



**Agenda and Meeting Notice**  
**THE NORTH LAKE TAHOE RESORT ASSOCIATION BOARD OF DIRECTORS**  
**Wednesday, May 4, 2011 – 8:30 am**  
**Tahoe City Public Utility District**

**NLTRA Mission**

*“to promote tourism and benefit business through efforts that enhance the economic, environmental, recreational and cultural climate of the area.”*

**Meeting Ground Rules**

*Be Prepared, Engage in Active Listening, Be Respectful of Others, No Surprises, It is OK to Disagree, Acknowledge Comments, but Do Not Repeat Comments*

**ITEMS MAY NOT BE HEARD IN THE ORDER THEY ARE LISTED**

**A. CALL TO ORDER - ESTABLISH QUORUM**

**B. AGENDA AMENDMENTS AND APPROVAL (*Motion*)**

1. Agenda Additions and/or Deletions
2. Approval of Agenda

**C. PUBLIC FORUM**

Any person wishing to address the Board of Directors on items of interest to the Resort Association not listed on the agenda may do so at this time. It is requested that comments be limited to three minutes, since no action may be taken by the Board on items addressed under Public Forum.

**D. REPORTS & ACTION ITEMS**

3. Presentation and Action to Accept the North Lake Tahoe Express Performance Review, Including Direction to Staff to Proceed with Review Recommendations (*20 min*) (***Motion***)
4. Presentation and Action to Approve Draft Infrastructure/Transportation 2011/12 Project Budget (*15 min*) (***Motion***)
5. Interim Executive Director Report (*10 min*)
6. Marketing Report (*10 minutes*)
  - Conference Revenue Statistics – April 2011
  - Amgen Tour of California Update
  - Conference Equity Update
  - Conference Analysis Schedule
7. Board/Staff Follow-up on Previous Action Items (*5 min*)

**E. CONSENT CALENDAR – MOTIONS (*5 min*)**

All items listed under the consent calendar-motions are considered to be routine and/or have been or will be reviewed by committee, and will be approved by one motion. There will be no separate discussion of these items unless a Board member or staff person requests a specific item be removed from the consent calendar for separate consideration. Any item removed will be considered after the motion and vote to approve the remainder of consent calendar-motions. All committee meeting minutes are provided for informational purposes only.

8. Board Meeting Minutes – April 6, 2011
9. Finance Committee Minutes – April 5, 2011
10. Financial Statements – March 2011
11. Lodging Committee Minutes – March 31, 2011
12. Joint Infrastructure/Transportation Committee Minutes – April 25, 2011
13. Marketing Committee Minutes – April 26, 2011
14. Infrastructure/Transportation Activity Report – April 2011

**ADJOURN AS THE BOARD OF THE NORTH LAKE TAHOE RESORT ASSOCIATION AND  
CONVENE AS THE BOARD OF THE NORTH LAKE TAHOE CHAMBER OF COMMERCE**

**F. CHAMBER OF COMMERCE REPORTS (10 min)**

15. Presentation, Discussion and Possible Action to Approve Final Draft of the 2011/12 Chamber of Commerce Business Plan (*Motion*)
16. Chamber Activities and Events

**G. CHAMBER OF COMMERCE CONSENT CALENDAR – MOTIONS (2 min)**

17. Chamber of Commerce Committee Minutes – April 20, 2011
18. March Chamber of Commerce Implementation Report - Revised
19. Approve Chamber Advisory Committee Recommendation for Community Marketing Grant Funding

**ADJOURN AS THE BOARD OF THE NORTH LAKE TAHOE CHAMBER OF COMMERCE AND  
RECONVENE AS THE BOARD OF THE NORTH LAKE TAHOE RESORT ASSOCIATION**

**H. DIRECTORS' COMMENTS**

**I. MEETING REVIEW AND STAFF DIRECTION**

**J. CLOSED SESSION**

At any time during the regular session, the Board of Directors may adjourn to closed session to consider existing litigation, anticipated litigation, liability claims, personnel matters including employee appointment, employment, performance evaluation, or discipline/dismissal/release, or contract negotiation.

20. Personnel Matters
  - Interim Executive Director

**K. RECONVENE TO OPEN SESSION**

21. Closed session report

**L. ADJOURNMENT**

This meeting site is wheelchair accessible.

