



**HERITAGE VALLEY TRANSIT SERVICE
POLICY ADVISORY COMMITTEE (HVPAC)**
Ventura County Public Works Agency
Saticoy Operations Yard
11251-A Riverbank Drive
March 1, 2018
11:00 a.m.

AGENDA

- ITEM 1 CALL TO ORDER**
- ITEM 2 INTRODUCTIONS & ANNOUNCEMENTS**
- ITEM 3 PUBLIC COMMENTS:** Any member of the public may address the Committee for up to two minutes on any subject within the jurisdiction of the Committee that is not scheduled for a public discussion before the Committee.
- ITEM 4 AGENDA ADJUSTMENTS**
- ITEM 5 APPROVAL OF MINUTES – For Action**
Recommendation: That the Committee waive the reading and approve the minutes for the regular meeting of September 27, 2017.
- ITEM 6 ELECTION OF OFFICERS**
Recommendation: That the Committee elect the Chair and Vice Chair.
- ITEM 7 DIAL-A-RIDE SERVICE AREA**
Recommendation: That the Committee consider expansion of the Dial-a-ride service area to include parts of Saticoy adjacent to the “Wells Road Transfer Point”
- ITEM 8 FARE MEDIA POLICY**
Recommendation: That the Committee consider migrating existing monthly flash passes to magnetic strip (electronic) fare media.
- ITEM 9 KPI/RIDERSHIP REPORT – For Information**
- ITEM 10 FISCAL YEAR 2017-18 MARKETING AND OUTREACH UPDATE – For Information**
Recommendation: Receive and file.
- ITEM 11 DRAFT FISCAL YEAR 2018/2019 BUDGET**
Recommendation: That the Committee consider the Heritage Valley Technical Advisory Committee (HVTAC) recommendation to approve of the Draft Fiscal Year 2018/2019 Valley Express Budget.
- ITEM 12 DETERMINE NEXT COMMITTEE MEETING DATE AND LOCATION – For Action**
Recommendation: That the Committee determine the next Committee meeting date and location.
- ITEM 13 ADJOURNMENT**

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**HERITAGE VALLEY TRANSIT SERVICE
POLICY ADVISORY COMMITTEE (HVPAC)**
Fillmore City Hall, Council Chambers
250 Central Avenue

Wednesday, September 27, 2017
10:00 a.m.

MEETING MINUTES

MEMBERS PRESENT:

Manuel Minjares, City of Fillmore
Ginger Gherardi, City of Santa Paula
Kelly Long, County of Ventura
Martin R. Erickson, VCTC (Ex-officio)

VCTC STAFF PRESENT:

Aaron Bonfilio, Program Manager – Transit Services
Heather Miller, Transit Planner

ITEM 1 CALL TO ORDER

Chair Minjares called the meeting to order at 10:03 a.m.

ITEM 2 INTRODUCTIONS & ANNOUNCEMENT

Mr. Bonfilio gave a status update on the non-Valley Express vehicle accident that affected the Valley Express dispatch and reported that the CalOES Prop 1B auditor site visit went well.

ITEM 3 PUBLIC COMMENTS

Charlie Alvarez commented that he uses the bus to attend the senior center, church, and the market on a daily basis. He is very appreciative of the service.

Maria Garfio, Active Adult Center of Fillmore, commented that seniors desire improved customer service at the call center and on the buses.

ITEM 4 AGENDA ADJUSTMENTS

None.

ITEM 5 APPROVAL OF MINUTES

ACTION

Gherardi moved, seconded by Long, that the Committee approve the July 10, 2017 meeting minutes. The motion passed with no objections.

ITEM 6 YEAR END SERVICE INDICATORS REPORT

The Committee discussed 1) the trend in a decrease in ridership on the Valley Express and other local transit services, 2) farebox revenue, 3) the need for marketing updates, 4) the benefit of letting the schedule and fares settle for a sustained period of time, 5) proposed marketing endeavors.

ITEM 7 OUTREACH REPORT REGARDING FARE INCREASE

ACTION

Gherardi moved, seconded by Long, that the Committee not increase fares at this time.

The motion passed unanimously.

ITEM 8 AMENDMENT TO AGREEMENT FOR TRANSIT SERVICES WITH MV TRANSPORTATION

ACTION

Long moved, seconded by Gherardi, that the Committee approve the Executive Director of the Ventura County Transportation Commission to negotiate the final terms and conditions of the Amendment, and authorize the full Commission to consider approval of the final negotiated Amendment at the next available Commission meeting. The motion passed with no objections.

ITEM 9 DETERMINE NEXT COMMITTEE MEETING DATE AND LOCATION

The Committee agreed to meet on Thursday, February 1, 2018 at 11:00 a.m. in the Santa Paula Council Chambers.

ITEM 10 ADJOURNMENT

Chair Minjares adjourned the meeting at 10:51 a.m.



DATE: MARCH 1, 2018

MEMO TO: HERITAGE VALLEY POLICY ADVISORY COMMITTEE (HVPAC)

FROM: AARON BONFILIO, PROGRAM MANAGER – TRANSIT SERVICES

SUBJECT: DIAL-A-RIDE SERVICE AREA POLICY

RECOMMENDATION

- Consider expansion of the Dial-a-ride service area to include parts of Saticoy adjacent to the “Wells Road Transfer Point”.

BACKGROUND

Historically, the VCTC and Gold Coast bus stop at Wells Road and Citrus Drive in Saticoy has served as a transfer point for eligible riders using the Valley Express Dial-a-ride to meet with Gold Coast Access buses, as well as to transfer to other fixed route buses which serve this area. Over time the Wells Road area itself has become a destination for the Valley Express, not simply a transfer point. In addition, residents in the adjacent housing use the Valley Express Dial-a-ride services to travel to the Heritage Valley. Presently, trips of this nature require two reservations: one with the Gold Coast system and one with Valley Express. This utilizes two buses, passengers pay two fares, and they transfer at the Wells Road bus stop.

