRY REGARDING THE NATURE OF THE ITEM DESCRIBED ON THE AGENDA.**

**ITEM**

**STAFF**

- |     |   |                 |
|-----|---|-----------------|
| *   | <b>3. Minutes of the October 30, 2008 Transit Joint Powers Authority for Merced County Subcommittee on Bus Service and Passenger Fares</b>  |                 |
| *   | <b>4. Transit Budget Issues – A Summary of Issues and Actions Taken to Date – Potential Alternative Solutions</b>   | Larry Shankland |
|     | Provide staff with direction and a recommendation for the Transit Joint Powers Authority for Merced County Board of Directors.  |                 |
| * # | <b>5. Realignment of Deviated Route TSA-10 (Gustine-Stevinson-Hilmar-Turlock) into a new Route 6 to service only Hilmar and Turlock effective January 2, 2009</b>   | Larry Shankland |
|     | Recommend the Transit Joint Powers Authority for Merced County authorize the realignment of deviated Route TSA-10 (Gustine-Stevinson-Hilmar-Turlock) into new Route 6 to serve only Hilmar and Turlock effective January 2, 2009. |                 |
|     | <b>6. Establish Regular Meeting Schedule for the Transit Subcommittee for 2009</b>  | Larry Shankland |

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\* Action

# Attachment

+ Enclosure

**Transit Joint Powers Authority for Merced County  
Subcommittee for Bus Fares and Bus Service**

**October 30, 2008**

**MINUTES**

The regular meeting of the Transit Joint Powers Authority for Merced County Subcommittee for Bus Fares and Bus Services, held at Merced County Association of Governments, 369 W. 18th Street, Merced, California, was called to order at 1:02 P.M.

**MEMBERS PRESENT**

Joan Faul, City of Atwater  
Johnny Mays, City of Dos Palos  
Jerry O'Banion, County of Merced  
Bill Spriggs, City of Merced

**MEMBERS ABSENT**

Gurpal Samra, City of Livingston  
Tommy Jones, City of Los Banos

**OTHERS PRESENT**

Jesse Brown, MCAG staff  
Paul Fillebrown, Merced County  
Marjie Kirn, MCAG staff  
Robin Lamas, MCAG staff  
Larry Shankland, Merced County Transit - "The Bus"

**1. Opportunity for Public Comment**

None.

**2. Transit Budget Revenue and Appropriations Shortfall Issues**

Larry Shankland stated that at the October 16, 2008 Transit Joint Powers Authority for Merced County Board meeting the Directors took action to shift \$993,987 in Local Transportation Funds back to the transit budget and requested staff to return within 30 days with a proposed fare structure that focused on trip length based fares for Carless Commute passengers and an overall examination of current pass prices, especially for Dial-A-Ride.

The staff report included a new fare structure for increasing the Carless Commute rates. Staff stated that if the new fare structure is approved by the Governing Board and is not acceptable by the riders, then the route should be eliminated. An option could be using the new fare structure for six months and if it does not reach the 20% farebox ration, then discontinue the route. Any of the Carless Commute routes could be cut with a minimum

of notice, as these routes are not an unmet need. Fare increases alone will not make up for the entire shortfall; there may be a need to cut services.

Paul Fillebrown stated that there is a need to look at all fares. The State will be revising the State budget, which could mean additional shortfalls in the Transit Budget.

Joan Faul requested an operational audit on how the Transit System is doing on each of the runs by an outside agency. If the audit can show that the Transit System is doing things in an economical way then the cities will be more accepting of increased fares and possible reduction in services.

#### Dial-a-Ride

Discussion on Dial-a-Ride included having the Dial-a-Ride users paying more than the fixed route riders. Dial-a-Ride was originally intended for seniors and disabled riders. There is a need to get more money to the farebox for Dial-a-Ride. If the fares were raised to \$55.00 per month then it would meet the farebox revenue needs. Dial-a-Ride is a special service; people can use the fixed route, which is less expensive per month, if they choose. The increase in fares would hopefully dissuade regular passengers, not elderly or disabled, to use the fixed route service. The recommendation is for the fares to be \$55.00 per month for the elderly and disabled riders, and \$75.00 per month for others.

