

BOARD OF DIRECTORS MEETING AGENDA
REDWOOD COAST TRANSIT AUTHORITY



DATE: Monday, August 26, 2024

Time: 5:30pm

PLACE: 981 H Street – Flynn Bldg, Zoom Option: <https://dnco.zoom.us/j/82869372937>

A link to view the meeting will be posted on <https://media.co.del-norte.ca.us/> .

-
1. Call Meeting to Order. Roll Call. Pledge of Allegiance
 2. Public Comment
 3. Consent Calendar
 - 3A. Approve the Minutes of the June 24, 2024 RCTA Board Meeting
 - 3B. Adopt Resolution 2024-25-01 Approving Amended Purchase Order 2024-25-06 to Model1 Not-to-Exceed \$645,000 for Purchase of Three Replacement ARBOC Low-Floor Buses
 - 3C. Adopt Resolution 2024-25-02 Approving Amended Purchase Order 2024-25-07 to Model1 Not-to-Exceed \$456,000 for Purchase of Two Replacement Ford F550 Buses
 - 3D. Adopt Resolution 2024-25-03 Approving SB-1 State of Good Repair Fiscal Year 2024-25 Project List
 - 3E. Review and Accept Fiscal Year 2022-23 RCTA Financial Audit from O’Connor CPAs
 4. Fiscal Year 2023-24 Presentation on Status of RCTA CTSA Programs
 5. Fiscal Year 2023-24 Annual Report - System Performance
 6. Update on Short Range Transit Plan Status
 7. Management Report – Transdev General Manager
 8. RCTA Executive Director’s Report
 9. Announcements
 10. Adjourn – Next RCTA Board Meeting is on Monday, September 23rd, 2024 at 5:30pm

Any member of the public may speak on any agenda item for a time period, not to exceed 3 minutes, prior to the Public Agency taking action on that agenda item.

**REDWOOD COAST TRANSIT AUTHORITY
MINUTES
JUNE 24, 2024, AT 5:30 P.M.**

ATTENDED: JOEY BORGES (CHAIR), KELLY SCHELLONG (VICE CHAIR), VIDETTE ROBERTS, RAY ALTMAN, DARRIN SHORT

ABSENT: NONE

ALSO PRESENT: JOSEPH RYE, FERNANDO HERNANDEZ, ALICIA FERREIRA

1. CALL MEETING TO ORDER. ROLL CALL. PLEDGE OF ALLEGIANCE

Chair Borges called the meeting to order at 5:30 p.m. Alicia Ferreira conducted roll call. Chair Borges led the Pledge of Allegiance.

2. PUBLIC COMMENT

The following person(s) addressed the Board: NONE

3. CONSENT CALENDAR

3A. APPROVE THE MINUTES OF THE APRIL 22ND, 2024, RCTA BOARD MEETING & WORKSHOP

3B. APPROVE ALIGNING RCTA ELECTRONIC ACCESS FOR PUBLIC COMMENT IN PUBLIC MEETINGS WITH COUNTY & CITY

3C. ADOPT RESOLUTION 2023-24-15 AUTHORIZING FTA 5339 FUNDING FOR BUS REPLACEMENTS

3D. ADOPT RESOLUTION 2023-24-16 AUTHORIZING FTA 5311 & 5311(f) FUNDING FOR OPERATING ASSISTANCE

3E. APPROVAL OF 2024 SUMMER SERVICE SCHEDULE EFFECTIVE MAY 28, 2024, THROUGH SEPTEMBER 30, 2024

On a motion by Director SCHELLONG seconded by Director SHORT, unanimously carried on a polled vote, the Redwood Coast Transit Authority Board of Directors approved the Consent Agenda items 3A-3E.

4. PUBLIC HEARING – RECEIVE PUBLIC COMMENT ON FARE INCREASE, DISCUSSION AND APPROVAL

On a motion by Director SHORT and seconded by Director SCHELLONG, unanimously carried on a polled vote, the Redwood Coast Transit Authority Board of Directors approved the Fare Increase.

5. PRESENTATION ON GHD WILLIAMS DRIVE CHARGING STATIONS INFRASTRUCTURE PROJECT AND NEXT STEPS

Discussion was held regarding GHD Williams Drive Charging Stations Infrastructure Project and the Next Steps

6. APPROVE AGREEMENT WITH ADKINS ENGINEERING NOT-TO-EXCEED \$8500 FOR WILLIAMS DRIVE CHARGING INFRASTRUCTURE PROJECT APPROVALS AND ENVIRONMENTAL DOCUMENTATION AND AUTHORIZE EXECUTIVE DIRECTOR TO EXECUTIVE AGREEMENT

Discussion was held regarding the approval of agreement with Adkins Engineering Not-to-exceed \$8500 for Williams Drive Charging Infrastructure Project Approvals and Environmental Documentation and Authorize Executive Director to Execute Agreement.

On a motion by Director SCHELLONG, seconded by Director ALTMAN, unanimously carried on a polled vote the Redwood Coast Transit Board Authority of Directors approved the Agreement with Adkins Engineering Not-To-Exceed \$8500 for Williams Drive Charging Infrastructure Project Approvals and Environmental Documentation and Authorize Executive Director to Executive Agreement.

7. ADOPT RESOLUTION 2023-24-17 APPROVING THE FY 2024-25 RCTA BUDGET

Discussion was held regarding Adopt Resolution 2023-24-17 Approving the FY 2024-25 RCTA Budget.

On a motion by Director SHORT, seconded by Director ALTMAN, unanimously carried on a polled vote the Redwood Coast Transit Authority Board of Directors Adopted and approved Resolution 2023-24-17 Approving the FY 2024-25 RCTA Budget.

8. ADOPT RESOLUTION 2023-24-18 APPROVING SUBMITTAL OF THE FY 2024-25 RCTA TDA CLAIM

On a motion by Director SHORT seconded by Director ALTMAN, unanimously carried on a polled vote the Redwood Coast Transit Authority Board of Directors Adopted and approved Resolution 2023-24-18 approving submittal of the FY 2024-25 RCTA TDA Claim.

9. REVIEW AND ACCEPT FISCAL YEAR 2022-23 RCTA FINANCIAL AUDIT FROM O'CONNOR CPA'S

Discussion was held regarding The Review and Acceptance of Fiscal Year 2023-23 RCTA Financial Audit from O'Connor CPA's and agreed to bring back this line item to the next meeting for public comments. Since the two final audit documents were omitted from the posted agenda packet, this item will return on the next RCTA agenda for re-approval.

On a motion by Director SCHELLONG seconded by Director ROBERTS, unanimously carried on a polled vote the Redwood Coast Transit Authority Board of Directors Accepted Fiscal Year 2023-23 RCTA Financial Audit from O'Connor CPA's.

10. MANAGEMENT REPORT – TRANSDEV GENERAL MANAGER

Fernando Hernandez updated the board on status reports. It was also noted that the drivers have been instructed to stop at designated areas for pickup if someone is there or within 15 ft of bus stop, whether they signal intention to board the bus or not. Otherwise, if nobody is near bus stop, driver will continue on route without stopping.

11. RCTA EXECUTIVE DIRECTOR’S REPORT

Mr. Rye addressed the fact that Greyhound has pulled out of its long held route between San Francisco and Arcata. This Route originally extended all the way to Crescent City and was a precursor of RCTA forming and the Route 20 concept. In 2004, Greyhound pulled out of the Arcata to Crescent City piece to shorten the route and due to low ridership on the northerly most segment. Since the COVID pandemic, Greyhound had further reduced its services in this corridor, and tried several (surprising) timetable changes. As of June 2024 Greyhound was running SF to Arcata Wednesday through Sunday. It was announced that Greyhound cannot make the route work financially without a 5311(f) subsidy of over the standard \$300k per year. Fortunately, RCTA and its partners on the corridor, including Humboldt Transit, Mendocino Transis, and Lake Transit formed a partnership in 2024 called the Redwood Coast Express, with coordinated schedules between the four agencies to allow same day seamless travel between Del Norte and Santa Rosa. From Santa Rosa travellers can reach San Francisco through Golden Gate Transit. Route 20 serves as the northern segment of the Redwood Coast Express co-branded service. The early morning southbound Route 20 trip, as well as the evening return trip that departs Eureka before 6pm are “Redwood Coast Express” trips within the Route 20 schedule. It remains to be seen how the RCX does in picking up the travel demands from Greyhound, in particular weekend service will be impacted initially. The RCX system only runs M-F, although RCTA operates Route 20 M-Sat.

12. ANNOUNCEMENTS

13. ADJOURN

Redwood Coast Transit Board of Directors adjourned the meeting at 6:15 p.m. The next regular scheduled meeting will be on Monday August 26th, 2024, at 5:30 p.m.

Joseph Rye, Executive Director
Redwood Coast Transit Authority

August 26, 2024



MEMO TO: Board of Directors

FROM: Joe Rye, Executive Director

SUBJECT: Approve Purchase Order 2024-25-06 Replacing Purchase Order 2023-24-25 to Model1 Bus Sales in the Not-To-Exceed Amount of \$645,000 for the Purchase of Three Replacement Buses for Redwood Coast Transit and Authorizing the Executive Director to Execute the Procurement

RECOMMENDATION:

That the Board approve Purchase Order 2024-25-06 (replacing 2023-24-25) to Model1 Bus Sales in the not-to-exceed amount of \$645,000 for purchase of (3) three replacement buses and authorizing the Executive Director to execute the procurement.

BACKGROUND:

This purchase order replaces PO 2023-24-25 approved on February 28, 2024 and reflects accurate current prices in effect now. The vendor’s original price quote was out of date.

This purchase of (3) low-floor gasoline buses will almost surely be the last gasoline-powered medium sized cutaway buses that RCTA orders. These three were funded by older grants that were submitted for prior to finalizing the RCTA ICT Plan. These low-floors are still the ideal vehicle for Crescent City fixed route service, due to their size, reliability and easy boarding/alighting (the low-floor element, which is NOT available yet in EVs). RCTA has TIRCP funding to replace its entire medium bus fleet with EVs in the next 2-3 years. Funding for the purchase is split as follows:

Source	Amount
FTA 5339 (64GC20-02198)	\$ 531,250
<u>RCTA Reserves match</u>	<u>\$ 113,750</u>
Total Purchase Price	\$ 645,000

Model 1 is currently the only vendor RCTA is able to purchase Ford cutaway buses from using . the CalACT/MBTA Purchasing Cooperative. Model1 forecasts delivery within 18 months.

RECOMMENDATION

Staff recommends the Board approve the purchase order to Model1 Bus Sales in a not-to-exceed amount of \$645,000 and direct the Executive Director to issue the purchase order.

Attachments

1. Quote from Model 1 Bus Sales – August 6, 2024
RCTA Purchase Order 2024-25-06 to Model 1 Bus Sales



CalACT MBTA RFP #20-01 - Class G - Quote Sheet (Rev 2022)

Vehicle Type:	Class G - ARBOC Specialty Vehicles	Date:	8/6/2024	
Contact:	Joe Rye	Ramp Info:	<input checked="" type="checkbox"/> Braun <input checked="" type="checkbox"/> Front	
Agency:	Redwood Coast Transit	Seat Material Level:	5-Doct 90	
Address:	140 Williams Drive	Seat Color:	Gray	
City, State, Zip:	Crescent City, CA 95531	Flooring and Color:	Gerflor Gray	
Phone:	(707) 235-3078	Salesperson:	Jay Holzhuter	
E-Mail:	tmpconsulting@gmail.com	Salesperson Cell:	(650) 222-2621	
Delivery:		Salesperson E-Mail:	jholzhuter@gmail.com	

Quantity:	Description	Price	Ext. Price	ADA
1	ARBOC SV - Class G-2 - (Ford E450 Spirit of Mobility) 28'	\$168,038.00	\$168,038.00	\$34,500.00

Published Options

2	1 - Freedman Foldaway Seat (double)	\$1,827.00	\$3,654.00	\$3,654.00
1	12 - USSC G2 E Drivers Seat (If not standard) (N/A Transit chassis)	\$2,259.00	\$2,259.00	
1	14 - ADNIK Power Seat Base (N/A Transit chassis)	\$787.00	\$787.00	
1	39 - Gerflor/Tarabus floor	\$0.00	\$0.00	
1	72 - Sportworks bike rack (black 2 bike)	\$3,621.00	\$3,621.00	
1	109 - Stop Request System (w/ sign)	\$1,348.00	\$1,348.00	\$1,348.00
1	110 - Hanover Front and Side Destination Signs	\$6,427.00	\$6,427.00	\$6,427.00
1	120 - Delivery Zone 5	\$1,211.00	\$1,211.00	

Non-Published Options

1	Aluminum Fuel Fill Cover - (Locking)	\$195.00	\$195.00	
1	Radio Prep - 2 Way Radio	\$225.00	\$225.00	
1	Redwood Coast Paint & Graphics	\$7,500.00	\$7,500.00	
1	Cameras - Install 4 cameras and pre-wire to above drivers storage	\$2,400.00	\$2,400.00	