In light of evolving demand, operational considerations, and the continued goal to improve access for passengers with mobility needs, staff presented the Heritage Valley Technical Advisory Committee with the recommended policy changes described below. At the January 24, 2018, meeting the HVTAC reviewed this matter and recommended further approval by the HVPAC.

Policy Change Overview

This item is to formally extend the Valley Express service area drop-off and pickup locations to include the area around the intersection of Wells Road and Citrus, as described in the attached map (see Attachment – *Wells Road Transfer Area*). Transfers for longer trips will still be facilitated at this location. Travel to/from destinations within the designated area would be direct, without transfer to Gold Coast Access.

This origin-to-destination service, like service to the transfer point, would be available *only* to qualifying seniors (65 Years and older) and people with ADA Eligibility. These populations generally have the

greatest difficulties using traditional fixed route bus service, and often have additional accessibility needs or require assistance to successfully make such transfers between buses. This modification would alleviate much of the operational strain on the two systems, and moreover eliminate some of the challenges that passengers face when using public transit.

Benefits and potential drawbacks are summarized below.

- *Reduces cost to the passengers. Direct trips would not require two fares to be paid, just the one fare for Valley Express. The Gold Coast fare is \$3.00, and Valley Express is \$2.00, and total cost is \$5.00 to the passenger. The rate going forward would be \$2.00.*
- *Increased operational efficiencies that may result in reduced operating expense for Gold Coast, as the Wells Road / Saticoy area is on the far edge of the Gold Coast service area. Gold Coast buses would not be need to make the short trip from Saticoy residences to the Wells Road transfer point.*
- *Promotes increased accessibility by reducing passenger trip-times, improving ease of use of the County system(s) (one trip vs. two reservations) and simplifies staff dispatch engagement between the two operators.*
- *Additional minimal costs could be incurred by Valley Express as addition of time to navigate the surrounding neighborhood would be required. However, this time commitment may be offset in the decrease of missed transfers, no-shows, or complaints by passengers who have difficulty managing the two trips required to travel from said locations.*

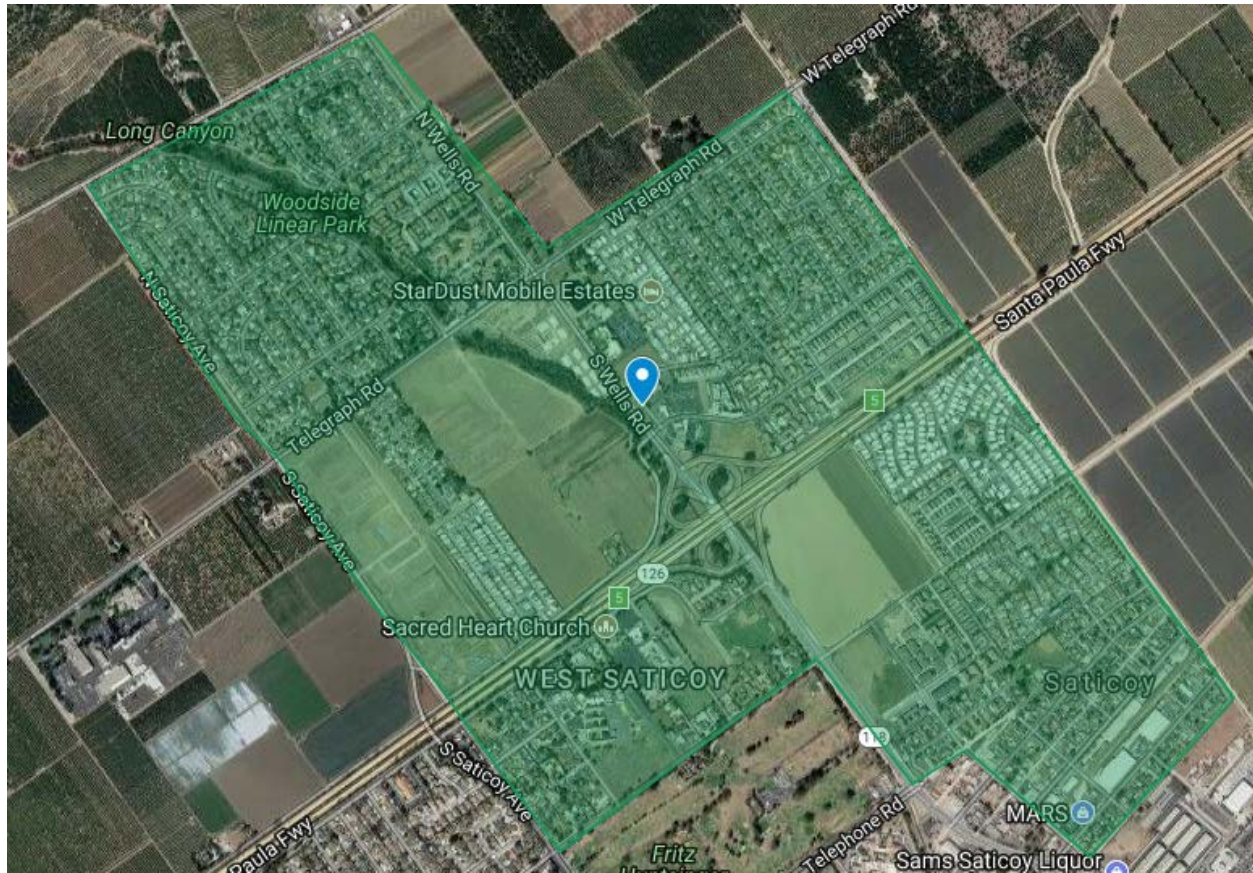
Staff's recommendation is, that, if approved by the TAC and PAC, the policy change be implemented following these actions:

- *Valley Express and Gold Coast Access staff training, and*
- *New information posted online to Valley Express and sister-agency websites.*

Electronic updates to materials would take place as soon as possible. Printed materials, schedules, brochures etc., would be updated through the regularly scheduled reprinting process (which is anticipated for this Summer).