*Posted and e-mailed, April 29, 2011*



May 4, 2011

To: Board of Directors

From: Ron Treabess, Director of Community Partnerships and Planning

Re: Presentation and Possible Action to Accept the North Lake Tahoe Express Performance Review Including Direction to Staff to Proceed with Review Recommendations

**Background**

At its February meeting, the Board of Directors authorized staff to contract with LSC Transportation Consultants (LSC) to conduct an independent Performance Review of the North Lake Tahoe Express Airport Shuttle Program (NLTE). It was felt that since the NLTE was initiated in 2006, several factors have changed which have influenced and impacted the overall operation of the service. This being the fifth year of operation plus the changes that have occurred, made it the proper time to conduct the Review.

The attached Performance Review:

- Reviews the NLTE relationship with NLTRA planning and that of others
- Evaluates the existing services and ridership
- Discusses the current institutional framework for the program, as well as financial procedures
- Draws conclusions and makes recommendations

Gordon Shaw, LSC, will be at the Board meeting to make a brief presentation of the Performance Review, the key recommendations and next steps. To assist you in preparing for the meeting, Gordon has prepared the following sheet summarizing the key recommendations and next steps from the full Performance Review.

## Key Recommendations and Next Steps

### North Lake Tahoe Express Performance Review

#### Higher Priority

- Subsidy of the service should be continued, due to the economic benefits, consistency with overall NLTRA strategies, as well as environmental benefits. *(NLTRA, Funding Partners)*
- An RFP should be developed and released by the TTD to retain a contractor for future years (which could well be the existing contractor). New contract to take effect November 15, 2011. Under this new contract, contracting procedures should be modified so that all passenger revenues are provided to TNT/TMA, and service contractor paid for services rendered.
  - NLTRA contracts for preparation of new RFP and assistance in selection process. *(NLTRA)*
  - TTD reviews and releases RFP *(TTD)*
  - TTD with NLTRA and TNT/TMA reviews proposals, selects contractor *(TTD, NLTRA, TNT/TMA)*
- Existing schedule should be reviewed to better serve current flight schedules. As funding allows, additional runs should be operated to improve service quality. *(TNT/TMA)*
- TNT/TMA and NLTRA should strive to add additional lodging properties to the program, with a focus on Northstar. *(TNT/TMA, NLTRA)*

#### Medium Priority

- Stops should be signed, so that passengers are certain where to wait. *(TNT/TMA)*
- NLTE's presence at the Reno Tahoe International Airport should be enhanced, at a minimum through better signage, but preferably through a new counter location incorporated into a "North Tahoe Welcome Center" *(NLTRA, TNT/TMA)*
- TNT/TMA should provide training for drivers and dispatchers on at least a quarterly basis. *(TNT/TMA)*
- NLTE vehicles should be clearly identifiable as such. *(TNT/TMA)*

#### Lower Priority

- Stops should be established at Sawmill Heights and at Sierra Nevada College (with additional subsidy). *(TNT/TMA)*
- Marketing should focus on internet presence, and working directly with property managers and planners. *(TNT/TMA)*

### **Recommendation of the Joint Committee**

At its April 25<sup>th</sup> meeting, the Joint Infrastructure/Transportation Committee unanimously (17-0-0) voted to recommend acceptance of the draft North Lake Tahoe Express Performance Review as a basis for future decision making on the airport shuttle service. As part of its discussion (meeting minutes under consent calendar), the Committee also recommended that the consultant prepare the above prioritized, bulleted list of LSC's key recommendations. Furthermore, the Joint Committee recommended that the NLTRA utilize LSC's services to develop a Request for Proposals (RFP) for use in soliciting proposals from providers interested in running the Express operation service.

### **The Request**

Staff requests that, following questions and discussion, the Board of Directors accept the North Lake Tahoe Express Performance Review and direct staff to proceed with the key recommendations. This will include an RFP process prior to commencing the next contract year.

# North Lake Tahoe Express Performance Review



*Prepared for the*  
**North Lake Tahoe Resort Association**

*Prepared by*



**LSC Transportation Consultants, Inc.**

# **North Lake Tahoe Express Performance Review**

*Prepared for the*

North Lake Tahoe Resort Association  
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April 14, 2011

LSC Ref. 117030

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## **Study Background**

The North Lake Tahoe Express (NLTE) service was initiated in November of 2006 in response to a perceived lack of reliable and comprehensive ground passenger transportation service connecting the resort areas of North Tahoe, Squaw Valley and Northstar with the Reno-Tahoe International Airport (RTIA). This lack was considered to place the region at a disadvantage against competitors in the national destination resort and conference markets. Through a joint effort of the North Lake Tahoe Resort Association (NLTRA), the Truckee/North Tahoe Transportation Management Association (TNT/TMA) and the Tahoe Transportation District (TTD), a transit service contractor was selected and service initiated.