Class G - Base Price	\$168,038.00	
Published Options	\$19,307.00	
Non-Published Options	\$10,320.00	
Total	\$197,665.00	\$45,929.00

The Non-Taxable Amount is the ADA Equipment in the Base and Added as Options	Non-Taxable	\$45,929.00	
The Taxable Amount Includes the Mobility Rebate of \$1,000.00 For Ford Chassis	Taxable Amount	\$152,821.00	

Crescent City*	Tax Total	\$12,607.73	8.250%
	Sub-Total	\$210,357.73	
	CalACT Fee	\$2,964.98	
	DMV E-File Fee:	\$33.00	
	DMV Fee	\$0.00	<i>(Estimated)</i>
	Tire Fee	\$12.25	
	Local Delivery	\$0.00	
	Total	\$213,367.96	
	Number of Units	3	
	Final Total	\$640,103.87	

Purchasing of vehicles requires a CALACT membership, letter of assignment, and payment of procurement fee. If you have any questions, please contact CALACT direct at 916-920-8018



PURCHASE ORDER

c/o TMTP Consulting LLC

900 Northcrest Drive, #134

Crescent City, CA 95531

707-235-3078

tmtconsulting@gmail.com

P.O. NO. 2024-25-06

DATE August 26, 2024

CUSTOMER ID tax ID 83-0497811

VENDOR Jay Holzauer
 Model 1, Inc.
 14741 Ramona Ave.
 Chino, CA 91710
 855-887-1611

SHIP TO
 Redwood Coast Transit
 140 Williams Drive
 Crescent City, CA 95531
 707-464-6400

SHIPPING METHOD	SHIPPING TERMS	DELIVERY DATE
deliver to bus yard	net 30	TBD

QTY	ITEM #	DESCRIPTION	JOB	UNIT PRICE	LINE TOTAL
3.00	Type G	Ford 32' ARBOC Spirit, Taxable		\$ 197,665.00	\$ 592,995.00
				-	
3.00		ADA Non-taxable		\$45,929.00	\$ 137,787.00
3.00		Sales Tax @ 8.25%		12,607.73	\$ 37,823.19
3.00		DMV Docs and CalACT Fees		3,095.23	\$ 9,285.69
3.00		Shipping		-	-

1. Please send two copies of your invoice.
2. Enter this order in accordance with the prices, terms, delivery method, and specifications listed above.
3. Please notify us immediately if you are unable to ship as specified.
4. Send all correspondence to:

Joseph Rye
 1275 4th Street, #733
 Santa Rosa, CA 95404
 707-235-3078

SUBTOTAL	\$ 602,280.69
SALES TAX	37,823.19
TOTAL (including shipping)	\$ 640,103.88

26-Aug-24

Authorized by

Date

August 26, 2024



MEMO TO: Board of Directors

FROM: Joe Rye, Executive Director

SUBJECT: Approve Purchase Order 2024-25-07, Replacing Purchase Order 2023-24-24, to Model 1 Bus Sales in the Not-To-Exceed Amount of \$456,000 for the Purchase of Two Replacement Buses for Redwood Coast Transit and Authorizing the Executive Director to Execute the Procurement

RECOMMENDATION:

That the Board approve Purchase Order (PO) 2024-25-07 (replacing 2023-24-24) to Model 1 Bus Sales for purchase of (2) two replacement buses and authorizing the Executive Director to execute the procurement.

BACKGROUND:

This purchase order replaces PO 2023-24-24 approved on February 28, 2024 and reflects accurate current prices in effect now. The vendor's original price quote was out of date.

This purchase of (2) diesel buses fits RCTA's overall CARB ICT (Innovative Clean Transit) regulation compliance strategy as RCTA seeks to convert its medium sized buses from gasoline to EVs first, using recently awarded TIRCP funds. The rigors of the Route 20 service between Del Norte and Eureka are not a good fit for current EV performance characteristics. EVs have problems with power and range that make them a far better fit for local fixed route duty in Del Norte County than long distance highway service. Funding for the purchase is split as follows:

Source	Amount
FTA 5339 (64GC20-01516)	\$ 209,059
FTA 5339 (64GC19-01465)	\$ 112,673
<u>RCTA SB-1 SGR & Reserves match</u>	<u>\$ 134,268</u>
Total Purchase Price	\$ 456,000

Model 1 is currently the only vendor RCTA is able to purchase Ford cutaway buses from using the CalACT/MBTA Purchasing Cooperative. Model 1 forecasts delivery within 18 months.

RECOMMENDATION

Staff recommends the Board approve the amended purchase order to Model 1 in a not-to-exceed amount of \$456,000 and direct the Executive Director to issue the purchase order.

Attachments

1. Quote from Model 1 Bus Sales – August 7, 2024
RCTA Purchase Order 2024-25-07 to Model 1 Bus Sales

CalACT MBTA RFP #20-01 - Class E - Quote Sheet <small>(Rev 2023)</small>				
Vehicle Type:	Class E - Starcraft Bus (Allstar XL)		Date:	8/7/2024
Contact:	Joe Rye		Lift Info:	<input checked="" type="checkbox"/> Braun <input checked="" type="checkbox"/> Front <input type="checkbox"/> Rear
Agency:	Redwood Coast Transportation Authority		Seat Material Level:	Vinyl / 4
Address:	140 Williams Drive		Seat Color:	Maroon
City, State, Zip:	Crescent City, CA 95531		Flooring and Color:	Gerflor / Gray
Phone:	(707) 235-3078		Salesperson:	Jay H
E-Mail:	tmtconsulting@gmail.com		Salesperson Cell:	(650) 222-2621
Delivery:	180-210 days		Salesperson E-Mail:	jholzhter@gmail.com
Quantity:	Description	Price	Ext. Price	ADA
1	Starcraft Bus - Class E - (Ford F550) 32.5'	\$ 155,509.00	\$155,509.00	\$11,790.00
Published Options				
3	1 - Freedman Foldaway Seat (double)	\$ 2,171.00	\$6,513.00	\$35,370.00
1	40 - Ad rails (interior, both sides)	\$ 420.00	\$420.00	
1	43 - REI PA system (4 interior, 1 exterior ADA speaker)	\$ 483.00	\$483.00	
1	61 - Liquidspring Suspension	\$ 13,532.00	\$13,532.00	
1	77 - Locking rear door w/alarm	\$ 509.00	\$509.00	
1	81 - Dialight Exterior LED	\$ 1,107.00	\$1,107.00	
1	82 - Dialight Interior LED	\$ 839.00	\$839.00	
1	106 - Stop Request System (w/ sign)	\$ 1,049.00	\$1,049.00	\$1,049.00
1	107 - Hanover Front and Side Destination Signs	\$ 6,336.00	\$6,336.00	\$6,336.00
1	117 - Delivery Zone 5	\$ 1,206.00	\$1,206.00	
1	132 - Ford F550 Diesel Option	\$ 9,500.00	\$9,500.00	
Non-Published Options				
1	Bike Rack - Apex 3 Bike	\$2,540.00	\$2,540.00	
1	Redwood Coast Graphics	\$7,500.00	\$7,500.00	
1	4 Cameras (2 w/microphones) mounted and wiring run to driver's storage	\$2,200.00	\$2,200.00	
1	Luggage Rack - 36"	\$750.00	\$750.00	
		Class E - Base Price	\$155,509.00	
		Published Options	\$41,494.00	
		Non-Published Options	\$12,990.00	
		Total	\$209,993.00	\$54,545.00
		Doc Prep Fee	\$85.00	
The Non-Taxable Amount is the ADA Equipment in the Base and Added as Options		Non-Taxable	\$54,545.00	
The Taxable Amount Includes the Mobility Rebate of \$1,000.00 For Ford Chassis		Taxable Amount	\$156,533.00	
Crescent City* ▼		Tax Total	\$12,913.97	8.250%
		Sub-Total	\$222,991.97	
		CalACT Fee	\$3,149.90	
		DMV E-File Fee:	\$33.00	
		DMV Fee	\$250.00	(Estimated)
		Tire Fee	\$12.25	
		Local Delivery	\$0.00	
		Total	\$226,437.12	
		Number of Units	2	
		Final Total	\$452,874.24	
Purchasing of vehicles requires a CALACT membership, letter of assignment, and payment of procurement fee. If you have any questions, please contact CALACT direct at 916-920-8018				



PURCHASE ORDER

c/o TMTP Consulting LLC

900 Northcrest Drive, #134

Crescent City, CA 95531

707-235-3078

tmtconsulting@gmail.com

P.O. NO. 2024-25-07

DATE August 26, 2024

CUSTOMER ID tax ID 83-0497811

VENDOR Jay Holzauer
 Model 1, Inc.
 14741 Ramona Ave.
 Chino, CA 91710
 855-887-1611

SHIP TO
 Redwood Coast Transit
 140 Williams Drive
 Crescent City, CA 95531
 707-464-6400

SHIPPING METHOD	SHIPPING TERMS	DELIVERY DATE
deliver to bus yard	net 30	TBD

QTY	ITEM #	DESCRIPTION	JOB	UNIT PRICE	LINE TOTAL
2.00	Type E	Ford 32' Startrans Bus, Taxable		\$ 209,993.00	\$ 419,986.00
				-	
2.00		ADA Non-taxable		\$54,545.00	\$ 109,090.00
2.00		Sales Tax @ 8.25%		12,913.97	\$ 25,827.94
2.00		DMV Docs and CalACT Fees		3,530.15	\$ 7,060.30
3.00		Shipping		-	-

1. Please send two copies of your invoice.
2. Enter this order in accordance with the prices, terms, delivery method, and specifications listed above.
3. Please notify us immediately if you are unable to ship as specified.
4. Send all correspondence to:

Joseph Rye
 1275 4th Street, #733
 Santa Rosa, CA 95404
 707-235-3078

SUBTOTAL	\$ 427,046.30
SALES TAX	25,827.94
TOTAL (including shipping)	\$ 452,874.24

26-Aug-24

Authorized by

Date

August 26, 2024

MEMO TO: Board of Directors

FROM: Joe Rye, Executive Director



SUBJECT: Resolution 2024-25-03 Approving the Fiscal Year 2024-25 Project List for Senate Bill 1 State of Good Repair Funding – Bus Replacements

RECOMMENDATION:

That the RCTA Board approve Resolution 2024-25-03 approving RCTA’s Fiscal Year 2024-25 project list for \$48,919 in Senate Bill 1 State of Good Repair Funding for bus replacements.

BACKGROUND:

The Road Repair and Accountability Act of 2017, Senate Bill (SB) 1 (Chapter 5, Statutes of 2017), signed by the Governor on April 28, 2017, includes a program referred to as the State of Good Repair (SGR) program. This program provides approximately \$105 million annually to the State Transit Assistance (STA) Account for transit capital improvements.

The State Controller estimates that for Fiscal Year 2024-25 RCTA will receive a total of \$48,919 in SGR funds. SGR is limited to capital projects. The RCTA Board initially identified Bus Stop Improvements as the SGR-funded project from FY 2018-19 to FY 2021-22, transitioning to Bus Replacements as the new ongoing annual project starting in FY 2022-23. This annual allocation of SGR funding will not completely make up for the lack of PTMISEA funds (finally fully expended) but will be enough to provide local match for at least one bus purchase per year.

Previous allocations of SGR have built a balance in RCTA’s initial SGR Project, “Bus Stop Improvements” of approximately \$100,000. As recommended in the 2019 Short Range Transit Plan (and 2022 SRTP Mini Update), RCTA can no longer dedicate this SGR funding to bus stops, as replacing buses takes a higher priority for this extremely limited (non-TDA) funding. This FY 2024-25 Project List will continue a third year of SGR “Bus Replacements” as an ongoing project, and RCTA plans to add future year’s SGR funds to this project. The FY 2024-25 allocation should bring the “Bus Replacements” fund balance \$138,884. The dedication of each annual SGR allocation will NOT be enough to cover RCTA’s bus replacement local match needs, but it will help, with the remaining match coming from RCTA’s TDA operating funds.

Caltrans requires the submittal of a Board-approved SGR Project List each year. The DNLTC (Del Norte Local Transportation Commission) will approve the Fiscal Year 2024-25 Del Norte SGR Project List at a meeting later this fall.