Attached is a map of the proposed area, including the existing transfer point.

PROPOSED VALLEY EXPRESS “WELLS ROAD” TRANSFER AREA (MARCH 1, 2018)



Saticoy Drop-off/Pickup Area bounded by:

- Saticoy Ave and Los Angeles Ave. to the West,
- Foothill Rd. and W. Telegraph Rd. to the North,
- N.Wells Rd., Date Ave., Apple Ave., Silk Tree Ave., Heather & Lilac Ways, and Campanula Ave. to the East,
- Darling Rd., Aster St., and Rose Ln. to the South

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DATE: MARCH 1, 2018

MEMO TO: HERITAGE VALLEY POLICY ADVISORY COMMITTEE (HVPAC)

FROM: AARON BONFILIO, PROGRAM MANAGER – TRANSIT SERVICES

SUBJECT: FARE MEDIA POLICY

RECOMMENDATION

- Recommendation: That the Committee consider migrating existing monthly flash passes to magnetic strip (electronic) fare media.

BACKGROUND

At the January 24, 2018 Heritage Valley Technical Advisory Committee (TAC), the TAC received a status report regarding the implementation of the fare media system, the Genfare CardQuest farebox readers (System). The System was installed on the Valley Express fleet shortly after the Thanksgiving Holiday, November 2017. Since that time, VCTC, Genfare and MV have been involved in configuring routes and fare information, system testing and staff training. Staff anticipates the system acceptance will occur during the next three to four weeks, and system will be ready for “go-live” beginning April 1, 2018.

This item is to review final steps with the migration of existing Valley Express “monthly flash passes” to electronic fare media, and to formally approve the issuance of rolling “31-Day” period passes and adopt the corresponding fare media policies.

At initial implementation (Go-live) the System will:

- **MANUALLY** record boardings using existing Valley Express “flash passes,”
- Manually record cash paying passengers,
- Manually record passengers using bicycles, wheelchairs and children under 5,
- Electronically accept the VCTC transfers, single ride tickets and 31-day passes, and
- Electronically issue transfers

Beginning this Summer, August 1, 2018 the System will:

- **ELECTRONICALLY** accept Valley Express “31-Day Passes,”
- Manually record cash paying passengers,
- Manually record passengers using bicycles, wheelchairs and children under 5,

- Electronically accept the VCTC transfers, single ride tickets and 31-day passes (fixed route only), and
- Electronically issue transfers

(CONTINUED)

Migrating the Valley Express Monthly Flash Passes to Rolling 31-Day Passes

One of the primary purposes of the new farebox technology is to provide increased reporting and pass validation capabilities. The System will provide exact accounting with respect to boardings, reject invalid passes, and include added convenience for riders by shifting the pass usage “window” from the monthly cycle to a rolling 31-day cycle. As well this includes cost savings to in printing and staff resources.

The Rolling Pass

Rather than be valid for a single specified month only, passes are valid for the 31-day period following first use. For example, passengers buy their pass on the 15th of the month and can use it for the next 31-days. Presently passengers which buy their pass mid-month receive the benefit of the pass for the remaining days of that month only. Almost no passes are sold after the first week of the month, and the unsold passes are discarded at the end of the month. This shift would potentially increase sales opportunities throughout the month-period and eliminate expenses by reducing printing and stocking expenses. In addition, the fare media itself is less costly to produce due to the security features of the electronic media vs. those required of the “secure” serialized flash passes utilized today.

Cost comparison between pass types, including design and printing costs:

Current flash pass production price is approximately \$0.86/pass

-VS-

Electronic 31-day magnetic stripe pass price is approximately \$0.34/pass.

Assuming production of 6,000 passes per year, anticipated savings on pass production (not including staff time) is approximately \$3,120 per year.¹

Planned Migration:

Lead time for electronic fare media is approximately 7-9 weeks once the order is placed. Staff recommends that if approved, the new Valley Express rolling 31-day electronic Fare media be implemented to coincide with the start of the 2018 Fall School start, beginning sales / acceptance on August 1, 2018. This provides ample time for promotion, pass design and inventory distribution, and coincides with the planned schedule change that takes place annually, as new collateral, brochures, etc., are developed each school year and the updated fare media policy would require reprint of almost all printed Valley Express passenger materials.

¹ This reflects cost of pass production only and does not include the additional savings associated with staff time, for example.

Pass Pricing:

Pass pricing would remain the same. The price structure is proposed follows:

Pass Product	Current Prices	Proposed Prices
Fixed Route - Full Fare	Monthly Pass - \$20.00	31-Day Pass - \$20.00
Fixed Route – Reduced Fare	Monthly Pass - \$10.00	31-Day Pass - \$10.00
Super Pass – Full Fare	Monthly Pass - \$30.00	31-Day Pass - \$30.00
Super Pass – Reduced Fare	Monthly Pass - \$25.00	31-Day Pass - \$25.00

The “Super Pass” is accepted on all Valley Express modes, Fixed Route and Dial-a-ride

Acceptance Matrix for Valley Express 31-Day Fare Media

The Valley Express 31-day fare media would be accepted using the same policies as the existing monthly Flash passes.