#### Public Hearing

A Public Hearing will be needed to increase fares.

#### Recommended Courses of Action

- a. Increase monthly passes to \$45.00 per month on the fixed route.
- b. Increase monthly passes to \$55.00 per month for seniors and disabled riders on the Dial-a-Ride routes. This pass would also allow riders to use the fixed route system.
- c. Increase monthly passes to \$75.00 per month for other riders on the Dial-a-Ride route. This pass would also allow riders to use the fixed route system.
- d. Increase fares for carless commute per the fare scheduled prepared by staff.
- e. Set a minimum based index on fuel prices and adjust fares as the price of gasoline costs go up or down. Make adjustments on a quarterly basis with Board approval.

THERE BEING NO FURTHER BUSINESS, THE MEETING WAS ADJOURNED AT 2:02 P.M.



**DEPARTMENT OF PUBLIC WORKS  
Transportation Division**

**Paul A. Fillebrown**  
*Director*

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**ITEM 4**

**DATE: DECEMBER 5, 2008**

**TO: TRANSIT JOINT POWERS AUTHORITY FOR MERCED COUNTY  
SUBCOMMITTEE ON BUS SERVICE AND PASSENGER FARES**

**FROM: LARRY SHANKLAND, TRANSPORTATION MANAGER**

**SUBJECT: TRANSIT BUDGET ISSUES – A SUMMARY OF ISSUES AND  
ACTIONS TAKEN TO DATE – POTENTIAL ALTERNATIVE  
SOLUTIONS**

**MEMORANDUM**

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**BACKGROUND**

At their meeting of November 20, 2008 the Transit Joint Powers Authority for Merced County (TJPAMC) took action to suspend Saturday service effective January 1, 2009 to cover a projected shortfall in State Transit Assistance funding. That action also directed staff to return the matter to the TJPAMC Subcommittee on Bus Service and Bus Fares for further consideration and possible additional action for the TJPAMC at their December 2008 meeting.

**SUMMARY OF ISSUES AND ACTIONS TAKEN TO DATE**

Listed and discussed below are the subject transit budget issues and actions taken to date to resolve them.

1. Initial State Transit Assistance (STA) Shortfall

Staff budgeted \$1,500,000 in STA for Merced County Transit for the 2008-2009 fiscal year in February 2008. This amount was what I believed to be a conservative figure based on the Governors original budget for STA for Merced County of \$2,613,679 and the \$1,101,104 appropriated in STA for FY 2007-2008.

The final state budget for FY 2008-2009 appropriates \$1,076,428 in STA for the Merced County region. This has resulted in a \$423,572 revenue shortfall in the FY 08/09 budget for “The Bus” – Merced County Transit.

Action Taken: \$423,572 in Local Transportation Fund allocations for FY 08/09 for road and street purposes returned to transit.

## 2. Estimated Fuel Appropriation Shortfall

Staff developed the transit budget in February 2008 with an appropriation of \$1,294,000 for bus fuel. This amount calculated fuel costs at approx. \$3.25 per gallon at a time when fuel prices were running between \$2.79 and \$2.89 per gallon wholesale. July and August fuel prices fluctuated from \$4.05 to \$3.49 wholesale for gasoline and from \$4.53 to \$3.99 for diesel. Staff projected a fuel appropriation shortfall of \$570,415 for the FY 08/09 based on these prices.

### Action Taken:

\$570,415 in Local Transportation Fund allocations for FY 08/09 for road and street purposes returned to transit.

## 3. Additional State Transit Assistance Fund Reduction

The Governor is proposing to eliminate the remainder of the STA for the 2<sup>nd</sup>; 3<sup>rd</sup>; and 4<sup>th</sup> quarters of the 2008-2009 FY. This represents a shortfall of approximately \$784,821 for transit.

