

BOARD OF DIRECTORS MEETING AGENDA  
REDWOOD COAST TRANSIT AUTHORITY



DATE: Monday, September 23, 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/> .

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1. Call Meeting to Order. Roll Call. Pledge of Allegiance
  2. Public Comment
  3. Consent Calendar
    - 3A. Approve the Minutes of the August 26, 2024 RCTA Board Meeting
    - 3B. Approve Fiscal Year 2024-25 Off-Season Schedule Platform Effective September 30, 2024
  4. Update and Discussion on Status of RCTA’s Major Capital Projects: Williams Drive Electric Bus Charging Infrastructure and Downtown Transit Center
  5. Update on Short Range Transit Plan Status and Activities
  6. Update on Status of RCTA’s Low Carbon Transit Operations Program (LCTOP) Projects: Williams Drive Electric Bus Charging Infrastructure and Free Rides Program
  7. Update on Various RCTA Programs – Advertising Revenue, Legal Counsel, Bus Stops/Simme Seats, Technology, CTSA Southern Oregon Medical Shuttle, CEC Airport Shuttle, CARB Compliance, other
  8. Management Report – Transdev General Manager
  9. RCTA Executive Director’s Report
  10. Announcements
  11. Adjourn – Next RCTA Board Meeting is on Monday, November 25<sup>th</sup>, 2024 at 5:30pm

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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.

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**REDWOOD COAST TRANSIT AUTHORITY  
MINUTES  
AUGUST 26, 2024, AT 5:30 P.M.**

**ATTENDED: JOEY BORGES (CHAIR), VIDETTE ROBERTS, DARREN SHORT**

**ABSENT: KELLY SCHELLONG (VICE CHAIR), RAY ALTMAN**

**ALSO PRESENT: JOSEPH RYE, FERNANDO HERNANDEZ, ALICIA FERREIRA**

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

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

**2. PUBLIC COMMENT**

The following person(s) addressed the Board: NONE

**3. CONSENT CALENDER**

**3A. APPROVE THE MINUTES OF THE JUNE 24, 2024 RCTA BOARD MEETING**

**3B. APPROVE AMENDED PURCHASE ORDER 2024-25-06 TO MODEL 1 NOT-TO-EXCEED \$645,000 FOR PURCHASE OF THREE REPLACEMENT ARVOC LOW-FLOOR BUSES**

**3C. APPROVE AMENDED PURCHASE ORDER 2024-25-07 TO MODEL 1 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**

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

**4. FISCAL YEAR 2023-24 PRESENTATION ON STATUS OF RCTA CTSA PROGRAMS**

Staff presented an update on the CTSA Programs. Discussion was held and general direction was to proceed with CTSA projects as outlined in Fiscal Year 2024-25.

**PUBLIC COMMENT: NONE**

**5. FISCAL YEAR 2023-24 ANNUAL REPORT – SYSTEM PERFORMANCE**

Discussion was held regarding Fiscal Year 2023-24 Annual Report – System Performance.

**PUBLIC COMMENT: NONE**

**6. UPDATE ON SHORT RANGE TRANSIT PLAN STATUS**

Discussion was held regarding Update on Short Range Transit Plan Status.

**PUBLIC COMMENT: NONE**

**7. MANAGEMENT REPORT – TRANSDEV GENERAL MANAGER**

Mr. Hernandez reported that a new Mechanic will be starting Wednesday August 28<sup>th</sup> 2024.

**8. RCTA EXECUTIVE DIRECTOR'S REPORT**

Discussion was held regarding RCTA Executive Director's Report.  
The following Directors commented on the following: None

**9. ANNOUNCEMENTS**

The following Directors commented on the following: None

- 10. ADJOURN** - Redwood Coast Transit Board of Directors adjourned the meeting at 6:29 p.m. The next regular scheduled meeting will be on Monday September 23<sup>rd</sup>, 2024, at 5:30 p.m.

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Joseph Rye, Executive Director  
Redwood Coast Transit Authority

September 23, 2024



**MEMO TO:** Board of Directors

**FROM:** Joe Rye, Executive Director

**SUBJECT:** Approval of Implementation of Fiscal Year 2024-25 Fall/Winter/Spring Service Platform

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**RECOMMENDATION:**

Approve the staff recommended Fiscal Year 2024-25 Fall/Winter/Spring service platform.

