

**TO:** James L. App, City Manager  
**FROM:** Jim Throop, Administrative Services Director  
**SUBJECT:** Paso Express Mid-Day Shuttle elimination  
**DATE:** April 19, 2011

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**NEEDS:** For the El Paso de Robles City Council to approve the termination of the current Mid-Day Shuttle service, effective April 30<sup>th</sup>, 2011.

- FACTS:**
1. The Paso Express Mid-Day Shuttle (MDS) began service in November, 2009.
  2. The MDS is partly funded through a Federal 5316 Job Access Reverse Commute (JARC) Grant, which covers 50% of operational expenses. Grant funding was awarded to the City for Fiscal Years 2010, 2011 and 2012.
  3. The MDS has experienced low ridership, and Caltrans, which administers the JARC program in California, has indicated that the grant funding for the MDS would not be continued past the end of Fiscal Year 2011. City Staff prepared a revised application for the previously awarded FY 2012 JARC funds, which the council approved at its April 5<sup>th</sup>, 2011 meeting.
  4. The revised grant for FY 2012 has been conditionally approved by Caltrans, and will provide operational funding for a revised route, to be called Route "C".
  5. The initial grant funding for Fiscal Years 2010 and 2011, in the amount of \$105,525 will be entirely depleted early in the fourth quarter of Fiscal Year 2011. The City would be unable to request reimbursement for any of the costs incurred by providing the MDS service for most of the fourth quarter. The total cost for providing the service during the fourth quarter of Fiscal Year 2011 is estimated at \$40,000.
  6. By ending the existing MDS service prior to June 30<sup>th</sup>, the City would save operational costs that would otherwise be incurred, preventing the further reduction of transit funding reserves.
  7. Changes to the transit system, with the goal of improving the financial performance and farebox recovery ratio, were approved by the City Council on February 15<sup>th</sup>, 2011. These changes included the elimination of the existing Mid-Day Shuttle service, though all changes are scheduled to take effect July 1<sup>st</sup>, 2011.

**ANALYSIS &  
CONCLUSION:**

The Mid-Day shuttle service, which is partly funded through a FTA grant, has fallen well short of productivity goals during its 16 months of operation. Caltrans has

indicated that the grant would not be continued past the current fiscal year, although grant funds had previously been awarded through Fiscal Year 2012. A revised grant, awarding \$70,500 for transit operational expenses for a revised route, has been conditionally approved by Caltrans, but this funding can only be used for services provided in Fiscal Year 2012. The implementation of the new route, to be called Route "C", is planned for July 1, 2011.

If the existing Mid-Day Shuttle service were ended on April 30<sup>th</sup>, 2011, the City would save an estimated \$15,000. The total MDS cost for the quarter is estimated at \$40,000. The operational cost of providing the shuttle service for May and June, 2011 is estimated at \$27,350. A portion of these expenses, particularly fixed contractual fees and base maintenance costs for the vehicles currently used by the MDS, would be incurred even if the MDS service is discontinued. This is why the full estimated expenses for providing the MDS service would not be realized as savings, even with the proposed early ending of the existing service.

Persons who currently use the MDS would be able to utilize the existing Paso Express routes "A" and "B" which cover the same areas, although the MDS offers stops closer to retail stores and housing complexes at different locations.

**Options:**

A. That the City Council approve eliminating the existing Mid-Day Shuttle service on April 30<sup>th</sup>, 2011, due to financial constraints, ahead of the implementation of the other approved changes to the transit system, or

B. Amend, modify, or reject the above option.

RESOLUTION NO. 11-xxx

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES  
APPROVING THE TERMINATION OF THE EXISTING MID-DAY SHUTTLE SERVICE.

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WHEREAS, the City of Paso Robles provides public transit services; and

WHEREAS, transit services must maintain a 20% farebox recovery ratio to continue to qualify for State funding; and

WHEREAS, changes to were made to the transit system to help meet this goal at the February 15, 2011 City Council meeting; and

WHEREAS, all approved changes to the transit system were to take effect on July 1, 2011; and

WHEREAS, one of the approved changes to the transit system was the elimination of the Mid-Day Shuttle as it currently exists; and

WHEREAS, Federal grant funds for the existing Mid-Day Shuttle service in the 2011 Fiscal Year have been depleted; and

WHEREAS, eliminating the existing Mid-Day Shuttle service in advance of the July 1<sup>st</sup>, 2011 implementation of other approved transit system changes would result in financial savings of approximately \$15,000 to the Transit Fund; and

WHEREAS, a revised route, with Federal grant funding, is scheduled to begin service on July 1, 2011; and

WHEREAS, the existing Paso Express transit routes "A" and "B" provide similar access for most of the current riders of the Mid-Day Shuttle,

NOW THEREFORE BE IT RESOLVED by the City Council of the City of El Paso de Robles approves the discontinuation of the current Mid-Day Shuttle service, effective April 30, 2011.

PASSED AND ADOPTED by the City Council of the City of El Paso de Robles this 19<sup>th</sup> day of April 2011 by the following vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

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Duane Picanco, Mayor

ATTEST:

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Caryn Jackson, Deputy City Clerk