The proposed acceptance by mode and type of pass is described below.

Pass Product	Mode	Passenger Eligibility	Type of Pass
Fixed Route – Full Fare	Fixed Route	Adult	31-Day Period
Fixed Route – Reduced Fare	Fixed Route	Youth , Senior, Disabled, Medicare	31-Day Period
Super Pass – Full Fare	Dial-a-ride	Adult, Youth	31-Day Period
Super Pass – Reduced Fare	Dial-a-ride	Senior, Disabled, Medicare	31-Day Period

Next Steps:

Following approval by the PAC, staff will design necessary materials, complete training of operations and sales staff, and conduct outreach and promotion regarding the change. The new fare media will take effect with the start of this new school year, beginning August 1st. Printed materials will be prepared for distribution early Fiscal Year 2018/2019. New reports using data collected through the System will be presented to the TAC and PAC committees following the anticipated Go-live on March 1, 2018. Lastly, staff will continue to present opportunities related to increased integration of fare media as VCTC continues to work toward a more fully-integrated countywide fare media system and transit policy framework.

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DATE: MARCH 01, 2018

MEMO TO: HERITAGE VALLEY POLICY ADVISORY COMMITTEE (HVPAC)

FROM: AARON BONFILIO, PROGRAM MANAGER – TRANSIT SERVICES
HEATHER MILLER, TRANSIT PLANNER

SUBJECT: KEY PERFORMANCE INDICATORS (KPI) REPORT

RECOMMENDATION

- Receive and file report.

BACKGROUND

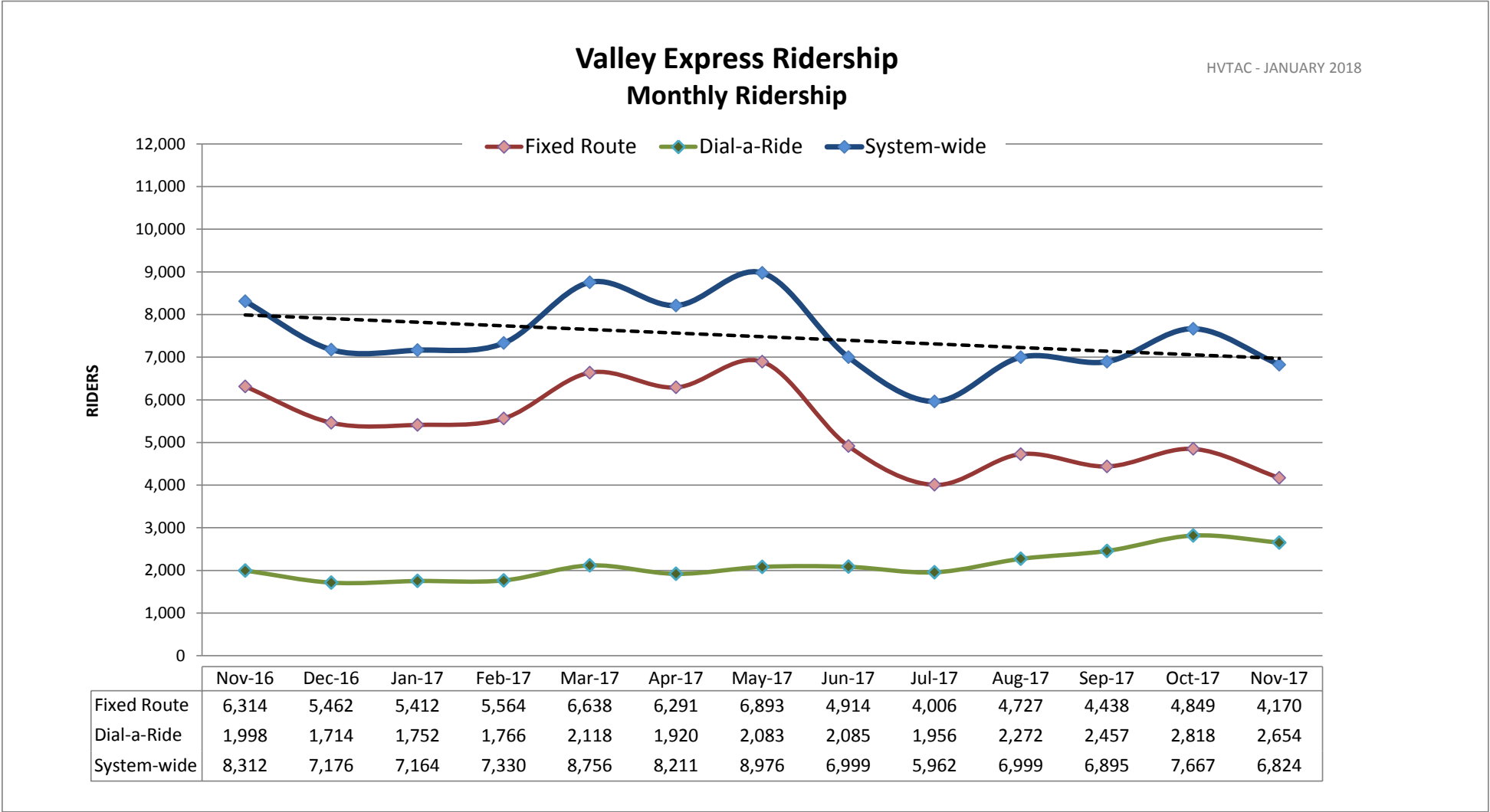
In mid-August 2017, service changes went into effect that included a reduction in Fixed Route service and an expansion of the Dial-a-Ride (DAR) service for the Valley Express system. Specifically, Fixed Route Vehicle Revenue Hours (VRH) were reduced approximately 65% on Santa Paula routes, 41% on Fillmore routes, and 14% on Piru routes, overall, approximately 52% system-wide. These cuts were adopted to address continued lower than expected demand for fixed route bus service and were based on route utilization. At the same time, in response to higher demand for Dial-a-Ride (DAR) service and a “best fit” approach for the community, DAR was expanded to include the General Public. This report reflects the three-month period following the change, beginning September through November, in comparison to the same quarter of last year.

