

**MINUTES OF THE MEETING: GALVESTON AD HOC TROLLEY COMMITTEE / APRIL 23, 2019 11:00 A.M.  
CITY HALL ROOM 100**

In Attendance: Co-Chairman Trey Click, Mike Shriner, Kelly de Schaun, John Zendt, Joe Rozier; City – Rick Beverlin, David Smith; Galveston.com – Lee Roane; Goodman Corporation – John Carrara.

Co-Chairman Trey Click called the meeting to order. A quorum was declared. No conflicts of interest. No request to address the committee.

Approval of the Minutes. David Smith will make adjustments. John Zendt moved with changes and Joe Rozier seconded for approval with adjustments; motion carried.

**Update on fares (trolleys).** Rick Beverlin. We held a public meeting roughly a week ago and at present the only thing we are taking to Council for the 25<sup>th</sup> is the Harris County Rides Contract which is related to the ADA paratransit and the taxi cab delivery to that service. At some point going to Council for discussion on Fare Box, we have made management aware that any tweak on fixed route may have an implication for the trolleys as well. First order: Summarizing numerous comments at meeting which I anticipated we would have a lot, they varied from not eliminating weekend fixed route service to not increasing fares and so forth. We will come back with some recommendations but one thing to look at – the paratransit rides program but also for those that qualified for the ADA program riding for free on fixed route. We need to boost our fixed route usage, increase in fare and some marginal increase on fixed route – since 2010 on fixed route – and thus how the trolleys are also treated needs to be addressed. If you get rid of weekend service, mass migration to the trolleys. Don't know if that is intent of discussion. Joe Rozier. I thought at the last meeting we said Yes, the trolleys need to cost more than the fixed route. We need Council to bless whatever we do on fixed route in particular. So we were originally going to take it to the meetings on 25<sup>th</sup> this week. We are going to circle back with management. Summarizing – hope we do go in the next meeting. Financially, we are going to have to do it. People at public meetings made management look at this more. Mike Loftin, Finance director, re-working numbers on his end as a starting point to continue discussion. Rick Beverlin: Outcry over losing weekend and night service and cannot get to church. Beverlin: But the problem quite simply is running some services that were not there before we had a job access reverse commute grant for fixed route—where night and weekend service funded. Did not exist before 2010. We are still running deficits because of it. That would mean you would either have to approve more general fund or go up in fares or a combination thereof or same thing all over again. Kelly de Shaun: What comes out of the general fund? For Island Transit. Beverlin: Amount approved in the last budget – there has not been an amount that low in 20 years. Looking at close to \$3 million total budget cap. Operating everything; \$600,000 general fund. Historically low. de Shaun: Concern. Lack of evenings, weekends for workforce. Beverlin: Need to be some balance; other contingent liabilities cities now having to take on. Budget planning across entire city. Positions frozen. Ten less drivers now than a year ago. Cut every other ancillary service. We lost maintenance money HGAC, half million; census \$250,000 from TxDOT, about one million right now. Still operating some things that were never in place. If you go back adjusted dollars 1999, \$660 adjusted for inflation dollars. Not operating same level of service. You also had no service west of 81<sup>st</sup>. Squeezed the turnip as much as you can. Lost grant funds. Not going back into federal category of money. We are applying for additional 5310 money. Ridership double what it was ten years ago; 20 years ago tripled. My grandfather, retirement, he and his buddies lived ten years. Not the case now. Population living another thirty years. Number of people that qualify is going up exponentially. Council Member Craig Brown: You know, cities our size very seldom have public transit. Beverlin: I will say this, there are some that have a skeleton system, scaled down paratransit. Many of them in a major metropolitan area are part of a larger system so everybody gets a little piece. We were filling a sub-regional transit role operating as contractor from mainland. Some grants, one hit cap. on front end, and HGAC not giving twice for same service. Limited time

they will fund new service. Victory Lakes – money ran out. This is not just a problem we have had. HGAC regional impact more like larger terminal or major corridor. Last program call \$750 million.

What will fare proposal be? Beverlin: My guess, if maintain weekend service, may look at higher fare. Not prohibited from doing that. Giving everybody the same fare. People pay double Saturdays and Sundays. Double it: \$2. On paper your cash fare \$2.50/\$3 adults on trolleys. Smith: Grants, loss of money, worried about people jumping on rubber wheel trolleys. Locals cross-talking to the drivers; bad for the tourists to hear that. Beverlin: I have had drivers come to me over time and have come to me recently where we have a negative image. When you have a local, and believe me the drivers prefer to drive the trolleys because they are dealing with tourists, and you look at our fare box and what is put in there and interactions with people not wanting to pay, not wanting to comply, a long list of things...they drive a trolley, long period pretty good. More and more, negative interactions in front of tourists from our hotels, with small children, getting F-bombs thrown at drivers entering and exiting. Like negative advertising, and we need to avert that.

