

AGENDA ITEM II – C STAFF REPORT

YUBA-SUTTER TRANSIT AUTHORITY ANNUAL REPORT JANUARY 2020

Organizational History

Yuba-Sutter Transit, known as the Hub Area Transit Authority (HATA) until January 1993, was formed in 1975 by Sutter and Yuba Counties and the Cities of Marysville and Yuba City as a joint powers agency (JPA) for the provision of public transit services. Since its inception, Yuba-Sutter Transit has carried out this charge by contracting with private transportation companies for the operation of all services.

From 1975 to 1979, service was provided exclusively to seniors and persons with disabilities through a contract with a local taxicab company for the operation of the "Our Car" taxi subsidy program. As a condition of a legal settlement with California Rural Legal Assistance (CRLA), this service was replaced and expanded in 1979 with the purchase of thirteen mini-buses to implement a general public demand response service known as Dial-A-Ride. The system expanded again in 1982 to add a network of local fixed routes. Since 1979, a regional or national transportation provider (currently Storer Transit Systems) has operated Yuba-Sutter Transit's core services.

In January 1988, following an independent operational analysis prompted by poor system performance, the service was significantly reduced through the elimination of the local fixed route system, Sunday service and most rural area services in lieu of a general public zonal dial-a-ride system for the urban area. At the same time, Sutter County withdrew from the Authority to establish a taxi subsidy program for service to the unincorporated urban areas of the county. This service was discontinued when Sutter County rejoined the Authority in January 1991.

In response to the 1988 operational and organizational changes, CRLA filed another lawsuit against the Authority, the member jurisdictions and the Sacramento Area Council of Governments (SACOG). The resulting settlement agreement in 1990 led to the 1992 completion of a fixed route feasibility study and a comprehensive marketing plan. As a result of these studies, local fixed route service was re-instated and the agency name was changed to the Yuba-Sutter Transit Authority effective January 1993.

Services Provided

Yuba-Sutter Transit has a fleet of 51 buses ranging in seated capacity from 16 to 57 passengers. In FY 2019, this fleet operated a combined 92,571 vehicle service hours and provided 931,951 one way passenger trips with our six local fixed routes; local demand response (Dial-A-Ride) service; intercity express commuter and midday service to downtown Sacramento; and, three rural routes serving Live Oak, Wheatland and the Yuba County foothills.

For the current fiscal year (FY 2020), approximately 57 percent of the operation will be provided as urban fixed route service. The local fixed route system provides service every 30 to 60 minutes on six routes with 14 buses in all day service Monday through Friday (12 on Saturdays) in Yuba City, Marysville, Linda and Olivehurst. Local fixed route service

is provided each weekday from approximately 6:30 a.m. to 6:30 p.m. and from approximately 8:30 a.m. to 5:30 p.m. on Saturdays. Yuba-Sutter Transit does not operate any service on Sundays or major holidays.

After being reintroduced in 1993, the local fixed route system experienced steady and often spectacular annual ridership growth in response to numerous service expansions and enhancements. Fixed route ridership peaked in FY 2015 at 1,066,580 passenger trips, but it has dropped each year since to 731,507 trips in FY 2019 – a four-year reduction of 31 percent. While this decrease is generally consistent with recognized regional and national ridership trends, it was exacerbated by the 2015 fare policy changes that resulted in the elimination of local fixed route transfers to remove the incentive to ride multiple out of direction buses to effectively complete a round trip on just a single fare. The positive local economy and stable fuel prices during this period; chronic system on-time performance issues; and, fleet reliability challenges are all believed to be additional contributing factors to this long-term decline in ridership.

The local Dial-A-Ride service accounts for approximately 25 percent of the operation. This service is provided only within the urban area during regular weekday and Saturday fixed route service hours and weekday evenings from 6:00 p.m. to 9:30 p.m. Except for the weekday evening service, which is open to the general public without restriction, Dial-A-Ride service is available only to seniors age 65 and over and persons with disabilities. Dial-A-Ride is also Yuba-Sutter Transit's complimentary paratransit service as required under the Americans with Disabilities Act (ADA). Dial-A-Ride carried 59,093 passenger trips in FY 2019 (down 11 percent from FY 2018 and 16 percent since FY 2015).