Since that time, ridership and passenger revenues on the service have grown and the need for operating subsidy has declined, though not disappeared altogether. Over the five years, other factors have impacted the service including changes in service plan, increases in fare levels, inclusion of additional subsidy partners, and increases in operating costs, as well as the Great Recession. Approaching the five-year anniversary of the program, it is a good time to conduct a review of the NLTE program.

Following a review of how the service is addressed in other plans, this document presents an evaluation of existing services and ridership. This is followed by discussion of the current institutional framework for the program, along with financial procedures. Finally, conclusions and recommendations are drawn.

## **Consistency with Other Regional Plans**

The goal of providing shuttle service between the North Tahoe Region and RTIA has been part of NLTRA planning from the organization's formation in 1995. The *North Lake Tahoe Tourism Development Master Plan*, completed in April of that year, included plans for a "Reno shuttle service," stating that "*Public funding should be provided to a contracted private transportation service to underwrite scheduled service during peak seasons.*"

The current guiding comprehensive document for the NLTRA is the *North Lake Tahoe Tourism and Community Investment Master Plan* completed in July 2004. This document includes the following "Principals Guiding Implementation" that relate to the NLTE:

- *The Master Plan intends to target investments in projects and programs that improve the availability, functionality, and appearance of our community and visitor amenities and services. Projects should always incorporate appropriate environmental and community improvements.*
- *To the maximum extent possible, publicly funded marketing efforts should focus on encouraging visitation during other than peak periods when our area's social and physical infrastructure are challenged.*
- *NLTRA transportation-related efforts should benefit area residents as well as visitors. Many of the transportation plan elements can serve residents as well as visitors, either by*

*reducing visitor traffic/parking impacts or by providing services that can also be useful to residents. Maximizing benefits to both groups should be sought in the prioritization of transportation plan elements.*

- *The lack of scheduled ground transportation to and from a major airport at a set fare is a serious detriment to the marketability of the region as a resort destination, and also unnecessarily increases auto use. As planned developments in the region occur, there may be opportunities for the NLTRA to promote improved airport shuttle services through provision of a modest start-up funding. The Resort Association's marketing efforts can also be used to increase the economic viability of shuttle services.*

Funding for airport service is one of the key Master Plan priority "transit operating" recommendations (Master Plan, Chapter 9, Conclusions and Recommendations, page 122). The need for airport service has also been identified in several other regional plan documents, including the *Tahoe Inter-regional/Intra-regional Transit Study*, prepared for the Tahoe Regional Planning Agency, as well as TRPA's *Regional Transportation Plan – Mobility 2030*.

## Section II

# Review of Existing Service Performance

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This section first provides a summary of existing service operations. Ridership patterns are then considered, along with passenger characteristics and perceptions. Input regarding the program provided by lodging property and conference planning staffers is reviewed. The economic benefit of the NLTE program is also discussed.

### Existing Service Design

NLTE operates service every day of the year, between Reno Tahoe International Airport and the North Tahoe/Truckee region. Currently served by 8 commercial airlines operating a total of 130 to 140 arrivals and departures daily, RTIA is the 60th busiest airport in the nation with 4.43 million passengers per year. As shown in Figure 1, NLTE consists of three routes:

