

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

MINUTES/PROCEEDINGS

COMMITTEE OF THE WHOLE
Board of Directors
September 17, 1992
District Board Room
425 South Main Street
Los Angeles

Called to order at 1:07 P.M.

Directors Present:

Marvin L. Holen, President
Charles H. Storing, Vice President
Mas Fukai
Nick Patsaouras
Robert E. Ryan
Antonio Villaraigosa

Directors Absent:

Richard Alatorre
Evan A. Braude
Carl W. Raggio
Gordana Swanson
James L. Tolbert

1. REVIEWED various alternative fare structures.

A farebox ratio of 38% must be maintained, under any system. An all cash fare system was discussed, under which passes would be maintained only for the elderly and disabled. All other pass categories would be eliminated. It was noted that regular cash riders make up approximately 27% of current ridership and 53% of revenue.

The goal is to achieve a revenue rate to the District of approximately \$45 to \$50 million. With transfers, the base fare would have to be \$1.20 which would net \$47.1 million. Without transfers the base fare could be set at 80 cents per boarding to net \$47.6 million.

Director Ryan suggested that if tokens are used, the token cost be less than the cash fare so that riders would have an incentive to purchase them.

Also discussed was the fare cutter pass which would be sold for \$42 and require payment of 25 cents for each boarding. This would generate a \$32 million revenue increase.

Director Villaraigosa questioned why the focus of this exercise has turned to increasing revenue when the original idea was equity. He stated that he would not like to see this methodology employed to cover the entire budget shortfall. He also suggested a transfer for which the cost would diminish incrementally with each use.

Weekly, biweekly, quarterly and annual passes were considered. Weekly and biweekly passes would generate considerable additional cost to the District, while the cost to the public for quarterly and annual passes would be prohibitive.

President Holen stated that he would like to see the pass maintained as the basic fare medium even if it means a biweekly pass priced at \$21.50 or \$22 to cover additional printing costs. He added that with the proper allocation of Proposition A and C funds this discussion would not be necessary.

Director Villaraigosa stressed that whatever is done should vindicate the issue of equity and not revenue generation. He requested an evaluation of a 75 cent basic fare with 50 cents charged for the first transfer and 25 cents for all subsequent transfers.

Director Fukai spoke in favor of a year round 50 cent fare. Director Ryan suggested the use of a pass or token only. Director Storing favored a biweekly pass and getting cities to use their Prop A monies as they were intended to be used. La Puente subsidizes bus pass sales and Director Storing feels that all cities should do the same.

Director Villaraigosa requested additional research into a program that could be taken to the cities for subsidization as well as a program for the unemployed, much like the Tucson, Arizona program. Director Patsouras added that a program for the unemployed should have a time limit that matches their other unemployment benefits.

Comment was received from H. Watts who suggested lowering the cost of transfers. He also complained that the 50 cent fare is hurting everybody because of overcrowding.

2. RECEIVED presentation on route structure.

Municipal bus lines have thus far refused to provide the data necessary to make a line by line comparison. It was stated that the information required by the LACTC is on a systemwide average, not line by line. Director Patsaouras stated that the LACTC should establish guidelines to force the municipal operators to provide necessary data.

The District provides 85% of the service in the county and has only 12-14% of the worst lines in the county. Based on boardings per vehicle hour, 5 of 25 of the worst performing lines are operated by SCRTD; using cost per passenger mile, 3 of 25 worst performing lines are operated by SCRTD.

Director Villaraigosa asked staff to contact Richard Stanger at the Commission to get subsidy figures on the Metro Link. Staff estimated the subsidy at \$7 per passenger.

3. RECEIVED 3rd Party Task Force Update Report.

The Task Force has met at least weekly for the last 4 to 5 weeks and should have a final report by October.

The Mayor's motion called for an immediate across-the-board hiring freeze as well as a review of the LACTC and SCRTD administrative costs and consulting contracts. This was not done.

Director Holen suggested a quick study of the pension reserves from Treasurer Tom Rubin.

LACTC staff member, Jim McLaughlin, said the task given to the Task Force was overwhelming, but he remains hopeful that some middle ground can be found.

Director Fukai explained that members of both staffs are to meet and analyze the information and give their input back to the individuals on the task force. He expressed the opinion that the report leaves the District in a worse position than before the study.

4. Public Comment

A complaint was received from H. Watts regarding the former Line 420, now Line 124, which no longer goes directly to the VA Hospital.

Adjourned at 2:59 P.M.

Michele Jackson
Recording Secretary

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