



Legislation Text

File #: ID#19-7031, Version: 1

SUBJECT/RECOMMENDATION:

Approve a three-year Clearwater Beach Route Funding Agreement between Pinellas Suncoast Transit Authority (PSTA) and the City for an amount equal to actual revenue hours multiplied by 25% of the rate billed to PSTA by Jolley Trolley along the Clearwater Beach Route and authorize the appropriate officials to execute same. (consent)

SUMMARY:

The City of Clearwater and Pinellas Suncoast Transit Authority (PSTA) entered into a one-year agreement to fund the Non-Spring Break related Jolley Trolley service since 2016 and amended that agreement in 2017 and 2018 to extend the funding to those years. The agreement funded the Clearwater Beach Route, which provided service from Island Estates to North Beach and South Beach. That agreement called for the City and PSTA to split the remaining cost of Jolley Trolley operations after estimated advertising and farebox revenues were applied. The City capped its contribution to the expense at 10,417 revenue hours.

In review of the agreement this year, both PSTA and the City identified challenges in continuing with the past formula that was related to a separate 2017 agreement between Jolley Trolley and PSTA, which altered the way Jolley Trolley and PSTA receive revenues, making tracking revenues much more difficult. In response to this, the City and PSTA worked to identify an alternative formula, which both agree is more functional and appropriate.

The new formula calls for the City to pay PSTA for 25% of the revenue hours billed to PSTA by Jolley Trolley for the Beach Route, at a rate consistent with the contract rate agreed upon in the PSTA/Jolley Trolley agreement. Additionally, the new agreement is a three-year agreement instead of a one-year agreement and while the number of revenue hours the City pays for will remain at 25%, the rate at which we will be required to pay will escalate in a manner consistent with the contract rate agreed upon in the PSTA/Jolley Trolley agreement (roughly 3% per year) as defined by the agreement.

PSTA has also requested an increase in the number of hours the City will pay. As stated above, the original agreement called for the city to pay revenue hours in an amount not to exceed 10,417 annually using a route that serviced North and South Beach from Island Estates with service on the half-hour. In 2018, PSTA added a stop to Downtown Clearwater and the new Clearwater Beach Transfer Station (CBTS) and began funding an additional trolley to maintain the half-hour service delivery time on the South Beach Route, which caused revenue hours for the Jolley Trolley to exceed the City's not to exceed amount of 10,417 annually. PSTA has been required to cover those added costs since 2018 but is now asking the City to contribute to the expanded service and has expressed that it will need to revert to the previous service model if the City is not willing to fund the expanded service. Staff has identified below the impact of both options for council review:

- 1) Fund added service to Downtown - 14,136 estimated annual hours (current operations since February 2018), includes:

North Beach Route serving North Mandalay to north Island Estates (1 vehicle for regular daily service) (30 min headway)

South Beach Route serving Sand Key to Downtown Clearwater/Park Street Terminal (2 vehicles for regular daily service) (30 min headway)

Cost of option 1 to the city in FY (Fiscal Year) 2020 is estimated at \$285,547 for year 1 of the agreement. The budget for FY21 and FY22 will be requested at this level plus a 3% escalator.

- 2) Fund original service only - 9,617 estimated annual hours (historic routing ended with opening of CBTS in February 2018), includes:

North Beach Route serving North Mandalay to north Island Estates (1 vehicle for regular daily service) (30 min headway)

South Beach Route serving Sand Key to Island Estate Publix (1 vehicle for regular daily service) (30 min headway)

No direct Jolley Trolley service to Downtown Clearwater - requires transfer to Suncoast Beach Trolley or Coastal Routes at CBTS or Marina

Cost of Option 2 to the City in FY2020 is estimated at \$194,263 for year 1 of the agreement.

The FY2019 ridership numbers for the Jolley Trolley were 389,822. This includes ridership during Spring break. Since option 1 provides direct Jolley Trolley service to downtown and results in improved on time performance and service reliability, staff is recommending option 1.

APPROPRIATION CODE AND AMOUNT:

4351333-581000

Funds are included in the approved FY2020 Parking System operating budget for the first year of this agreement. Consistent with the approval of this agreement, funding for fiscal year 2021 and 2022 will be included in the department's budget request.