**BACKGROUND:**

In recent years, RCTA has been dynamic, making service adjustments each year based upon changing dynamics such as funding fluctuations, challenges with route operations, low ridership, pandemics, fires, etc. In general, cuts were targeted for reduction due to low productivity (riders). Here is a history of recent service changes:

| <u>Date</u> | <u>Nature of Service Change</u>                                    | <u>Result</u>  |
|-------------|--|--|
| July 2016   | routes modified, stops moved on-time performance problems          | OTP improved, driver breaks protected and built reserves |
| July 2017   | cut route 10, reduced hours on locals, reduced Saturday locals     | ½ day trips now possible                                 |
| July 2018   | reallocated late night Arcata trip (Route 20) to mid-day           | improved ridership                                       |
| July 2018   | re-routed regional routes (20, 199) to serve College/HS            | improved ridership                                       |
| August 2019 | re-routed early AM service, added PM 300, to/from CR/HS            | reduced service hours 33%                                |
| April 2020  | cut all Saturday service, shortened PM service, cut regional trips | little ridership gains                                   |
| Fall 2021   | reinstated Route 300, added 300PM, reinstated Saturday service     | improved ridership +28%                                  |
| June 2022   | reinstated most service lost in pandemic, new summer platform      | improved productivity                                    |
| Sept 2023   | implemented new reduced winter platform on regional routes         |  |

**Discussion**

For the second year in a row, staff recommend implementing a reduced service level on RCTA’s two regional routes (Route 199, and the Southern Segment of Route 20) for the lower-demand winter travel months of October through May. This modest reduction in system revenue hours makes the regional routes less convenient to use, but still viable for day-long trips, and saves RCTA nearly \$100,000 per year in operating costs. Routes 20 and 199 feature the lowest productivity of all RCTA fixed routes, producing 2.9 and 2.7 riders per hour.

Once again in 2024, RCTA operated its full Summer Schedule, and this platform is in place through September 29<sup>th</sup>, 2024. The Summer Schedule also features “shoulders” in both early June and late August through September when Route 300 (school tripper) is added to the Summer Schedule to meet school travel needs.

Route 300 service does not comply with the RCTA calendar, in that it starts and ends with the academic calendar of Del Norte Unified School District (DNUSD), and only runs on schooldays. Route 300 has gotten off to a solid start in August and September of 2024, running only in the PM at the main afternoon bell times.

The framework of the reduced fall/winter/spring platform will again kick in at the end of September and run until Memorial Day, followed by the expanded services running Memorial Day through end of September. This matches RCTA service with the lower travel demand in the wetter winter months, saving the agency money.

| Fall/Winter/Spring Service Change  | Annual Reduction in Revenue Hours        | Marginal Cost per Revenue Hour | Annual Savings Projected from Reduced fall/winter/spring schedule |
|--|--|--------------------------------|---|
| Reduce Route 199 between CC and Gasquet from Three Daily Trips to Two and 6 days/week to 5 days                      | 408 (12 hrs per week, 34 weeks/year)     | \$50                           | \$20,400  |
| Reduce Southern Segment of Route 20 from 3 daily trips to 2, dropping midday trip between CC and Eureka, 6 days/week | 1428 (42 hours/week x 34 weeks per year) | \$50                           | \$71,400  |
| Totals   | -1836 rev hrs                            | \$50                           | -\$91,800   |

There is minor concern that establishing an “off-season” service platform that reduces hours *significantly* could contribute to some difficulty retaining bus operators, as hours will be reduced every fall and some operators may leave if they can no longer get full time hours. That said, experience last year, combined with current staffing struggles, indicates the proposed service levels will not impact retaining talented bus operators.

#### Impacts on the North Coast Express and RCTA’s role as the regional connection along the North Coast

RCTA Route 20 is a part of the emerging North Coast Express (NCX), an effort by partner local transit agencies along US 101 to create a new service to replace Greyhound, which pulled out of the US 101 Corridor effective June 30, 2024. Of the 2024 Route 20 schedule, the AM southbound trip, and the late PM northbound trip are designated “North Coast Express” trips. It is the goal of the regional partners and Caltrans to find additional funding to pay for a second daily NCX trip, which would slot in either earlier or later than the current 7:30am southbound Route 20, and then return to Del Norte earlier or later than the current afternoon trip, that departs Eureka at 6pm daily (M-Sat). This second daily round trip of the NCX will benefit travelers further south in the corridor more than on our northern segment, but will help build the service into a viable replacement for Greyhound, which is retrenching nationally, focusing on larger markets. If and when additional operating funds are programmed to the NCX, RCTA may no longer want to reduce its service on Route 20 in the winter months.

