

MINUTES OF THE MEETING: TROLLEY COMMITTEE / JANUARY 15 / 11:00 A.M. GALVESTON CITY HALL Room 204

In Attendance: Chairman Kyle Albright, Co Chairman Trey Click, Council Member David Collins, Kelly de Schaun, Joe Rozier, Mike Shriner; Goodman Corporation-John Carrara; City of Galveston-Rick Beverlin, David Smith; Galveston.com – Lee Roane and associates. Hand-out: Trolley Advertising Report 10/01/17 – 11/30/18

CALL TO ORDER: CHAIRMAN KYLE ALBRIGHT CALLED THE MEETING TO ORDER AT 11:04 A.M.

ROLL CALL: QUORUM DECLARED.

CONFLICTS OF INTEREST: NONE.

APPROVAL OF THE MINUTES: FALL MINUTES APPROVAL DEFERRED TO NEXT MEETING.

REQUEST TO ADDRESS THE COMMITTEE: NONE.

STATUS OF THE FIRST TROLLEY CAR: DAVID SMITH NOTED A STRUCTURAL BEAM PROBLEM...CAR TRAPPED WATER WITHIN THE STEEL CYLINDER COLUMN CAUSING CORROSION FROM THE INSIDE OUT—COULD NOT DRAIN. GOMACO TROLLEY COMPANY GOING BACK WITH ENGINEERS ON THE TROLLEY TRUNKS AND HOSE – REMOVED BEAMS AND ORDERED NEW STEEL TO REPLACE (SO FAR ON THEIR DIME...FULL COST IS NOT KNOWN YET. THEY MAY ASK FOR MORE DOLLARS.). WILL HAVE TO GO BACK TO CITY COUNCIL TO INCREASE CONTRACT AMOUNT – FINAL ANSWER STILL REQUIRES MORE WORK BY GOMACO. ALBRIGHT: WHERE ARE WE ON THE ACTUAL FABRICATION. SMITH: PUT IN PLACE AND TEST; BRENT SUMRALL HAS SEVERAL MORE FACTORY CHECKS TO COMPLETE AT APPROPRIATE TIMES. SECOND ITEM – GOMACO SENT TEST TRUCKS/WHEELS. DIFFICULTY RUNNING THROUGH CURVES AND SWITCHES. STONE ENGINEERING CONSULTANTS CAME DOWN LAST WEEK – RECOMMENDED ADJUSTMENTS AND DIFFERENT WHEEL. JOHN CARRARA: GOMACO COMPLETE CAR WORK--GENERATOR, WOOD FLOORS, INTERIOR, EXTERIOR--AS SOON AS STRUCTURAL PROBLEM WORKED OUT...CAN MOVE FORWARD. THE ORIGINAL AMERICAN MANUFACTURER SHUT DOWN AND COMING BACK AGAIN. ANOTHER GROUP, MORE MODERN, PHILADELPHIA-EL PASO, MORE SUITABLE. EVALUATE BETWEEN THE TWO. COMPLETELY DIFFERENT ASSEMBLY; TEST ON TRACKS. SMITH: TRIAL AND ERROR DELAY BUT COMPANY WE HIRED RECOMMENDED BY GOMACO. ALREADY REDONE WOODWORK ON INSIDE, SANDED OUTSIDE – THE FIRST CAR IS BEING USED AS A GUINEA PIG. SECOND AND THIRD WILL MOVE ALONG FASTER. AIR CONDITIONING: GOMACO HAS THEM NOW. CARRARA: WILL INSTALL AND MAKE SURE WORKING SEPARATELY. SMITH: ORIGINALLY, WERE GOING TO SHIP. NOW WE SHIP TO THEM. THEY WILL NOT MOUNT THEM – WOULD MAKE TROLLEYS TOO TALL TO SHIP.

