

# LASSEN TRANSIT SERVICE AGENCY

July 10, 2017

## (1) CONVENE:

LTSA's Regular Meeting convened at 1:49 PM by Chairman Garnier, in the Lassen County Board of Supervisors Chambers at 707 Nevada Street, Susanville, CA.

Commissioners Present: Wilson, Garnier, Hammond (alternate), Teeter and Franco.

Commissioners Absent: Hemphill and Albaugh.

Others Present: Dan Newton, Jared Hancock, City of Susanville; Tamara Rich, Caltrans; Christie Scheffer, Ron Leal, Paratransit; Larry Millar, David Knaut, and Cheryl Strange, LTSA Staff.

1.1 **Agenda Approval:** On a first by Mr. Teeter, Second by Mr. Wilson, it was unanimously passed to approve the agenda.

1.2 **Minutes Approval:** On a first by Teeter, second by Mr. Wilson, it was passed to approve the minutes of May 8, 2017. Mr. Hammond abstained.

Discussion was held regarding eligibility of voters.

1.3 Minutes Approval: On a first by Mr. Wilson, second by Mr. Teeter, it was passed to approve the Special Meeting minutes of June 5, 2017. Mr. Hammond abstained.

## (2) CORRESPONDENCE / PUBLIC COMMENT

2.1 **Correspondence:** None.

2.2 **Public Comment:** None.

## (3) NEW BUSINESS

3.1 **Lassen Rural Bus performance report:** Mr. Knaut reviewed information as presented in packets along with a power point presentation.

Mr. Hammond asked for clarity regarding why revenue is down if ridership is up. Mr. Knaut explained that the revenue decrease comes from the decrease of fares collected in the office which are mostly monthly passes sold to Herlong commuters and FNRC.

Discussion was held regarding service to the depot, van pools cutting into LRB ridership, and reaching out to the depot to solicit riders coming back to LRB.

Mr. Franco asked if comparison information could be gathered between LRB service and van pool service to see what makes van pooling desirable. He suggested that a bus be added to go directly to the depot. Mr. Knaut answered that it is basically set up that way, but stops at park-and-rides to pick up riders.

Discussion was held regarding travel efficiency and that buses are more efficient than vans.

Ms. Garnier said she was still perplexed. Mr. Knaut clarified the ridership and revenue ratio and that revenue is down because there are less monthly passes being purchased and more daily riders.

Mr. Hancock suggested that the monthly pass rate to the depot be investigated to make sure the pass rate is close to the reimbursable amount.

Mr. Knaut stated that while ridership is up, they are only daily fares, which cost less than a monthly pass. This combined with the increase in FNRC riders, reduced fare riders, and college students, causes the numbers to be confusing. Mr. Millar further stated that the college only pays a flat fee per year, no matter how many passes are issued. Discussion was held regarding reassessing the contract with the college.

Mr. Wilson asked if research could be conducted including outreach to riders that once were monthly pass holders, to find out why they are not riding the bus any longer.

Mr. Knaut explained each route in detail using 2015-2016 comparison.

- 3.2 **Paratransit Contract:** Mr. Knaut reminded the Agency that this item has been discussed at previous meetings and gave a brief history of prior proceedings.

Christie Scheffer, Paratransit Executive Vice President/Chief Operating Officer, presented information supporting the request for wages increase in an effort to recruit drivers and be competitive with similar jobs. She stressed the fact that during the RFP process the increase in minimum wage was addressed and she was assured by the RFP Committee that wages could be discussed and the contract amended after the wage increase took effect.

Ms. Garnier asked why wage a increase is being asked for management and other staff. Ms. Scheffer responded that they believe that corresponding wage increases are necessary.

Mr. Hammond asked how the raises will be funded.

Mr. Wilson reiterated his concerns when this matter was discussed previously, that he feels Paratransit is trying to go above and beyond by adding additional increases. He stated that the RFP stipulations and contract content should be followed and that if the contract is changed now, it would not be fair for other companies that may have submitted if they had knowledge that an amendment could be done for the anticipated wage increase. He suggested that counsel be brought in to address legality concerns regarding contract and wage negotiations.

Ms. Scheffer referred to a letter with questions asked during the RFP process that specified if significant, unforeseen, and unbudgeted cost increase occurs that impacts the ability to do the work, would a request for corresponding adjustment to the contract rates be considered; to which the answer from the LTSA RFP Committee was that a request would be considered. She said that based on this question being asked and answered during the procurement process, gives the Agency the leeway to approve an amendment. She commented that Paratransit has absorbed

increases to this date, and that Paratransit is strictly interested in improving the stability of the transit system.

Mr. Franco asked when the contract was up. Ms. Scheffer answered that there are two more years on the base contract with two extension options.

Mr. Wilson said that he thinks there are two separate issues; one being the mandatory wage increase and the other being the additional wage increase for retention purposes.

Discussion was held confirming that legal counsel needs to be sought for amendment advice, and for deciding what changes are allowable.

Discussion was held regarding the proposed wages. Ms. Scheffer explained the need to be competitive for employee retention. She stressed the fact that the request is not to benefit Paratransit profits, but to provide better service for the community.

