



DATE: November 21, 2019
FROM: Todd Wood, Transit Director
TO: Board of County Commissioners
RE: Future Service Levels / In-House Mechanic / Fares

On November 5, 2019 voters overwhelmingly rejected a measure that would have provided a stable funding source for Columbia County Rider. At the direction of the board, staff has prepared several potential options for the system to continue and to provide a level of service consistent with available resources. As with all grant-funded projects, the levels of service will need to be re-evaluated as resources change.

On Friday November 15, 2019, an advisory committee was convened with other area service providers to evaluate the budget, service levels and funding to determine what adjustments should be made in order reduce the deficit and boost ridership.

If no action is taken, the system currently has a projected deficit of \$313,000 for Fiscal Year 2020. This does not reflect potential adjustments to the MTR contract, loss of grant funding due to loss of matching dollars, or fare revenue loss. When these items are taken into account, the expected loan request for FY2020 could be up to \$300,000. This represents a significant decrease from last year's loan of \$525,000.

Service Reductions

The recommendation of the committee was to reduce service by no less than the current deficit, decrease Dial-A-Ride service hours, establish tighter DAR service boundaries, and decrease fares. It was also recommended that three meetings be held early in December 2019 to discuss service changes and get input from the public.

In following the recommendations of the committee, staff will present the following information to the public for consideration:

- **Line 1 Portland**– Elimination of the Sauvie island run;
Reason: Low ridership
- **Line 2 PCC** – Elimination of all service, or reduction to two runs per day (potentially three if PCC is willing to keep funding at current levels);



Reason: High cost per ride

- **Line 3 Flex**– Elimination of 6.65 hours (5 trips) and re-apportioning the run between the three cities (i.e. more runs in St Helens than Scappoose);

Reason: High Cost per Ride.

- **Dial–a–Ride** – Reduce number of service hours from 25 to 16;

Reason: High Cost per Ride

- **Dial–a–Ride** – Reduce service area to within 1 mile of other transit services.

Reason: Increase efficiency by reducing the time it takes to pick up and drop off riders.

- **Line 5 Rainier/Longview** – unaffected;

Reason: Fully Grant Funded

- **Line 6 Vernonia**– unaffected;

Reason: Fully Grant Funded

There will be no service on New Year’s, Memorial Day, 4th of July, Labor day, Thanksgiving, and Christmas. The day after Thanksgiving is currently undergoing evaluation for service levels.

Reduction option examples:

Eliminate Line 2

Reduce DAR by 9 hours Per Day

Eliminate 3 trips on Line 3

Total Savings: \$320,000

Eliminate two trips on line 2

Reduce DAR by 9 hours

Eliminate 5 trips on line 3

Total Savings: \$330,000

Eliminate Sauvie Island

Eliminate two trips on line 2

Reduce DAR by 7 hours

Eliminate 5 trips on line 3

Total Savings: \$327,000

These reductions will close the current funding gap and should allow a rapid repayment of the county loan over a few years barring any significant changes to grant levels or matching funds.

Grant Matching

Without local funding, grant matching remains a challenge. We estimate a current need of \$425,000 to match our existing grants. The PCC contract provides \$89,000 of this match, but may see a reduction by half with service changes. We utilize \$120,000 from a state grant to match the federal 5311 operating grant. The county provides \$135,000 from the economic development fund and local cities provide approximately \$7,000.

Because of this lack of grant matching dollars, we are asking the commission to consider increasing the county contribution to \$290,000 annually. Without additional matching dollars, grant money may need to be returned unspent, further impacting service levels.

Additionally, we are requesting the commission reach out to the cities we serve and request IGAs that guarantee a level of funding. As of today, only three of the cities contribute to the system, with the two largest providing no funding.

Finally, the State Transportation Improvement Fund would help alleviate grant-matching issues; however, a legislative fix would be needed. We have already begun talks with ODOT and Senator Johnson to review the issue.

In House Mechanic

The current MTR contract charges \$4.48/hr of service plus the cost of non-preventive repairs at a rate of \$57.96 per hour. With a reduction in service hours, the cost per hour will increase both on the service and on the non-preventative side. By bringing the mechanic in-house, we estimate potential savings of at least \$8,000 per year.

Fares

The committee also reviewed our current fare structure. The consensus was that our fare system was overly complicated and priced at a level that will discourage ridership. The group recommended we take the following action:

Elimination of the zone system. All rides are per-boarding (i.e. you pay to board)
Reduce the number of fares to two: In County or Out of County.