Sixteen percent of the operation is provided as service between Marysville/Yuba City and downtown Sacramento primarily in peak hour weekday commuter service. Beginning with two 15-passenger buses in 1990, the Sacramento commuter service now provides ten morning and ten afternoon peak hour schedules with another three midday schedules. This service is provided with a fleet of 13 specially equipped 57 seat tour-style buses. The midday schedules are used by many daily or occasional commuters, but they are also popular with those traveling to and from Sacramento for medical, education and other non-work purposes.

Ridership on the combined Sacramento services plateaued at just under 160,000 annual passenger trips from FY 2011 through FY 2014 before gradually declining to a ten year low of 130,627 boardings in FY 2017 likely due to a combination of factors including the move of many state offices out of downtown Sacramento; changing state employee demographics; the lack of local population growth; stable and relatively low fuel prices; and, service reliability challenges from an aging commuter bus fleet. This trend has since reversed a bit with 134,381 passenger boardings in FY 2019 (up 3 percent over FY 2017). The introduction of seven new buses and free on-board Wi-Fi service in July 2018 certainly enhanced service quality and Sacramento ridership has continued to grow following the addition of new Highway 70 trips and other schedule adjustments in July 2019 to address capacity problems and persistent schedule adherence issues resulting from worsening downtown traffic conditions.

Limited route deviation services to the Yuba County foothills and the Cities of Live Oak and Wheatland account for the remaining operation. The Foothill Route provides two round trips every Tuesday, Wednesday and Thursday between selected foothill communities from Brownsville to Marysville. The Live Oak Route provides two round trips each weekday into Yuba City and Marysville. The Wheatland Route offers one round trip each weekday to Marysville. The Live Oak and Wheatland Routes operate under a fully allocated cost reimbursement agreement with those cities since they are not members of the Authority.

Administration and Finance

Yuba-Sutter Transit is governed by a Board of Directors composed of two elected representatives from each of the four member jurisdictions. The Authority operates with a five person staff of a Transit Manager, two Program Managers (Finance & Administration and Planning & Marketing), a Program Analyst and an Administrative Assistant. Since 1988, Yuba-Sutter Transit's staff has also served as contract administrative staff to the Regional Waste Management Authority concurrent with their transit duties. Approximately 10 percent of the available staff time is now budgeted for waste management responsibilities. Through this shared staffing relationship, both agencies realize reduced administrative overhead expenses.

Yuba-Sutter Transit's operating expenses for FY 2020 are budgeted at \$8,304,800. The budgeted funding mix is about 29 percent Federal (Federal Transit Administration); 51 percent State and local (Transportation Development Act); 15 percent passenger fares; and, 5 percent miscellaneous income from special State grants, advertising, interest and contract service payments. The capital budget, which varies substantially from year to year, is \$5.6 million for FY 2020 with nearly all being used for the recent replacement of 11 local fixed route buses. Capital funding is derived from a mix of Federal, State and local sources depending on the project.

Major Projects

Facilities: Yuba-Sutter Transit relocated in May 1996 to its combined maintenance, operating and administration facility (formerly the Seven-Up Bottling Company plant) at 2100 B Street in Marysville. The facility was remodeled and expanded again in 2011 to serve the site's projected ultimate maximum capacity of approximately 70 buses. Due to the recent adoption of state regulations requiring the purchase of only zero emission buses by no later than 2029 and pending state highway projects, Yuba-Sutter Transit is now launching a state funded Next Generation Transit Facility Site Selection planning process that will ultimately result in the purchase of new property for the development of a replacement transit facility within the next five to ten years.