#### Impacts on RCTA Budgets and TDA Reserves

RCTA is fortunate to have been programmed \$2.5M in one-time pandemic assistance funds to offset financial damage caused to transit agencies by operating during the pandemic. Due to Caltrans interpretations of the pandemic funding, RCTA is limited to requesting \$300-400k in funds each year. At this pace, RCTA will be able to receive about \$300-400k each fiscal year through 2027-28 before these one-time funds are exhausted. These funds are used to free up RCTA’s TDA funds for capital projects (of which RCTA has a great need) and to build robust operating reserves (the operating reserves is RCTA’s option of last resort for capital projects). RCTA has built its operating reserves to \$850k as of June 30, 2023, and this amount is expected to grow further in the next audit, surpassing \$1M in the audit snapshot dated June 30, 2024. This is good not only to insulate RCTA from knee-jerk service reductions should its volatile TDA funding drop (it dropped notably in FY 24-25) but also to build an account to fund the local match for critical capital projects such as bus replacements.

#### Summary

Staff recommends a second year of implementation of the reduced fall/winter/spring schedule platform. The service change will occur on Monday, September 30<sup>th</sup> and run through Saturday, May 24<sup>th</sup>, 2025.

#### Recommendation

Staff recommends approval of the 2024-25 Fall/Winter/Spring service platform.

September 23, 2024

**MEMO TO:** RCTA Board of Directors

**FROM:** Joe Rye, Executive Director

**SUBJECT:** Update on Major Capital Projects – Williams Drive EV Charging and Downtown Transit Center Projects



**RECOMMENDATION:**

Discussion only.

**BACKGROUND:**

Staff intends a quick update to the Board on both of RCTA’s major capital projects, the Williams Drive Electric Vehicle Charging and the Downtown Transit Center projects.

**DISCUSSION:**

Since the inception of these two major capital projects, RCTA has been very fortunate to secure seemingly adequate grant funding to design and construct both projects. In early 2023 RCTA applied for Cycle 6 TIRCP (Transit Intercity Rail Capital Project) funding in a partnership application with Humboldt Transit Authority, and was awarded \$7,635,485 spread between the two projects as shown in Table 1 below. Then in a further sign of good fortune, in late 2023 RCTA received a robust allocation of additional funding under SB125. SB125 was an effort to support transit statewide and was deliberately designed to be flexible for agencies facing operational funding shortfalls (the “fiscal cliff”) but can also be used for capital projects. RCTA needs capital funding more acutely than operations. RTCA added in \$3,756,248 in SB125 funding to its TIRCP funding program, shown in color in Table 1. RCTA now has \$11M+ programmed to the two major capital projects. This includes \$3.5M for an order of 10 electric buses which will move RCTA into to CARB compliance years ahead of schedule.

Due to the lack of professional staff, RCTA has staggered the two capital projects so that they are not both going into construction at the same time, and has secured the services of Green Dot Transportation to help with project management duties over the 5-year delivery period.