The cost of each fare should be:

- \$1.50 for In-County Rides (including Longview/Kelso)
- \$3.00 for Rides to and from outside of the County (i.e. to Portland, PCC or Willow creek).

The fare would still be subject to the STIF reduced fare program thus making the fare

- \$.50 in-county for those who qualify
- \$2.00 out of county for those who qualify.

Expected loss of revenue would be approximately \$43,000 if no additional riders utilize the system.

Only one monthly pass will be issued at a single rate \$120 or less. The cost of the one monthly pass is subject of debate. Currently we sell an average of 70 passes per month at \$130 with little or no sales of other passes. A significantly lower pass rate \$80 to \$100 would result in an additional annual loss of \$25,000 - \$40,000 whereas a reduction to \$120 would result in a loss of only \$8,400. A lower pass price may boost pass purchases over a higher price.

The goal of both reductions is to increase ridership. With more riders, the fare loss would decrease. Additionally, several grants are based on ridership data. An increase in ridership could result in an increase in grant funding. A recent test by Sunset empire showed a 7% increase in ridership when the systems fares were lowered to \$1. Wilsonville is currently moving to a zero fare system and is similarly seeing ridership increases.

Even with the potential loss of revenue, the committee whole-heartedly recommended fare reduction as a way to boost ridership and offset potential loses.

Final Recommendation

The final recommendation will be placed before the board on January 8, 2020 at a public hearing with goal of service changes being implemented on January 12, 2020 and fare changes on March 1, 2020.

CC Rider



Budget Deficit

Resources	\$2,523,313
Expenditures	- \$2,837,256
Deficit	<hr/> \$-313,943



Variable Cost Per Service Hour

<i>Line 1:</i>	<i>\$79.90</i>
<i>Line 2:</i>	<i>\$77.45</i>
<i>Line 3:</i>	<i>\$73.00</i>
<i>DAR:</i>	<i>\$73.00</i>

Cost Per Ride is Dependent on number of riders



Variable Cost Per Ride Examples

Per Run

<i>Line 1:</i>	<i>30 Riders =</i>	<i>\$5.26</i>
<i>Line 2:</i>	<i>15 Riders =</i>	<i>\$10.32</i>
<i>Line 3:</i>	<i>5 Riders =</i>	<i>\$18.00</i>
<i>DAR:</i>	<i>1 Rider =</i>	<i>\$73.00</i>



Service Reduction Options

Line 1 Portland

Remove Sauvie Island Run

Estimated Savings: \$18,423



Service Reduction Options

Line 2 PCC / Willow Creek

Option 1: Completely Eliminate all Service

Estimated Savings: \$81,386



ST. HELENS, OR 97051

1155 Deer Island Rd.
Direct (503) 366-0159

www.columbiacountyrider.com

Service Reduction Options

Line 2 PCC / Willow Creek

Option 2: One AM and one PM

Estimated Savings: \$39,705



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Service Reduction Options

Line 3 Flex

Eliminate 6.3 hours per day (equates to roughly 5 runs)

Estimated Savings: \$115,860



Service Reduction Options

Dial-A-Ride

Eliminate 9 hours of DAR

Estimated Savings: \$166,564



Service Reduction Options

Dial-A-Ride

No Service Beyond 1 Mile of Fixed Route

(Includes Lines 3, 5, and 6)

Increases Efficiency



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New Fare System

- ✓ *Reduce Complexity*
- ✓ *Reduce Expenditures*
- ✓ *Eliminate Inequitable Fares*
 - ✓ *Increase Ridership*



Per-Boarding Fares

Option 1: \$2 in-County \$4 Out-of-County

In-County Pass \$75

Out-of-County Pass \$130

Option 2: \$1.50 in-County \$3 Out-of-County

In-County Pass \$60

Out-of-County Pass \$110



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January 2020 service reduction survey

Line 1:

- Eliminate Sauvie Island Run and have an AM and PM run serve the island stop

How can we improve service on Line 1?

Line 2:

- Eliminate Line 2
- One am and One PM line 2 (possibly a midday)

How can we improve service on Line 2?

Line 3:

- Provide 5 runs through all three cities
- Provide 7 runs in St Helens and 3 in Scappoose/Columbia City
- Make the service run earlier
- Make the service run later

How can we improve service on Line 3?

Dial a ride:

How can we improve service on Dial a Ride?

Fares:

- \$1.50 In-County/ \$3.00 Out-of-County
- \$2.00 In-County / \$4.00 Out-of-County
- \$100 Pass \$110 Pass \$120 Pass

Other fare Suggestions:

Overall, how can we improve service?