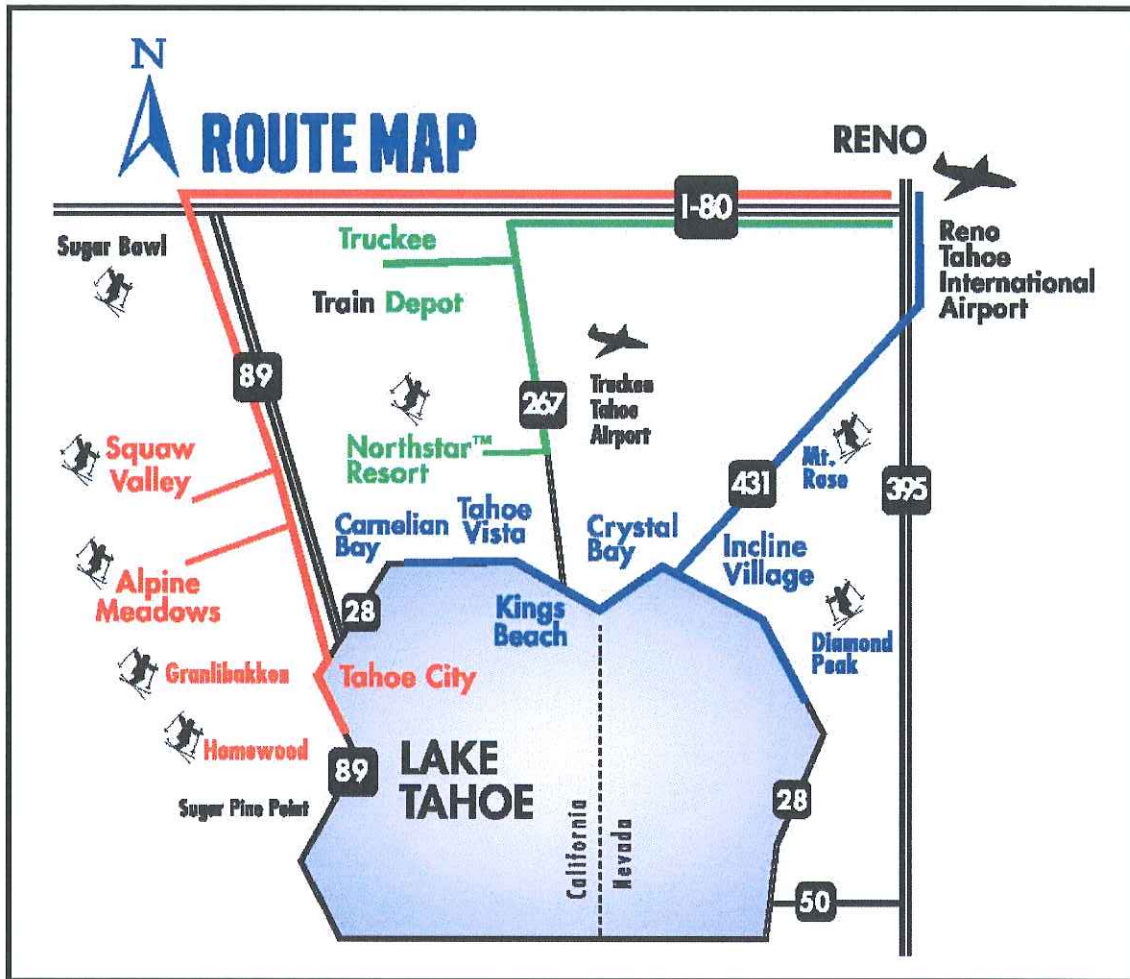
- The **Red Route** serves the Squaw Valley and Tahoe City/Sunnyside areas via I-80 and State Route 89, with up to 8 available trips in each direction daily during the winter, and 7 trips the remainder of the year. A total of 19 locations are served, with key locations consisting of Squaw Valley resorts, River Ranch Lodge, Granlibakken Lodge, and Sunnyside Resort.
- The **Blue Route** serves Incline Village, Crystal Bay, Kings Beach, Tahoe Vista and Carnelian Bay, with up to 8 runs per day. Service is typically provided via Mt. Rose Highway. The Hyatt Regency Lake Tahoe and Tahoe Biltmore are key stops among the total of 20 designated stops. Public parking is also available at the Incline Village Recreation Area.
- The **Green Route** travels via I-80 and SR 267 to serve Truckee and the Northstar area. Seven runs per day are offered in winter, and six in the remainder of the year. A total of seven stops are served, including the Ritz-Carlton Lake Tahoe, Northstar Resort, Cedar House, Larkspur Hotel (formerly Best Western) and Truckee Train Station. Long-term paid public parking is available near the train station.