Attachments

1. Resolution 2024-25-03

REDWOOD COAST TRANSIT AUTHORITY RESOLUTION NO. 2024-25-03

**RESOLUTION APPROVING THE DEL NORTE COUNTY FISCAL YEAR 2024-25 SB-1
STATE OF GOOD REPAIR FUNDING PROJECT LIST**

WHEREAS, the Redwood Coast Transit Authority is an eligible project sponsor and may receive State Transit Assistance funding from the State of Good Repair Account (SGR) now or sometime in the future for transit projects; and

WHEREAS, the statutes related to state-funded transit projects require a local or regional implementing agency to abide by various regulations; and

WHEREAS, Senate Bill 1 (2017) named the Department of Transportation (Department) as the administrative agency for the SGR; and

WHEREAS, the Redwood Coast Transit Authority wishes to delegate authorization to execute these documents and any amendments thereto to the General Manager; and

WHEREAS, the Department requires each County and transit agency to submit a SGR Project List each fiscal year identifying that fiscal year's SGR project list, and for Fiscal Year 2024-25 RCTA is submitting a project list of \$48,919 in SGR projects for Bus Replacements; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Redwood Coast Transit Authority that the fund recipient agrees to comply with all conditions and requirements set forth in the Certification and Assurances document and applicable statutes, regulations and guidelines for all SGR funded transit projects.

NOW THEREFORE, BE IT FURTHER RESOLVED that the Executive Director be authorized to execute all required documents of the SGR program and any Amendments thereto with the California Department of Transportation.

PASSED AND ADOPTED by the Redwood Coast Transit Authority of the County of Del Norte, State of California, at a regular meeting of said Commission or Board Meeting held on August 26, 2024 by the following vote:

AYES:

NOES:

ABSENT:

WHEREUPON, THE CHAIR DECLARED THE RESOLUTION ADOPTED, AND SO ORDERED.

Joey Borges, Chair, RCTA

Joseph Rye, Secretary

August 26, 2024

MEMO TO: Board of Directors

FROM: Joe Rye, Executive Director

SUBJECT: Acceptance of FY 2022-23 Financial Audit



RECOMMENDATION:

That the Redwood Coast Transit Authority Board of Directors accept the RCTA Financial Audit for the Fiscal Year Ending June 30, 2023.

BACKGROUND:

This item appeared on the June 26th RCTA Board Agenda but due to an issue with security settings on the pdf files, was not included in the online posted agenda packet. The item is re-agendized for acceptance.

The attached subject document is recommended for Board acceptance. This year's audit was performed by Michael O'Connor, who had worked for RJ Ricciardi CPAs for many years before starting his own firm. O'Connor was the successful proposer on a joint RFP procurement for Del Norte Local Transportation Commission (DNLTC) and RCTA, led by DNLTC. While this year's audit is later than usual, the O'Connor team submitted the critical State Controller's Report by its new December 31st reporting deadline. This allows RCTA to remain eligible for various state transit funding.

There were no significant findings again this year.

One item of note was that the cash reserves have finally grown as expected, with the first tranche of CARES pandemic relief funding arriving during the audit period. RCTA's reserves are always "lumpy" in that they rise and fall during the year based on delays in receiving reimbursements and allocations from RCTA's funding partners. The audit pegs RCTA's reserves at \$850,000 as of June 30, 2023. They are likely to grow further in next year's audit as RCTA has received its first large tranche of CARES funds in early 2024. These reserve funds are not truly reserves in the sense of extra money, they are required and used to provide all RCTA's local match and allow for any budget augmentations that may be required due to unexpected expenses during the course of a fiscal year.

This is the first RCTA Annual Audit under the 5-year contract approved by the DNLTC in August 2023. The role and level of effort of the annual fiscal audit has grown over the years, as additional tasks have been required due to changes in the State Controller Report and GASB 87.

ATTACHMENT

1. RCTA Annual Financial Audit for Fiscal Year Ended June 30, 2023

**REDWOOD COAST TRANSIT AUTHORITY
TRANSPORTATION DEVELOPMENT ACT FUNDS**

CRESCENT CITY, CALIFORNIA

ANNUAL FINANCIAL REPORT

JUNE 30, 2023



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INDEPENDENT AUDITORS' REPORT

Board of Directors
Redwood Coast Transit Authority
Crescent City, California

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and the major fund of Redwood Coast Transit Authority as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Redwood Coast Transit Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the major fund of Redwood Coast Transit Authority, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Redwood Coast Transit Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Redwood Coast Transit Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in the United States of America will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

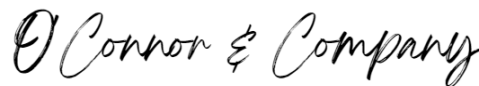
In performing an audit in accordance with generally accepted auditing standards in the United States of America, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Redwood Coast Transit Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Redwood Coast Transit Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



O'Connor & Company

Novato, California
June 20, 2024

Redwood Coast Transit Authority
 Transportation Development Act Funds
MANAGEMENT'S DISCUSSION & ANALYSIS
 June 30, 2023

This section of Redwood Coast Transit Authority's (the Authority's) financial statements presents management's overview and analysis of the financial activities of the Authority for the fiscal year ended June 30, 2023. The Authority is a joint powers authority entered into by the County of Del Norte and the City of Crescent City. The Authority administers transportation programs to the public including local and regional bus routes, specialized transportation services for seniors and disabled, and intercity bus routes that connect to national carriers, Greyhound and Amtrak Thruway.

Introduction to the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the Authority's audited financial statements. This annual report is prepared in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. The required financial statements include the Statement of Net Position - Proprietary Fund; Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Fund; and Statement of Cash Flows - Proprietary Fund.

Statement of Net Position

This statement includes all assets and liabilities using the accrual basis of accounting as of the statement date. The difference between the classifications is represented as "Net Position"; this section of the statement identifies major categories of restrictions on these assets and reflects the overall financial position of the Authority.

Statement of Revenues, Expenses and Changes in Net Position

This statement presents the revenues earned and expenses incurred during the year using the accrual basis of accounting. Under the accrual basis of accounting, all changes in net position are reported as soon as the underlying event occurs, regardless of the timing of the cash flow.

Statement of Cash Flows

This statement reflects the inflows and outflows of cash, summarized by type of activity. The direct method was used to prepare information for the reporting period activities. This means the gross rather than net amounts were presented for the year's activities.

These statements are supported by notes to the financial statements. All sections must be considered together to obtain a complete understanding of the financial picture of the Authority.

Proprietary Fund Analytical Overview

Table 1
Proprietary Fund Net Position on June 30

	2023	2022
Current assets	\$ 922,496	\$ 640,865
Capital assets	1,386,124	1,493,253
Total assets	2,308,620	2,134,118
Current liabilities	302,756	197,905
Long-term liabilities	808,547	836,810
Total liabilities	1,111,303	1,034,715
Net position:		
Net investment in capital assets	549,314	629,136
Restricted	199,964	127,358
Unrestricted	448,039	342,909
Total net position	\$ 1,197,317	\$ 1,099,403

Redwood Coast Transit Authority
Transportation Development Act Funds
MANAGEMENT'S DISCUSSION & ANALYSIS
June 30, 2023

The Authority's cash balance increased partly due to the timing of FTA grant receipts. The Authority's account receivable balance was \$12,500, which is included with the cash balance in current assets. The Authority's net position amounted to \$1,197,317 as of June 30, 2023, a change of \$97,914 from the June 30, 2022 balance. This change in net position is reflected in Table 2, the Statement of Changes in Proprietary Fund Net Position.

The Authority's programs are financed through a combination of passenger fares, federal and state grants, and Local Transportation Funds derived from 1/4 cent of the state sales tax collected per dollar in Del Norte County. Since most state and federal grant funds are received on a reimbursement basis, the Authority may have significant Accounts Receivable at the conclusion of each fiscal year. The reliance on reimbursement of grant funds affects available cash, and could result in a significant Accounts Payable balance.

Table 2
Changes in Proprietary Fund Net Position

	2023	2022
<u>Expenses</u>		
Services and supplies	\$ 2,107,346	\$ 1,718,582
Total expenses	2,107,346	1,718,582
<u>Revenues</u>		
Program revenues:		
Charges for services	107,069	81,680
Government grants	783,285	346,398
Total program revenues	890,354	428,078
General revenues:		
Interest and other income	48,565	10,873
Taxes	1,266,341	1,250,157
Total general revenues	1,314,906	1,261,030
Total revenues	2,205,260	1,689,108
<u>Change in net position</u>	\$ 97,914	\$ (29,474)

As shown in Table 2 above, \$890,354 or 40% of the Authority's 2023 revenue, came from operating revenues which consisted of passenger fares and government grants. \$1,314,906, or 60% of the Authority's 2023 revenue, came from non-operating revenues consisting of sales taxes, gas taxes, local transportation funds, and other revenue.

Government grants increased to \$436,887 in 2023. This change is due to a variety of factors including timing of federal operating assistance grants, and the use of federal capital grants for the purchase of equipment and vehicles.

Capital Assets

GASB Statement No. 34 requires the Authority to record all its capital assets that were not recorded in prior years. Detail on capital assets can be found in Note 3 of the financial statements.

Debt Administration

The Authority does not utilize long-term debt to fund operations or growth. Please refer to note 7 of the financial statements.

Economic Outlook and Major Initiatives

Financial planning is based on specific assumptions from recent trends, State of California economic forecasts and historical growth patterns in the various communities served by the Authority.

Redwood Coast Transit Authority
Transportation Development Act Funds
MANAGEMENT'S DISCUSSION & ANALYSIS
June 30, 2023

Statement of Cash Flows

The Authority cash and cash equivalent at the end of the period is \$891,731, which is synonymous with "reserves" and is used by the Authority to buffer against funding fluctuations and provide the required local match to capital grant funded projects.

In addition, the Authority anticipates receiving an estimated \$400,000 per year in FTA pandemic funds through 2029.

Contacting the Authority's Financial Management

These financial statements are intended to provide citizens, taxpayers, and creditors with a general overview of the Authority's finances. Questions about this Report should be directed to Redwood Coast Transit Authority, c/o TMTP Consulting LLC, 900 Northcrest Drive #134, Crescent City, CA 95531.

Redwood Coast Transit Authority
Transportation Development Act Funds
STATEMENT OF NET POSITION
Public Transit Fund
June 30, 2023

ASSETS

Current assets:

Cash	\$ 891,731
Prepaid items	18,265
Accounts receivable	<u>12,500</u>
Total current assets	<u>922,496</u>

Long-term assets:

Right to use leased asset, net of accumulated amortization	836,810
Capital assets, net of accumulated depreciation	<u>549,314</u>
Total long-term assets	<u>1,386,124</u>

Total assets	<u>2,308,620</u>
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LIABILITIES AND NET POSITION

Current liabilities:

Accounts payable	274,493
Lease payable	<u>28,263</u>
Total current liabilities	<u>302,756</u>

Long-term liabilities:

Lease payable	<u>808,547</u>
Total liabilities	<u>1,111,303</u>

Net Position:

Net investment in capital assets	549,314
Restricted	199,964
Unrestricted	<u>448,039</u>
Total net position	<u>\$ 1,197,317</u>

The accompanying notes are an integral part of these financial statements.

Redwood Coast Transit Authority
Transportation Development Act Funds
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND NET POSITION
Public Transit Fund
For the Fiscal Year Ended June 30, 2023

Operating revenue:	
Fares	\$ 107,069
Total operating revenue	<u>107,069</u>
Operating expenses:	
Purchased transportation	1,464,511
Administrative services and supplies	535,329
Amortization	27,307
Depreciation	<u>79,822</u>
Total operating expenses	<u>2,106,969</u>
Net operating income (loss)	<u>(1,999,900)</u>
Other revenues and (expenses):	
Local Transportation Funds	931,648
State Transit Assistance Funds	265,609
Intergovernmental revenue	783,285
LCTOP	69,084
Other income	43,567
Interest expense	(377)
Interest	<u>4,998</u>
Total other revenues and expenses	<u>2,097,814</u>
Change in net position	97,914
Net position, beginning of period	<u>1,099,403</u>
Net position, end of period	<u>\$ 1,197,317</u>

The accompanying notes are an integral part of these financial statements.

Redwood Coast Transit Authority
Transportation Development Act Funds
STATEMENT OF CASH FLOWS
Public Transit Fund
For the Year Ended June 30, 2023

Cash flows from operating activities:	
Receipts from customers	\$ 368,465
Payments to suppliers	<u>(1,911,981)</u>
Net cash provided (used) by operating activities	<u>(1,543,516)</u>
Cash flows from non-capital financing activities:	
Taxes and aid from other governments	<u>2,093,193</u>
Net cash provided (used) by non-capital financing activities	<u>2,093,193</u>
Cash flows from capital and related financing activities:	
Current lease principal payments	(27,307)
Interest expense	<u>(377)</u>
Net cash provided (used) by capital and related financing activities	<u>(27,684)</u>
Cash flows from investing activities:	
Interest earned	<u>4,998</u>
Net cash provided by investing activities	<u>4,998</u>
Net increase (decrease) in cash and cash equivalents	526,991
Cash and cash equivalents - beginning of period	<u>364,740</u>
Cash and cash equivalents - end of period	<u><u>\$ 891,731</u></u>
Reconciliation of operating income (loss) to net cash provided (used in) operating activities:	
Operating income (loss)	<u>\$ (1,999,900)</u>
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:	
Depreciation	79,822
Amortization expense	27,307
Changes in certain assets and liabilities:	
Prepaid	(16,036)
Accounts receivable	261,396
Accounts payable	<u>103,895</u>
Total adjustments	<u>456,384</u>
Net cash provided (used) by operating activities	<u><u>\$ (1,543,516)</u></u>

The accompanying notes are an integral part of these financial statements.