| 2023 Transit and Intercity Rail Capital Program - Program Allocation Plan       |                      |   |                                 |  |                              |                     |       |                  |                                |                     |                     |              |  |              |            |  |
|---|----------------------|---|---------------------------------|--|------------------------------|---------------------|-------|------------------|--------------------------------|---------------------|---------------------|--------------|--|--------------|------------|--|
| Proposed DNLTC RCTA TIRCP and SB 125 Allocation Plan Draft - September 11, 2024 |                      |   |                                 |  |                              |                     |       |                  |                                |                     |                     |              |  |              |            |  |
| Project Information   |                      |   |                                 |  |                              | Project Programming |       |                  |                                |                     |                     |              |  |              |            |  |
| Award No.   | Cycle 6 Award Amount | Award Recipient   | Implementing Agency             | Project Title  | Separable Phases/ Components | PPNO                | Phase | FY 23-24         | FY 24-25                       | FY 25-26            | FY 26-27            |              |  |              |            |  |
| 2023:10   | \$ 8,612,000         | Humboldt Transit Authority (HTA) with Yurok Tribe and Redwood Coast Transit Authority | Redwood Coast Transit Authority | Expanding Transit Service and Growing Zero-Emission Fleets on California's North Coast | Crecent City Transit Center  | CP116               | PA&ED | \$ 33,000        |                                |                     |                     |              |  |              |            |  |
|   |                      |   |                                 |  |                              |                     | PS&E  |                  | \$ 160,000                     |                     |                     |              |  |              |            |  |
|   |                      |   |                                 |  |                              |                     | CONST |                  |                                |                     | \$ 1,556,000        |              |  |              |            |  |
|   |                      |   |                                 |  |                              |                     |       |                  | Procure Battery Electric Buses | CP116B              | CONST               |              |  | \$ 1,678,974 | \$ 121,026 |  |
|   |                      |   |                                 |  |                              |                     |       |                  | Procure Battery Electric Buses | CP116B              | CONST               |              |  | \$ 1,303,000 | \$ 401,733 |  |
|   |                      |   |                                 |  |                              |                     |       |                  | Charging Stations              | CP116C              | PA&ED               | \$ 37,000    |  |              |            |  |
|   |                      |   |                                 |  |                              |                     | PS&E  | \$ 250,000       |                                |                     |                     |              |  |              |            |  |
|   |                      |   |                                 |  |                              |                     | CONST |                  |                                | \$ 3,199,000        |                     |              |  |              |            |  |
|   |                      |   |                                 |  |                              |                     |       |                  |                                |                     | \$ 3,486,000        |              |  |              |            |  |
|   | <b>\$ 8,612,000</b>  |   |                                 |  | <b>Cycle 6 Total</b>         |                     |       | <b>\$ 37,000</b> | <b>\$ 283,000</b>              | <b>\$ 6,340,974</b> | <b>\$ 4,730,759</b> | \$11,391,733 |  |              |            |  |
|   | Key:                 |   |                                 |  | SB 125 Funds by Year         | TIRCP               |       | \$1,675,501      | \$1,678,974                    |                     |                     | \$3,354,475  |  |              |            |  |
|   |                      |   |                                 |  |                              | ZETCP               |       | \$149,752        | \$84,007                       | \$84,007            | \$84,007            | \$401,773    |  |              |            |  |
|   |                      |   |                                 |  |                              | Total SB 125        |       |                  |                                |                     |                     | \$3,756,248  |  |              |            |  |

Note: changed 9/9/24 to move \$89k from Charging Station Construction to Charging Station PS&E to ensure adequate funding for final design

**Williams Drive Electric Bus Charging Infrastructure**

The first project to begin is the Williams Drive project, selected by staff because a charging system is a requisite to receiving and putting into revenue service the large order of (10) electric buses. In order to transition from

petroleum-based bus fuels to ZEB (Zero Emission Buses) buses, defined as either all-electric or electric buses with hydrogen fuel cells, RCTA will need to build infrastructure at its Williams Drive Maintenance and Operations Facility to host overnight and fast fill electric bus charging, and save room (if possible) for future hydrogen fuel dispensing systems. Much planning has went into the project and was rewarded by the TIRCP grant. In 2020, RCTA obtained ZEB transition planning assistance pro-bono from Hatch LTK, under the direction of the CTAA (Community Transit Association of America), the national version of CalACT. This led then to engaging the services of GHD to develop a prototype site plan and the critical maximum charging electrical load capacity calculations in 2023.

In 2023 RCTA submitted the service application to Pacific Power and in early 2024 entered into an ESSA agreement with Pacific Power to upgrade the electrical service to the Williams Drive RCTA facility to accommodate the major increase in electric power required to charge buses. Pacific Power has spec'd and ordered the required larger transformer equipment the project will need. At this time, until hydrogen becomes more readily available in our region, RCTA is focusing on electric buses to meet its CARB ICT Regulation compliance. There are still concerns with electric bus range, especially as it applies to RCTA's regional routes (20, 199) so RCTA has made a point in recent bus replacement grant applications to seek enough diesel powered larger buses to continue to run diesel on the regional routes for the foreseeable future. 2024 featured the first allocation of TIRCP funds, \$37k for the Project Approvals & Environmental Documents, and RCTA engaged the services of Rabe Consulting and Adkins Engineering in June 2024 to perform environmental work.

### Next Steps

RCTA received the Negative Declaration draft environmental report in September 2024, and will be posting this report for public and project stakeholder review during the next month. RCTA must have the final Project Approvals documentation in hand in time to request its next allocation from the California Transportation Commission (CTC) in December. RCTA has moved funding around slightly to ensure adequate funds are available for the crucial design phase of the project. RCTA has \$250k in TIRCP for PS&E (design). The latest schedule has the project going to bid in the fall of 2025, with construction into mid-2026.