### Action Taken:

Eliminate Saturday service from January 1, 2009 through June 30, 2009 to save \$331,800. Set a public hearing for January 15, 2009 to consider a fare increase that if adopted would produce approximately \$100,000 for the 2008-2009 FY. The remainder of the shortfall will be covered with \$353,821 in previously allocated but unbudgeted Federal Transit Administration Sec. 5307 funds.

## **UPDATED INFORMATION**

Under Item 1 above there will be no change as the die has been cast.

With respect to the fuel appropriation shortfall there may be good news. Based on the aggregate average of fuel prices from July 1, 2008 through November 30, 2008 it appears that the original \$1,294,000 amount budgeted for fuel is now on track. The caveat is: Will prices continue to stay low? If so, then the \$570,415 in LTF added to this account could be available for retaining Saturday service and some returned to roads and streets.

The Governor's proposal to eliminate STA for the remainder of the fiscal year is likely to become reality no matter how you look at it. Projections of the state being out of cash by February 2009 do not bode well for any state revenue source.

## DISCUSSION

In addition to, or in lieu of, suspending Saturday service the following could be considered:

1. Maintain Saturday service based on current fuel prices. This would be a calculated risk for the period 12/1/08 through 6/30/09 that the original fuel appropriation will cover all fuel costs for the 2008-2009 FY. If fuel prices go up then any revenue shortfalls will have to come from 2009-2010 FY funds or future service cuts.

It should be noted that average ridership on Saturdays is about 1,900 passengers/day countywide. The farebox revenue to operating cost ratios for Saturdays for FY 07/08 are as follows:

Urban Fixed Route = 17.64% (20% required)  
Urban Dial-A-Ride = 7.2% (10% required)  
Rural Fixed Route = 8.7% (10% required)  
Rural Dial-A-Ride = 5.7% (10% required)

2. Suspend Carless Commute for the period January 1, 2009 through June 30, 2009 to save \$370,169.00. When previously presented, this service suspension was tabled pending the action to be taken on fare increases at the TJPAMC Board meeting of January 15, 2009. It is likely that several of the Carless Commute runs will disband with the implementation of the proposed trip length based fare structure.

It should be noted that 342 passengers ride daily on a Monday through Friday basis on Carless Commute. During FY 07/08 this program's farebox ratio was only 9.7%. It should be attaining a minimum 20% farebox ratio.

## FUTURE SERVICE SUSTAINABILITY

Programming current operating costs (\$79/hour) into next year would result in the following possible service delivery without any State Transit Assistance Funding:

Monday through Fridays	104,420 hours
includes Carless Commute (10,414 hrs.)	
Saturdays	<u>8,606 hours</u>
<b>Total</b>	113,026 hours
113,026 hours x \$79	= \$8,929,054 Total Est. Cost
Fares	(\$1,250,000)
FTA 5307 – Merced UZA	(\$1,800,000)
FTA 5307 – Turlock UZA	(\$ 115,000)
FTA 5311 Rural	(\$ 390,000)
Misc. Revenues	<u>(\$ 100,000)</u>
Balance in Local Trans. Funds	\$5,274,054
<u>Total LTF available FY 08/09</u>	<u>\$5,048,586</u>
Estimated Shortfall	\$ 225,468

Even using all available LTF transit service will still need to reduce service by a minimum of 2,854 hours/year. The prudent approach for FY 09/10 would be to maintain Saturdays and trim the Carless Commute program to only those clientele that pay the new proposed trip length based fare structure.

**REQUESTED ACTION**

Provide staff with direction and a recommendation for the TJPAMC Board of Directors.