Redwood Coast Transit Authority
Transportation Development Act Funds
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The financial statements are intended to present the financial position and results of operations of only those transactions attributable to the Transportation Development Act Funds used by the Redwood Coast Transit Authority (the Authority).

This summary of significant accounting policies of the Authority is presented to assist in understanding the financial statements. The financial statements and notes are representations of management, who is responsible for their integrity and objectivity. These accounting policies have been consistently applied in the preparation of financial statements.

The Authority owns buses and related equipment, and contracts with a third party, First Transit, Inc., for the operations of the bus routes in Del Norte County and surrounding areas. The financial statements are intended to present the financial position and results of operations of only those transactions attributable to the Authority. The Authority does not exercise control over any other governmental agency. Criteria used in determining the reporting entity was based on control or dependence determined based on budget adoption, funding, and appointment of the respective governing board.

B. Basis of Presentation

The accounts of the Authority are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and how spending activities are controlled. In the financial statements in this report, the various funds are grouped into two generic fund types and one broad fund category as described below:

Proprietary Funds:

Enterprise Funds (Public Transit Fund) - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

C. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. The basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

All proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when earned and their expenses are recognized when incurred.

Redwood Coast Transit Authority
Transportation Development Act Funds
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Accounting (concluded)

The fixed assets of the Proprietary Fund are recorded on a historical cost basis. Depreciation is provided for on the straight-line method over the remaining useful life of the asset, which ranges from five to forty years. The threshold for capitalizing capital expenses is \$5,000.

Proprietary fund *operating* revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. *Non-operating* revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities. The Authority may fund programs with a combination of cost-reimbursement grants and general revenues. Thus, both restricted and unrestricted net position may be available to finance program expenditures. The Authority's policy is to first apply restricted grant resources to such programs, followed by other revenues if necessary.

D. Use of Estimates

The financial statements have been prepared in conformity with U.S. generally accepted accounting principles and, as such, include amounts based on informed estimates and judgments of management with consideration given to materiality. Actual results could differ from those estimates.

E. Cash and Cash Equivalents

Cash and investments are used in preparing the statement of cash flows because these assets are highly liquid and are expended to liquidate liabilities arising during the year.

F. Fair Value Hierarchy

GASB Statement No. 72, *Fair Value Measurements and Application*, establishes a fair value hierarchy consisting of three broad levels: Level 1 inputs consist of quoted prices (unadjusted) for identical assets and liabilities in active markets that a government can access at the measurement date, Level 2 inputs consist of inputs other than quoted prices that are observable for an asset or liability, either directly or indirectly, that can include quoted prices for similar assets or liabilities in active or inactive markets, or market-corroborated inputs, and Level 3 inputs have the lowest priority and consist of unobservable inputs for an asset or liability. The valuation method used for rental properties is the Leased Fee Market method, which is dependent on the income generated from the rental properties.

The Authority did not have any investments subject to the recurring fair value measurements as of June 30, 2023

G. Contingencies

The Authority receives revenue from Federal, State and Local agencies that have requirements to be followed when expending these revenues. If the requirements are not followed, the unauthorized expenditure would be a liability to be refunded to the appropriate agency. Although that is a possibility, management currently deems the contingency remote based upon their knowledge of the objectives of the grantors and the provisions of the grants. Accordingly, no amount has been accrued as a contingent liability in the accompanying financial statements.

Redwood Coast Transit Authority
Transportation Development Act Funds
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

H. Leases

At the commencement of a lease, the Authority initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the Authority determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Authority uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Authority generally uses its estimated incremental borrowing rate as the discount rate for leases. If the District does not have an incremental borrowing rate the Authority uses the risk free 52-week treasury bill rate.
- The lease term includes the non-cancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Authority is reasonably certain to exercise.

The Authority monitors changes in circumstances that would require a remeasurement of its lease and will remeasure any lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported as right to use along with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

I. Net Position

In the financial statements, fund net position is reported in three categories as follows:

- Net investment in capital assets - This category of net position reports the net book value of capital assets used in Authority operations including construction in progress all net of related accumulated depreciation and reduced by the carrying value of related long-term debt issued to finance the acquisition of such assets.
- Restricted for debt service and capital projects - This category of net position reports all unspent proceeds from the issuance of long-term debt restricted for capital asset improvement, replacement, or construction net of the related long-term debt. It also includes funds restricted for debt service payment and reserve requirements.
- Unrestricted - Unrestricted net position represents all other assets net of related liabilities available for use by the Authority.

Net Position Flow Assumption - Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. To calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are applied. It is the government's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

Redwood Coast Transit Authority
Transportation Development Act Funds
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE 2 - CASH & INVESTMENTS

The Treasurer of Del Norte County (the County) is responsible for maintaining the cash and investment pool. The total cash deposited with the County was \$891,731 as of June 30, 2023.

Credit Risk, Carrying Amount and Market Value of Investments:

The Authority maintains specific cash deposits with the County and involuntarily participates in the external investment pool of the County. The County is restricted by state code in the types of investments it can make. Furthermore, the County Treasurer has a written investment policy, approved by the Board of Supervisors, which is more restrictive than the state code as to terms of maturity and type of investment. Also, the County has an investment committee that performs regulatory oversight for its pool as required by California Government Code Section 27134.

The County's investment policy authorizes the County to invest in obligations of the U.S. Treasury, its agencies and instrumentalities, certificates of deposit, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, bankers' acceptances, repurchase agreements, and the State Treasurer's investment pool. At June 30, 2023, the Authority's cash with the County Treasurer is stated at fair value. However, the value of the pool shares in the County that may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the Authority's position in the pool.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for deposits and investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

The California Government Code requires California banks and savings and loan associations to secure an entity's deposits by pledging government securities with a value of 110% of an entity's deposits. California law also allows financial institutions to secure entity deposits by pledging first trust deed mortgage notes having a value of 150% of an entity's total deposits. The entity's Treasurer may waive the collateral requirement for deposits which are fully insured up to \$250,000 by the FDIC. The collateral for deposits in federal and state-chartered banks is held in safekeeping by an authorized agent of depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an agent of depository. These securities are physically held in an undivided pool for all California public agency depositors.

NOTE 3 - FIXED ASSETS

A summary of changes in fixed assets of the Proprietary Fund is as follows:

	Balance 6/30/22	Additions	Deletions	Balance 6/30/23
Vehicles	\$ 1,772,570	\$ -	\$ -	\$ 1,772,570
Buildings	1,032,198	-	-	1,032,198
Subtotal	2,804,768	-	-	2,804,768
Less accumulated depreciation	(2,175,632)	(79,822)	-	(2,255,454)
Total fixed assets	<u>\$ 629,136</u>	<u>\$ (79,822)</u>	<u>\$ -</u>	<u>\$ 549,314</u>

Redwood Coast Transit Authority
Transportation Development Act Funds
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE 3 - FIXED ASSETS (concluded)

Depreciation was \$79,822 for the year ended June 30, 2023. Depreciation was calculated using the straight-line method over the useful life of the asset. The useful lives of the assets range from five to ten years.

<u>Right To Use Asset</u>	Balance 7/1/22	Additions	Deletions	Balance 6/30/23
Right to use land space	\$ 890,501	\$ -	\$ -	\$ 890,501
Less accumulated amortization	(26,384)	(27,307)	-	(53,961)
Total net Right To Use Asset	<u>\$ 864,117</u>	<u>\$ (27,307)</u>	<u>\$ -</u>	<u>\$ 836,810</u>

NOTE 4 - FARE REVENUE RATIO

The Authority is required under the Transportation Development Act to maintain a fare revenue to operating expenses ratio of 10%. Governor Newsom signed AB 149 into law on July 16, 2021, which suspends the Fare Box Recovery Ration requirements through June 30, 2023. The calculation of the fare revenue ratio for the year ending June 30, 2023 is as follows:

Fare revenues	\$ 107,069
Total	<u>\$ 107,069</u>
Operating expenses	\$ 2,106,969
Less: Depreciation	(79,822)
Amortization	(27,307)
Capital outlay	-
Exempted services	-
Total	<u>\$ 1,999,840</u>
Fare revenue ratio	<u>5%</u>

The Authority has not met the required farebox revenue ratio. In response to the COVID-19 pandemic crisis, relief measures have been put in place for transit agencies statewide. The following TDA regulations have been temporarily eliminated and noted for reference purposes only. The TDA regulations allow a grace year for the first year an operator does not meet the required farebox revenue ratio. The second year the ratio is not met is the noncompliance year. Failure to meet the ratio during these two years does not result in any penalties to the Authority. However, if the Authority does not meet the required ratio for a third year (determination year) the Authority would be subjected to reduced funding in the fourth year (penalty year). Funding for the fourth year would be reduced by the difference between the required 10 percent farebox ratio revenue amount and the actual farebox revenues received, per Section 6633.9 of the TDA. The amount of reduced TDA funding, if any, cannot be determined at this time.

NOTE 5 - RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disasters. The Authority engages contractors for its operations and management services and requires all these contractors to provide commercial insurance covering such risks of loss.

Redwood Coast Transit Authority
Transportation Development Act Funds
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE 6 - CONCENTRATIONS

The Authority receives a substantial amount of its support from Transportation Development Act funding as well as Federal Transit Administration Grants. A reduction in the level of support may have a significant effect on the Authority's activities.

NOTE 7 - LONG-TERM OBLIGATIONS

A. Long-Term Obligation Activity

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the year ended June 30, 2023, are as follows:

	Beginning	Additions	Retirements	Balance	Due in one Year
Leases payable	\$ -	\$ 864,117	\$ 27,307	\$ 836,810	\$ 28,263

NOTE 8 - LEASES

The Authority leases ground space with the State of California located on the Del Norte County Fair Grounds through February 28, 2024. The lease has an option for an additional 20 years through February 28, 2044, which the Authority intends to execute. The Authority uses the estimated incremental borrowing rate of 3%. The Authority has recorded a right to use asset with a net book value of \$836,810 at June 30, 2023. Future minimum payments required under the above lease are as follows:

Year End June 30	Principal	Interest	Total
2024	\$ 28,263	\$ 390	\$ 28,653
2025	29,249	403	29,652
2026	30,278	418	30,696
2027	31,332	432	31,764
2028	32,433	447	32,880
2029	33,557	463	34,020
2030	34,741	479	35,220
2031	35,948	496	36,444
2032	37,203	513	37,716
2033	38,505	531	39,036
2034	39,854	550	40,404
2035	41,251	569	41,820
2036	42,695	589	43,284
2037	44,187	609	44,796
2038	45,737	631	46,368
2039	47,347	653	48,000
2040	49,004	676	49,680
2041	50,721	699	51,420
2042	52,496	724	53,220
2043	54,331	749	55,080
2044	37,678	330	38,008
Totals	\$ 836,810	\$ 11,351	\$ 848,161

NOTE 9 - SUBSEQUENT EVENTS

In preparing these financial statements, the Authority has evaluated events and transactions for potential recognition or disclosure through the date the financial statements were available to be issued.

REDWOOD COAST TRANSIT AUTHORITY

BOARD & MANAGEMENT REPORT

**For the Year Ended
JUNE 30, 2023**

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Board of Directors
Redwood Coast Transit Authority
Crescent City, California

In planning and performing our audit of the basic financial statements of Redwood Coast Transit Authority for the fiscal year ended June 30, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered its internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the basic financial statements but not for the purpose of expressing an opinion on the effectiveness of its internal control. Accordingly, we do not express an opinion on the effectiveness of Redwood Coast Transit Authority's internal control.

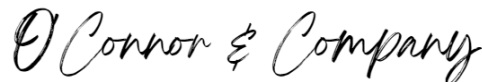
A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the organization's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

During our audit, we noted certain matters involving internal controls and other operational matters that are presented for your consideration in this report. We will review the status of these comments during our next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are not intended to be all-inclusive, but rather represent those matters that we considered worthy of your consideration. Our comments and recommendations are submitted as constructive suggestions to assist you in strengthening controls and procedures; they are not intended to reflect on the honesty or integrity of any employee. We will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist Redwood Coast Transit Authority in implementing the recommendations.

This report is intended solely for the information and use of the Board of Directors and management of the Redwood Coast Transit Authority and others within the organization, and is not intended to be, and should not be, used by anyone other than these specified parties.

