

Chapter 10

Institutional and Management Alternatives

INSTITUTIONAL ALTERNATIVES

Impact of Expansion in Sacramento Urbanized Area

Based on the results of the 2000 US Census, the Census Bureau has recently modified the boundaries of the Sacramento Urbanized Area to include the El Dorado Hills area. This change will impact EDCTA's ability to compete statewide for FTA Section 5311 Nonurbanized Area Formula Program grants. Excluding state administrative, intercity bus funding and state discretionary reserve, 65 percent of these funds are distributed throughout the state based upon population. These funds are eligible for both operating purposes (up to 50 percent of net operating costs) as well as capital costs (up to 80 percent). By eliminating El Dorado Hill's population figures from EDCTA's non-urbanized population, this shift is expected to reduce 5311 revenues by approximately \$50,000 per year.

In exchange, EDCTA will become eligible for a proportion of the FTA Section 5307 Urbanized Area Formula Program funds allocated directly by the federal government to SACOG. Within the SACOG region, there is presently no defined process by which these funds are allocated. (It is hoped that EDCTA will be able to receive funds through this program equal to the reduction in 5311 funds.) These funds can be used for capital purposes only, though major bus maintenance functions (such as rebuilding and overhaul) can be considered to be capital programs. The net effect of this shift is to reduce federal funding available for EDCTA operating purposes.

A strategy to maintain operating funding availability is to exchange funds with another transit program in the Sacramento Region, exchanging capital-only funding for funds that can be used for operating purposes. As an example, the re-drawing of the urbanized area boundary has also affected transit services in Placer County. Specifically, the urbanized area has grown from the Roseville, Rocklin and the Granite Bay portion of unincorporated Placer County to also including Loomis and Auburn. As a result, both the Auburn and Placer County transit programs have seen a reduction in FTA Section 5311 funding. However, the City of Roseville has agreed to receive the entire FTA Section 5307 funding from Sacramento RT (as they already have a subrecipient agreement with RT), and exchange funds with Loomis and Auburn to provide TDA funds in exchange for FTA Section 5307 funds.

In the short-term, it may be possible for EDCTA to form a similar agreement with another FTA Section 5307 recipient in the region to exchange funds, in order to gain funds that can be used for operating purposes. This arrangement, however, will only be attractive to another jurisdiction that has excess funds available for operating purposes but can put additional capital-only dollars to use. In the long run, EDCTA should plan on having to adjust operating budgets to reflect the loss of FTA Section 5311 funds. Moreover, it can be expected that further reductions in FTA Section 5311 funding will accompany the 2010 and 2020 censuses.

Coordination Opportunities with Other Providers

Coordination of transportation provided by various social service agencies, nursing homes, private providers, schools, and the general public provider is a concept that has improved services in many areas in recent years. Coordination has been interpreted as everything from telephone conversations to transfer of vehicle ownership. There are four different phases or levels of coordination with regard to the shared use and efficient operation of equipment and facilities. These levels are defined below:

- ▶ Communication involves recognition and understanding of the problem and discussion of possible solutions. This improves the working relationships among various bodies that are in a position to influence transportation developments within their particular jurisdiction.
- ▶ Cooperation involves the active working together of individuals in some loose association in a cooperative way, with individuals or individual agencies retaining their separate identities.
- ▶ Coordination involves bringing together independent agencies to act together in a concerted way, in order to provide for a smooth interaction of separate units of a transportation system. In coordination, the primary concern is in the form of common funds, equipment facilities, or operations, but members of agencies preserve their identities.
- ▶ Consolidation involves joining together or merging agencies for mutual advantage. In the case of transportation services and in the context of this report, consolidation will be used in reference to a fully integrated system, and individual agency identity for the purpose of transportation is no longer maintained.

There are a number of substantial barriers to coordination which must be considered in assessing the appropriate level for a particular service area. **Vehicle requirements** often differ, such as between the requirements of school buses for high capacity versus the need for elderly/disabled vehicles to provide wide seats and aisles for easy access. **Funding requirements** often limit the ability to coordinate services, due to client restrictions. Similarly, **insurance regulations** may preclude mixing passengers on a single vehicle. Organizations may also have specific **cost advantages** that may be lost through coordination, such as the ability of a public organization to purchase fuel at a reduced municipal rate or the ability of a private non-profit to avoid public sector administrative costs. Finally, differences in the **hours or days of service** may work against the efficiency of a coordinated service.

Keeping in mind these limitations to coordination, it is useful to evaluate what potential coordination opportunities exist in the study area. Generally, areas with the greatest potential for coordination include contracting for service, shared maintenance, shared vehicle use, joint training, and improved communication.