**DEPARTMENT OF PUBLIC WORKS  
Transportation Division**

**Paul A. Fillebrown**  
*Director*

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**ITEM 5**

**DATE: DECEMBER 5, 2008**

**TO: TRANSIT JOINT POWERS AUTHORITY FOR MERCED COUNTY  
SUBCOMMITTEE ON BUS SERVICE AND PASSENGER FARES**

**FROM: LARRY SHANKLAND, TRANSPORTATION MANAGER**

**SUBJECT: REALIGNMENT OF DEVIATED ROUTE TSA-10 (GUSTINE-  
STEVINSON-HILMAR-TURLOCK) INTO A NEW ROUTE 6 TO  
SERVE ONLY HILMAR AND TURLOCK EFFECTIVE JANUARY 2,  
2009**

**MEMORANDUM**

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**BACKGROUND**

Deviated route TSA-10 (see attachment 1) operates between Gustine, Stevinson, Hilmar and Turlock with three round trips per day from 8:00 A.M. to 4:00 P.M. on a Monday through Friday basis. The route is approximately 27 miles long one-way. Implemented on January 2, 2008 to ameliorate the closure of Bus Route 20, TSA-10 has not had much success. The route is simply too long with too many wasted miles between communities.

Shown on Attachment 2 are the operations statistics for TSA-10 for the six-month period between 1/2/08 and 6/30/08. Ridership is a dismal one passenger per hour. On most days the seniors living in Hilmar going to the CHERISH nutrition site are the only riders. Staff believes that TSA-10 could serve more people at a lesser cost if the route operated between Hilmar and Turlock only.

**DISCUSSION**

No one is riding TSA-10 between Gustine and Hilmar. This segment of the route is about 18 miles long one-way. On an annual basis this part of TSA-10's mileage is 27,324 miles and serving zero passengers. That's unacceptable.

Staff is proposing to re-align TSA-10 and renaming it Route 6 per attachment 3 to serve Hilmar and Turlock along with the timetable shown on Attachment 4. The schedule allows the route to maintain its Dial-A-Ride service for the Hilmar CHERISH seniors. Gustine and Stevinson would continue to be served with Dial-A-Ride. By re-aligning the route, I believe ridership will increase and fuel savings will be about \$20,493/year.

Currently, demand from the Hilmar area is for service to civic (banking), medical (Emanuel Hospital and doctors offices) and shopping (WalMart) centers in Turlock. The new route alignment provides this service.

Connections between the Turlock bus service (the BLST) and Stanislaus County's Start Service would be made at Turlocks downtown transfer point located at Del's Lane and Hawkeye Avenue. Connections to Merced County Transit Route 7 (Turlock-Delhi-Livingston-Winton-Atwater-Merced) would be made at the Fulkerth shopping center in Turlock.

