Atascadero City Council
Staff Report – Public Works Department

Transit / North County Shuttle Update

RECOMMENDATION:

Council receive the information and provide staff with any direction deemed appropriate.

DISCUSSION:

The City of Atascadero provides two public transportation systems for residents, the Atascadero Dial-A-Ride (DAR), and the North County Shuttle (NCS). The fixed route NCS has been jointly operated with the City of Paso Robles since 2006; with each City providing a single bus. The NCS route is from Paloma Park at the south end of Atascadero, through Templeton and Paso Robles, to the north county campus of Cuesta College on Buena Vista Drive.

Both cities’ transit operations are currently funded by the Federal Transportation Development Act (TDA) fund, including Local Transportation Funds (LTF), State Transportation Assistance (STA) funds, Federal Transit Administration (FTA) funds, fare box revenues, and a Cuesta College subsidy.

The Cuesta College subsidy provides a fixed annual fee which allows college students to use the NCS for free. The subsidy is split equally between cities. While the City of Atascadero applies this fare waiver and revenue solely to the NCS, the City of Paso Robles allows free rides to college students system wide, and applies their Cuesta proceeds to their entire transit system, thereby reducing their NCS fare box recovery ratio.

Urban transit systems are required to collect a minimum of 20% of the operating costs of their transit system through fares or risk LTF funding reductions (based on a three year average). A comparison of the Atascadero and Paso Robles transit NCS programs can be represented as follows:
It is clear the City of Paso Robles provides service at a higher operational cost. This could be a result of several factors such as staff size, allocation of in-house maintenance costs, fleet age, and unproductive routing among other potential drains to the system.

While our transit system has generally met required revenue targets, the City of Paso Robles has struggled in recent years to meet their fare box recovery ratio system wide. Their fixed route bus system has not been meeting the required 20% fare box recovery over the past few years and consequently has had their LTF funds reduced over $31,000 in the past year; a cost that must then be borne by the City’s General Fund. Consequently, the Paso Robles City Council at their October 5, 2010 meeting instructed Jim Throop, Director of Administrative Services, to come back with a plan to:

- Eliminate the Paso Robles Dial-A-Ride;
- Revert the NCS back to an independent system (with transfers at the Target Center);
- Initiate negotiations to split the Cuesta subsidy based on actual ridership;
- Increase fares from $1.25 to $1.50; and
- Terminate their Greyhound Bus Line franchise

Staff has met recently with representatives of the City of Paso Robles, SLOCOG and the Regional Transportation Authority (RTA) to discuss the challenges of, and potential changes to, the North County Shuttle. The City of Paso Robles representative made it clear that they fully expect to terminate the NCS on July 01, 2011, with significant modifications to their internal transit system to help increase their fare box ratio and create a fixed route anchored by the Target Center on the south and the Lowe’s Center to the north. Either City has the ability to terminate involvement in the NCS agreement and modifying routes as long as federally required public notice is provided to the transit users.

The level of service and convenience to the transit rider will be significantly reduced by the proposed changes. As an example, a Cuesta College student living in the Bordeaux Apartments at the south end of town currently can get on the NCS and arrive at the Cuesta College North County campus without transfer. After the proposed change, that same student will board an Atascadero fixed route bus to the Templeton Park-n-Ride, then transfer to the RTA Route 9 bus to the Paso Robles Transit Center, then transfer again to the fixed route bus to Cuesta College. It is not clear yet what changes the RTA can or will make to help streamline such a scenario.
A lower level of service will undoubtedly reduce City revenue as riders will avoid or bypass the City bus all together by riding a more streamlined RTA route. The loss of revenue will immediately impact transit operations. The Atascadero NCS currently operates at a high level of fare box recovery (30.2%) as opposed to the low recovery rate of Dial-A-Ride (13.7%). Our combined, or overall, fare box recovery is currently at 18.9%, which is down from previous years (typically at or slightly above the required 20% minimum). Without the support or higher revenue from the NCS the future of Dial-A-Ride can only be described as “uncertain”.

Staff will continue to monitor the progress of the Paso Robles transit system modifications, SLOCOG and RTA’s reaction to those changes, and prepare for the likely re-establishment of the El Camino Shuttle from Paloma Park to the Templeton Park-n-Ride.

FISCAL IMPACT:

Potential decreases in fare box revenue may require modification to the City’s transit system.

ALTERNATIVES:

1. Modify transit level of service to reduce operating expenses
2. Eliminate Dial-A-Ride
3. Fund transit fare box shortfalls via the General Fund.

ATTACHMENTS:

1. Current North County Shuttle Route Map