A Caltrans owned and operated park and ride lot opened on the northeast corner of Bogue Road and Highway 99 south of Yuba City in 1997 largely with Federal funds obtained by Yuba-Sutter Transit. In 2012, this facility was nearly doubled in size to the current 164 spaces with Federal and local funds obtained exclusively by Yuba-Sutter Transit. Currently operating at near capacity levels, the facility site does have capacity for further expansion when funding is available. Yuba County opened the McGowan Park & Ride Lot on Powerline Road at McGowan Parkway in 2008 and the Plumas Lake Park & Ride Lot on Feather River Boulevard east of Highway 70 in 2009. Both lots were sited and constructed by the county in coordination with Yuba-Sutter Transit. Project funding was provided through development impact fees collected by Yuba County from projects in both the North Arboga Study Area and the Plumas Lake Specific Plan and they are maintained with revenue provided through related local Community Service District assessments.

Yuba-Sutter Transit serves 282 designated (signed) bus stops including nine that are owned by the Sacramento Regional Transit District in or near downtown Sacramento. Among the local and rural Yuba-Sutter Transit bus stops, 54 bus stop shelters and 132 bus stop benches/seats have been placed at high boarding locations and other key points. Of these, 32 shelters and 68 benches are owned and/or maintained by Stott Outdoor Advertising. Except for five Wheatland owned shelters, the remaining units are owned by Yuba-Sutter Transit. The ad shelters and benches are provided at no cost to Yuba-Sutter Transit in exchange for the exclusive right to sell and place advertising on them while paying a small commission on the sale of each ad. In addition, 50 pole-mounted route information panels are located throughout the system and bike lockers are available at four of the five local commuter bus stops.

Vehicles: The current revenue vehicle fleet includes 22 local fixed route buses, 16 demand response (Dial-A-Ride) buses and 13 specially equipped intercity commuter buses. As of December 2019, all the local fixed route buses are now modern, heavy-duty low-floor buses with seating capacities of 31 or 32 passengers. The demand response buses are on a cutaway van chassis with a seating capacity of 16 passengers. Primarily used for the Dial-A-Ride service, these small buses are also used on rural routes and to back-up the local fixed route fleet. As of July 2018, all the commuter buses are now high-floor, tour-style buses with a seating capacity of 57 passengers. More than have the fleet was replaced in the last two years so the next major fleet replacement project is not scheduled until 2025.

Services: Following the 1993 reintroduction of local fixed route service, Yuba-Sutter Transit's operation steadily expanded over time in response to passenger demand as recommended in a series of Short Range Transit Plans. The most recent transit plan that was adopted in 2015 included service and policy recommendations for consideration through 2020 and beyond. This plan addressed extended weekday and Saturday service hours; 20-minute service frequencies on Routes 1 and 3; and, annual increases in the number of Dial-A-Ride service hours provided. Most of the proposed service enhancements have been deferred indefinitely in response to declining ridership since 2015. All fleet expansion recommendations were similarly deferred, but most of the other capital recommendations for fleet replacement; enhanced and expanded passenger facilities and transit centers; and, several technology projects have or soon will be completed.

Technology: While intentionally slow to adopt industry trends, we have adding new technology over the last five years as cost/benefit ratios have improved. These include the installation of on-board video surveillance systems on all buses; the replacement of an obsolete mobile radio system; the installation of video surveillance systems in three park and ride lots; the regional Connect Card electronic fare payment system; passenger Wi-Fi service on all commuter and local fixed route buses; and a real-time bus tracking passenger information system with both visual and audio automatic bus stop announcements. Technology projects now being implemented include a computer aided dispatching software that will include real-time passenger information.

Current and Future Issues

Steady growth in federal transit funding, enhanced state transportation funding through Senate Bill 1 (2017), special state greenhouse gas reduction funding programs, recent fare increases, and a conservative budgeting approach have all combined to establish a strong financial foundation moving forward. Key financial factors for 2020 and beyond include the need for reauthorization of the multi-year federal transportation funding measure that is set to expire at the end of September; the significant local impact of the zero emission bus mandate including the need to replace the current facility; and, the need to reverse the declining ridership trend through strategic service adjustments and improved operations. Toward that end, Yuba-Sutter Transit has submitted a state grant application for a comprehensive operational analysis to evaluate these and other issues with an award decision expected in the spring of 2020.

