



REGIONAL TRANSPORTATION COMMISSION

Metropolitan Planning • Public Transportation & Operations • Engineering & Construction

Metropolitan Planning Organization of Washoe County, Nevada

December 7, 2018

AGENDA ITEM 5.1

TO: Regional Transportation Commission

FROM: David F. Jickling
Director of Public Transportation and
Operations


Lee G. Gibson, AICP
Executive Director

SUBJECT: Temporary Fare Reduction or Suspension

RECOMMENDATION

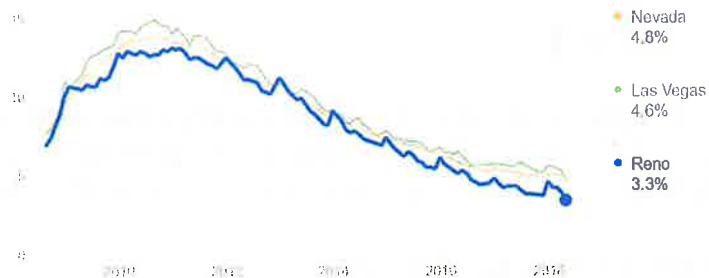
Approve a temporary suspension or reduction of fares on RTC RIDE and RTC ACCESS to remain in effect until service reliability is restored.

SUMMARY

With unemployment in the Reno-Sparks metropolitan area hovering around 3.0% (Figure 1) over the past year it has become increasingly difficult for MV Transit to recruit and retain employees for RTC RIDE. The effect of the tight labor market has had the greatest impact on coach operator recruitment as starting wages were far below market demands. As a result, there have not been enough coach operators available to consistently provide

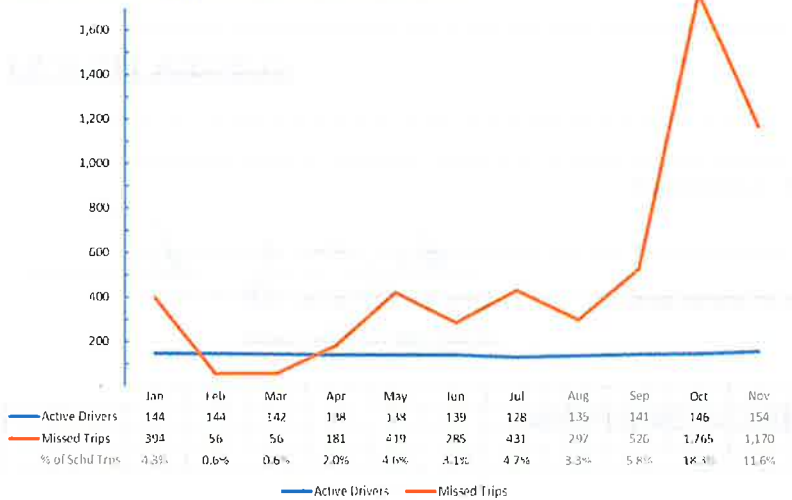
Figure 1 – Reno/Sparks unemployment rate

3.3% (May 2018)



scheduled service. In an attempt to address this situation RTC implemented a minor service reduction in January 2018 to reduce service to a level that could be sustained by the existing workforce. Although the change had an immediate and positive effect (Figure 2), recruitment woes mounted and missed trips began to climb significantly in the spring. In response, MV increased wages across the board in July, with some wages increased over 30%. RTC agreed this was a necessary step to adequately recruit and retain the workforce needed to operate and maintain our fixed-route system. In return, RTC waived liquidated damages associated with the labor shortage through contract end on June 30, 2019.

Figure 2 - 2018 Missed Trips vs Active Drivers



Unfortunately, despite generous wages, recruitment and retention has not responded as quickly as hoped. As a result, today there are still not enough coach operators to provide all of the service shown in the Bus Book and many scheduled trips are not being made due to a shortage of operators. The effect of the large number of missed trips, indeed nearly 20% in October, is having a severe impact on RTC RIDE passengers, many of whom depend on public transportation to get to work and school, and

ridership is declining as a result. Although the coach operator ranks are increasing slowly, staff anticipates it will be another couple of months before scheduled service reliability is restored.

As a gesture of goodwill toward our passengers who have been impacted these many months by the large number of missed trips, along with delays to existing service caused by construction detours on 4th/Prater and Virginia Street, staff recommends that collection of RTC RIDE fares should be suspended until all scheduled service is able to be provided with the reliability RTC and our community expects. Any changes made to RTC RIDE fares would also need to be made to RTC ACCESS fares.

FISCAL IMPACT

The fiscal impact of eliminating all fares is approximately \$400,000 per month on RTC RIDE and \$53,000 on RTC ACCESS. Ridership would increase by about 187,000 passengers per month on RTC RIDE and again, by some unknown amount on RTC ACCESS.

ADDITIONAL BACKGROUND

If the Board should choose to suspend fares that action could be implemented immediately. If instead a decision is made to implement a temporary fare reduction, there will be a number of steps that must be taken before it can be implemented. For example, reprogramming fareboxes, ticket vending machines, and our mobile fare payment software, Token Transit, all require 3rd party contractors to assist and typically take several days to several weeks to accomplish depending on the task. In addition, coordinating and reconciling pre-purchased fare media with pass retailers and refunding passengers that may have just activated time sensitive fare media will need to be accomplished.