These routes are typically operated separately, though infrequently a van completing one run will shift to another run to serve a particular ride request. Service begins as early as 3:30 AM (in order to serve the flurry of departing flights in the 6 AM hour), with the last departure from the airport at 11:45 PM. Figure 2 presents the existing schedule. Importantly, the service does not operate on a fixed schedule regardless of passenger demand. Given the variation in ridership, service of a particular run is only guaranteed to operate if one or more passengers make a reservation at least a day in advance. Operating runs even when no passengers are served was initially evaluated, and found to not be financially viable. While “walk up” passengers are accommodated on scheduled runs, there is no guarantee that such a passenger will be served. In addition, service is limited to designated stops, and door-to-door service to residential areas is not offered.

### Existing Service Levels

Table 1 presents a summary of the number of days each run was actually operated, by route and by season.

FIGURE 1  
North Lake Tahoe Express Route Map



A review of this data provides some useful insight into the service:

- In the year-long period from February 2010 through January 2011, a total of 2,514 one-way runs were operated from the airport and 2,663 to the airport, or a total of 5,636.
- Over the course of the year, service was operated on 38 percent of the scheduled run times. This figure is higher (41 percent) for service to the airport, and lower for service from the airport (38 percent). The percentage of runs operated is highest in winter (51 percent), followed by 35 percent in summer, 30 percent in fall, and 27 percent in spring.
- The Blue Route has the highest proportion of runs operated (43 percent from the airport and 53 percent to the airport), followed by the Red Route (30 percent from the airport and 39 percent to the airport) and the Green Route (21 percent from the airport and 29 percent to the airport).

