

It matters how we get there

Meeting Summary  
June 23, 2010  
Whatcom Council of Governments

**CTAG Members**

Kathy Berg, Chair  
Dave Pros, Vice Chair  
Glen Hallman  
Chris Hatch  
Carole Macdonald  
Patrick Pollock  
Larry Wickkiser  
Emily Kraft

Carol Berry  
Terry Terry

**Technical Advisors**

Ellen Barton  
Gary Davis  
John Hergesheimer  
Jessica Lee  
Maureen McCarthy  
Chris Comeau

**Administrative Support**

Mary Anderson  
Gordon Rogers

Start: 4:30  
Stop: 6:30

In Attendance:

*CTAG Members:*  
Larry Wickkiser  
Carol Berry  
Kathy Berg  
Terry Terry  
Dave Pros  
Emily Kraft  
Carole Macdonald

*Guests*  
Shasta Cano-Martin

*WTA - CAP members*  
Kristopher Baier  
Myron Wlaznak  
Christopher Turner  
John McGarrity

*WTA Staff*  
Richard Walsh  
Rick Nicholson

*Technical Advisory:*  
Maureen McCarthy

*Administrative:*  
Gordon Rogers  
Mary Anderson

Not in Attendance:

*Members:*  
Glen Hallman  
Patrick Pollock  
Chris Hatch

*Administrative:*

*Technical Advisory:*  
John Hergesheimer  
Jessica Lee  
Ellen Barton  
Gary Davis  
Chris Comeau

**I. WTA Issues**

C. Turner: Can you raise capital from individual citizens, and in return they get a reduced fair?

R. Walsh: Some communities have business subsidies for higher level of service to that area.

J. McGarrity: The Metro car in NY does relies on things like that.

M. McCarthy: Four handouts - *Summary of cost reduction plan*  
*Six year look ahead at WTA finances*

R. Walsh: WTA cash flow projections over next six years. If we continue at the level we are now, we will be out of money by 2013. We are drawing down our

reserves by \$315,000 per month. It now looks much worse because of Canadian Sales tax elimination, that will equate to a \$1.5 million lose to WTA per year.

With 14% service cuts, we will still need more cuts in 2013.

Bold line is where we need to keep reserves (at \$12.2 million).

Right now reserves are at \$16.5 million.

We are going forward with a proposed 14% service cut beginning this fall, the board will vote on that at the July 15<sup>th</sup> board meeting. We project the need for additional 20% service cut by 2012. That is with the assumption that growth and sales tax revenue is at 3% per year.

This year we are 2.5% below sales tax revenue from last year. We are projecting an inflationary rate for fuel, wages and insurance to be up 5.3% At a special work session with the board, WTA staff presented their cost savings plan of \$1.2 million in non-service cuts. We will have a total of \$2.2 million savings with service cuts. The board vote was not required for the non-service cuts, but they were supportive. We are looking to scale back areas in support areas where possible.

G. Rogers: Are operators required to have training each year?

R. Walsh: Yes, they are required to have training each year. 15 operators will be eliminated. When people retire, we will rehire those laid off.

Total of 29 employees will be laid off by September.

Other costs savings are:

Selling advertising on WTA materials and buses.

Eliminate transfers.

Postpone trip planner implementation, looking into Google transit.

Because of new fleet, maintenance costs will go down.

We are looking for a tenant at Lynden Station.

Eliminate legislative specialist in DC and Olympia.

Renegotiate contracts with various trades.

Looking to modify the way we pay for vanpools.

Investigate premium fare for specialized transportation.

Reduce safety net service to one day per week. Eliminate service to Pt. Roberts and Lummi Island.

Safety Net is a service offering door to door rides, available to the general public. People book a day in advance. Riders are usually seniors or disabled persons living in rural areas.

Some of these cut requires a public process, some don't. We are looking to go ahead soon.

