

CARSON CITY PUBLIC TRANSIT ADVISORY COMMITTEE

Minutes of the May 30, 2002 Meeting

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A meeting of the Carson City Public Transit Advisory Committee was scheduled for 2:00 p.m. on Thursday, May 30, 2002 in the Cooperative Extension Conference Room, 2621 Northgate Lane, Suite 12, Carson City, Nevada.

PRESENT: Chairperson Mary Winkler
Vice Chairperson John Peshek
David Allen

CARSON CITY STAFF: Andy Burnham, Development Services Director
John Flansberg, Transportation Manager
Tom Minton, Deputy Finance Director
Laura Beckerdite, Administrative Assistant
Kathleen King, Recording Secretary

PARATRANSIT STAFF: Marc Reynolds, General Manager
Matt Konze, Assistant General Manager

NOTE: Unless indicated otherwise, each item was introduced by Chairperson Winkler. A tape recording of these proceedings is on file in the Clerk-Recorder's Office and is available for review and inspection during regular business hours.

I. ROLL CALL, DETERMINATION OF QUORUM (1-0004) - Chairperson Winkler called the meeting to order at 2:26 p.m. Roll was called; a quorum was present. Members Dowell and Staub were absent.

II. ACTION ON APPROVAL OF MINUTES - December 13, 2001 (1-0015) - Vice Chairperson Peshek moved to approve the minutes. Member Allen seconded the motion. Motion carried 3-0.

III. WELCOME AND INTRODUCTION OF GUESTS (1-0028) - At the request of Chairperson Winkler, all those in attendance at the meeting introduced themselves for the record. In addition to the Committee members, City staff, and Paratransit Services staff, the following people were in attendance: Julie Rodolph of Vocational Rehabilitation, Buzz Harris of American Strategies, and Sandi Stanio of the Nevada Department of Transportation.

IV. PUBLIC COMMENTS (1-0048) - None.

V. PUBLIC HEARING:

1. DISCUSSION AND POSSIBLE ACTION ON STATUS OF PRIDE CONNECTOR SERVICE CONTRACT WITH CARSON CITY (1-0055) - Chairperson Winkler passed the gavel to Vice Chairperson Peshek due to a possible conflict of interest. Ms. Beckerdite advised that Carson City will continue with the PRIDE connector service until June 30th at which time the contract with NDOT will be concluded. The contract will thereafter be handled by the Northern Nevada Regional Transportation Coalition. Ms. Stanio acknowledged that the Coalition has agreed to assume the service after June 30th, and advised that a contract will need to be executed. No formal action was taken.

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2. DISCUSSION AND POSSIBLE ACTION ON THE HOURS PER DAY AS WELL AS THE DAYS SERVICES ARE PROVIDED (1-0115) - Mr. Flansberg provided background information on this item, and advised that the current service hours are seven days a week, 6:00 a.m. to 11:00 p.m. Consideration is being given to the impact of reducing the service to 6:00 a.m. to 6:00 p.m. Monday through Friday due to the cost of the existing service and available funding. He advised that approximately 8% of the total ridership occurs during the evening and weekend hours which represents the smallest percentage; however, 12% of the total vehicle hours are spent on this portion of the ridership.

Discussion took place regarding the existing hours and days of service data as outlined in the materials provided by Paratransit staff, and the potential number of riders which will be impacted by reducing the service. Mr. Flansberg explained that the City is considering an alternative service under the new transit contract which would eliminate the evening hours. Mr. Minton explained that the interest in reducing hours is the 10-20% increase in the cost of the service projected for next year, from \$260,000 to \$313,000 in FY 03 as the City's share of costs.