We thank Redwood Coast Transit Authority's staff for its cooperation during our audit.



O'Connor & Company

San Rafael, California
June 20, 2024

Board of Directors
Redwood Coast Transit Authority
Crescent City, California

We have audited the basic financial statements of Redwood Coast Transit Authority for the year ended June 30, 2023. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated June 26, 2023, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement and are fairly presented in accordance with U.S. generally accepted accounting principles. Because an audit is designed to provide reasonable, but not absolute assurance and because we did not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us.

As part of our audit, we considered the internal control of Redwood Coast Transit Authority. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by Redwood Coast Transit Authority are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the year. We noted no transactions entered by Redwood Coast Transit Authority during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

The following pronouncements became effective, but did not have a material effect on the financial statements:

GASB 91 – Conduit Debt Obligations

GASB 94 – Public-Private and Public-Public and Availability Payment Arrangements

GASB 93 – Omnibus 2022, paragraphs 11-25

Accounting estimates are an integral part of the basic financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the basic financial statements and because of the possibility that future events affecting them may differ significantly from those expected. We evaluated the key factors and assumptions used to develop the accounting estimates in determining that they are reasonable in relation to the basic financial statements taken as a whole. The most sensitive estimates affecting the basic financial statements were:

- Capital asset lives and depreciation expense.
- Fair value of investments and financial instruments.
- Accrual and disclosure of leases.

We identified the following significant risk(s) of material misstatement as part of our audit planning: management override of controls, improper revenue recognition, and unallowable and fraudulent expenses.

Disclosures

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. Of the 8 audit adjustments detected because of audit procedures and corrected by management most were material, either individually or in aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 20, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, like obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Redwood Coast Transit Authority's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Redwood Coast Transit Authority's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Management's Discussion and Analysis, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This report is intended solely for the information and use of the Board of Directors and management of the Redwood Coast Transit Authority and others within the organization, and is not intended to be, and should not be, used by anyone other than these specified parties.

Redwood Coast Transit Authority
BOARD & MANAGEMENT REPORT
For the Year Ended June 30, 2023

Current Year Observations

There are no current year observations.

Prior Year Observations

1. Lease Capitalization Policy

Observation:

As discussed in Notes 1H and 8 to the financial statements, Redwood Coast Transit Authority (the Authority) implemented Governmental Accounting Standards Board Statement No. 87, *Leases*, which became effective for the year ended June 30, 2022, and had material effects on the financial statements. This new standard requires leases to be capitalized as intangible assets. In compliance with the new accounting statement the Authority should consider formalizing a capitalization policy for leases similar to their capitalization policy for capital assets.

Recommendation:

We recommended the Authority consider formalizing a capitalization policy for leases over \$30,000.

Status:

This recommendation has not been implemented.



2024 CTSA Status Report

Consolidated Transportation Services Agency (CTSA)
Annual Report on Redwood Coast Transit CTSA Activities

▶ Introduction

- ▶ 1. What is a CTSA and what do they do?
- ▶ 2. Description and Evaluation of CTSA services currently provided by RCT?
- ▶ 3. What are potential future CTSA services RCT could provide?
- ▶ 4. Recommendations for FY 24-25 and beyond



What is a CTSA?

- ▶ California Legislation passed AB 120 in 1979 to support social service transportation to supplement public transit
- ▶ Up to 5% of Transportation Development Act (TDA) could be used for CTSA projects, including transportation for seniors, people with disabilities, veterans, and low-income residents
- ▶ CTSAs encourage coordination and avoid duplication of services by providing information about local transportation options to social service agencies
- ▶ CTSA's support social service agency transportation through assistance with vehicle maintenance, driver training, alcohol and drug testing service, vehicle acquisition, and preparation for CHP inspections.



RCT's Current CTSA Services

- ▶ Mobility Training for RCT fixed route services
- ▶ Eligibility Screening for RCT ADA Paratransit (Dial-a-Ride)
- ▶ Call Center phone service to share information about all available transportation options
- ▶ South Oregon Medical Shuttle



Evaluating Current CTSA Services

- ▶ Transit Travel (Mobility) Training launched in January 2020, crippled by COVID, and slow to develop since. Transdev is the lead entity developing multiple recurring group meetings/speaking engagements then conduct 1-1 and group trainings

Program model has RCT paying Transdev staff \$525/month to perform this service, plus minor clerical support for DAR ADA Eligibility Process

Program struggling due to workload issues at Transdev. Transdev conducted 3 small group sessions at request of DNUSD, 1 group event at Senior Center, and 1-2 individual training assessment referrals from the ADA Eligibility program.

Success requires aggressive seeking out and scheduling of speaking and outreach opportunities, Transdev good at teaching folks how to ride, but may need support in arranging events and recurring speaking engagements, such as existing meetings of social service groups, senior center, senior apartments

Should RCT negotiate to reduce or remove this duty from the Transdev contract and outsource elsewhere? \$6000/year should be enough to contract with a local individual (ideally) or company to take this on?

Need time and energy to build network of contacts and meetings, then work with RCT and Transdev to develop knowledge of RCT services.



Evaluating Current CTSA Services

- ▶ Eligibility Screening for RCT ADA Paratransit (Dial-a-Ride), launched January 2020, slowed by COVID. Volume of applications out of RCT control, but have been very low: 28 total, half of those in 2020

RCT provides paper applications (online pdfs) that applicants fill out and submit. Transdev staff enter information off paper application into GetGoing software, then scan the application into a pdf and notify Executive Director (ED) of new application.

RCT ED evaluates application and conducts phone interviews when necessary. Transdev mails out determination letter (created by ED) and arranges transportation to issue ID card.

Compelling DAR users that were in the system pre-COVID to be evaluated would provide a *temporary boost in applications* but also in complaints.

Plans were always to compel existing DAR users through the process, but DAR usage has been so low since COVID hit that this has been a low priority, as the DAR activity budget impacts have been low

Could save money in future by finding another software system or switching to Access or an off the shelf database, as GetGoing is \$5000/year and RCT doesn't fully utilize all its features?

Is the Board interested in compelling existing users to certify?



Evaluating Current CTSA Services

▶ South Oregon Medical Shuttle-Route 20 Eureka Medical Loop (2023)

The Eureka medical loop is a clockwise loop of Route 20 through Eureka with stops at both hospitals and the VA clinic, in addition to the 3rd and H Eureka Transit Center. The loop is popular with passengers. Ridership numbers are unavailable at the bus stop level, but anecdotally most trips have some ridership.

The South Oregon Medical Shuttle is a twice-weekly demand response service running on Tuesdays and Thursdays and requires at least two reservations in order to make the trip. Trips are booked in advance. Service began in early 2024 after wildfire delays on 199 became manageable, but ridership has been slow to pick up. Riders can be picked up anywhere in the Crescent City area and trips leave CC in the AM, returning in the late afternoon. Marketing has been aggressive, targeted to local referring physician's offices, radio, and the website, but so far only limited traction.

31 total rides in 2024, with highest ridership in July with 6 riders. Each trip costs RCT ~\$300 to provide, hence the requirement of at least two round-trip fares ($\$24 \times 2 = \48) to make the trip farebox viable. Project under budget since RCT endures no cost on the days without ride requests.

▶ Call Center phone service

Launched in 2023 with new phone number, calls come into main RCTA Dispatch office just like old RCTA phone number. Same people answer, but now they have a binder of updated transportation information and a script to follow to help callers find the best options out of all available transportation services.

Keeping the binder current and being used by busy dispatchers is a challenge, but overall good so far.

Potential New CTSA Services for RCT

- ▶ Develop an online guide to all transportation services in Del Norte County
- ▶ Develop online resources for driver training, vehicle maintenance, drug test programs, vehicle acquisition, and CHP Terminal Inspections to share
- ▶ Actively promote collaboration and coordination of transportation between social service agencies, private operators, and tribal transportation services by leading 2-3 well-attended transport coordination meetings per year
- ▶ Add CTSA page to the RCT Website to contain and update online resources

Possible Future CTSA Projects - Require Further Planning in FY 24-25

- ▶ Brand a RCT Senior Shuttle with door-to-door service for residents 65 years and older who are not ADA-eligible. Provide this service at a reduced rate, higher than ADA Dial-a-Ride (DAR) but less than general public DAR fares.
- ▶ Promote Non-emergency transportation through Medi-Cal

FY 2024-25 CTSA Recommendations

- Start the 2-3 collaboration forums per year with social service & partner transportation agencies. These will supplement annual DNLTC Unmet Transit Needs forum to escalate sharing of transportation information (September 2024)
- Create new CTSA page on the RCT website (November 2024)
- Add to new CTSA webpage online resources for agencies on driver training, vehicle maintenance, drug testing, and CHP terminal inspection. (January 2025)
- Publish online Del Norte Transportation Guide on CTSA webpage. Update quarterly after collaboration forums. Include information about Non-emergency transportation options through Medi-Cal (November 2024)
- Increase outreach for existing programs (medical shuttle, travel training) (ongoing 2024-25)
- *Perform Planning Tasks for possible future implementation*

FY 2024-25 CTSA Planning Projects

- Develop Senior Shuttle concept plan document to present to Board, evaluate CTSA financial capacity, both with and without South Oregon Shuttle scenarios. This service would fill in a gap in transportation service by providing limited (discount fare) general public demand response service to non-ADA seniors (April 2025).
- Collect data on Del Norte NEMT (non-emergency medical transport) activity and identify gaps in service for presentation to the Board. Consider potential RCT involvement in the future (begin Sept. 2024)
- All planning will be done in-house using existing RCTA admin contract hours, limiting the volume of work to be undertaken

CTSA Road Forward - Long Range Vision

- ▶ Work to expand the mobility training by holding classes out in the community
- ▶ Encourage social service agencies to share their transportation resources for rides that cannot be provided by public transportation
- ▶ Support senior and veteran transportation with lower fares on demand response service (to the extent CTSA funding allows)
- ▶ Provide educational resources to improve social service agency services
- ▶ Review the CTSA progress each year and establish new goals
- ▶ Many CTSA projects won't fit well into RCT model due to private contractor providing insurance and employees (liability concerns) & shaping policy



Questions?

- ▶ Mark T. Shaffer - RCTA Grants & CTSA Specialist
- ▶ shafmt@aol.com
- ▶ (805) 441-0851



Redwood Coast Transit Authority 2023-24 System Performance Report

Crescent City "Local" Fixed Routes 1 – 4, 300
Smith River-Arcata Intercity Route 20
Gasquet - Hiouchi Intercity Route 199
Dial-A-Ride & CEC Airport Shuttle
CTSA Southern Oregon Medical Shuttle

Prepared by:

RCA Administration
TMTP Consulting/Herron Consultants
900 Northcrest Drive #134
Crescent City, CA 95531
August 26, 2024

System Performance Summary

A system performance summary follows. This is followed by a summary of each service component including a service description, performance measure data, and a brief analysis of the FY 2023-24 statistics and changes to the route/service during the year.

Impacts of the COVID-19 pandemic and lockdown, including travel restrictions and masking requirements were relaxed in general starting in FY 2021-22, and non-existent by FY 2023-24. However, ridership has stubbornly been slow to recover, with FY 2023-24 still below historic levels. On the positive side, FY 2023-24 saw a continued escalation in ridership recovery that RCTA hopes is indicative of society moving past the fears of the pandemic and more towards a "normal" level of travel activity.

Some of the challenges that bedevil transit ridership recovery across the nation apply to RCT ridership, while others do not. RCT receives informal feedback from the community that the homelessness epidemic and sense of general lawlessness that impacts most of the United States, including Crescent City, is a factor that deters comfortable usage of the transit system. However, the remote working trend that emerged during the pandemic and still exists to some extent today in many urban areas has little impact on RCT ridership, as few traditional commuters have ever utilized RCT services due to the usual factors (lack of congestion, free parking, etc.).

RCTA Agency Overview

RCTA or RCT for short is a joint powers authority created by Del Norte County and the City of Crescent City to provide public transit services in Del Norte County. The agency launched in 2004, entering into a ground lease with the Del Norte County Fairgrounds and constructing a metal building to house daily operations and maintenance. RCTA expanded from providing local transit routes and Dial-a-Ride (DAR) by creating Route 20 to replace service lost when Greyhound shortened its North Coast route and truncated service in Arcata. RCT uses a unique remote contracted managerial model that originated with the consultant hired to setup the service early in the millennium. The contract Administrators act as the Executive Director for the agency and are responsible for managing the operations and maintenance contract, procurements, Board of Directors support, planning and marketing. Operations and maintenance services are supplied by a private contractor, currently Transdev, Inc., which acquired First Transit in 2023. First Transit had held the RCT contract since the system began, when First Transit acquired Davey Transportation in the mid-2000s.

REDWOOD COAST TRANSIT AUTHORITY

SYSTEM OVERVIEW

The Redwood Coast Transit system provides a variety of services to respond to the needs of Del Norte County. Redwood Coast Transit has evolved its service over time seeking to test various markets and meet as many travel needs as possible.