John Zendt: I appreciate the comments on weekends, a lot of employees who use it; important to hotels. But going back to the trolleys, which is what we are here for, I think it is important if we go up on fees July 1, it is difficult for Kelly and I to communicate to tourists. Happen or not happen By Memorial Day \$1 to \$2 – so we can get notice out. Beverlin: Unfortunately, it is not on the agenda. Zendt: That is terrible publicity to get that out in July. Mike Shriner: We talked a meeting or two ago that we didn't want the transit to get out ahead of the trolley. Beverlin: We are going to get blowback from locals. Trying to explain to them ... when we did the Ambassador training over at Kelly's shop, we had one complain about not being able to get to WalMart. One of our drivers was in training and we had to call him back. I rather bluntly said Not to get you to WalMart, to your job; designed for heads in beds; they pay for this...teaching moment. de Schaun: Living in a community with 7 million visitors and 50,000 residents. In the paper a division between residents and visitors. I would rather see a trolley going down the Seawall with people on it whoever they may be and it looks to me like what's happening...that language coming out of you in particular and what you do. I would ask John if that's how you feel about the HOT tax. Beverlin: If you look at the code, residents can ride-secondary. Not designed to supplant local system. Suggestions change hours, routes. Talking about one hour it did not run. Say what it is. If we don't run it, blowback from locals, change hours, routes. Getting blowback from locals – not tourists. Already at Break point: understanding has to come – we cannot supplant the system. Follow the code with HOT tax. If ridership on the trolleys was locals, for whatever reason, ends up higher than fixed route, say you get rid of weekends on fixed route, then you are doing exactly what it says you can't do. It says it in there. The problem is, when I take offense to it, when my employees are getting ripped up and down on a daily basis. Don't want to pay the fare. Why do they have a transfer here for free? Tourists are paying. We are sending them for CVB training (drivers). Lady called three people. Said all along locals can ride and use but not designed around local public transportation needs. If we do that, we are going to be in trouble with the State. Shriner: So if irrespective of what you do, what about taking fare increase for the trolleys forward. Beverlin: We would like to in conjunction with anything we do, if we go that route, with ticketing app and GPS. Smith: All stems around what Island Transit does. Shriner: Is there any legal issue on having two different fares. Beverlin: We don't fall under the same regs as FTA in terms of public meeting requirements. We are trying to following the rules. Believe me our drivers prefer to drive the trolley, they are the ones in the streets. At some point you have to express sorry for the scheduling, but we are doing with our drivers what we are supposed to do. The drivers on the trolleys are entirely paid out of HOT. Not mixing funds. Don't have to have a public meeting. Just have Council approve. Trey Click: It is a specialty service. Portion of what we have to do to be nice. Drivers diffuse as part of their job. Beverlin: Council will have to be the ones to do it. Brown: You want to take Trolley fares higher. (All in agreement on higher fare) Beverlin: Think about how much you pay to park in

downtown Houston. Doesn't need a public meeting. \$2 good fee for rubber wheel trolleys. From a cost standpoint...we may end up below \$2 with fixed route. Want \$3. Balance books, amount of grants, operations, courtesy, source of funds: can't mix the two. State codes. Cannot replace public transportation. Brown: City Council May 23; May 15 special meeting. Smith: Would have had it this month but bigger public turn-out postponed. Balance: enough ridership. Discount packages \$2.50; theoretically just like with Island Transit absent grant, where are we going to get the money. Let's go down on price and double the ridership – but they won't be visitors. When free, we had people walking from Broadway to get on trolley on Seawall to save a dollar. Brown: No parking garage, amount of bus or trolley up. Beverlin: That is what spine will do. Should have been called Galveston Tourism Trolleys. Citizens paying for the trolleys: genesis of calls. Would we fill them up and add more...empty or mostly empty...locals Monday to Wednesday. If you were to look at days of operations, Thursday through Sunday...run days with ridership...self-fulfilling prophecy if they don't always see them out there. \$3 weekends; \$2 week days. Test the waters, low of \$2, and high of \$3. Not too specific yet. Brown: If I am a tourist, I will pay the money. Opinion of Council we can't redesign to support hotel employees to get to their jobs; but because going there incidentally, it is ok. They aren't paying the bed tax. de Schaun: Working two steps ahead of us. Idea of increasing the fee to offset movement onto the trolleys. Beverlin: Couple of pieces—ridership on fixed route has been going down over time; double from 20 years ago (ADA). Demand type has changed. Formula, however, looks at: the more we take away...have to get people back towards fixed route. Half of the funding formula is ridership and on the fixed route. Push more onto trolleys where Island Transit goes down. 100,000 less than last year. Fixed route impact. Irony: Want to please locals and tourists both – local hurts Island Transit. Endless loop. Cost conscious rider – paratransit always more than fixed. Qualify: more formula money there too. Trolleys lift equipped/rubber wheel. Paratransit door to door. Many can go to fixed route. Up rate: tourists on trolleys. Smith: audited heavy by federals; will dig. Mixing and matching hit by them or the State. Beverlin: Eliminate weekend service and do nothing with trolley fare – you will be supplanting at that point. Shriner: Make a motion and recommendation that this committee goes forward to City Council recommending we establish the rate increase for the rubber tire trolleys that would be bracketed between \$2 and \$3. Second by: John Zendt. Lee Roane: Hop on hop off \$3; weekend pass \$10 three days. Shriner: amend \$2 - \$3 rate structure reflects single ride cash price. Bulk pricing may be less than \$2 at discretion of committee. (Call for vote) All in favor; one opposed, Kelly de Schaun: understand logic, convoluted, dissatisfied with ridership we have now. Before raising prices, more work done to make more viable. System could be more productive, GPS, signage before pricing.