Vice Chairperson Peshek commented that the purpose of the transportation system was to address the needs of seniors and disabled persons, who were being transported by the Senior Citizens Center and OARC, respectively. He inquired as to whether any communication has taken place regarding the impact to this portion of the ridership. Mr. Flansberg advised that conversations have taken place between City staff, Chairperson Winkler and Mr. Reynolds. Vice Chairperson Peshek advised that OARC has been transporting clients who cannot be accommodated by the transit system. He expressed a concern regarding the impact to the seniors and OARC clients of reducing service. In response to a question, Ms. Rodolph advised that the Vocational Rehabilitation clients have no alternative transportation and have been relying on Carson City Community Transportation. She acknowledged that those clients will not have transportation to and from work, and advised that they could lose their employment. In response to a further question, she advised that the rides take place until as late as 9:00 or 10:00 p.m., before 6:00 a.m. on occasion, and during the weekends. Vice Chairperson Peshek reiterated that the concern regarding transit dependent riders. He indicated that senior citizens often have alternate means of transportation; however, OARC and Vocational Rehabilitation clients usually do not.

In response to a question, Mr. Flansberg advised that the City will be considering a deviated, fixed route in the near future. Ms. Stanio advised that this would reduce costs in one area and provide extra hours in another. She suggested considering an agreement with a taxi cab company for service between the hours of 9:00 and 11:00 p.m. Ms. Rodolph advised that taxi cab service has been used in the past, and that if Vocational Rehabilitation is required to "go strictly to transporting our clients in cabs, it will kill our program." Mr. Reynolds explained that Paratransit Services currently has an agreement with Capitol Cab Company, and that a decision is made on a nightly basis whether to use the Paratransit driver or the cab service. He advised that if the cab service is used, Paratransit pays the bill. Discussion took place regarding associated costs, weekend service, and the benefits of deviated, fixed route service. Mr. Konze referred to the service data and provided a breakdown of per day ridership.

Chairperson Winkler expressed understanding for the funding problem, and a concern regarding how to accommodate the people who will be impacted by the reduction of hours. She suggested that a reduction in hours will cancel OARC's contract. Mr. Reynolds and Mr. Konze responded to questions regarding

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revenue hours for Saturday and Sunday, associated costs, and weekend ridership hours. Mr. Burnham summarized the conversation, as follows: Attempt to maintain as many hours as possible while considering the possibility of a reduction in service.

In response to a question, Mr. Minton advised that the \$313,000 referred to earlier represents the City's general fund subsidy to the transit fund. Discussion took place regarding funding sources. Mr. Flansberg advised that he would meet with Mr. Reynolds and Mr. Konze to review the existing service. Vice Chairperson Peshek requested that this item be reagendaized for the next meeting, and discussion took place regarding scheduling a special meeting. No formal action was taken.

3. DISCUSSION AND POSSIBLE ACTION ON THE BIDS RECEIVED TO PROVIDE SERVICE FOR THE PERIOD FROM JULY 1, 2002 THROUGH JUNE 30, 2003 AND THE ASSOCIATED ALTERNATIVES (1-1330) - Mr. Flansberg reviewed the Bid Tabulation Report, copies of which were distributed to the Committee members and staff, and advised that MV Transportation is the apparent low bidder. Mr. Minton advised that MV Transportation provided three years of audited financial statements, 1999-2001. During that time frame their sales have increased from \$27 million to \$81 million annually. The audit opinions were clean for all three years with no exception or qualification. Mr. Minton reviewed the financial information, and advised there are no major customers which would imperil the company should they lose a contract. He reviewed the average length of MV Transportation's outstanding contracts, financing operations, and management. He advised of speaking with the Chief Financial Officer, who provided information on his experience and reviewed the accounting policies. Mr. Flansberg reviewed MV Transportation's existing contracts. He advised of a small discrepancy in all the bids and reviewed the corrected base bids. In response to a question, he reviewed the costs included in the fixed fee and the method by which the project was bid. He explained that fixed fees are more conservative and revenue hours are variable depending upon the amount of service being provided.