STATUS OF THE MARKETING EFFORTS ON THE TROLLEY/BUSES: (GALVESTON.COM) LEE ROANE. SUMMARY REPORTS ON ADVERTISING – 50% SOLD ON BUS SHELTERS. SOME INSIDE SOLD. A FEW CANCELLED ON INSIDE. DIDN'T SEE BANG FOR THE BUCK – ISSUE INSIDE TROLLEYS. LAST WEEK INSTALLED THE FIRST MAP. PUT MAP ALONG TOP, ANGLED DOWN (PASSED PHOTO). MAP - TWO 24" SPOTS. AUDIT: MORE STUFF TO SELL. KELLY DE SCHAUN: FINANCIALS. ROANE: REVIEWED THE TROLLEY ADVERTISING REPORT FIGURES LISTED FOR OCTOBER 1, 2017 TO NOVEMBER 30, 2017 (REPORT DISTRIBUTED). REPORT REFLECTS WHO IS ADVERTISING. IN TOTAL, END OF DECEMBER, \$91,000; SOME EXPENSED BACK TO CITY. SO, CITY SHARE \$43,350. HELD ON TO MONEY TO PURCHASE FRAMES; WILL CUT CITY A CHECK IN MARCH, \$30,000. DE SCHAUN: IS THERE A PIE IN THE SKY NUMBER WE WOULD BUILD UP TO. ALBRIGHT: HAVEN'T BEEN ABLE TO DO; ADVERTISING DOLLARS ARE APPLES TO APPLES. SCOTT MOON: FORECAST- SHELTERS ALONG SEAWALL, THEY WOULD SELL FAST. AND INSIDE SIGNS ON THE TROLLEY - \$300 PER MONTH. NOT SOMETHING HAPPY WITH. THREE OUT OF FOUR INSIDE CANCEL. MORE RESPONSE ON THREE EXTERIOR SIGNS. LANDRY'S TO INCLUDE VIDEO. DE SCHAUN: \$600,000 REALLY AMBITIOUS. COMMENDED FOR THE \$91,000 YOU HAVE DONE—I LIKE THE BUSINESS YOU HAVE. ALBRIGHT: INCREASE FROM NOVEMBER TO DECEMBER SIGNIFICANT. TREY CLICK: PEOPLE THAT ARE AHEAD OF THE GAME. MOON: WHEN STEEL WHEELS COME BACK, SIGNS WILL BE GONE. CLICK: WHEN YOU WRITE A CHECK WHERE DOES IT GO? SMITH: CONTRACT ALL THE FRAMES FOR ALL THE TROLLEYS REVENUE TO THE CITY—DOLLARS SPENT UP FRONT. CARRARA: TECHNICALLY FUNDS NEED TO GO TO ISLAND TRANSIT SUPPORT. RICK BEVERLIN: WE HAVE HAD NO INTEREST ON MOVING. CARRARA: TRANSIT PARTICIPATION IN THE STRUCTURE. DE SCHAUN: MORE SENSE TO PUT BACK INTO ISLAND TRANSIT BUDGET. OFFSET COST. SMITH: RUBBER WHEEL THROUGH HOT TAX. ADVERTISING ON BUSES BACK TO IT.

BEVERLIN: LAST YEAR RAN SUBSIDY FTA MONEY \$800,000 ANNUALLY. EITHER TROLLEY OR BUS WILL BE ABSORBED FOR OPERATIONS – 110,000 TRIPS VS. 83,000 TRIPS. DE SCHAUN: WOULD LIKE TO SEE IN THE GRANULAR LEVEL. BEVERLIN: SPRING BREAK GOES WAY UP AND SUMMER. ALBRIGHT: ALL CASH, PEN, PAPER. TICKET PRICING. MARKETING, GPS, AUTOMATED COUNTERS – NOT ON A DOLLAR FARE – INCREASE IN TICKET PRICING. DEPENDABLE SCHEDULE. INTERRUPTION – TO INFORM CUSTOMERS USING THE TROLLEYS. UBER LIGHT, EFFICIENT, A SYSTEM SIMILAR. IMPORTANT MAINTAINING UPDATES. PACKAGE OF TROLLEY IN EXISTING EFFORTS—PACKAGING AND VALUE

TO CUSTOMERS. NO ROOM FOR DISCOUNTING AT FARE. BEVERLIN: CONSISTENCY OF FARE A CONSIDERATION. DO WE THINK THERE MAY BE PEOPLE SHIFTING FROM ISLAND TRANSIT TO TROLLEYS? YES, APP IN PLACE. TROLLEYS \$2. PARATRANSIT \$2. EVIDENCE HAPPENED ON THE RUBBER TIRE TROLLEYS...TAKE RUBBER AND STEEL TO \$2. AGREEMENT CVB ISSUE. CONTRACT RATE FARE MEDIA OR APP – STAY IN HOTEL COVERING THE FARE. OTHER SIDE OF THE COIN. PERFECT WORLD, PAID TO PARK, TROLLEY FOR FREE. MAX RIDERSHIP – ESPECIALLY TOURIST RIDERSHIP. RIDERSHIP ON ISLAND TRANSIT TO GO BACK WHERE IT SHOULD BE. MIKE SHRINER: MOVE FROM CASH TO AUTOMATED. BEVERLIN: GRANT FOR FARE CARD – CARD READER ISSUE. ON PHONE IT FLASHING ICON. SOMETHING SIMPLE. IMMEDIATE DISCUSSION – CAN WE GET HOTELIERS TO AGREE TO A CONTRACT RATE. LEAVE CAR; EVERY TRIP FREE. SMITH: CALLS FOR CHARTERS. CAN'T CHANCE LOSING RUBBER WHEEL IN AN ACCIDENT. DIVERT EMPLOYEES BACK TO ISLAND TRANSIT. DE SCHAUN: HOW TO GET AROUND. BEVERLIN: MOST LOCAL, BROADWAY, S OR U. ISSUE ON HOTEL MOTEL – NOT SUPPOSED TO BE MOVING STAFF SINCE TAX GENERATED. DE SCHAUN: REALISTIC TO EXPECT PEOPLE TO PAY. SMITH: ISLAND TRANSIT ROUTES WOULD HAVE TO BE A LOCAL, USING REGULARLY. RUBBER WHEEL SIMPLER UP AND DOWN SEAWALL. 50,000 PEOPLE.