The ability to efficiently and effectively meet both the current and anticipated demand for transit service will continue to be a challenge as all the approved or planned large scale developments in Yuba and Sutter Counties are in areas where public transportation is largely non-existent. The potential demand for services of every kind from these projects will severely stretch what in most cases is still just a minimal level of service. To compound the problem, except for the fees that are being collected by Yuba County for the development and operation of their two park and ride lots, routine impact fees have not otherwise been required from new developments for the capital and operating revenue necessary to serve those developments.

Plumas Lake and Sutter Pointe are two examples of this challenge because of their size and location outside of the existing service area; their low density, single-family residential nature; and, a primary market of out-of-area commuters. Many of those attracted by the lower cost of living and proximity to other employment centers in the Mid-Valley, will be commuting to work in Placer, Sacramento and Yolo Counties and beyond. In addition to these developments, thousands of new homes along with many hundreds of thousands of square feet of new commercial projects have been constructed, approved or are under consideration across the region. Even individual projects such as Yuba College's Sutter County Center (2012) at the north edge of Yuba City or the Hard Rock Hotel & Casino Sacramento at Fire Mountain (2019) present significant operational and financial challenges because of the placement of these obvious trip generators far from any existing service without funding to support any related service expansion.

In addition, even without population growth, the demand for specialized services for seniors and persons with disabilities is expected to grow significantly according to all population projections. Also, specialized services that are now provided through the Alta California Regional Center for the developmentally disabled are limited and Yuba-Sutter Transit's own Dial-A-Ride service already operates at or near capacity levels during peak periods.

The most immediate issue, however, results from the 2018 decision by the California Air Resources Board (CARB) to mandate the purchase of zero-emission buses (ZEBs) by all public transit agencies. The Innovative Clean Transit (ICT) regulation requires that at least 25 percent of all buses purchased by agencies with a fleet of 100 or more buses be powered by either battery electric or hydrogen fuel cell systems beginning in 2023. This same requirement for agencies like Yuba-Sutter Transit with less than 100 buses begins in 2026 and all transit agencies, regardless of fleet size, will be required to purchase only ZEBs starting in 2029. While this regulation will significantly increase bus costs, the greater impact to Yuba-Sutter Transit is the need to replace the current operating and maintenance facility within the next ten years to accommodate the infrastructure to support these new buses. This situation may be even more near-term than 2029 as Caltrans is planning a major Highway 70 project that would significantly compromise our ability to continue operating from the existing facility within the next five years.

Summary

Despite the now almost five-year downward trend in systemwide ridership, the future of public transit in Yuba and Sutter Counties remains bright. While most transit operators have cut service, raised fares or both (some several times) since 2005, Yuba-Sutter Transit avoided such scenarios until the recent general fare increase due to 25 years of extraordinary ridership growth from 1990 to 2015 and a historically conservative fiscal and operational approach. Reversing Yuba-Sutter Transit's current negative ridership trend or just sustaining the overall progress of the last three plus decades will require continuous adjustments to maintain and creatively improve the existing system. Compared to other urban systems in California, Yuba-Sutter Transit operates a wide range of services at what is likely among the lowest hourly cost, but the mix, level and relative priority of these services must continually be evaluated in response to both demonstrated passenger demand as well as ever-changing federal, state and local funding and policy priorities and mandates.

Additional Informational Resources

Yuba-Sutter Transit System Fact Sheet (Revised January 2020)

Summary of Key Events (Revised January 2020)

Ride Guide and Individual Service Brochures (Effective July 1, 2019)

FY 2020 Operating and Capital Budgets (Adopted May 2019)

Yuba-Sutter Short Range Transit Plan (Adopted May 2015)

FY 2020 – FY 2024 Transportation Improvement Plan Program of Projects (Adopted June 2019)

FY 2041 Capital Improvement Plan (Adopted June 2019)

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