## FIGURE 2 North Lake Tahoe Express Schedule



### DAILY SCHEDULE 2010 - 2011

#### DEPARTURE TIMES - RESERVATIONS REQUIRED 24 HOURS IN ADVANCE

<b>GRANLIBAKKEN RESORT:</b>	From Reno	9:00 AM	10:30 AM	12:30 PM	2:00 PM	4:30 PM	8:45 PM	11:45 PM	
	To Reno	3:30 AM	6:50 AM	10:35 AM	11:50 AM	2:25 PM	6:50 PM	10:05 PM	
<b>TAHOE CITY LOCATIONS:</b> <i>Tahoe Mountain Lodge, America's Best Value Inn, Mother Nature Inn, Pioneer Tree Inn, Lake of the Sky, Juniper Lodge, Tahoe City Inn</i>	From Reno	9:00 AM	10:30 AM	12:30 PM	2:00 PM	4:30 PM	8:45 PM	11:45 PM	
<b>SunnySide Resort</b>	To Reno	3:20 AM	6:40 AM	10:25 AM	2:15 PM	6:40 PM	10:00 PM		
<b>Other Tahoe City Locations</b>	To Reno	3:40 AM	7:00 AM	10:45 AM	12:00 PM	2:35 PM	7:00 PM	10:15 PM	
<b>ALPINE MEADOWS AREA:</b> <i>River Ranch Lodge</i>	From Reno	9:00 AM	10:30 AM	12:30 PM	2:00 PM	4:30 PM	8:45 PM	11:45 PM	
	To Reno	3:50 AM	7:10 AM	10:55 AM	12:10 PM	2:45 PM	7:10 PM	10:20 PM	
<b>SQUAW VALLEY LOCATIONS:</b> <i>The Village at Squaw Valley, Squaw Valley Lodge, PlumpJack Squaw Valley Inn, Olympic Valley Inn, Christy Inn, Red Wolf Lodge, Tavern Inn, Squaw Valley Academy</i>	From Reno	9:00 AM	10:30 AM	12:30 PM	2:00 PM	4:30 PM	<sup>*</sup> 5:30 PM	8:45 PM	11:45 PM
	To Reno	4:00 AM	7:20 AM	11:05 AM	12:20 PM	2:55 PM	7:20 PM	10:30 PM	
<b>RESORT AT SQUAW CREEK:</b>	From Reno	9:00 AM	10:30 AM	12:30 PM	2:00 PM	4:30 PM	<sup>*</sup> 5:30 PM	8:45 PM	11:45 PM
	To Reno	4:10 AM	7:30 AM	11:15 AM	12:30 PM	3:05 PM	7:30 PM	10:45 PM	
<b>CARNEGAN BAY:</b> <i>Garwoods</i>	From Reno	11:30 AM	2:30 PM	6:00 PM					
	To Reno	6:25 AM	9:25 AM	3:55 PM	7:25 PM				
<b>TAHOE VISTA LOCATIONS:</b> <i>Azurelakes Lakeshore Resort, The Sands, Vista, Tompola, Tahoe Edgehills, Birch Club, Holiday House, Cedar Glen Inn, Red Wolf Lodge-Tahoe Vista, Firlight Lodge, Rustic Cottages, Frampton, Shorehouse Inn, Tahoe Vista Inn</i>	From Reno	8:30 AM	11:30 AM	1:00 PM	2:30 PM	4:00 PM	6:00 PM	9:30 PM	11:15 PM
	To Reno	3:30 AM	6:30 AM	9:30 AM	12:00 PM	4:00 PM	7:30 PM		
<b>KINGS BEACH LOCATIONS:</b> <i>Crown Motel, Sun of Sand Motel</i>	From Reno	8:30 AM	11:30 AM	1:00 PM	2:30 PM	4:00 PM	6:00 PM	9:30 PM	11:15 PM
	To Reno	3:35 AM	6:35 AM	9:35 AM	12:05 PM	4:05 PM	7:35 PM		
<b>CRYSTAL BAY:</b> <i>Tahoe Billwaze</i>	From Reno	8:30 AM	11:30 AM	1:00 PM	2:30 PM	4:00 PM	6:00 PM	9:30 PM	11:15 PM
	To Reno	3:40 AM	6:40 AM	9:40 AM	12:10 PM	4:10 PM	7:40 PM		
<b>INCLINE VILLAGE:</b>	From Reno	8:30 AM	11:30 AM	1:00 PM	2:30 PM	4:00 PM	6:00 PM	9:30 PM	11:15 PM
<b>Hewitt</b>	To Reno	4:00 AM	7:00 AM	10:00 AM	12:30 PM	4:30 PM	8:00 PM		
<b>Incline Village Recreation Center</b>	To Reno	3:55 AM	6:55 AM	9:55 AM	12:25 PM	4:25 PM	7:55 PM		
<b>Parkside Inn</b>	To Reno	3:50 AM	6:50 AM	9:50 AM	12:20 PM	4:20 PM	7:50 PM		
<b>NORTHSTAR LOCATIONS:</b>	From Reno	8:00 AM	11:15 AM	1:00 PM	3:15 PM	<sup>*</sup> 5:30 PM	7:30 PM	11:15 PM	
<b>The Pine-Cotton Lake Tahoe</b>	To Reno	5:50 AM	9:05 AM	1:05 PM	5:05 PM	8:50 PM			
<b>Tahoe Mountain Resort</b>	To Reno	6:00 AM	9:15 AM	1:15 PM	5:15 PM	9:00 PM			
<b>Mountain Resort</b>	To Reno	6:05 AM	9:20 AM	1:20 PM	5:20 PM	9:05 PM			
<b>Tahoe Tahoe Airport</b>	From Reno	8:00 AM	11:15 AM	3:15 PM	<sup>*</sup> 5:30 PM	7:30 PM	11:15 PM		
	To Reno	6:15 AM	9:30 AM	1:30 PM	5:30 PM	9:15 PM			
<b>TRUCKEE LOCATIONS:</b>	From Reno	8:00 AM	11:15 AM	3:15 PM	<sup>*</sup> 5:30 PM	7:30 PM	11:15 PM		
<b>Bus (Western/Tahoe Tahoe Inn)</b>	To Reno	6:20 AM	9:35 AM	1:35 PM	5:35 PM	9:20 PM			
<b>Cedar House Sports Hotel</b>	To Reno	6:25 AM	9:40 AM	1:40 PM	5:40 PM	9:25 PM			
<b>Tahoe Timin Depot</b>	From Reno	8:00 AM	11:15 AM	2:00 PM	3:15 PM	<sup>*</sup> 5:30 PM	7:30 PM	8:45 PM	11:15/45 PM
	To Reno	6:30 AM	7:50 AM	9:45 AM	1:45 PM	5:45 PM	9:30 PM		

Service provided Year Round - Seasonal Runs Marked in Red & with (\*) Open to December 11, 2010 through April 3, 2011