Key Performance Highlights

- *Fixed Route ridership for the months of Sep-Oct-Nov 2017 compared to last year declined by 36%, or 7,633 less passenger trips, while Dial-a-Ride (DAR) ridership increased by 19%, or 1,270 additional passenger trips. Overall, ridership declined year-over-year by 23% or 6,363 passenger trips for the time-period as shown in Figure 1.*
- *As noted above, steep cuts to Fixed Route service were adopted in August. Revenue Hours decreased by 49% and Revenue Miles decreased by 51% compared to last year’s average for the same period (see Table 1). Passengers per Hour, however, increased by 24%, demonstrating some gained efficiencies following the service changes. Fixed Route Operating Costs declined in similar proportion to level of service with a 41% decrease in cost. As a result, the Farebox Recovery Ratio for Fixed Route service improved slightly from an 8.54% return to an 8.81% return.*
- *Table 2 provides Dial-a-Ride (DAR) performance. As expected, with an increase in ridership (i.e. demand), Revenue Hours and Miles also increased. Specifically, there was a 34% increase to Revenue Hours, and 33% increase in Revenue Miles. Likewise, Operating Costs increased 37%. Ridership,*

however, increased by a lesser amount, 19% only. This imbalance, higher costs at a rate exceeding the rate increase in ridership, impacted the Dial-a-Ride Farebox Recovery Ratio, which saw a decrease from 6.41% to 4.82% compared to the same quarter of last year.

- *In sum, year-over-year analysis reflects a system-wide decline in ridership of 23% as shown in Table 3. Revenue Hours and Miles declined approximately 10%. Operating Cost remained relatively neutral, dropping slightly by 4%. Farebox Revenue declined by 22% and the Farebox Recovery Ratio declined from 7.53% to 6.10%. Historical trends in Farebox Recovery Ratios for the Valley Express Service are shown in Figure 2.*



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KEY PERFORMANCE INDICATORS (KPI) REPORT

Table 1

FIXED ROUTE - Valley Express KPI		SEPT-OCT-NOV 2016 Quarter	SEPT-OCT-NOV 2017 Quarter	Yr over Yr % Change
Ridership	Fixed Route	21,090	13,457	-36%
Passengers per Mile	Fixed Route	2.25	1.73	-23%
Passengers per Hr	Fixed Route	7.03	8.72	24%
Revenue Hours	Fixed Route	3,002	1,544	-49%
Revenue Miles	Fixed Route	47,421	23,230	-51%
Operating Cost	Fixed Route	\$ 202,131	\$ 119,861	-41%
Cost per Hr	Fixed Route	\$ 67.33	\$ 77.63	15%
Cost per Passenger	Fixed Route	\$ 9.58	\$ 8.91	-7%
Farebox Revenue	Fixed Route	\$ 17,259	\$ 10,558	-39%
10% Farebox Recovery Goal \$	Fixed Route	\$ 20,213	\$ 11,986	-41%
Farebox Recovery Shortfall \$	Fixed Route	\$ (2,954)	\$ (1,428)	-52%
Farebox Recovery Ratio Actual	Fixed Route	8.54%	8.81%	3%
Fare Revenue per Passenger	Fixed Route	\$ 0.82	\$ 0.78	-4%
Farebox Recovery 10 % Goal per Passenger	Fixed Route	\$ 0.96	\$ 0.89	-7%
Shortfall per Passenger	Fixed Route	\$ (0.14)	\$ (0.11)	-24%