### Downtown Transit Center

This project will build an actual transit transfer facility with staffed ticketing and security to replace the stretch of curb along Front Street that has served as a proxy transit center since 2004. In 2021 and 2022, RCTA hired Green Dot to help analyze multiple sites in the downtown area for an "off street" transit center where RCTA could build a building and provide a higher level of presence and amenities. After engaging the City and narrowing the dozen or so possible sites down to two, at a December 2022 joint meeting between City Council and the RCTA Board, the City and RCTA agreed to a site just 200 feet from the current location, at the NW corner of Front and K Streets, in the Library Parking Lot. A MOU was initiated that would identify the framework of a land lease type arrangement where RCTA would improve and occupy a portion of this City parking lot. RCTA obtained TIRCP and SB 125 funding (\$4.4M total) to design and construct the project.

Since the notification of TIRCP funding, City and RCTA have abandoned work on the draft MOU document (which was being crafted to allow either party to obtain grants to fund the project) and begin work on the actual Ground Lease that will govern the design and construction of the project as well as ongoing operational responsibilities and cost sharing arrangements.

## Next Steps

RCTA will reach out to the City to begin the drafting of the ground lease and participate in discussions about the details on how the facility will be developed and managed. Since the original ground lease/MOU discussion, City has obtained grant funding to continue its popular Front Street renovations through the area of the future RCTA Transit Center and the current curbside proxy transfer center. RCTA will likely be required to relocate its passenger transfer activity from the current location (south side of Front Street, east of K) to a new, temporary location (perhaps 3<sup>rd</sup> and K, TBD) during Front Street construction, then into the future location at the NW corner of Front and K once the City completes its construction.

At this point, as you see in Table 1, RCTA plans to request its first allocation of funding for the PA/ED phase (planning and environmental) late in FY 2024-25 and solicit consultant assistance similarly to the current agreement with Adkins/Rabe for Williams Drive PA/ED. However, a difference with this project is the high-profile nature requiring additional planning and public outreach, so RCTA expects request more than the currently programmed \$33k in order to allow for more planning and public outreach activity as part of the PA/ED phase, as compared to the Williams Drive EV Charging Project. This project is projected to trail behind Williams Drive by 1-2 years, with construction estimated in 2027 or 2028.

## Electric Buses

Since the early COVID pandemic days when the initial consultant RCTA Electric Fleet Transit Plan was developed, RCTA has been interacting with the bus industry and peer agencies to evaluate the available buses on the market in both the electric bus and hydrogen fuel cell categories. RCTA is especially challenged in this endeavor by the nature of the funding that RCTA can reasonably expect and how the lower-priced “cutaway” style buses that RCTA has always operated are the last to receive conversion to electric and hydrogen power.

RCTA staff has test driven and demo'd different available electric buses at conferences and at our facility, and initially identified the Green Power EV Star as the preferred electric bus model. However, since that initial decision, Green Power has failed to obtain Buy America certification, and because of that has retreated from the transit market. RCTA then returned to evaluating different small electric vehicles, and currently plans to go with Endera Model B as the target electric vehicle. The Endera is basically a Ford cutaway chassis, exactly what RCTA runs predominantly today, with an electric motor instead of gasoline or diesel. RCTA has ordered its first Endera Model B using other funds and expects to take delivery of this pilot Endera late in 2024, along with one charging station that will be installed inside the existing bus barn. This pilot Endera will be tested for a year or so before a decision must be made on the larger order of (10) TIRCP and SB 125 funded buses.

RCTA staff still are of the thought that electric buses are not the optimal choice for its regional routes, due to our rural location and long, steep routes with variable weather conditions. Electric bus range limitations loom large, and staff is hopeful that CARB will allow RCTA to continue operating diesel buses on the regional routes for now, while the hydrogen bus industry develops and becomes more available and affordable. Hydrogen buses basically take an electric bus motor and boost it with a hydrogen fuel cell to extend range and power.

## Recommendation

Discussion only.



September 23, 2024

**MEMO TO:** Board of Directors

**FROM:** Joe Rye, Executive Director

**SUBJECT:** Update on RCTA Short Range Transit Plan (SRTP)



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**RECOMMENDATION:**

Information only.

**BACKGROUND:**

Transit operations in California are guided by Short Range Transit Plans, typically four to five years in scope. The last four-year plan for Redwood Coast Transit was prepared in 2018, with a “mini-update” conducted in 2021 to gauge pandemic impacts and update financials. A Request for Proposal has been prepared and vetted with interested consulting firms. Unlike past RCTA SRTP projects, this project is grant funded by a Caltrans Sustainable Communities Transportation Planning Grant. The grant provides a total project planning budget of \$199,000 with a local match component of \$22,932 (11.47%).