Vice Chairperson Peshek advised of his first impression of the bids, and commented that he feels more comfortable after hearing the details of MV Transportation's business. Mr. Flansberg advised that MV Transportation also provided information on their key personnel, and that they intend to hire Mike Ferguson as their operations manager. He provided background information on Mr. Ferguson's experience. Discussion took place regarding the action to be taken by the Committee, and Member Allen expressed a concern regarding the discrepancy in the bids. Ms. Stanio advised of checking into MV Transportation and explained that it has a "lower unit price," which could be due in part to the fact that Paratransit Services is located in Bremerton, Washington and MV Transportation is located in Fairfield, California. She advised of having had concerns regarding the differences in the bids; however, once she reviewed the budget and cost breakdown, expressed the opinion that MV Transportation's costs are reasonable and that it is not a "fall through" company. Mr. Minton advised that the operating costs are "in line" when considering the price per revenue hour. He suggested that corporate loading is the difference between the Paratransit bid and the MV Transportation bid. He advised that MV Transportation's overhead is projected at half of Paratransit's overhead, and that it appears to be a legitimate price. Member Allen expressed a concern that the bid will increase in the second and third years, and Ms. Stanio advised that the City will then have the option of contracting with another company. She pointed out that the operating costs are the same "across the board" and that the issue is the profit margin. MV Transportation has indicated a lower profit margin which does not affect the operation. Mr. Flansberg advised of the fixed monthly rate under the current contract with Paratransit Services.

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In response to a question, Mr. Flansberg advised that each of the bidders were requested to provide policies and procedures regarding safety standards. He further advised that MV Transportation provided a very detailed transition plan, and he provided a brief overview of the same. A very detailed budget was also provided and Mr. Flansberg advised that reasonable figures are indicated for operating and maintenance costs. In response to a further question, Ms. Stanio indicated she is not aware of any serious injuries or deaths included in the safety records of any of the three bidders. Mr. Minton discussed MV Transportation's insurance coverages. Ms. Stanio commented that MV Transportation is a registered "disadvantaged business enterprise" which is an advantage to the City as it moves toward MPO status. In response to a question, Member Allen expressed an additional concern regarding what will be best for the City, but indicated he understands "that's where they need to go."

Mr. Harris expressed a concern regarding the bid being "too low where we may have to have add ons." He recommended pursuing complete due diligence. Ms. Stanio advised that the State has performed the necessary due diligence. Mr. Burnham indicated that the City is in the process of completing its due diligence. Ms. Stanio advised that "the State has their questions answered." She advised of speaking with representatives of the California Department of Transportation who indicated "no complaints" with MV Transportation. Mr. Burnham advised that the City would be "very hard pressed not to award the low bid" from a legal standpoint unless there is some reason not to. Vice Chairperson Peshek advised of having serious reservations until hearing the reports of City staff and Ms. Stanio.

Mr. Burnham advised of the purpose for presenting this information to the Committee, and that this matter has been agendaized for the June 20, 2002 Board of Supervisors meeting. Chairperson Winkler indicated that other than the skepticism previously expressed by the Committee members, she had no "serious objections" based on the information presented. Vice Chairperson Peshek expressed appreciation for staff's thorough investigation of MV Transportation. Member Allen indicated he had no objection, and Vice Chairperson Peshek advised staff that the Committee had no objection to selection of the low bidder. He requested additional questions/comments and, when none were provided, returned the gavel to Chairperson Winkler. No formal action was taken.

VI. REPORT ON MPO STATUS AND RESTRUCTURING OF THE PUBLIC TRANSIT ADVISORY COMMITTEE (1-2580) - Mr. Burnham advised that the Federal Transit Administration ("FTA") and the Federal Highway Administration ("FHA") have indicated to NDOT that Carson City is to become an MPO on the Governor's action in a fairly short period of time. NDOT has been asked to begin the formation of the MPO with Carson City based on the 2000 census. He explained the boundaries of the "Carson City urban area" upon which the 58,000 population figure is based. A MPO has to include at least the minimum area, defined by the census as the urban area, which will include portions of Douglas and Lyon Counties. City staff will be meeting with Douglas and Lyon County officials to discuss this matter in the very near future, and a boundary will have to be established that conforms to at least the minimum area indicated.