J. McGarrity: Are there some areas that you are cutting where other groups might be able to pick up the service?

R. Walsh: The Council on Aging used to provide safety net service.

R. Nicholson: We have been working on this since Spring 2009. We had a public hearing last Nov. After that the board decided to present a vote to the public. After the ballot failed, we took the proposed cuts to the public in May 2010. We took comments into consideration. There is another public hearing on June 30<sup>th</sup>. The Board will give thumbs up or down on July 15<sup>th</sup>.

Major changes: Sunday service eliminated, not low productivity, however cutting service on one day has a big overall benefit. Paratransit is 35% of our budget, by law must operate on same days and hours as fixed route.

10% expense cuts in budget.

We are looking at a 15% expense cut on top of this in 2013, that is the equivalent of 20% service cuts.

Eliminating Sunday service saves \$1 million annually.

C. Turner: I wish there was a way of helping the Para-transit system, I don't use it unless I absolutely have to. It's a limo service. Should have cabs that can take up what the buses aren't doing.

R. Walsh: We have a contract with City Cab to offer auxiliary runs, usually to Pt Roberts and Lummi. More cost effective to send cab than our vehicle.

C. Turner: Vehicles not designed for wheel chairs. Best ones were old cars in London.

R. Walsh: R Bock - a new vehicle on the market, low floor, costs \$70,000 - \$130,000.

J. McGarrity: Cash flow projection is down; these cuts won't help with upward movement. How much more need to be cut to maintain.

R. Walsh: About 35% total service cuts.

D. Pros: Takes into account Canadian sales tax. Can others use WTA buses on Sundays?

R. Walsh: By eliminating Sunday service we save on staff, mechanics, supervisors, the buildings need to be powered, easy to bring back Sunday service.

D. Pros: Seems that weekend trips might be more optional. Businesses hurt by eliminating Sunday service. Can businesses sponsor buses that loop b/t cities?

R. Walsh: WTA could do that, we haven't looked into it. Kitsap Transit and Community Transit are also both eliminating Sunday service. In public hearings, customers talked about how important any cut is to their life. WTA has already cut \$1.6 million in operating costs over last year.

J. McGarrity: Failed by 700 votes, there are many things that WTA provides besides just access to jobs. Freedom is eliminated. The costs to own two vehicles are high; many need transit. If the Transportation tax is passes by COB, then WTA will never have access to it. Good for advisory group to revisit. I have been discussing this with City Council members; I think we should put WTA on the fall ballot.

G. Rogers: Would you be willing to characterize the proposal.

R. Walsh: WTA is not a party to that proposal, the City of Bellingham is proposing a transportation benefit district, with a 2/10<sup>th</sup> of 1% sales tax increase. It would fund projects on their TIP. They added an element to enhance transit service. They could use dollars to mitigate some service reductions in Bellingham. It might generate \$3.8 million per year. I don't know how board will feel about it; and I don't know how much money we'd actually get. Some are supportive, some are not. It may preclude WTA's ability to receive sales tax increase in the future.

J. McGarrity: People from the County will be paying for this when shopping in Bellingham.

R. Walsh: COB funding has nothing to do with what we can collect. We can still collect up to 3/10<sup>th</sup> of 1% more.

R. Rogers: Under the rules, the COB could have raised a license tab fee up to \$20 or more. That wouldn't have needed a vote.

L. Wickkiser: This has been tough; I want to commend you for doing the necessary thing under the circumstances. Are there any opportunities for bringing out private sector operators? How is the inter-city service doing?

R. Walsh: Intercity service continues to do well, the 80x runs between Mt. Vernon and Bellingham. It costs \$300,000 for the route as a whole. We were provided with state money for the last 6 years. We don't know what will happen to that route after this year. WTA can negotiate with private sector.

J. McGarrity: People traveling from Blaine, Ferndale, etc oftentimes standing room only. Could Bellair compete with that, have people pay for a seat?

L. Wickkiser: We don't usually run North of Ferndale. Also probably couldn't compete with WTA.

R. Walsh: That issue has come up, what will market bare with fare increases. There are some in our community that can't afford raised fares.