DE SCHAUN: WOULD LOVE TO SEE TROLLEY BUDGET – AMOUNT FROM TROLLEY BOX. FIRST, THEY WILL ASK ME: HOW MUCH TO PAY. I COULD BE WRONG. BEFORE WE CREATE A USER FEE, WHAT WE HAVE ALREADY. BEVERLIN: ALL TRANSIT IS SUBSIDIZED, VARIETY OF GRANTS. \$3.3 MILLION; WAS \$4.8 MIL. THIS YEAR AT \$6.6. BY COMPARISON, 1/3 SYSTEM PAID FOR – FARE BOX WILL NOT MAKE IT UP. ALWAYS BIG GAPS. WE CAN COUNT RIDERSHIP IN MILES. DE SCHAUN: DON'T BELIEVE PUBLIC SERVICE HAS TO PAY FOR ITSELF. THEREFORE, I AM GOING TO MAKE THE CASE: USER NEEDS TO PAY. WE ARE A CONSERVATIVE COMMUNITY WHEN IT COMES TO SPENDING. BEVERLIN: BULK CONTRACT SCENARIO, GUARANTEED REVENUE. CONTACT UTMB – ISLAND TRANSIT. RIGHT NOW YOU HAVE NEW WHEELS. 12 YEAR VEHICLES. SIX YEARS IN COST ESCALATION; HALFWAY THROUGH LAST FISCAL YEAR ATE UP ENTIRE BUDGET. VEHICLES WE DID NOT OWN. PART YOU HAVE TO PLAN FOR. AGE: COST GOES UP. ALBRIGHT: WHAT IS THE NUT THE CITY HAS TO HAVE ON A RIDE? ADVERTISING DOLLARS DIVIDED UP. WHAT WE HAVE TO WORK WITH - DOOR TO DOOR SERVICE - \$12 AN HOUR. PEOPLE HAVE TO PROVE THEY NEED THE SERVICE ON REGULAR BUSES. SHOULD RATES GO UP FROM \$1 TO \$2. NEED HARD NUMBERS ON EXPENSES. TWELVE MONTHS TO KNOW WHAT IT IS COSTING. IS \$2 THE NUMBER. BEVERLIN: FIXED RATE CLOSE TO \$8. HARRIS COUNTY RIDE \$15. AGING POPULATION. ALBRIGHT: EXPECTATION. HOW MUCH TICKET FARE GOES TO OFFSET COST? CARRARA: LOOK AT ALL THE FINANCIALS IN ONE PACKAGE, ENOUGH FROM ADVERTISING, ETC. – COULD HAVE A FARE THAT IS FREE. CITY WANTS TO HAVE A NOMINAL FARE BOX – WILL BE MUCH LARGER THAN IN THE PAST. ALBRIGHT: BACK TO CHICKEN OR THE EGG. FARE DISCOUNT ON HOTELS. BALANCING ACT. BASE COST FROM RIDERSHIP TO GET TO TICKET PRICE. BEVERLIN: 25%. CARRARA: TOTAL REVENUE FROM FARE LOWER WITH MORE AND NOTHING WITH LESS. LOCAL RIDERSHIP. SMITH: SKEW THE NUMBERS CANNIBALIZED. BEVERLIN: PANHANDLING AT THE STOPS – NOT BEST THING. SMITH: ISLAND TRANSIT FIXED RATES AND RUBBER WHEEL TROLLEY – PULL REVENUE JUST ON THE RUBBER WHEEL TROLLEYS. TICKET PRICE – MAKE SURE NOT SETTING UP SYSTEM. GPS OR RWT THROUGH GOOGLE. GALVESTON.COM CAN HELP US WITH THIS. RUNNING A BUS (NOT FIXED ROUTE) WHEN WE MET WITH METRO – COST FOR RUBBER WHEEL TROLLEYS DEFINED DOWN. ALBRIGHT: SPRING BREAK SHORT TIMEFRAME. BEVERLIN: CONSIDER PRETTY SOON. HAND IN HAND WITH HOTEL AGREEMENT. SMITH: DAILY RATE AS OPPOSED TO PER RIDE. ALBRIGHT: WHEN TREY AND I SPOKE WITH MELODY AND MEG, CONSISTENCY IMPORTANT TO OVERALL PACKAGE. PHYSICAL PASS OR CAN DEPOSIT WITH DRIVER OR DIGITAL – COVER AND NOT CREATE ADDITIONAL COST. JOE ROZIER: RETAILERS ON STRAND...BEVERLIN: REIMBURSEMENT.