Local bus routes (1-4) provide inexpensive and convenient clockface Monday-Saturday service in Del Norte County's only incorporated city, Crescent City, and contiguous unincorporated areas.

Dial-A-Ride offers separate ADA complementary paratransit service for both elderly and certified disabled passengers, plus the general public (above and beyond ADA, at a higher fare) in the Crescent City area (a service area that includes the City and populated areas just outside City limits).

Intercity and regional routes and schedules offer travel opportunities within the county and to intercity destinations. RCTA has historically provided a fairly high level of intercity/regional service, even though its regional ridership is naturally lower, requiring a higher subsidy. RCT Route 20 is now a part of a regional partnership tentatively called the North Coast Express (NCX), where passengers enjoy timed connections with the local transit providers along the US 101 Corridor between Smith River and Santa Rosa. Not all Route 20 trips are part of the partnership. RCT currently operates the northernmost segment of the NCX under the flag of Route 20, with an AM southbound and PM northbound trip. The NCX currently offers one trip each direction each day, hopefully expanding in the future as funding allows. RCT Route 20 operates 3-5 round trips per day in the summer, and 2-5 in the winter months, within which the NCX trips are delivered. RCT extended Route 20 to Eureka to improve connections with NCX as well as create a loop to provide direct, single-seat service to Eureka medical facilities

RCTA resumed its Route 300 school tripper route in FY 2022-23 and is pleased that the momentum of growing student ridership that RCTA had experienced prior to the pandemic has finally returned. Route 300 enjoyed its best year ever in FY 2023-24, powered by strong ridership at Crescent Elk Middle School, as well as Del Norte High School.

What's New?

RCT added general public Dial-a-Ride (DAR) service to/from the CEC airport to its Dial-a-Ride services in September 2023. This service has a convenient pick-up and drop-off location at the CEC passenger terminal and requires advance reservations. Fares are the same as RCT general public DAR, \$5 per person and a special, larger service area was adopted for the CEC Airport Shuttle.

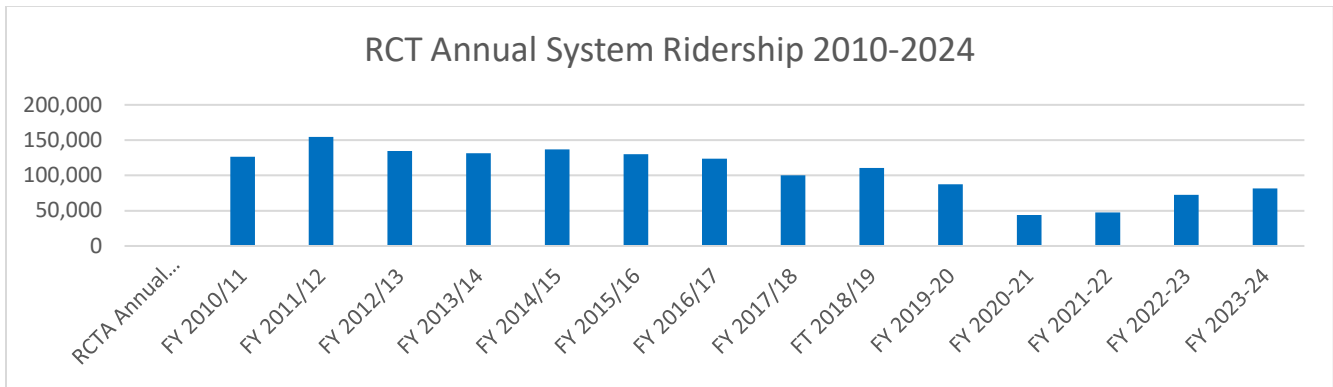
RCTA reduced its services slightly on its regional routes (20 and 199) for the first time in FY 2023-24. This "off-season" schedule allows RCT to save money and match the lower regional travel demand during Del Norte's rainy winter season with slightly lower service levels. This allows RCT to run its full base services from Memorial Day through the end of September when travel demand is at its highest. Following this discussion, the individual component services are reviewed.

Under its CTSA program, RCT launched the Southern Oregon Medical Shuttle in fall of 2023. After a slow start due to wildfire impacts on US 199, the twice-weekly demand response service gained traction.

SYSTEM PERFORMANCE

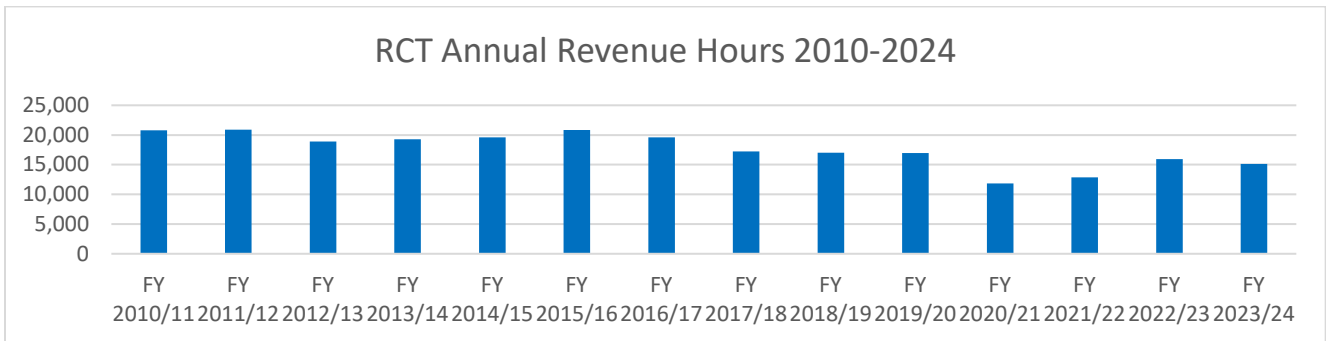
Ridership

A decline in Redwood Coast Transit system ridership began in 2012 with lower fuel prices combining with competition from the launch of the Yurok Tribal Transit System in 2013, and its expansion in 2015. After a slight ridership recovery in FY 2018-19, ridership plummeted with COVID-19 in late FY 2019-20. Fiscal Year 2023-24 continued a ridership recovery trend from the stunted pandemic-marred ridership of FY 2021-22. FY 2023-24 system ridership grew 12.5% compared with FY 2022-23. RCT ridership has now partially recovered from the pandemic, sitting at 6.99% below FY 2018-19, the last non-COVID impacted fiscal year.



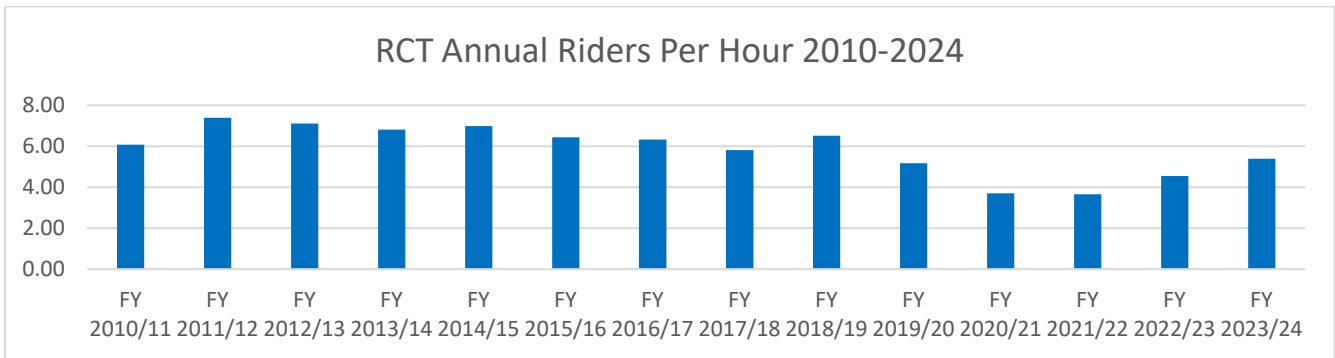
Service Levels

After peaking in FY 2011-12, RCTA service levels remained fairly steady for several years, and began to drop slightly in response to funding capacity issues (fuel prices) in 2017-18, then dropped further with the COVID-19 pandemic cuts of FY 2019-20 and FY 2020-21. Notable is that during those early years of 20,000+ annual revenue hours, RCTA was unable to address its capital project needs or its contractor labor force wages, as most positions hovered near minimum wage. RCTA perhaps should have been providing less revenue hours all along, and investing more in its fleet, facilities, and work force. Service levels in FY 2023-24 were 5.1% less than FY 2022-23, as RCTA introduced its lower service levels on regional routes for the first time. RCTA ran its new maximum Summer Schedule June-September.



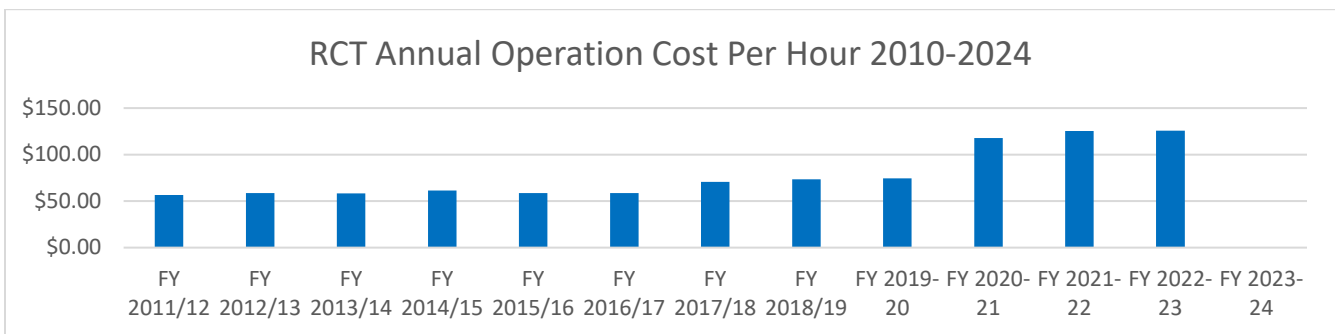
Comparing these two charts, it's clear that both service hours provided and ridership peaked in FY 2011-12, after the economic recovery from the Great Recession and prior to the launch of the YTTS service. The key productivity performance measure, Passengers per Vehicle Revenue Hour, see table below,

rebounded back towards its historic range in FY 2023-24, although regional services continue to struggle with productivity even as they consume nearly half of RCTA’s annual revenue hours.



RCT has had to increase investment in its contract labor force in recent years, in particular to retain employees during the pandemic. These wage increases lifted drivers and dispatchers from near minimum wage to an average of around \$20/hour. In addition, salaries for mechanics and operations management have nearly doubled in order to retain key personnel during a period of significant inflation. RCT added two key positions in recent years, a utility position to wash and fuel buses, and a shop technician to provide a second maintenance employee to aid in maintaining an aging fleet.

Adding to these cost escalation drivers has been stubbornly high fuel costs, although RCT did experience some relief from the sky high fuel costs of FY 2023-23 during FY 2023-24. The chart below shows RCTA’s cost per revenue hour of service, which divides the entire operating budget by the number of revenue hours of service provided.



SYSTEM PERFORMANCE MEASURE ACTIVITY REPORT

The following matrix compares a 3-year trend of data for RCT system performance measure 2021-22 through FY 2023-24. In general, FY 2023-24 was a strong year with ridership recovering across all modes. In FY 2023-24 overall ridership increased 12.5%, and productivity increased 22%. RCTA implemented its new full Summer Schedule with reduced regional schedules in the October through May time period. This new "off-season" reduced schedule led to a decrease of 5.1% of revenue hours. The higher RCTA labor costs enacted during the pandemic, along with high fuel costs and additional costs associated with modern technology to improve the passenger experience put upward pressure on RCTA's cost per hour metrics.

Systemwide Performance - Three Year Trends						
Performance Measure	2021/22 Total	% Annual Change	2022/23 Total	% Annual Change	2023/24 Total	% Annual Change
Operating Cost	\$ 1,612,000	12%	\$ 1,984,892	23%	\$ -	-100%
Operating Cost Per Passenger	\$ 34.25	4%	\$ 27.43	-20%	\$ -	-100%
Operating Cost Per Vehicle Revenue Hour	\$ 125.47	3%	\$ 124.64	-1%	\$ -	-100%
Total Passengers	47,702	7%	72,351	52%	81,407	13%
Passengers Per Vehicle Revenue Hour	3.66	-1%	4.54	24%	5.39	19%
Passengers Per Vehicle Revenue Mile	0.17	-6%	0.20	12%	0.24	22%
Vehicle Revenue Service Hours	12,848	8%	15,925	24%	15,113	-5%
Vehicle Revenue Service Miles	269,368	14%	370,723	38%	341,793	-8%
Farebox Revenue	\$ 91,679	25%	\$ 128,901	41%	\$ -	-100%
Farebox Revenue as a Percent of Operating Cost	5.7%	12%	6.5%	14%	#DIV/0!	#DIV/0!