This first full SRTP since 2018 will seek to recreate elements of the 2018 Market Research Study, comparing rider attitudes and opinions both pre and post-COVID. With a larger than usual planning project budget, this 2025 SRTP will have more consultant hours available to evaluate RCTA’s current routes and services, in addition to updating performance measures, capital and operating funding plans.

Because this project utilizes a discretionary Caltrans planning grant, the process will take longer and follow a more structured scope and process. The main planning effort will span Fiscal Year 2024-25 and into FY 2025-26 with adoption anticipated in first half 2026.

**Discussion**

The SRTP is nearing its first deliverable, the “existing conditions” tech memo. In addition, the largest wave of public outreach directly involved with the project has begun, with a community survey (online, distributed multiple ways, including QR codes on posters, and emails) launched in September 2024. In addition, RCTA drivers were interviewed last week, and a full four-day on-board survey of riders was performed from September 18-21. Staff have been busy working with the consultants on survey content and methodology, and assisting with survey supervision.

Staff will present the existing conditions tech memo at the next RCTA Board Meeting.

September 23, 2024

**MEMO TO:** Board of Directors  
**FROM:** Joe Rye, Executive Director  
**SUBJECT:** LCTOP Program Update

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**RECOMMENDATION:**

Information only.

**BACKGROUND:**

LCTOP (Low Carbon Transportation Operations Program) is a cap-and-trade program initiated by the CA State Legislature in 2014. LCTOP is allocated by Caltrans to transit agencies based on population and the percentage of local transit fare revenues. While LCTOP is distributed based on formula funding, CalTrans and the Air Resources Board have jurisdiction over the scoring and funding of all projects, making it a somewhat competitive process without guarantees. Applications are required and can be rejected should those two regulatory agencies not support a project. While LCTOP fund targets are technically formula based, all projects must be supported by Caltrans and CARB and are scored based on air quality benefits.

For 2024-25, the LCTOP allocation for Del Norte County totals \$74,158, up slightly over FY 2023-24. Of this amount, RCTA is directly eligible for \$3,703 that is allocated based on fare revenue and the remaining population-based funds are programmed through the Del Norte Local Transportation Commission (DNLTC). The DNLTC will program the remaining \$70,455 to RCTA as the only public transit agency in the county. RCTA will be responsible for program requirements and reporting. RCTA submitted the FY 2024-25 LCTOP application in April 2024.

**History**

RCTA first utilized LCTOP for the purchase of bus shelters in FY 15-16, then at Caltrans direction, switched the funding to support the student Free Bus farebox subsidy program (in FY 16-17, 17-18 and 18-19). Over three years \$150k+ in funding was received, which was greater than the growth rate of the Free Bus Program, allowing a project balance to develop. RCTA has continued the Free Bus Program through FY 2023-24 drawing down this balance each year.

Prior to RCTA submitting its FY 2019-20 LCTOP application, Caltrans provided feedback to RCTA that it did not wish to fund a fourth year of the Free Bus Program. In general, Caltrans staff explained that it viewed LCTOP funds as startup funding for projects such as the Free Bus Program. Caltrans did not feel LCTOP should be used to permanently sustain a fare-subsidy project. Caltrans requested that RCTA submit a different project for FY 2019-20 LCTOP funding, and for the next four years (FY 2019-20, 2020-21, 2021-22, and this year FY22-23), RCTA's submitted LCTOP applications for its Fleet Electrification Project.

**Free Bus Program Overview**

Initially, two population groups were targeted for the Free Bus program, College of the Redwoods students and Humboldt University students. Two other groups were added to those eligible, High School/Middle School students and Veterans. The latter group, Veterans, were added through community comment on the need at a RCTA board meeting. The need expressed was very real, and veteran’s ridership became a truly robust segment of the services. This summer, senior and disabled riders were added to the program.

As the rider entered the bus, he/she proved eligibility by showing a college or school identity card. No fare was needed but the driver recorded all Free Riders and the route involved. First Transit, now Transdev, submitted detailed information monthly, which has been entered into a matrix for program analysis. The program is revenue neutral for RCTA, as the accumulated fares are reimbursed through grant funds.