Mr. Hancock asked for clarity regarding RFP discussions.

Discussion was held regarding conversations held during the RFP process.

Mr. Hancock stated that the common practice for the City is to amend the bottom end of the pay scale to bump up minimum wage, but not to change the ones above that range. He further stated that employee pay is not specified in the RFP, but is left up to the businesses submitting proposals. He suggests making wages clear in future RFP's. Ms. Scheffer said that in the question and answer period, wages are discussed and that other agencies do establish a wage scale in their RFP's.

Ms. Garnier expressed frustration regarding the charts because the hourly wage is not broken down by each employee. Ms. Sheffer answered that the form presented is provided by LTSA.

Discussion was held to clarify exactly what the proposal is requesting.

Mr. Hancock made suggestions for future contracts and said that the form presented only focuses on the cost increases and not any savings. He said that now that there are all these changes, a meaningful solicitation should be done and have these proposals come in again so the comparison will be apples to apples.

Ms. Garnier said that constant changes to the contract creates contradiction to the RFP and opens the door for litigation.

Mr. Franco said he is not in favor of changing the contract, and that the second bidder may have submitted a different bid if they had known that it could be renegotiated later on. He said the minimum wage should be clarified through counsel.

It was agreed to seek legal counsel before proceeding.

Mr. Knaut said that he has already reached out to counsel.

Ms. Scheffer reminded the Agency that they did try to handle this ahead of the RFP to avoid this uncomfortable situation.

Discussion was held regarding the contract dollar amount.

Mr. Knaut reminded the Agency that the contract was under budget for the last year by \$29,000.00 and that there are options to consider to help off-set the proposed increases.

Mr. Wilson requested if legal counsel is in favor of the proposed contract increase, that the cost savings options be presented at the same time.

Discussion was held regarding scheduling a special meeting to coincide with LCTC Special Meeting on August 21, 2017.

3.3 **2017/18 Charter Rates:** Mr. Knaut reviewed information as provided in packets.

Ms. Garnier asked why the proposed decrease. Mr. Knaut answered that it is due to decrease in fuel costs.

Mr. Hammond suggested that until it is figured out where the money is going and why, not to adopt any charter rates. Mr. Knaut said that there are charters coming up and he will need billing rates.

Discussion was held regarding cost involved, resolution scenarios, and that charters are separate from other contracts.

Mr. Wilson asked if they don't act on this item today, would the current rate be able to be used. Mr. Knaut answered that current rates are just for the fiscal year.

A motion was made by Mr. Hammond, second by Mr. Teeter, to keep current rates.

Mr. Knaut reminded the Agency that the direct costs for Community Events are increasing and would not be reflected in the Resolution if it is voted to keep at current rate.

Discussion was held regarding amending the motion and what verbiage to include on the Resolution.

On a first by Mr. Hammond, second by Mr. Teeter, it was unanimously passed to adopt 2017/18 Charter Rates by adoption Resolution 17-005 with fee changes as discussed.

3.4 **Community Events Resolution:** Mr. Knaut reviewed information as provided in packets and highlighted the request for the Northern California Cancer Advocates.

Discussion was held regarding what type of service is allowable. Mr. Leal suggested that rides be kept within the city limits.

Mr. Newton pointed out that the resolution may need to be revised based on Resolution 17-005.

It was clarified that the charter would only be an hourly trip between the casino and the golf course.

On a first by Mr. Wilson, second by Mr. Teeter, it was unanimously passed to approve Resolution 17-006 with changes as discussed, but not providing sober rides.

**(4) OTHER BUSINESS**

- 4.1 **Reports by Executive Director and Staff:** Mr. Knaut reported that Caltrans said the verbiage needs to be changed to keep the Eagle Lake Route available.

It was agreed to place this item on the next agenda.

Mr. Wilson suggested that outreach be done to see if there is any need for campers to travel from Eagle Lake to town.

Mr. Knaut reported that the free fare day funding was approved and that there is enough money to do several free fare days. He proposed a free fare day during the fair. He further stated that there is money available in the budget for advertising.

Discussion was held regarding what days to include. It was agreed to bring this matter back for discussion at the next meeting with a presentation of proposed days.

- 4.2 **Report by Lassen Rural Bus Manager/Staff:** Mr. Leal reported that he had several out-of-town riders last Saturday using LRB to travel to the Bizz Johnson Trail and suggested that a few of the free fare days be on the weekend. He further suggested working with Stan Bales to help advertise with the bike clubs.

Mr. Leal reviewed information as provided in packets and commented on a very successful trip to Eagle Lake with the nursing homes. He said that there is a proposed trip on July 22 and asked if the trip can still be made in light of previous discussion. Mr. Hammond suggested using a free fare day.

Discussion was held regarding if the trip can be made. Through that discussion it was agreed that based on Caltrans comments negating previous action; as long as it is called an on-demand trip, the trip would be valid.

- 4.3 **Matters brought forth by the Agency:** None.

- 4.4 **Set date for the next Regular Agency Meeting for September 11, 2017.**

Ms. Garnier reminded the Agency of a possible special meeting to follow LCTC's if one is scheduled for August 21, 2017.

- 4.5 **Adjournment:** 3:50 p.m.