L. Wickkiser: I used to own the business, would ask why can't the private sector do what the public is? Probably comes down to the Union. Private

sector is looking and willing to do something. With a contract determining everything, it's an opportunity for cost savings.

R. Walsh: Transit employees are protected by state law with binding arbitration. We would look at what's done at similar sized places across the state.

L. Wickkiser: There used to be a clause for a commuter route to be contractible.

K. Berg: Is there anything you would like from CTAG tonight or going forward.

R. Walsh: It would be helpful if board heard how you felt about service cuts. As far as the COB transportation benefit district, it is difficult for any of us to give a recommendation, if you have an opinion you can give it to the board, independent of WTA staff.

J. McGarrity: July 12, City Council will look at benefit district.

*Our opinion is that the service cuts and administrative costs savings plan are acceptable as presented.*

J. McGarrity: Motion

M. Wlaznak: Second

L. Wickkiser: I support and appreciate the cuts, rather than always attempting to raise the taxes.

G. Rogers: This should come in the form of a letter of support to the WTA board.

*Motion carries, none opposed.*

J. McGarrity: Motion: *To WTA board, Mayor Pike and City Council, In the future the WTA system may need to raise taxes; we hope your actions won't preclude the passing of that tax increase.*

*I would like to see WTA tax increase on the ballot this November.*

There was a small transportation system where I grew up, with no buses. I think it's imperative that the WTA board stand its turf.

K. Berg: CTAG was proactive in taking it to the ballot before, we'd like to see WTA be proactive and maintain its system. We voted as a community to put in WTA taxes, didn't see it for awhile, but have it now and like it.

We should draft two letters, one to COB regarding TBD, and one to WTA board to encourage them to move forward on vote in November.

Motion: J. McGarrity

Second: K. Baier

L. Wickkiser: May I vote present, not for it or against it.

M. Wlaznak: I have a problem if the city goes ahead with TBD, the county will be opposed to sales tax increase. It would look like we are trying to have a double tax increase.

J. McGarrity: WTA isn't asking for this, COB isn't putting into writing how much money will go to WTA. They have said they aren't committed to more than year by year funding.

M. Wlaznak: I think the reasoning the City is giving is silly. If these two sit on the ballot together, both could fail.

R. Walsh: WTA just heard from the voters, probably don't want to put it on the ballot in November. I don't think there's enough time for the community to feel the service cuts by November.

J. McGarrity: I don't think the sales tax numbers will go up to where they were. People will be more moderate with their money. What the city is proposing is not a solution to WTA problems.

G. Rogers: It's not clear to me how the second memo should read. Just opposition to TBD, or include tax increase?

J. McGarrity: What's being proposed by the COB will not benefit WTA.

L. Wickkiser: J. McGarrity can you write out what you've been saying, I would like to see it written out before voting on it.

M. Wlaznak: I can't say that I'm in support of the COB TBD.

D. Pros: I have a friendly amendment, can you write this down and send it out, we can vote in favor or not.

G. Rogers: I would like to know what WTA staff thinks about this.

R. Walsh: I think if you made a statement on the TBD not being beneficial to WTA in the long term; that would be good. We just heard from the voters that they don't want the tax increase. It is likely that we will present a ballot increase in the future at some time, not in November.

K. Berg: That friendly amendment was accepted, I am asking G. Rogers to write a letter in opposition to the TBD, supportive of WTA to support public

transportation in the whole county. If you do not respond that is considered in support.

*All agree.*

G. Rogers: When I send this out, if you give comments it changes it. Try not to wordsmith, since people will have to vote on each change. I will try to send it out by mid next week.

R. Walsh: To WTA by July 8<sup>th</sup>. Mel Hanson is the chair.

D. Pros: What is the current growth rate of the sales tax?

R. Walsh: Year to date, we are 2.3% below last year.

D. Pros: What are you anticipating if growth is flat?

R. Walsh: Lines on graph get steep.

**III. Complete Streets next steps - waived**

**IV. Adjourn**