**GPS Mapping and apps (trolleys).** Smith: New revised proposal attached to packets. Every two minutes icons moving. Not estimated arrival time. Shows where we are. Every two minutes.

Lee Roane: Example: You are at Moody Gardens, look at map, trolley on the way. Let's get out of here. Four people. \$3 cash – online \$2; someone on phone \$8, bar code, scan on bus. Arrive at Seawall. Beach. Transfer to downtown. Catch the next one. \$8 four people. Or cash price \$12. For \$8 purchase, fees 2-1/4% 7 cents on \$8 transaction. \$1 fare eats everything. No fare box. Equipment: ipads, tablets, scanner, cell service, communication internet—five of them about \$200 month. May be cheaper. Build, maintain, run call center; 25% of that \$8 - \$2. On the GPS, Google transit integration. Brown: How much? Will this system function for us in the meantime; mobile device-how well does it work out. Roane: GPS – want every 30 seconds, somebody goes on system – will know where it is. de Schaun: visitor no idea how long it takes. Roane: Interim step. We have not yet looked at having something at the major stops tied to GPS like a ticker tape. Another interim option – not going to be cheap. Downtown terminal good start. Brown: How do we get present time on GPS? \$2 fare, if we did this 50 cents of \$2 to Galveston.com to run; could do map only, both, what do we net? Roane: Google is getting greedy, \$500 month...if people use this a lot. Brown: Both on \$2 ticket – city net - \$4,000 one-time plus google plus \$5,000

tablets, monthly fees. If cash, all ours. Ticketing discount other piece; hoteliers – tickets sell for guests. All of it discount fee on supply and demand – maximum \$3. Couple months revenue to see what we get. I like where you guys are going. Coming out of the fare box revenue. de Schaun: Forego interim and cost to see Google maps to do it right. See what it costs to skip interim. Like idea of Galveston.com responsible for online ticketing. They do it for us. Let me know summer time, overcome hurdles, so we can put into our program. Long-term – parking app, here and here, marry parking and call center. Brown: How long? By next week? Google GPS info. Roane: City third party out for bids. Only a handful of companies do this. Brown: See what we need to do to start the process. Roane: Interview vendors – a project. Click: Timing not going to work for us – something to start with for season. By the time you go through, in the middle of season. Shriner: \$4,000 one-time mapping and \$100 month. \$1,000 month expense, spread cost six months. Optimistic. Show definite routes; eg. Special events routes. Beverlin: Administrative staff in house; shift supervisor MBA worked for computer company. Go to Google, transit map, not the ticket. We need to look at doing the same with Island Transit if this in-house works. Click: Any more discussion on GPS mapping? Brown: city will move forward on information on third party – estimate how long. Smith: Does this committee need to recommend we move forward with on-line tickets and mapping for next six to nine months? If Council okays rates, move this into motion. If we like, why wait another two months? Smith: Make a recommendation for staff to move forward. Discuss bidding out within their scope of work; run bases on everything. Rozier: Motion that we recommend to staff to approve online ticketing as proposed up to one year; option/simple map as presented today. Brown: Add direct staff to get information on third party for bidding process, service provider. Motion seconded by John Zendt and carried.

**Update on Hotel Packages (trolleys).** Talked to Joe and to John as well as management—what rate would we do that at? 95% proposed moving forward. John buying 100 tickets; and you are getting your money. Work with management. Any input from hoteliers? Zendt: Not taken to Galveston Hotel & Lodging association til we have something more definitive. Tickets can sit or give them out as people check in or to employees. Tokens, wrist band – we didn't have automatic counters. Scan helpful. Brown: Hotel package. Zendt: All of it due some negotiating. More finite description of rates – on next agenda. Define: child (next meeting). Rozier: In front of City Council? Brown: Working with staff for workshop – following month is vote; special meeting May 15. Events people coming with concerns. Any other business? Quick update on rail trolleys – change order for frames. Moving faster – city hired engineer to address wheel problem. Trolley inside convention center for Tourism Summit. Beverlin: Never had a complaint on trolleys by tourists. There being no further business to come before the committee, the meeting was adjourned by Co-chairman Trey Click.



Minutes recorded by David Smith  
Executive Director  
Fleet, Transit & Special Events