**24-HOURS ADVANCE RESERVATIONS: (866)216-5222 · northlaketahoeexpress.com**

**TABLE 1: NLTE Runs Operated by Route, Season, and Run Time**

Route	Run #	Departure Time <sup>1</sup>	Number of Runs Operated				Total Year	% Operated
			Spring <sup>2</sup>	Summer <sup>3</sup>	Fall <sup>4</sup>	Winter <sup>5</sup>		
<b>To Airport</b>								
Red	59	3:20 AM	20	36	37	75	168	46%
Red	60	6:40 AM	31	61	45	103	240	66%
Red	61	10:25 AM	24	46	36	92	198	54%
Red	62	11:50 AM	16	34	28	73	151	41%
Red	63	2:15 PM	22	38	30	87	177	48%
Red	64	6:40 PM	9	7	7	15	38	10%
Red	65	10:00 PM	2	1	3	7	13	4%
<i>Red</i>	<i>Subtotal</i>		124	223	186	452	985	39%
Green	66	5:50 AM	11	22	20	63	116	32%
Green	67	9:05 AM	18	41	24	92	175	48%
Green	68	1:05 PM	12	25	19	68	124	34%
Green	69	5:05 PM	8	18	15	50	91	25%
Green	70	8:50 PM	3	6	2	8	19	5%
<i>Green</i>	<i>Subtotal</i>		52	112	80	281	525	29%
Blue	71	3:30 AM	30	53	50	70	203	56%
Blue	72	6:25 AM	34	62	61	98	255	70%
Blue	73	9:25 AM	43	64	65	95	267	73%
Blue	74	12:00 PM	23	56	51	78	208	57%
Blue	75	3:55 PM	25	49	41	62	177	48%
Blue	76	7:25 PM	0	13	5	25	43	12%
<i>Blue</i>	<i>Subtotal</i>		155	297	273	428	1153	53%
<b>Total</b>	<i>All Routes</i>		331	632	539	1161	2663	41%
<b>From Airport</b>								
Red	59	9:00 AM	4	13	11	36	64	18%
Red	60	10:30 AM	12	30	20	65	127	35%
Red	61	12:30 PM	18	50	33	79	180	49%
Red	62	2:00 PM	22	46	49	102	219	60%
Red	63	4:30 PM	17	42	33	93	185	51%
Red	78	5:30 PM	2	0	0	36	38	10%
Red	64	8:45 PM	20	45	31	81	177	48%
Red	65	11:45 PM	16	18	13	61	108	30%
<i>Red</i>	<i>Subtotal</i>		111	244	190	553	1098	38%
Green	66	8:00 AM	1	3	3	14	21	6%
Green	67	11:15 AM	18	25	27	60	130	36%
Green	68	3:15 PM	11	37	21	72	141	39%
Green	79	5:30 PM	0	0	0	67	67	18%
Green	69	7:30 PM	8	28	19	47	102	28%
<i>Green</i>	<i>Subtotal</i>		38	93	70	260	461	21%
Blue	72	8:30 AM	22	13	10	20	65	18%
Blue	73	11:30 AM	31	58	47	76	212	58%
Blue	80	1:00 PM	33	61	55	98	247	68%
Blue	74	2:30 PM	22	58	50	73	203	56%
Blue	81	4:00 PM	20	45	41	63	169	46%
Blue	75	6:00 PM	29	34	39	58	160	44%
Blue	76	9:30 PM	25	41	32	66	164	45%
Blue	77	11:15 PM	14	35	25	72	146	40%
Blue	82	11:45 PM	11	16	7	14	48	13%
<i>Blue</i>	<i>Subtotal</i>		207	361	306	540	1414	43%
<b>Total</b>	<i>All Routes</i>		356	698	566	1353	2973	35%
<b>Total Both Directions</b>			687	1330	1105	2514	5636	38%
<b>Percent of Schedule Times</b>			27%	35%	30%	51%		
<p>Note 1: Departure time for To Airport runs is shown for earliest possible pick-up location.          Note 2: Spring is April through May 2010.          Note 3: Summer is June through August 2010.          Note 4: Fall is September through November 2010.          Note 5: Winter is February through March 2010, and December 2010 through January 2011.          Source: North Lake Tahoe Express.</p>								

- For service to the airport, the morning runs generally are operated most consistently. The evening service to the airport is utilized the least, reflecting that departing flights are few after 8 PM.
- Service from the airport is most consistently operated for the afternoon runs, though the percentage stays high through the evening.

Overall, this data reflects the benefits of operating runs only when there is demand, rather than on a fixed schedule that would result in many zero-passenger runs.