- ▶ **Contracting for Service and Shared Vehicle Use** -- Contracting for service offers the greatest benefits to those organizations which do not have extensive transportation needs, or which do not have the resources to invest in capital equipment and other start up costs. In addition, it is often easier for agencies with transportation as a secondary need to purchase transportation rather than provide it in-house. EDCTA already provides a good example of this form of coordination in that it provides contractual service to the Motherlode Rehabilitation Enterprises and Senior Day Care programs.
- ▶ **Improved Communication** -- Each of the providers in the area could benefit from improved communication. While many of the providers fill different niches and have different needs, all could benefit by knowing what other services are available and what opportunities there are for pooling resources or for joint marketing.

It should be noted that public transit services within El Dorado County are already well coordinated through the EDCTA. Rather than provision of separate services for Placerville and for the unincorporated portions of the county, the EDCTA provides these services under one organizational umbrella, thereby gaining the benefits of consolidation discussed above.

Establishment of a US 50 Transit Coordinating Committee

Forecasts of future changes in travel patterns and growth in travel needs, as documented in Chapter 2, underscore the strong and growing interdependency of the various jurisdictions along the US 50 corridor from Sacramento into El Dorado County. Rather than the historic focus on

the commute pattern from residences in El Dorado County to work locations in downtown Sacramento and Rancho Cordova, the SACOG forecasts indicate that travel demands along the corridor will become more complex, including increasing commuting to work locations in the Folsom area, as well as increasing “reverse” commuting to work locations in El Dorado County (largely in El Dorado Hills). In addition, the extension of Light Rail service to Folsom (or beyond) will affect transit needs in the corridor. Due to these factors, it will become increasingly important for transit services – most notably EDCTA, Folsom Stage, and Sacramento RT – to coordinate plans and services.

These organizations, along with the other transit providers in the Sacramento Region, are already meeting on a bi-monthly basis as the SACOG Transit Coordinating Committee. Rather than establishing a whole new committee, a “US. Highway 50 Transit Subcommittee” could be established. The EDCTA could be designated as the “lead agency” for this committee, preparing agendas and meeting minutes. This committee would be made up of representatives from the transit service providers operating on or near U.S. Highway 50 between Placerville and downtown Sacramento, and could also include as needed representatives of local governments and Transportation Management Associations. It is suggested the subcommittee meet at least four times per year to discuss and evaluate considerations such as proposed schedules, fares, ridership demands, costs and service problems. Specific issues that could be addressed by this subcommittee could include the following:

- ▶ How should space for EDCTA and Folsom buses be incorporated into Light Rail station design?
- ▶ How can Light Rail, Folsom Stage, and EDCTA schedules best be coordinated to serve inter-community trips, such as reverse commute trips to job locations in El Dorado County?
- ▶ How can EDCTA services in the Folsom area also serve local transit needs within Folsom? Should a financial arrangement be established by which EDCTA is compensated for some of the costs of these services?
- ▶ Should a U.S. Highway 50 Corridor Transit Guide be developed, which could display the coordinated services provided through RT, the Folsom Stage and EDCTA?

The dialogue established through this sub committee would help to ensure services are being provided by the most appropriate agency, passenger transfers between the various systems are as convenient as possible, and public funds in the governing area are used as efficiently as possible.

MANAGEMENT ALTERNATIVES

Marketing

Marketing in its broadest context should be viewed as a management philosophy focusing on identifying and satisfying customers’ wants and needs. The basic premises of successful marketing are providing the right product (or service), offering it at the right price, and adequately promoting or communicating the existence and appropriateness of the product or service to potential customers. Unfortunately, for too many persons the word “marketing” is associated only with the advertising and promotional efforts that accompany “selling” the product or service to a customer. Instead, such promotional efforts are only a part of an overall marketing process. Without a properly designed and developed product or service offered at the right price, the expenditure of promotional monies is often ill-advised.

Obviously, the marketing program must fit within budgetary limitations of any organization. According to the American Public Transit Association, transit providers typically budget between 0.75 and 3.0 percent of their gross budget on marketing promotions (excluding salaries), with the

majority around two percent. Although this is slightly less than most private sector businesses, public sector organizations can rely more heavily on media support for their public relations programs.

Marketing for New Services

If local transit service levels and capacity are increased, one aspect of marketing that could be particularly effective would be to increase the awareness of residents to any service changes before they are implemented. This increased awareness would translate into higher demand for local transit services, particularly for the express service.

The initiation of changes in transit service could tap new passenger markets. Marketing for such services should include newspaper advertising and a promotion. A major kick-off promotion should be sponsored that will attract feature article coverage. The kick-off promotion could include free coffee and doughnuts for the first A.M. express departures, followed by a noon ribbon cutting.

Additional marketing is particularly warranted to promote any change/expansion of service on the deviated fixed-route services. Schedules should be modified to reflect added service and a newspaper ad should be run to introduce the expansion. Flyers placed in the various shopping centers throughout at least the first six months of expanded service should also be provided.