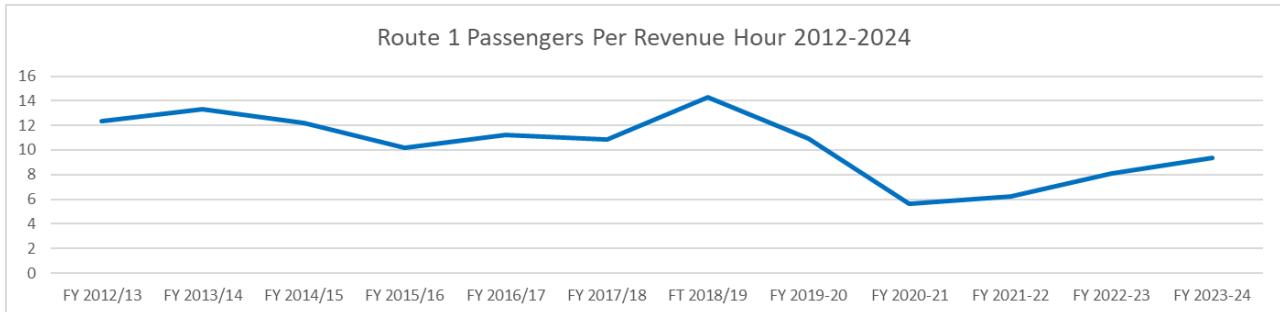
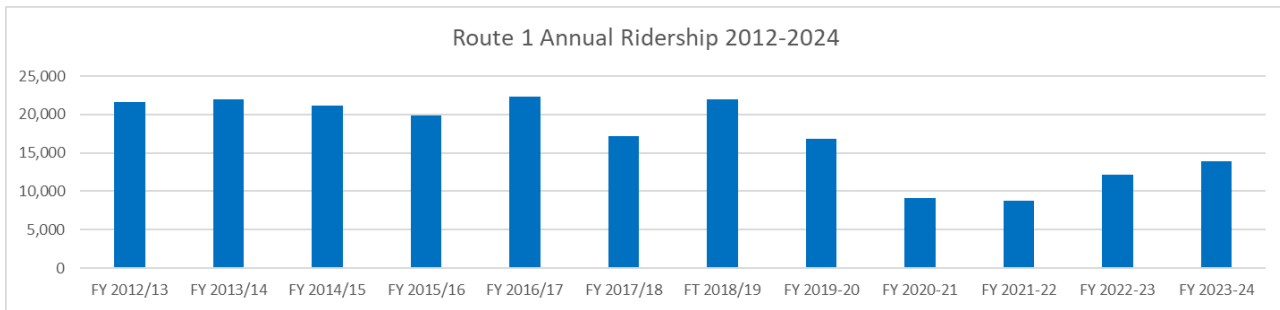
REDWOOD COAST TRANSIT

ROUTE PROFILES

The Crescent City Fixed Routes cover the Crescent City/Del Norte urban area using two buses that "interline" to provide four routes each running once hourly on weekdays, plus a 3rd bus at school bell times schooldays only (Route 300). Saturday service operates with one bus alternating between Routes 2 and 4. For most of FY 2023-24 the CC Locals ran 7 a.m. to 6 p.m. and 8am to 5pm on Saturdays.

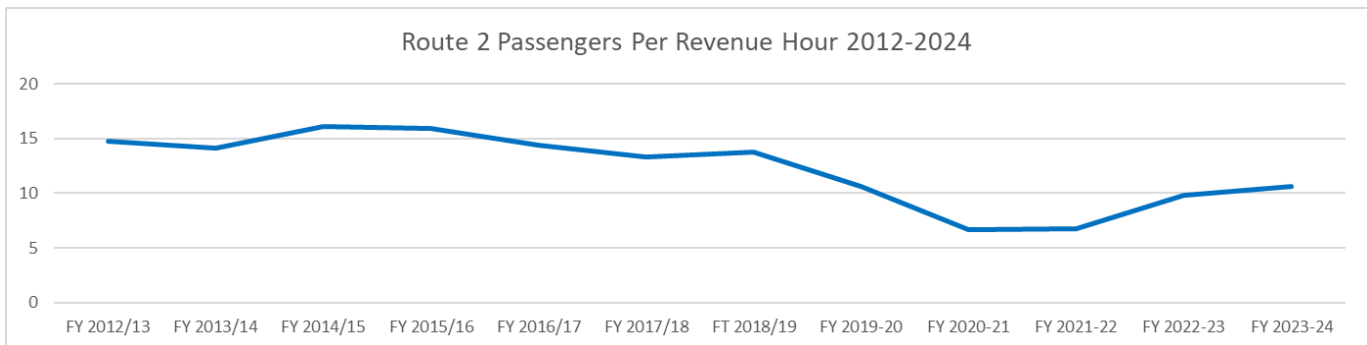
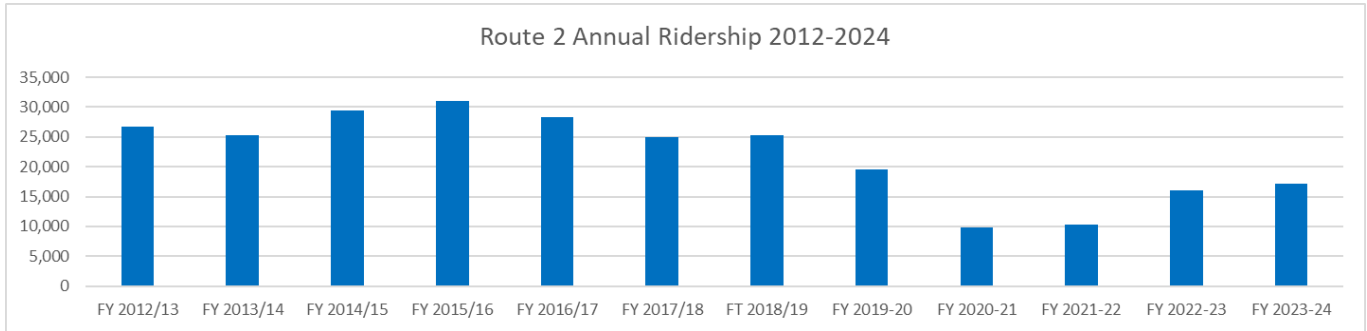
Route 1 – Parkway – El Dorado

Route 1 – Parkway-El Dorado operates in a counter-clockwise direction beginning at the Cultural Center and operating along US 101 after a stop on 5th at Safeway, then Parkway Drive, Washington, into Wal-Mart and Summer Lane Apts, then to CR/DNHS via Northcrest, Harding, and Glenn Streets. Route 1 returns to the Cultural Center via El Dorado, Pacific, and H Streets. Route 1 operates M-F and is interlined with Route 3 all day. Route 1 enjoyed a 13.7% increase in ridership in FY 2023-24 with an increase of 15.6% in per-hour productivity.



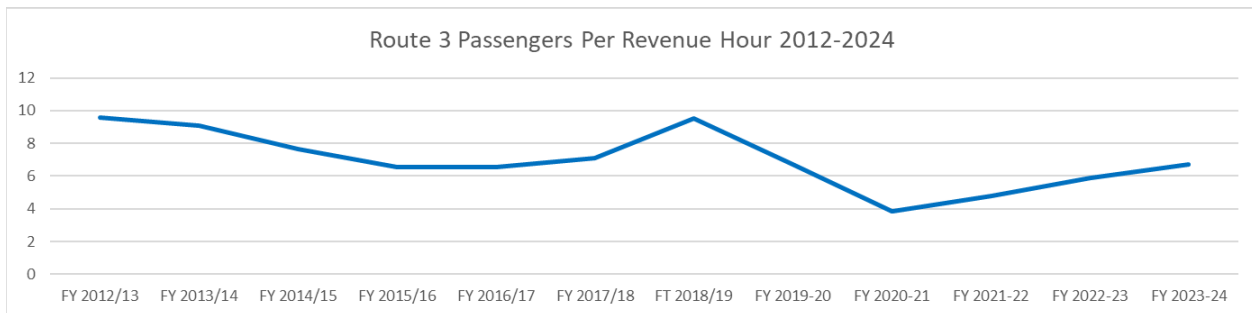
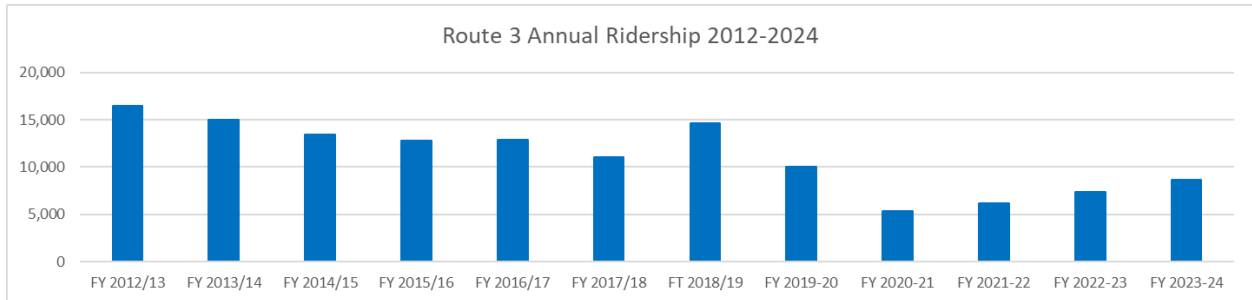
ROUTE 2 INYO-WASHINGTON

Route 2: Inyo – Washington operates in a clockwise direction beginning at the Cultural Center and traveling primarily along 3rd and 2nd Streets westerly to A Street, Inyo, Washington, and then returning to the Cultural Center via US 101. Key destinations include DNHS/CR, Wellness Center, and Wal-Mart. Route 2 operates M-Sat. Route 2 ridership increased 6.7% in 2023-24 while productivity increased 8.3%.



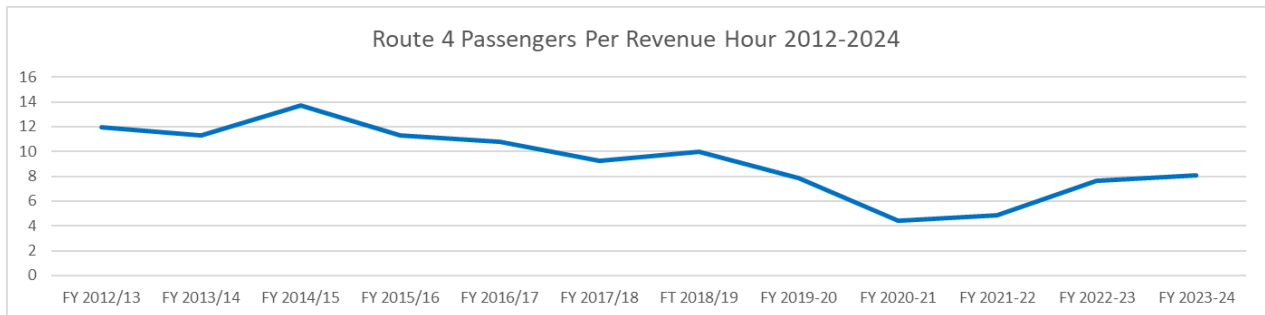
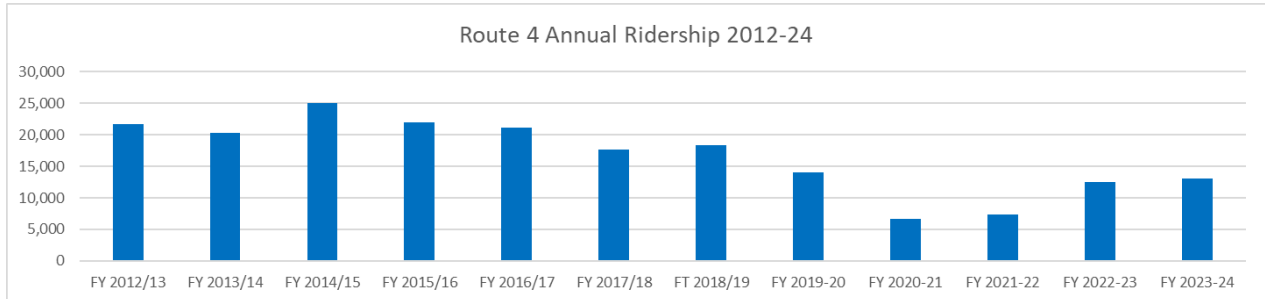
ROUTE 3: NORTHCREST

Route 3: Northcrest provides service along U.S. 101 and Northcrest Drive from the Cultural Center to Standard Veneer Road, with key stops at the Del Norte Senior Center and the Oregon Senior Apartments. Route 3 runs hourly and is “interlined” with Route 1, operating M-Fri. Route 3 enjoyed an increase of 17.7% in ridership and 14.1% in productivity in FY 2023-24, but still lags behind the other 3 Crescent City local routes in productivity. The route lacks major trip generators such as schools and shopping but provides the lone north/south route in Crescent City and shares many stops with Route 20.