**Fleet Electrification Project**

The Fleet Electrification LCTOPY funds accumulated for 4 years, and must be used for infrastructure upgrades at 140 Williams. Since the arrival of TIRCP and SB125 funds for th project, the LCTOP funding is no longer critical to the project’s success. LCTOP-eligible project spending can include upgrading power to the site, putting in trenches and stubs for EV Bus chargers and electrical equipment, backup generators, etc. LCTOP does not allow planning or engineering to be funded, which delayed the project significantly. Table 1 shows the total amount of LCTOP funding programmed to the Williams Drive Electric Bus Charging Project:

| TOTAL AVAILABLE LCTOP FUNDS FOR EV INFRASTRUCTURE |                               |
|---|-------------------------------|
| FY 2019-20 --                                     | \$52,066                      |
| FY 2020-21 --                                     | 29,552                        |
| FY 2021-22 --                                     | 69,084                        |
| FY 2022-23 --                                     | <u>70,264 (CAP submitted)</u> |
|   | <b>\$220,966</b>              |

Since planning and engineering are NOT allowable projects under LCTOP, RCTA had to find other funding sources for these key phases of project development, while banking LCTOP for implementation. A contract was signed in June 2023 with GHD, Inc. consultants to develop two critical elements required to keep the project moving, a preliminary site plan that locates bus charging infrastructure and bus circulation, and a electrical load calculation to support RCTA’s service upgrade application to Pacific Power. GHD completed this concept plan work in early 2024.

Once TIRCP funds were received and became available in 2024, this made the original LCTOP funds programmed for this project less vital to its success. At the same time, RCTA expended the last of its Free Rides Program LCTOP funding. Staff then submitted a CAP (Corrective Action Plan) with Caltrans LCTOP staff to shift the last year of funding from the Fleet Electrification Project to the Free Bus Program, which is now a legislatively-approved allowable year-over-year program.

## DISCUSSION

Caltrans staff interpretation of LCTOP legislative intent, disallowing projects after 3-4 years of LCTOP funding was very unpopular in the transit industry. Pressure from legislative leadership at the state level, as well as CalACT and the California Transit Association, led to legislative relief that can allow RCTA to re-apply for Free Bus Program funds from LCTOP in the future.

Signed by Governor Newsom on September 30, 2022, SB 942 features language that states:

“(m) A recipient transit agency using program moneys for the continuation of a free or reduced fare transit program shall not be subject to subdivision (l) and may continue to use program moneys for that purpose without any restriction to length of time.”

In effect, the three-year funding limit set by Caltrans LCTOP staff has now been lifted, and agencies like RCTA may continue the Free Transit Program if it wishes. Other transit agencies likely precipitated the legislation due to its popularity and effectiveness.

## PROGRAM REPORT

While the Fleet Electrification Project has barely started, without expenditure of any LCTOP funds to date, RCTA has significant data on the Free Bus Program. This program has been warmly received by the community and its popularity has helped RCTA regain ridership. The Free Bus program has been very productive. Riders experience the ride as “Free”, but drivers tally each time an eligible rider boards the bus, and the LCTOP grant fund is billed annually for the accumulated and tallied fares. The charts and tables below depict interesting patterns of Free Bus usage. Initially targeted to College of the Redwoods Students, the Free Bus Program was expanded over recent years to include all youth and Veterans in the 2018-2019 timeframe.

Altogether, since 2017 the Free Bus Program served 38,145 riders and accumulated \$94,664.50 of deferred fares. The program is revenue neutral to RCTA, as all of the \$94,664.50 will be fares charged against the grant rather than the riders. The Del Norte County financial records show \$98,853.25 programmed to the Free Ride Program, with most drawn down. The amount remaining as of June 30, 2024 is \$4,188.75. This will cover a month or so of FY 2024-25 fares. It is expected that Caltrans will approve the aforementioned CAP that will move \$70,264 from Fleet Electrification to Free Rides to fully fund RCTA Free Rides through FY 2024-25.

The charts show that COVID deeply cut into program, as only Veterans chose to ride at nearly the same level pre and post-COVID. This indicates their true need for public transit for daily activities, including medical service trips, as there was a high proportion of trips to Arcata and outside Crescent City along US 101 and 199. While COVID reduced ridership, the Free Ride program is stimulating recovery, and is a key element of the marketing to students. An interruption of the program will damage momentum and setback ridership recovery.