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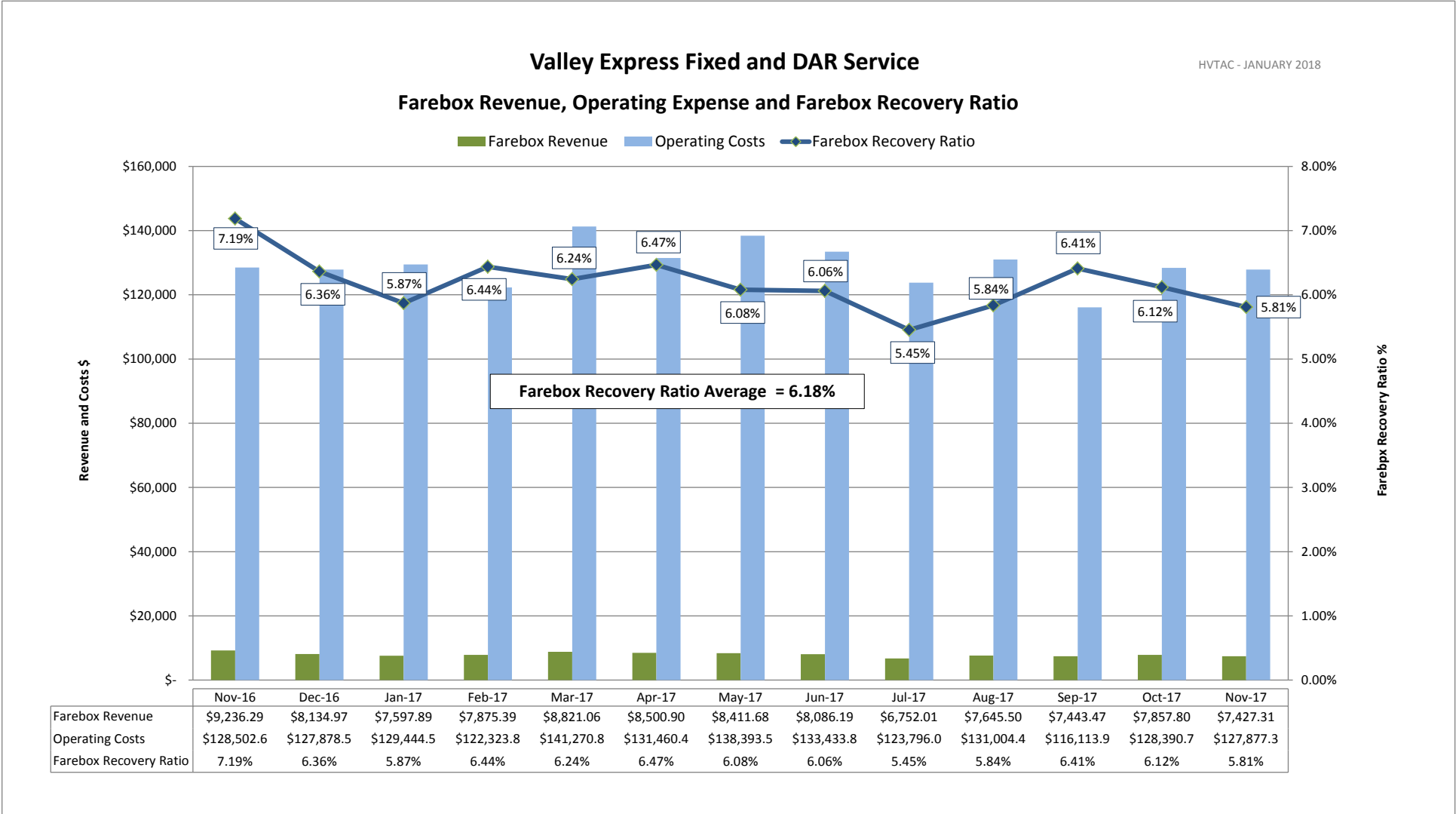
KEY PERFORMANCE INDICATORS (KPI) REPORT

Table 2

DIAL-A-RIDE (DAR) - Valley Express KPI		SEPT-OCT-NOV 2016 Quarter	SEPT-OCT-NOV 2017 Quarter	Yr over Yr % Change
Ridership	Dial-A-Ride (DAR)	6,659	7,929	19%
Passengers per Mile	Dial-A-Ride (DAR)	6.34	7.08	12%
Passengers per Hr	Dial-A-Ride (DAR)	2.39	2.12	-11%
Revenue Hours	Dial-A-Ride (DAR)	2,784	3,733	34%
Revenue Miles	Dial-A-Ride (DAR)	42,211	56,142	33%
Operating Cost	Dial-A-Ride (DAR)	\$ 184,003	\$ 252,521	37%
Cost per Hr	Dial-A-Ride (DAR)	\$ 66.09	\$ 67.65	2%
Cost per Passenger	Dial-A-Ride (DAR)	\$ 27.63	\$ 31.85	15%
Farebox Revenue	Dial-A-Ride (DAR)	\$ 11,800	\$ 12,170	3%
10% Farebox Recovery Goal \$	Dial-A-Ride (DAR)	\$ 18,400	\$ 25,252	37%
Farebox Recovery Shortfall \$	Dial-A-Ride (DAR)	\$ (6,600)	\$ (13,082)	98%
Farebox Recovery Ratio Actual	Dial-A-Ride (DAR)	6.41%	4.82%	-25%
Fare Revenue per Passenger	Dial-A-Ride (DAR)	\$ 1.77	\$ 1.53	-13%
Farebox Recovery 10 % Goal per Passenger	Dial-A-Ride (DAR)	\$ 2.76	\$ 3.18	15%
Shortfall per Passenger	Dial-A-Ride (DAR)	\$ (0.99)	\$ (1.65)	66%

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KEY PERFORMANCE INDICATORS (KPI) REPORT
Table 3

SYSTEM-WIDE SERVICE - Valley Express KPI		SEPT-OCT-NOV 2016 Quarter	SEPT-OCT-NOV 2017 Quarter	Yr over Yr % Change
Ridership	System-wide	27,749	21,386	-23%
Passengers per Mile	System-wide	3.23	3.71	15%
Passengers per Hr	System-wide	4.80	4.05	-15%
Revenue Hours	System-wide	\$ 5,786	\$ 5,277	-9%
Revenue Miles	System-wide	\$ 89,632	\$ 79,372	-11%
Operating Cost	System-wide	\$ 386,133	\$ 372,382	-4%
Cost per Hr	System-wide	\$ 66.74	\$ 70.57	6%
Cost per Passenger	System-wide	\$ 13.92	\$ 17.41	25%
Farebox Revenue	System-wide	\$ 29,059	\$ 22,729	-22%
10% Farebox Recovery Goal \$	System-wide	\$ 38,613	\$ 37,238	-4%
Farebox Recovery Shortfall \$	System-wide	\$ (9,554)	\$ (14,510)	52%
Farebox Recovery Ratio Actual	System-wide	7.53%	6.10%	-19%
Fare Revenue per Passenger	System-wide	\$ 1.05	\$ 1.06	1%
Farebox Recovery 10 % Goal per Passenger	System-wide	\$ 1.39	\$ 1.74	25%
Shortfall per Passenger	System-wide	\$ (0.34)	\$ (0.68)	97%



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DATE: MARCH 1, 2018

MEMO TO: HERITAGE VALLEY POLICY ADVISORY COMMITTEE (HVPAC)

FROM: MARTIN R. ERICKSON, PUBLIC TRANSIT DIRECTOR

SUBJECT: FISCAL YEAR 2017-18 MARKETING AND OUTREACH UPDATE

RECOMMENDATION

- Receive and file a status report on Valley Express marketing and outreach activities.