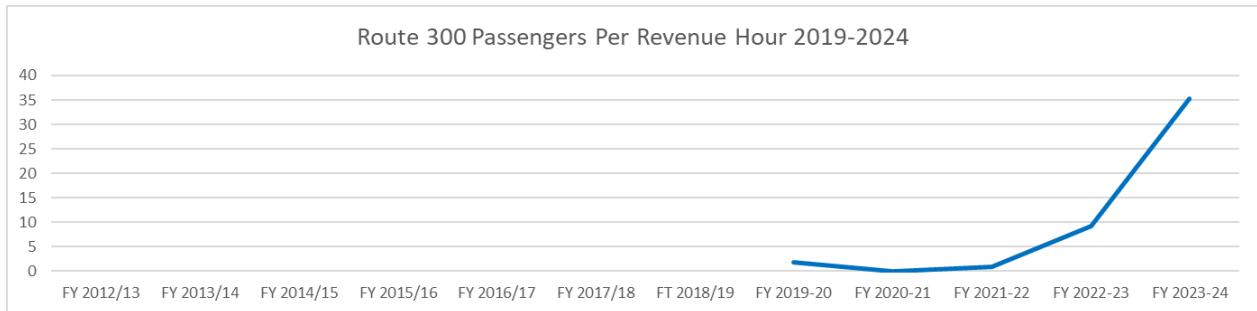
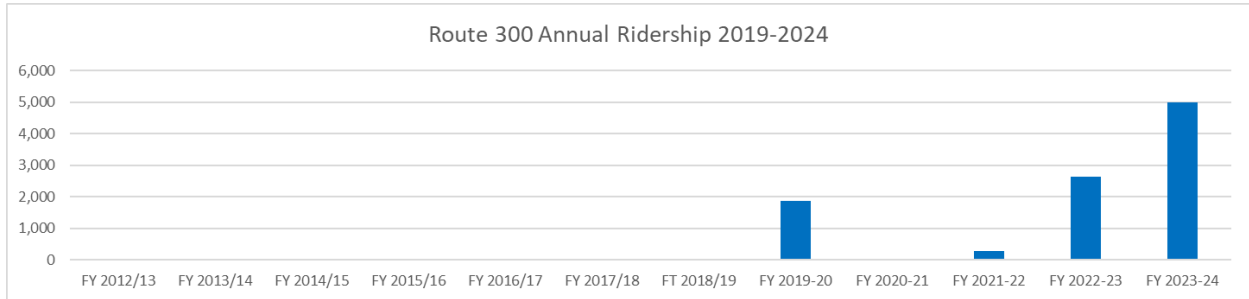
ROUTE 4: BERTSCH – HOWLAND HILL

Route 4 begins at the Cultural Center and travels in a counter-clockwise loop along U.S. 101, Sandmine, Humboldt, Howland Hill, and Elk Valley roads. The route deviates into the new Elk Valley Casino with a stop near the front of the facility. The one-way loop nature of the route makes it difficult to utilize, especially along the busy US 101 corridor south of Elk Valley Road. Route 4 ridership in FY 2023-24 increased by 4%, and its productivity rose 5.6%. A major trip generator on the route is the Elk Valley Casino. This route struggles with a lack of established bus stops along US 101, due to challenges placing stops in Caltrans ROW.



ROUTE 300: DNHS – CEMS TRIPPER

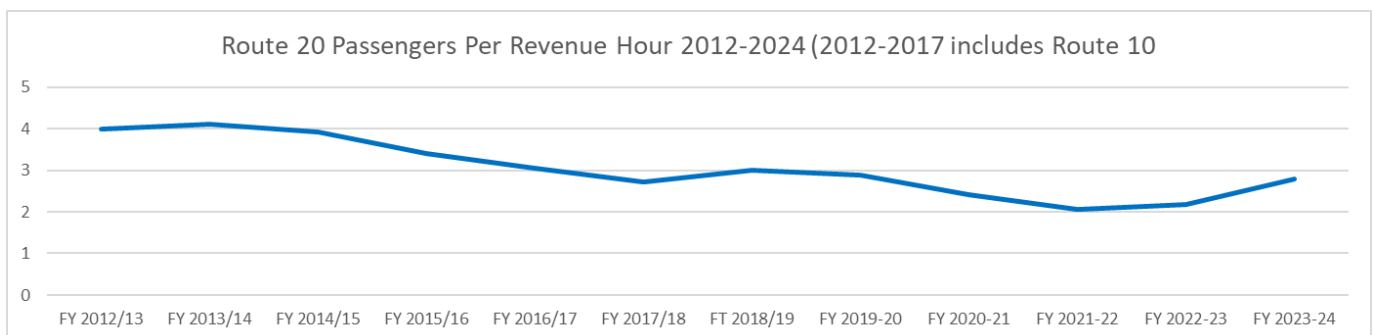
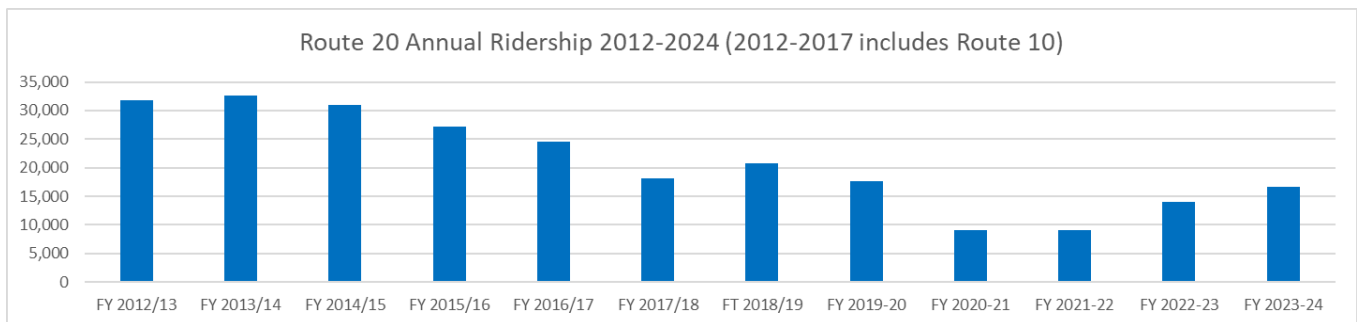
Route 300 has evolved over the 5 years since its inception. While technically open to the public, the route is designed to meet the needs of students of Del Norte High School and Crescent Elk Middle School. In FY 2023-24 Route 300 operated only at the afternoon bell times, connecting the two campuses with the Wal-Mart area, and points north on Northcrest (upon request) and the Cultural Center/Downtown. The route was suspended during the COVID-19 pandemic and slowly regained momentum since. Route 300 gained traction in FY 2022-23 and then achieved its best year yet in FY 2023-24.



Regional Intercity Routes

ROUTE 20 - SMITH RIVER – ARCATA

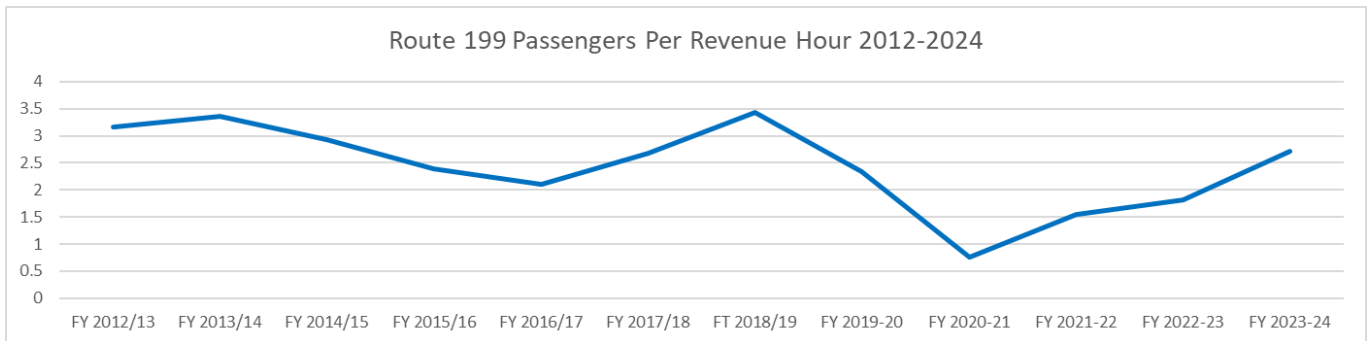
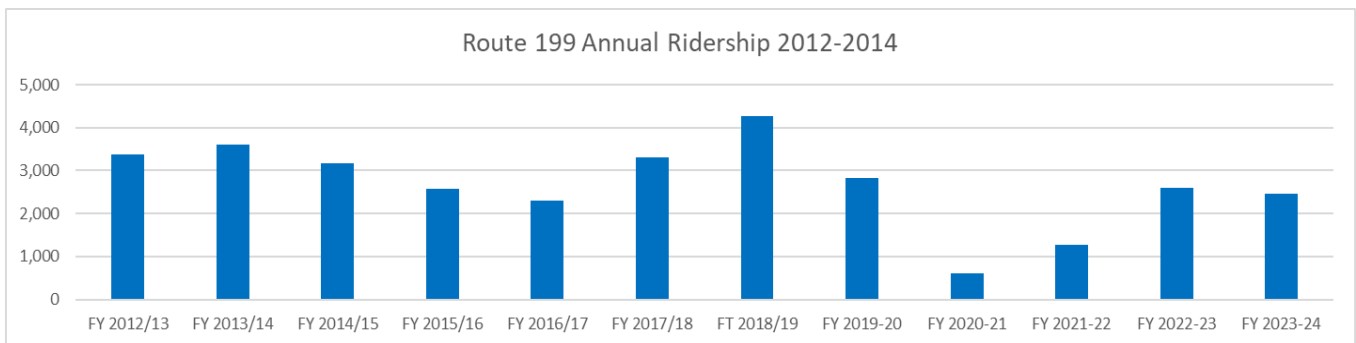
Route 20, the Smith River-Arcata Intercity Route exists to connect Del Norte County with the intercity bus network in Humboldt County and the Coastal Express for travel into Curry County. From inception until June 2023, the route operated Monday-Saturday and spanned from Lucky 7 Fuels in Smith River to truncated in Arcata at the Arcata Transit Center. At the request of transit partners in Humboldt County and Caltrans, Route 20 was extended into Eureka in 2023, with stops at the Eureka Transit Center and several major medical facilities, including both hospitals and the VA Clinic. During the off-peak months (October through May) the service drops to 2 daily round trips between Crescent City and Eureka. The max regional one-way fare for Smith River to Eureka is \$12. In FY 2023-24, Route 20 ridership increased 19.9% with productivity up 49.5%. With the unexpected announcement by Greyhound that they will no longer serve the Northwest Corridor effective June 30, 2024, it is expected that Route 20 will play a key role in the regional partnership of transit agencies to form a comparable service to connect Del Norte with the Bay Area. This service is tentatively named the North Coast Express, and includes one daily trip of Route 20 in each direction, with hopes to expand that to two daily NCX trips in the future.



ROUTE 199 – RIVER ROUTE: HIOUCHI - GASQUET

Route 199, the River Route operating between Crescent City, Gasquet, and Hiouchi, was initiated on July 7, 2009 and has experienced several service changes over the 14 year period. With a small population base in this service area, the Route 199 has struggled from a productivity standpoint, but has improved in recent years. Route 199 benefits from summer tourism. While improved, the route still featured low productivity overall, although noticeably better in summer.

Route 199 was the shining star of FY 2022-23, and ridership continued to rebound albeit slower in FY 2023-24. Route 199 featured three daily trips and operated M-Sat during Summer Schedule, reduced to two daily round trips during off season schedule (October through May). Many bus stops remain unmarked and seasonal summer tourism bolsters the route, as RCTA makes diversions to Smith River access locations upon request.



Dial-A-Ride

Dial-A-Ride is a demand-response, door-to-door service in the greater Crescent City area. Service area is defined by a Board-adopted map that includes areas outside Crescent City proper, including Bertsch Tract and Northcrest up to Elk Valley Crossroads. Service hours mirror that of CC Local Fixed Routes. Fares are \$5.00 per trip for "general public" adults and youth, and \$1.75 per trip for *ADA-eligible* riders. Since 2023, RCTA has offered DAR service to the Del Norte County Airport (CEC) as a variation of the General Public DAR. Ridership increased 3.9% with a 10% decrease in productivity in FY 2023-24.