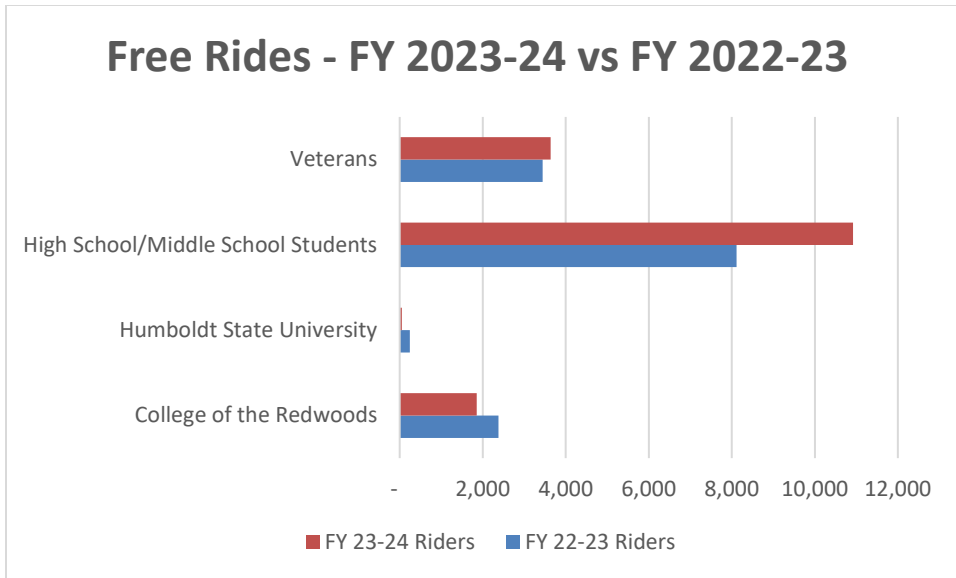
**Free Bus Ridership Deep Dive: FY 2023-24**

Because of the popularity of the Free Ride program, staff feel that continuation of the project without interruption is best for rebuilding ridership and introducing new potential riders to use public transportation. Unless Caltrans denies the CAP request to move the last year of Fleet Electrification funding over to the Free Rides Program, there is no projected shortage of grant funds through this fiscal year. RCTA submitted its 24-25 LCTOP application for a resumption of the Free Rides Program in April 2024 and has not heard anything negative back from Caltrans regarding the project. Those funds become available for Fiscal Year 2025-26 so if the CAP is approved, there will be no interruption of funding flowing to the Free Rides Program.

Should Caltrans deny RCTA’s CAP, RCTA will face the decision to backfill the lost fares out of existing reserves for one year until the April 2024 LCTOP application is approved in early 2025. Options beyond simply tapping reserves could include requesting new funding partnerships to become involved, such as colleges and universities assisting their students, or assistance with Veterans transportation. Corporate funding, foundation or casino grants may also be worth seeking. It should be noted that none of these options are readily available, and each would require staff time (which RCTA does not readily have) to reach out to third parties about potential funding partnerships and develop these partnerships. A quick fix is unlikely.

The detail of FY 2023-24 Free Rides usage is shown below. As you can see, youth and Veterans are the two largest beneficiary groups utilizing the program. College students do use the free rides program, but to a lesser extent that originally envisioned. Much of this has to do with the lingering popularity of remote online learning that emerged during the pandemic.

| Free Ride Program FY23-24--Summary |               |           |                  |  |
|------------------------------------|---------------|-----------|------------------|--|
| Passenger Segment                  | Riders        | Fares     |                  |  |
| College of the Redwoods            | 1,852         | \$        | 6,417.75         |  |
| Humboldt State University          | 55            | \$        | 356.50           |  |
| High School/Middle School Students | 10,923        | \$        | 25,561.50        |  |
| Veterans                           | 3,635         | \$        | 7,902.00         |  |
| <b>TOTALS</b>                      | <b>16,465</b> | <b>\$</b> | <b>40,237.75</b> |  |



### Trends and Analysis

Students in high school and middle-school are by far the biggest set of riders that are using and increasing their usage of the Free Bus Program. Veterans have also increased ridership slightly, comparing the last two Fiscal Years with one another. Both of the college groups are riding less, not more, than in previous years (more online and hybrid classes offered). This is most likely due to the effects of Covid on study habits, as many are reportedly using tele-classes rather than commuting to Eureka or Crescent City physical campuses.

This summer, the Board approved extending the Free Bus Program to older passengers (65 and up) and certified disabled riders. This should boost ridership substantially over the next year, as the information available at this time is that the community is responding favorably to this new offer. Funding is anticipated, although approval is lagging on about \$144k in RCTA LCTOP (\$70,264 from the CAP, plus \$74,158 in FY 2024-25 LCTOP). Further clarification is expected soon. Staff will update the Board on this issue as it evolves.