

BlueGo is seeing red; more cuts needed



By Kathryn Reed

A \$211,000 shortfall is requiring BlueGo to tweak bus routes in South Lake Tahoe – again.

It seems like every few months officials from the South Shore bus agency come before the South Lake Tahoe City Council with either proposed route changes or fare increases.

On Tuesday there will be a public hearing on the proposed suspension of routes, including doubling the wait time for the main route on Highway 50 through the center of town. The BlueGo plan is scheduled to begin Jan. 13 and last until June 30 – the end of the fiscal year.

When the agency has budget hearings next spring, reintroducing the suspended routes is likely to be one of the topics.

South Tahoe Area Transit Authority (STATA) board members first must approve the changes at their meeting Friday at 1pm at the Tahoe Regional Planning Agency office in Stateline.

All but one affected route is in South Lake Tahoe. The lone Nevada route involves Whittell High School-Zephyr Cove on the weekends.

The route restructure should bring a savings of \$183,000. The entire operating budget is being looked at to see where other dollars can be saved.

"If we did any further cuts to the transit system, we would have impacted people's ability to get around," explained John Andoh, BlueGo administrator.

Andoh and the agency's accountant are the only two paid employees. BlueGo contracts with MV Transit to operate the buses.

The city, El Dorado and Douglas counties, the Stateline casinos, Ridge Tahoe and Heavenly Mountain Resort are some of the entities that make up STATA and pay into the bus service.

Funding comes from a variety of sources, including both states, the feds, grants and fares. But the money that one state ponies up cannot be used in the other state. This is why California is feeling the brunt of the route suspensions.

"Revenue is not coming in as projected," Andoh said. California uses property taxes to fund transit agencies, and those taxes are down significantly from years past.

The entire BlueGo budget is \$4 million a year.

Changing the operation



"What is a BlueGo?" tourists ask. A picture of a bus on the signs would answer that

question.

It wasn't until a couple years ago that BlueGo had an administrator or was operated as a coordinated transit agency.

The operating agreement from 1995 is still in affect. It is going to be reviewed Jan. 8 as well as the bylaws. Changes should be finalized in the coming months.

STATA members each get a vote. But in 1995 Harrah's Lake Tahoe and Harveys had different owners, so they still each have votes when in fact they are now one company.

On the flipside, when MontBleu and Horizon joined they were owned by the same company but are now under separate ownership.

"Friday's discussion is how do they add more members for additional revenue into the system," said Rick Angelocci, South Lake Tahoe assistant city manager and the city's alternate representative to the board.

(South Tahoe's rep and Mayor Kathay Lovell did not return a phone call. Neither did Nancy McDermid, Douglas County commissioner and chairwoman of STATA.)

About a year ago, Ridge Tahoe at the top of Kingsbury Grade was brought in to STATA. The time-share resort donated its vehicles and put up some cash.

Other lodging properties have expressed interest in joining as well. In the past, Sierra-at-Tahoe has been talked about as a potential member.

Looking forward and back

To attract bus riders, the board realizes it must make the system approachable. One definition of that is comfort.

"The city is getting new buses in a couple weeks. They have

extra heaters, extra CNG tanks so they can go farther without refueling, wider seats that are a little more cushiony and satellite radio,” Angelocci said.

He said these are things that will attract the “choice riders” – those who choose to ride BlueGo as opposed to those who have to ride the bus to get to their destination.



Most bus stops on the South Shore are exposed to the elements.

Photos/Kathryn Reed

Another thing that will change in the next year is installing bus shelters so people don't have to keep sitting or standing in the cold. So many of the bus stops throughout the South Shore are just a bench. And because sidewalks are so haphazard and seldom shoveled even getting to the bench can be dangerous this time of year.

The City Council last fall allocated \$30,000 from its air quality mitigation funds to help fund the shelters. Grants are also being sought to help pay for shelters.

A former elected official said the city bought shelters in the past that were stored at Lake Tahoe Airport, but were never used. It's unknown what happened to them.

Another issue for South Lake Tahoe on Jan. 12 will be deciding

in closed session whether to file a lawsuit against ATM, the transit operator before MV. The lawsuit ATM filed against the city in federal court for breach of contract was thrown out last year.

BlueGo is in debt about \$1 million to MV. Officials say this has to do with startup costs because the city's bus garage was in such disrepair when Area Transit Management abruptly quit operating days before it was scheduled to in December 2008.

It used to be that TRPA would float BlueGo the money when it came up short on cash, then have transit grants pay TPRA back. That was until two years ago when BlueGo was told it had to be a standalone entity without those crutches.

Angelocci said it could take four years to pay off that debt, unless the city tries to recover those costs in court.

MV had to fix buses, cleanup the garage and buy parts. Employees had to be hired and trained.

But no one in the city lost his or her job for not overseeing the ATM operation and allowing it to become what it became.

Multiple safety infractions led the city to want to get rid of ATM. Andrew Morris ran ATM after buying the company from Ken Daley in November 2006.

Daley formed ATM in 1985 and began running STAGE, the predecessor to BlueGo.

He was at odds with the city several times in those 21 years – sometimes regarding money. (Daley is now a real estate agent and will be installed as treasurer of the South Tahoe Association of Realtors on Friday.)

Daley was at the helm in June 2002 when a \$3.6 million deal was signed to bring what was touted as a state of the art bus system to the South Shore. Sixty-five telephones and 31 kiosks were supposed to be installed so passengers could find out

when the next bus would arrive.

It never worked. They were pulled offline within months and never returned to service. It's unknown what happened to the kiosks and the technology.