BACKGROUND

Based on direction provided by the Heritage Valley Policy and Technical Advisory Committees, the marketing consultant, Celtis Ventures, developed marketing and outreach materials to further promote the Valley Express Bus and expanded Dial-A-Ride service. The marketing and outreach efforts for Fiscal Year 2017-18 have been focused on English and/or Spanish speaking youth and seniors with respect the August 2017 service changes, proposed fare increase, and Dial-A-Ride expansion. Below are the details of those efforts.

CURRENT FISCAL YEAR ACTIVITIES

August 2017 Service Changes

- Bilingual social media campaigns targeting English/Spanish speaking youth and seniors
- Production and distribution of 19,250 brochures within the Heritage Valley
- Infoposts insert updates and installation

Proposed Fare Increase

- Hosted three community outreach events with a Spanish interpreter to seek public input
- Promoted community events in print and on social media in English/Spanish
- Invited interested parties via email
- Promoted community events on website and within vehicles in English/Spanish
- Media Release

Dial-A-Ride Expansion

- Bilingual social media campaigns targeting English/Spanish speaking youth and seniors
- Promoted community events on website and within vehicles in English/Spanish
- Flyers distributed to senior centers and other senior oriented facilities

PROPOSED OUTREACH AND MARKETING ACTIVITIES

Staff will continue to work closely with Celtis Ventures to ensure that the Committees' outreach objectives for the Valley Express fixed route and Dial-A-Ride services are reached. Staff appreciates the efforts and coordination between MV Transportation, Celtis Ventures, and the individual jurisdictions and we look forward to continuing to work together to promote the service. Below are potential outreach opportunities.

- Face-to-face outreach in Community Centers to promote the services
- Participation in community goodwill events such as holiday toy drives and "pack the bus" events
- Promotion of the Automatic Vehicle Locator system
- Promotion of the CardQuest farebox and fare media
- Promotion of the service on the public access TV channel
- Quarterly Travel Trainings at community libraries and centers
- Targeted direct mailer/postcards
- Utility Bill inserts
- Vehicle Branding: fixed-route vehicles vs. Dial-A-Ride vehicles
- Website enhancements including Committee members, meeting dates, and agenda packets

Recurring Marketing Expenses

- Fare media production
- Brochure production and distribution
- Infopost design and installation



DATE: MARCH 1, 2018

MEMO TO: HERITAGE VALLEY POLICY ADVISORY COMMITTEE (HVPAC)

FROM: AARON BONFILIO, PROGRAM MANAGER – TRANSIT SERVICES

SUBJECT: DRAFT FISCAL YEAR 2018/2019 VALLEY EXPRESS BUDGET

RECOMMENDATION

- Consider the Heritage Valley Technical Advisory Committee (HVTAC) recommendation to approve of the Draft Fiscal Year 2018/2019 Valley Express Budget.

BACKGROUND & DISCUSSION

At the February 16, 2018 HVTAC meeting, the Technical Committee reviewed the Draft Fiscal Year 2018/2019 Valley Express Budget. Pursuant to the Cooperative Agreement between the Cities of Santa Paula and Fillmore, the County of Ventura and the Ventura County Transportation Commission, the Heritage Valley Policy Advisory Committee (HVPAC) is to approve the annual budget and recommend it to VCTC for incorporation into its agency-wide budget. The Technical Committee makes recommendations regarding—among other things—the budget, levels of service and policy recommendations.

The Technical Committee recommends the attached draft Fiscal Year 2018/2019 budget. The recommended 2018/2019 level of service by mode has been identified by the Technical Committee as it reviewed historic trends year-to-date since the schedule change. The Dial-a-ride mode was greatly expanded August 2018. With that change, came the eligibility for all residents in member-agency communities using a general public dial-a-ride. In addition to the Dial-a-ride mode, fixed routes will continue to operate in Santa Paula, Fillmore and between Fillmore and Piru. These routes were identified for continuation during the Fall 2017 schedule change, and are planned to operate throughout Fiscal Year 2018/2019.

As the Policy Committee is aware, the City of Santa Paula recently passed a local sales tax measure, known as “Measure T”. It is anticipated that they will contribute a portion of their local contribution from Measure T revenues. This provides the VCTC the ability to allocate those revenues as “route guarantee,” which decreases the necessary passenger fare revenues which would otherwise be required to be budgeted at 10% of operating costs. This practice is common among transit agencies and a welcome change which provides Valley Express stability with levels of service and current fare pricing. This change, however, does reflect a decrease in the *budgeted* passenger fare revenues as the Measure T contribution from the City of Santa Paula is equal to the anticipated shortfall of future fare revenues.

