

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

MINUTES/PROCEEDINGS

COMMITTEE OF THE WHOLE  
Board of Directors  
August 6, 1992  
District Board Room  
425 South Main Street  
Los Angeles

Called to Order at 1:05 P.M.

Directors Present:

Marvin L. Holen, President  
Charles H. Storing, Vice President  
Richard Alatorre  
Evan A. Braude  
Mas Fukai

Nick Patsaouras  
Carl W. Raggio  
Gordana Swanson  
James L. Tolbert  
Antonio Villaraigosa

President Holen announced that Requests for Proposals for an alternative fuel facility are being sent. The District will provide the land and the facility will be built by the private sector. The facility which will be located at Macy and Vignes Streets adjacent to the Central Maintenance Facility, will be available for use by any fleet throughout the State. He described this project as an excellent example of joint development.

1. RECEIVED AND FILED report on system and line structure.

Art Leahy gave a brief overview of the information contained in the Board Report. Director Alatorre requested better comparison data from municipal operators. Staff responded that the necessary data will be available next week so that line specific comparisons can be made.

There was considerable discussion regarding allocation of service and subsidy levels. Steve Parry explained that there are transit dependent people in every area of the county. The District provides a regional transit network that will allow use of public transit to go anywhere in the county on a given day.

Director Raggio indicated that the subsidy figures don't tell the complete story. Many areas that don't appear to be paying their own way in terms of usage and subsidy may be paying more than their share in Proposition A funds.

Director Villaraigosa expressed the opinion that the District is not building a system with the quality that will attract people throughout the county. He would like to see subsidy disparity decreased. According to Director Fukai, a better marketing program is needed to increase ridership. Art Leahy responded that the best way to increase ridership is to improve service and control fares.

Local return monies only come in the form of subsidies or buy downs of some of the District's passes. Cities without their own municipal bus lines do not give any kind of local return money. Director Swanson's idea of offering to buy back local return monies from cities was discussed at the LACTC, and there are legal issues to be resolved. Intercity trades now occur. The problem is that farebox dollars could become general funds to the cities if the District were to trade them and then receive Prop A dollars in return. County Counsel has been asked for an opinion.

President Holen inquired if staff intends to review and verify the gathering of the data comparing RTD to other subsidized carriers. Mr. Leahy responded that some previously submitted data from some of the municipal operators was found to be suspect when audited. SCRTD data was accurate within plus or minus 3%; some of municipal operators' was off by as much as 50% on particular lines. The basic accuracy of the ridership counts could be verified.

Director Alatorre asked how decisions are made to reduce service. Staff responded that they survey the number of passengers who board and alight each line and try to find ways to shortline a bus. Subsidy and farebox return are not the best indicators of ridership. Director Alatorre then requested some options on restructuring the fare system.

Director Villaraigosa requested that staff provide him with a more detailed explanation of why cutting \$65 million in service nets only a \$5 million savings in the first year.

Director Patsouras' suggestion of transit zones rather than a regional transit system was not recommended since the District would lose both the subsidy and the fares.

Director Swanson suggested using tickets to avoid the cost of having passes printed. She also requested a report showing other areas of possible savings along with a list of ticket-printing vendors.

G. Roberts spoke on public comment procedure.

2. RECEIVED AND FILED report on financial impact of line transfers.

Treasurer, Tom Rubin, explained that reducing service or transferring service to other carriers would result in some savings in the long run, but some costs remain. One time costs would include unemployment insurance, termination pay and workers' compensation claims. Ongoing costs would be incurred due to all part-time operators being laid off and only the highest paid union personnel remaining.

Director Villaraigosa asked staff to provide more scenarios of ways to cut costs.

At the request of Director Swanson, a fare structure chart was displayed by Gary Spivack. The chart showed five scenarios that would generate \$45 million to \$50 million dollars in additional revenue.

3. RECEIVED AND FILED report on fare structure and fare policy issues.

Director Swanson asked staff to prepare a report showing the results of cash fares of \$1.25, \$1.30 and \$1.40 with no charge for transfers. Dana Woodbury pointed out that when you go to an all cash fare you slow the system considerably because every passenger has to interface with the farebox.

Directors requested reports on:

- a. impact of using tokens;
- b. impact of cash fares from 50 cents to \$1.75, figured in 10 cent increments;
- c. weekly, quarterly, and semi-annual pass;
- d. a means of exchange acceptable to all carriers; and
- e. honoring the monthly pass for one additional day to accommodate people who are paid monthly.

4. RECEIVED AND FILED report on replacement of tickets with tokens.

Per Tom Rubin, the benefits of usings tokens are:

- a. they are more difficult to counterfeit;
- b. they shorten dwell time;
- c. they decrease processing costs;
- d. riders with a preference, prefer tokens to tickets;
- e. they are cheaper than tickets in the long run.

Staff to bring back to the Board a chart of comparison costs.

5. Public comment was received from G. Roberts.

Adjourned at 3:12 P.M.

  
Recording Secretary