Mr. Burnham advised that one of the MPO requirements is to have an advisory committee to address multi-modal planning. This Committee will most likely be enlarged to include other portions of the community as well as adjacent communities. Mr. Burnham advised that this will take place over the next six months. In response to a question, he explained that the Regional Transportation Commission will be part of the MPO and may be broadened to include representatives of Douglas and Lyon Counties. He advised that NDOT will have an ex-officio member on the MPO. In response to an additional question, he advised that

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this Committee will be reformed and enlarged to address “a few more issues.” Ms. Stanio suggested including representatives of Douglas and Lyon Counties to include issues in Jacks Valley, Johnson Lane, etc. Mr. Burnham advised that bicycle and pedestrian representatives will also be included.

At the request of Mr. Burnham, Ms. Stanio discussed 5309 funding available to the City and the conditions of eligibility. She advised that Carson City is the only recognized MPO in the 50,000 to 200,000 population category. Carson City will receive \$400,000 in 5307 funding instead of \$50,000 in FTA 5311 funding. Because the City’s population is under 200,000, the funding can be used for operating and capital expenditures. Operating expenditures are funded as a 50/50 match less any revenues collected and capital expenditures are funded as an 80/20 match. Ms. Stanio advised that a 90/10 match funding mechanism is available for bicycle/pedestrian projects. The City will be required to develop a transportation improvement program (“TIP”) which lists all proposed projects and must include the transit project. Ms. Stanio advised that the funding will be allocated in October 2002 and can be applied for at that time. It will become available to the City in January 2003. NDOT has received a directive from the FTA that it can continue funding Carson City until October 1, 2002. The City will be required to fund the project until January 2003.

Ms. Stanio discussed the planning program administered by NDOT, the funding for which is allocated by formula. Carson City will receive approximately \$28,000 which will be available beginning October 1, 2002. Ms. Stanio advised she will be working with Mr. Flansberg to sign a contract in the next few weeks for \$30,000 in rural planning funding which can be used as long as it is obligated by September 30, 2002. Mr. Burnham advised that the funding provides the opportunity to consider a transition from the service which was just bid to a different kind of service. Ms. Stanio advised of the web site for additional information: fta.dot.gov.

VII. COMMITTEE MEMBER COMMENTS (1-3290) - Vice Chairperson Peshek reviewed the cost of GPS units for the buses, and suggested utilizing them. Ms. Stanio advised of available grants for intelligent transportation systems, and discussed their application for small urban and rural transit systems. She discussed the integration of smart cards which are beneficial in the transition from a demand/response service to a more public service. Vice Chairperson Peshek requested that this matter be agendaized for discussion at a future meeting.

VIII. DISCUSSION AND ACTION ON THE DATES FOR THE NEXT MEETINGS (1-3534) - Mr. Flansberg reviewed the meeting schedule, which was included in the agenda materials, for the remainder of the year. He suggested getting back to the regular meeting schedule. Mr. Burnham acknowledged that a special meeting will be scheduled in the next couple weeks. No formal action was taken.

IX. ACTION ON PROPOSED AGENDA ITEMS FOR THE NEXT MEETING (1-3604) - Chairperson Winkler indicated that item V(2) will be agendaized for the special meeting. Consensus of the Committee was to discuss agenda items for the next regular meeting during the special meeting.

X. ACTION ON ADJOURNMENT (1-3640) - Vice Chairperson Peshek moved to adjourn the meeting at 3:52 p.m. Member Allen seconded the motion. Motion carried 3-0.

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The Minutes of the May 30, 2002 meeting of the Carson City Public Transit Advisory Committee are so approved this _____ day of July, 2002.

MARY WINKLER, Chair