

**TRANSIT RECOVERY
TASK FORCE**

TO: Blue Ribbon Transit Recovery Task Force

DATE: October 26, 2020

FR: Steve Kinsey, CivicKnit

RE: BTRTF Meeting #6 Summary

Mutual Understanding from Task Force Meeting #6 (October 26, 2020):

- 1) There is an urgent need for additional transit funding
- 2) System-wide network management actions will be a primary Task Force focus

Additional Information requested to be included in a future Task Force Meeting:

- 1) More information on changes that MTC has authority to make now vs. changes that require legislation
- 2) A clear statement on the problem that the network management and governance reform is aiming to address
- 3) Better understanding of how existing initiatives will integrate with Transformation Action Plan

Identified Concerns:

- 1) Transit agencies have an immediate need for additional funding
- 2) Health, economic, and business variables beyond the control of transit agencies will significantly affect the rate of returning riders.
- 3) Needs of transit-dependent, underserved riders, and essential workers need to be the first priority now and in future planning.

Meeting Summary

Chair Sperring opened the meeting by reporting that he and Therese McMillan recently attended and spoke at a state legislators' Bay Area Caucus meeting, describing the Blue Ribbon Task Force purpose and mentioning that a network manager concept is being considered by the body. He then briefly reviewed the meeting agenda, emphasizing the importance of setting Transformation Action Plan Goals.

MTC Director Randy Rentschler and Sara LaBatt, EMC Research, Inc. representative, provided a high-level summary of rider surveys completed by transit agencies since the pandemic began. They also reported that the MTC Commission has authorized funding for further research to inform a regionwide message aimed at welcoming riders back.

Task Force member comments included 1) concerns that the research focused too heavily on commuters, 2) requests for more underserved, transit-dependent, and student bus rider input, and 3) appreciation of the summary information from small operators who couldn't otherwise afford the research.

MTC Staff confirmed that the Return-to-Transit program budget includes focus group research with the public, employers and the school community. MTC Staff will work with operators and stakeholders as the research program advances.

Therese McMillan presented MTC's Transit Operations Funding Recovery outlook. Her slide show compared pre-COVID revenues with those after the pandemic's onset, CARES Act funding status, criteria for shifting funds under MTC's control, and the limitations on re-directing funds from the state and local sales taxes. MTC is estimating operators will have an operating shortfall of \$400 to \$600 Million by June 2021, and could see a \$1.7 Billion shortfall the following year, barring any significant changes to our situation.

Secretary Kim stated that redirecting state funds would be a long shot and would face major legislative hurdles and opposition. Responding to a question from Chair Spering, Ms. McMillan confirmed that MTC can set priorities that shift transit funds to specific purposes. This presentation and possible options may be presented to the MTC Commission as soon as next month.

Before introducing the facilitator for the Transformation Action Plan discussion, Chair Spering emphasized that a decision on Goals next month would set the course for the remainder of the task force, making the conversation a most important one. He appreciated that the item was structured so that MTC staff could present their own perspective, alongside the transit operators and other stakeholders. Given that action will be taken on the Plan Goals and Objectives at the November meeting, he said that the Task Force will revisit its voting procedures and decision-making process at the start of the November meeting.

Facilitator Steve Kinsey, CivicKnit, led the group through a series of slides intended to draw out what the Task Force wants to prioritize in its *Transformation Action Plan*. Four draft Goals were presented, followed by Task Force and Public Comment.

A cross-section of Task Force members emphasized a common theme that more funding is urgently needed now and is essential to achieve long-term improvements.

There was broad support, including from Assembly Member Chiu, for the comments raised in a letter sent to the Task Force by several members. These comments included encouraging refinement of the "transit transformation" definition, more emphasis on creating transit advantage opportunities, ensuring that the Plan's reform action step recommendations reflect long-term goals, consideration of MTC's existing initiatives to focus on their relationship to the network manager concept, and for CalSTA's perspective to be brought to the Task Force.

Comments regarding Network Management and Governance issues were frequently raised during the meeting, with members expressing a diversity of perspectives such as: the problem needs to be clearly stated before considering alternatives, labor and collective bargaining issues need to be more fully understood, past studies should not be repeated, consultant services should focus on identified hurdles, network management should be considered separately from governance issues, and the discussion of network management specifics should start sooner than January.

Other comments included the need to bring transit agency board members into the discussion sooner rather than later, enthusiasm for equity principles, including metrics and goals in equity actions, and taking into account that some transit users will not return, especially paratransit riders. Members of the public commented on new funding issues, reallocation of capital to operating funds, mergers, technological advances in data collection, and finding more operations funding now.

MTC Chair Haggerty proposed setting aside funding for agencies that are willing to come forward to advance consolidation among themselves.

At the conclusion, Chair Spering stated that this BRTRTF should concentrate on the Network Manager concept, making its recommendations to both MTC and the Legislature. If a Network Manager is established, many of the transit service issues being raised may be addressed through the role of a network manager.

A revised set of draft *Transformation Action Plan Goals and Objectives* will be presented for consideration and adoption at the November BRTRTF meeting.