Improve the Existing Marketing Materials

EDCTA's marketing materials are not up to the standard set by other transit providers in the region. Specific shortcomings are as follows:

- ▶ EDCTA's current individual route maps are hard to follow, not drawn to scale, and poorly labeled. The routes shown, are in many places, not those the bus actually travels, nor are some of the streets designated.
- ▶ The schedules list every transit stop, which adds to the confusing format. Instead, transit systems typically define "checkpoints" every few miles along the route, and then publish schedule times only for these checkpoints. Intervening stops are shown only on the route map. Passengers typically find this an easier way to understand the system as a whole, and drivers have more flexibility on how to operate between the checkpoints.
- ▶ Schedules typically indicate services provided on Saturday in bold font, which again is easier for passengers to understand exactly when Saturday services begin and end.
- ▶ Providing the schedule for each EDCTA route as a separate flyer does not present the entire capabilities of the system as a whole. This strategy limits the potential ridership between various routes, as riders may not realize the extent of EDCTA routes or services available. By having a systemwide service map, with schedules either on the reverse side or alongside the map, customers can easily glance at the system and know how and when to connect between routes.
- ▶ It would be more convenient for the Sacramento Commuter route to have a pocket size schedule.
- ▶ While they are adequate for passengers already familiar to the system, they do not present the route and schedule information in a format that is easily understandable by the new potential passenger.

An excellent example of a convenient schedule and route map has been developed by the Redding Area Bus Authority in Redding. This 21" x 16.5" piece provides a color route map on one side, with a description of all services, as well as contacts for other public transit services, on the reverse. This route map cost \$20,400 to initially develop, and costs \$0.37 per piece to produce. These costs, however, are more than justified by the improved image of the system and the greater convenience to the passenger.

Targeted Marketing

Due to the size of the EDCTA service area, the transit system operates a number of specific services within various communities. Experience in marketing for similar transit systems indicates that the most effective use of media is a moderate level of continuing advertisement exposure in local newspapers, providing information tailored for the paper's readership. In the EDCTA service area, these papers include:

- ▶ The Clipper, El Dorado
- ▶ County Times & Review, Placerville
- ▶ Divide Harvester, Georgetown
- ▶ Georgetown Gazette
- ▶ El Dorado Hills Telegraph
- ▶ Gold Panner, Placerville
- ▶ Mountain Democrat, Placerville
- ▶ The Reporter, Placerville
- ▶ Swap-N-Shop, Shingle Springs

This strategy is particularly important in assuring ridership for new services.

Cosumnes River College Marketing

In light of the potential for Cosumnes River College student ridership on EDCTA services and the continual turnover of student population, it is important for EDCTA to specifically market to the CRC community. A presence at activity fairs, advertising in the student newspaper, and free-fare days for persons with a valid student ID are all appropriate elements of a student marketing program.

Joint Marketing with Connecting Transit Services

As discussed above, a key marketing advantage of EDCTA is the many connections possible with other transit services. EDCTA should capitalize on this advantage by taking the lead in developing a U.S. Highway 50 Corridor transit rider guide, detailing the system as well as the Folsom Stage and Sacramento RT connections. This map should be displayed on vehicles and facilities of all of the above transit services.

Service Monitoring

The need to minimize costs and maximize the efficiency of the service requires that sound business practices be followed in a transit service organization. Just as one would not run a retail store without knowing exactly what items are selling, it is imprudent to operate transit service without knowing which routes and which runs are attracting ridership. Similarly, the quality of the service provided must be closely monitored.

The following data categories are required for careful supervision of services, and should be collected on a regular, ongoing basis:

- ▶ *On-Time Performance* – Comprehensive records of on-time performance are useful in determining proper scheduling and ensuring quality service. At a minimum, road supervisors should be required to do a standardized observance of on-time performance as part of their service checks. This data should be entered into spreadsheets to allow

tracking. In addition, on-time performance surveys should be conducted at least twice per year, whereby drivers radio in their arrival and departure times at major stops.

- ▶ *Annual Passenger Survey* – On-board passenger surveys are a vital source of planning information regarding the ridership and the purpose of their trip-making. In addition, surveys are the single best way to gain “feedback” regarding the service. Funding for annual onboard surveys should be a priority. Questions that should be addressed in the annual passenger survey include the following:
 - Day and date that the survey is completed,
 - Time at which the survey is completed,
 - Route that the passenger is traveling,
 - Passenger gender,
 - Passenger age,
 - Whether the passenger is disabled, and if so, the type of disability,
 - Origin of trip (major intersection near trip origin) and trip destination (major intersection near trip destination),
 - Purpose of trip, typically categorized as work, shopping, recreational, social, educational, other,
 - Rating of the transit service (poor, fair, good, very good, excellent), and
 - Suggestions for improvements in transit service.

- ▶ *Boarding and Alighting Counts* – It is worthwhile, on at least an annual or biannual basis, to conduct a day-long count for boarding and alighting by stop for each of the services operated. There are a number of useful pieces of information that can be gleaned from a boarding and alighting count:
 - Identify the most important stops;
 - Rank bus stops for potential passenger amenities, such as shelters or benches;
 - Identify the section along the route where the maximum load occurs. This information is very important in identifying the appropriate vehicle size for the service, as well as to track the service quality issues, such as passenger overcrowding.