ROANE: GALVESTON.COM CAN DO TICKET SALES – THREW OUT BUT TOO SOON. SELL ON-LINE \$1 TICKET LOSE 30 CENTS. MANAGE SYSTEM: I NEED REFUND – DID NOT USE. RAISE TO \$2 CASH—WIGGLE ROOM ON ON-LINE SALES. \$1.20; SELL WEEKEND HOP ON HOP OFF \$10 WEEKEND. I COULD SUBMIT NEW PROPOSAL ON TICKETING AND GO UP - \$2. CITY ABOVE \$1; BUY SCANNER (COST) FOR BUS. MONTHLY REVENUE? \$30,000 CHECK TO CITY – BUY SCANNERS OUT OF IT. DE SCHAUN: COST BEFORE WE SET PRICE. NOT MAKING ENOUGH ON A DOLLAR. ACCOUNTABILITY FOR PRESENTATION. STARTING POINT TARGET – RAISE SUFFICIENT CASH. SMITH: TO CITY COUNCIL – HAVE TO KNOW COST. ALBRIGHT: LET'S GET IN BEFORE SUMMER; COME BACK IN TWO WEEKS. INSIGHT AND GUIDANCE. BEVERLIN: \$2 AN HOUR HOURLY OPERATING COST OF THE RUBBER WHEEL TROLLEYS; ALBRIGHT: LEE CAN PULL TOGETHER. SMITH: NOTHING TO CITY COUNCIL YET. COME BACK WITH NUMBERS AND PROPOSAL. BEVERLIN: NO FTA EVER BLENDED INTO THIS. WE WOULD NOT HAVE TO GO TO A PUBLIC MEETING. SMITH: WORKSHOP FOR CITY COUNCIL. CRUNCH NUMBERS. ALBRIGHT: 29TH OPEN. SMITH: IN MIDDLE OF TRI-ANNUAL AUDIT. CLICK: AGREE WITH ALL THAT. ALBRIGHT: ANY OTHER COMMENTS? DE SCHAUN: GLAD FOR FOLLOW UP ON GPS. SMITH: JUST CONNECT TO GOOGLE. PROBLEM – TEAM TO MANAGE IT. BEVERLIN: NEED STEEL WHEELS TO COME BACK. SMITH: FLY RICK UP. BEVERLIN: AFTER FEBRUARY. ALBRIGHT: CALLED FOR ADJOURNMENT. MOVED BY CLICK, SECOND FROM ROZIER. ALL IN FAVOR.

LINDA STREVELL FOR

DAVID SMITH – DIRECTOR
FLEET, MASS TRANSIT, SPECIAL EVENTS

Rubber Wheel Trolley Service

Operational FY 2017-18

REVENUE			
ACCOUNT	TYPE	TITLE	YTD ACTIVITY
331180	R	FARE BOX REVENUES	\$ 74,064

EXPENDITURES			
ACCOUNT	TYPE	TITLE	YTD ACTIVITY
511001	L	REGULAR PAYROLL	\$ 247,783
500000	L	FRINGE AND OTHER	\$ 100,754
511009	L	OVERTIME	\$ 31,530
522059	E	MOTOR VEHICLE PARTS	\$ 15,841
531240	E	MAINTENANCE CONTRACTS	\$ 1,657
531350	E	GARAGE CHARGES - FUEL	\$ 68,020
544098	E	REIMBURSABLE FROM INSURANCE CLAIMS	\$ (3,105)
500000	D	DEPRECIATION - FIVE TROLLEYS	\$ 144,358

TOTAL ANNUAL COST \$ 606,838

		Miles	CPM
Cost Per Mile	\$ 606,838	223,243	\$ 2.72

		Riders	CPR
Cost Per PAID Riders	\$ 606,838	74,064	\$ 8.19

		Riders	CPR
Cost Per ALL Riders	\$ 606,838	110,351	\$ 5.50

		Hours	CPH
Cost Per Hour	\$ 606,838	10,500	\$ 57.79