### **REQUESTED ACTION**

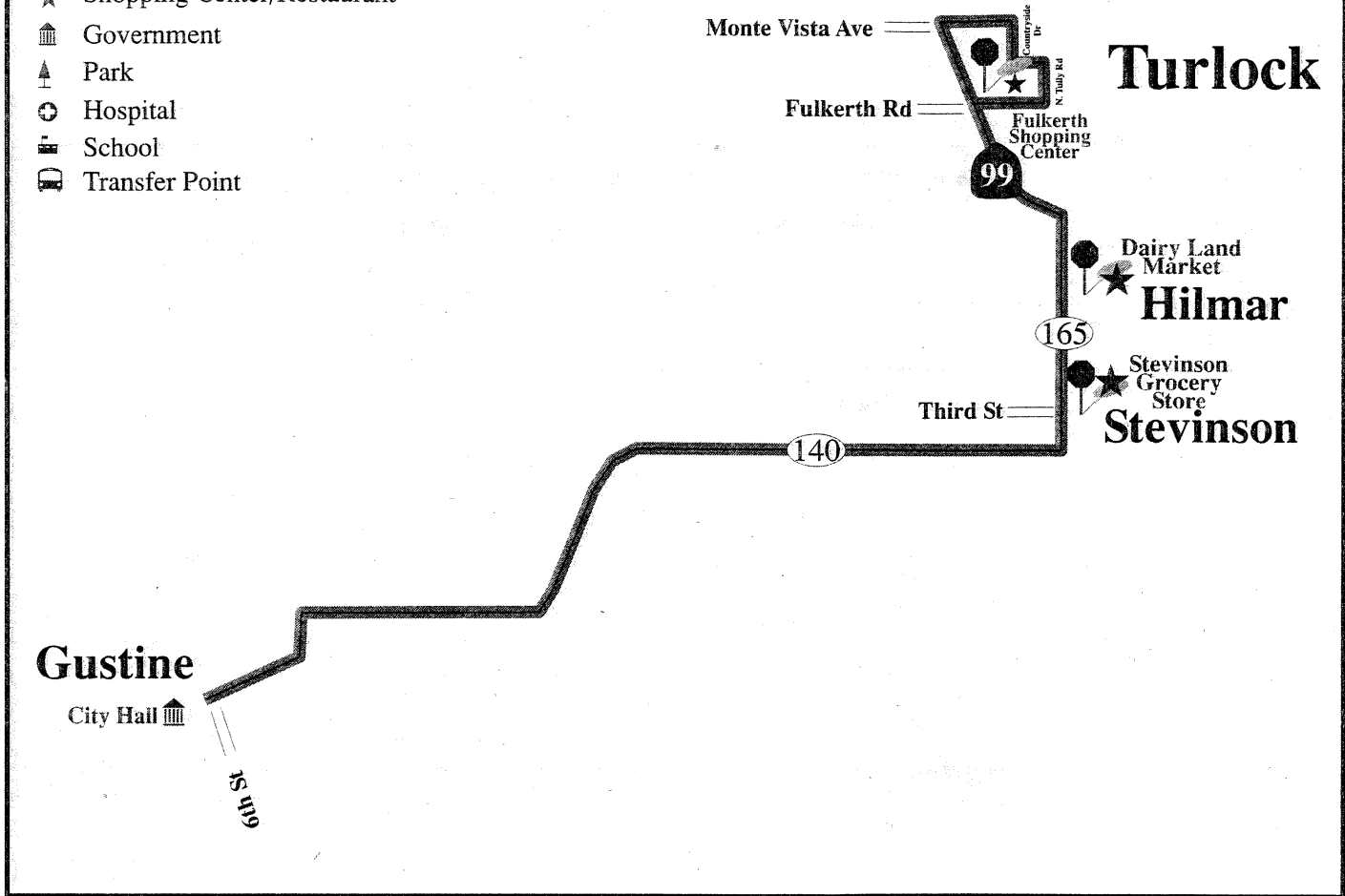
Recommend the Transit Joint Powers Authority for Merced County authorize the realignment of deviated Route TSA-10 (Gustine-Stevinson-Hilmar-Turlock) into new Route 6 to serve only Hilmar and Turlock effective January 2, 2009.

Attachments: TSA-10 "The Westside Shuttle"  
TSA-10 Gustine-Hilmar Operations Statistics  
Route #6 – Hilmar / Turlock  
The Bus – Merced County Transit Route 6 Hilmar-Turlock

**TSA-10**

**TSA - 10  
"The Westside Shuttle"  
Deviated Fixed Route**

- Bus Stop
- ★ Shopping Center/Restaurant
- 🏛️ Government
- 🌳 Park
- 🏥 Hospital
- 🎓 School
- 🚌 Transfer Point



Fixed Route Information      725-3813  
Dial-A-Ride                      384-3111

TSA-10 Gustine-Hilmar  
Operations Statistics  
Jan.1, 2008 through July 30, 2008  
preliminary unaudited