For the next fiscal year, the budgeted passenger fare revenues have been decreased to reflect the actual or anticipated passenger fare revenues that will be collected during the year. This change means that other agencies, (including Santa Paula, but also Fillmore and the County), will now provide additional local contribution now that the passenger fare revenues have decreased. As mentioned above, in previous years the budgeted fare revenue line-item was set at 10% of operating costs in compliance with TDA regulation. Although each year fare revenues fell short, the amount budgeted was still equal to 10%¹. This coming year, as with prior years, it is anticipated that fare revenues will be equal to approximately 5% of operating costs. This is reflected in the following table:

Farebox Revenues	Budgeted 2017/2018	Estimated 2017/2018	Projected 2018/2019
Year-end	\$183,000	\$87,360	88,000

FISCAL YEAR 2018/2019 BUDGET

The year-over-year cost increases reflected in the budget are driven primarily by three factors: substantial decreases to the budgeted farebox revenues line-item as mentioned above; scheduled increases to contractor rates; and modest increases to overhead expenditures, including planned updates to Dial-a-ride reservation software and hardware and an increased investment in marketing and outreach. Annually the Valley Express system has had to focus its limited marketing and outreach budget on managing schedule changes and collateral updates as well as publicly held meetings regarding service change/elimination and potential fare increases. While it is anticipated that reprints of materials will occur on or just prior to the beginning of the school year, these modifications are limited in scope, and the primary investment during the coming year will be with respect to community outreach and engagement, service promotion and generally raising awareness of system offerings.

As an attachment to the annual budget is the cost-model calculation prepared by staff and reviewed at the Technical Committee.

Attachments:

Attachment "A" -- Draft Fiscal Year 2018/2019 Budget &

Attachment "B" – Fiscal Year 2018/2019 Budget Cost-Model (Local Cost-share Calculation)

Attachment "C" – Five Years of Local Contributions – Valley Express/VISTA DAR

¹ Following the first three years of service, transit agencies which use TDA funding are required to make the mandated farebox recovery ratio (e.g. 10% of operating costs); which if not achieved claimants are penalized. This year marks the end of that end of that time-period.

Attachment "A"

DRAFT FISCAL YEAR 2018/2019 VALLEY EXPRESS BUDGET

Funding Source	Fiscal Year 2017/2018	DRAFT BUDGET 2018/2019	Year-over-year Increase (Decrease)
FTA 5307	\$539,923	\$624,254	\$84,331
Prop1B PTMISEA	\$220,000	\$0	(\$220,000)
Local Contribution – TDA Funds	1,083,667	1,111,146	\$27,479
Local Contribution – Route Guarantee	100,000	120,000	\$20,000
Local Fee – Farebox	183,910	88,000	(\$95,910)
Total Funding	\$2,127,500	\$1,943,400	(\$184,100)

EXPENDITURES	Fiscal Year 2017/2018	DRAFT BUDGET 2018/2019	Year-over-year Increase (Decrease)
Salaries	\$42,100	\$43,200	\$1,100
Fringe and Tax	19,100	20,000	\$900
Indirect Cost Allocation	38,800	36,800	(\$2,000)
Communications	13,200	15,500	\$2,300
Mileage	2,000	2,000	\$0
Postage	100	100	\$0
Printing	5,000	6,800	\$1,800
Supplies	200	0	(\$200)
Office Support	0	200	\$200
Bank Fees	1,100	800	(\$300)
Legal Services	9,000	10,000	\$1,000
Professional Services	63,000	75,000	\$12,000
Outreach and Marketing	79,000	90,000	\$11,000
Bus Purchase/ Farebox Equipment	224,400	4,000	(\$220,400)
Contract Services (25,000 hours)	1,630,500	1,639,000	\$8,500
Total Expenditures	\$2,127,500	\$1,943,400	(\$184,100)

Projected Cost Share ("Local Contribution")	FINAL BUDGET 2017/2018	DRAFT BUDGET 2018/2019	Year-over-year Increase (Decrease)
City of Fillmore	\$301,958	\$392,821	\$90,863
City of Santa Paula	\$687,177	\$550,427	(\$136,750)
County of Ventura	\$194,532	\$287,898	\$93,366
	\$1,183,667	\$1,231,146	\$47,479

Fiscal Year 2016/2017 Carryover TDA Balance:

Local Contribution – TDA	FY 2018/2019 TDA Due	FY2016/2017 Balance	Net Due: ALTERNATIVE
City of Fillmore	\$392,821	\$55,237	\$337,584
City of Santa Paula*	\$430,427	\$107,996	\$322,431*
County of Ventura	\$287,898	\$45,604	\$242,294

*Santa Paula contribution to include an additional \$120,000 in Non-TDA revenues.

Attachment "B"

FISCAL YEAR 2018/2019 BUDGET COST-MODEL (i.e. Local Cost-share Calculation)

Cost of Service 2018/2019 (25,000 hours)		
Overhead: Staff	\$100,000.00	
Overhead: Other	204,400.00	
Contractor (25,000 hours)	1,639,000.00	
Total Costs	\$1,943,400.00	
External Revenues		
FTA	\$624,254.00	
Projected Farebox	88,000.00	
Total External Revenues	\$712,254.00	
(1) Total Net Due (Less External Revenues)	\$1,231,146.00	
(2) Member Agency Share Overhead		<i>% Share Overhead</i>
Fillmore	\$101,466.67	33%
Santa Paula	101,466.67	33%
County	101,466.67	33%
Subtotal Overhead Costs	\$304,400.00	
(3) Member agency share of Contractor Costs		<i>% Share of total hours</i>
Fillmore	\$291,354.11	31.44%
Santa Paula	448,960.25	48.44%
County	186,431.64	20.12%
Subtotal Contract Costs	\$926,746.00	
Total Costs: Member Agency		
Fillmore	\$392,820.77	
Santa Paula	550,426.92	
County	287,898.31	
Total Costs: Member Agency	\$1,231,146.00	

NOTES:

(1) Total Due equal to expenditures less external revenues (FTA, farebox, grants)

(2) Overhead is equal to all expenditures less any grant-funded projects and Contract Services; % share split equally

(3) Net Contractor cost equal to total contract services cost less FTA and farebox; % share of Contract costs equal to % share of hours per Alternative LOS.

ATTACHMENT "C"