**Attachment 2**

STATISTIC	
TOTAL RIDERSHIP	928
FREE RIDERS	52
FARE PAYING RIDERSHIP	876
TOTAL OPER. COST	\$ 75,183.21
TOTAL FAREBOX REV	\$ 1,295.38
NET OPERATION COST	\$ 73,887.83
TOTAL VEH. SERV. HOURS	928.97
TOTAL VEH. SERV. MILES	20,925
PASSENGERS PER HR.	1.00
TOTAL COST PER HR.	\$ 80.93
TOTAL COST PER MILE	\$ 3.59
TOTAL COST PER PASS.	\$ 81.02
NET COST(subsidy) Per HR	\$ 79.54
NET COST(subsidy)Per Mile	\$ 3.53
NET COST (subsidy) per PASS.	\$ 79.62
Total Fare Revenue per HR	\$ 1.39
Total Fare Revenue per Mile	\$ 0.06
Average Fare per Passenger	\$ 1.48
FAREBOX RECOVERY RATIO	1.72%



The Bus -Merced County Transit  
Route 6  
Hilmar-Turlock

Monday through Fridays

Attachment 4

**READ Across ----->**

Hilmar Lander & American	Hilmar McDonalds Bloss & Lander	Hilmar Post Office First St. ( 2nd loop)	Hilmar Dairyland Market ( 2nd loop)	Turlock Emmanuel Hospital Bus Stop	Turlock Dels's Ln & Hawkeye (BLST)**	Turlock WalMart Fulkerth Avenue	Hilmar Cheese Company	Hilmar Lander & American
7:00 AM	7:05 AM	7:10 AM	7:12 AM	7:30 AM	7:35 AM	7:40 AM	7:50 AM	7:55 AM
7:55 AM	8:00 AM	8:05 AM	8:07 AM	8:25 AM	8:30 AM	8:35 AM	8:45 AM	8:50 AM
9:05 AM	9:10 AM	9:15 AM	9:17 AM	9:35 AM	9:40 AM	9:45 AM	9:55 AM	10:00 AM

\*\* = Transfer Point for City of Turlock and Stanislaus County Transit Services

*Between 10:00 am and 1:00 pm Route 6 operates Dial-A-Ride service for the Hilmar area.  
Drivers lunch is between 11:30 AM & 12:15 PM.  
Regular Afternoon Fixed Route service resumes as follows:*

Hilmar Lander & American	Hilmar McDonalds Bloss & Lander	Hilmar Post Office First St. ( 2nd loop)	Hilmar Dairyland Market ( 2nd loop)	Turlock Emmanuel Hospital Bus Stop	Turlock Dels's Ln & Hawkeye (BLST)**	Turlock WalMart Fulkerth Avenue	Hilmar Cheese Company	Hilmar Lander & American
1:00 PM	1:05 PM	1:10 PM	1:12 PM	1:30 PM	1:35 PM	1:40 PM	1:50 PM	1:55 PM
1:55 PM	2:00 PM	2:05 PM	2:07 PM	2:25 PM	2:30 PM	2:35 PM	2:45 PM	2:50 PM
3:00 PM	3:05 PM	3:10 PM	3:12 PM	3:30 PM	3:35 PM	3:40 PM	3:45 PM	3:50 PM
3:50 PM	3:55 PM	4:00 PM	4:02 PM	4:20 PM	4:25 PM	4:30 PM	4:40 PM	4:45 PM
4:45 PM	4:50 PM	4:55 PM	4:57 PM	5:15 PM	5:20 PM	5:25 PM	5:35 PM	5:40 PM

\*\*= Transfer Point for City of Turlock and Stanislaus County Transit Services

*End of daily service on Route 6 is as follows: Please note that the Post Office and Dairyland stops are first loop times on the last pass through Hilmar.*

Hilmar Lander & American	Hilmar McDonalds Bloss & Lander	Hilmar Post Office First St. ( 1st loop)	Hilmar Dairyland Market ( 1st loop)
5:40 PM	5:45 PM	5:47 PM	5:50 PM

*After stopping at Dairyland Market @ 5:50 PM Route 6 makes final stops on American Ave. at the Mobile Home Parks before returning to the Bus Yard.*