## Existing Ridership

A summary of annual ridership since the inception of the program is presented in Table 2 and Figure 3. Ridership has increased from 17,194 one-way passenger-trips in the first full year of operation (FY 2007-08) to 18,547 in FY 2009-10. Based on monthly ridership through February, FY 2010-11 total annual ridership is expected to reach 21,653 – a 17 percent increase over the previous year.

Table 3 presents details of ridership by route and month, over the last three years. A review of this indicates:

- As shown in Figure 4, ridership is highest in the winter (particularly March), lowest in May and November, and relatively high in the summer and early fall (July through October). The Blue Route is relatively consistent throughout the year, compared to the other routes.
- Over the course of the most recent year, the Red Route generated 43 percent of the total ridership, followed closely by 42 percent generated by the Blue Route, with the Green Route only generating 14 percent.
- The Red Route also generates the largest proportion of total ridership in the winter (48 percent) and the summer (42 percent). In the spring and fall, the Blue Route generates the greatest ridership (55 percent in both). While 19 percent of winter ridership is generated by the Green Route, in the other seasons this route only generates 9 percent to 10 percent of the total.
- Ridership has grown most significantly between 2008 and 2010 on the Red Route (34 percent), with an 11 percent increase on the Blue Route and a 28 percent *decrease* on the Green Route.
- Comparing the most recent 12-month period with the previous 12-month period, Red Route ridership grew by 12 percent, Blue Route ridership was flat, while Green Route ridership fell by 9 percent.
- Over the last two years (excluding the current winter season), total ridership was flat (less than 1 percent change) in the winter and summer. However, spring ridership increased by a full 50 percent and fall ridership increased by 23 percent. While ridership is still lower than in the peak seasons, this may indicate that the NLTE program is helping to increase “offseason” visitor activity, which is a key economic strategy of the NLTRA.

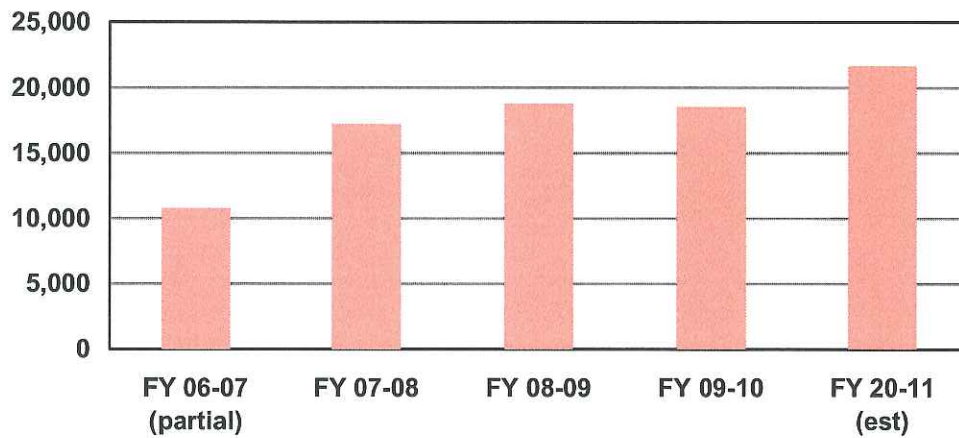


**TABLE 2: NLTE Ridership and Financial History**

Year	Ridership	Passenger Revenues	Subsidy Funding Source			Total	Notes
			NLTRA	Washoe County Sources (1)	Nevada County		
FY 2006-07	10,748	\$258,211	\$179,945	\$25,000	\$2,187	\$207,132	Startup - 7.5 Months
FY 2007-08	17,194	\$451,147	\$181,952	\$41,875	\$4,950	\$228,777	
FY 2008-09	18,783	\$515,159	\$174,654	\$46,391	\$4,000	\$225,045	
FY 2009-10	18,547	\$523,311	\$98,000	\$81,430	\$4,000	\$183,430	
FY 2010-11	14,527	\$448,023	\$79,912	\$16,491	\$1,123	\$97,526	Partial Through Feb 2011 (2)
FY 2010-11	21,653	\$675,249	--	--	--	\$117,992	Forecast Full Year

Note 1: Including the Hyatt, Biltmore and Incline Village Crystal Bay Visitor and Convention Bureau.  
 Note 2: Funding also available in FY 2010-11 from Truckee-Tahoe Airport, Cedar House, and Larkspur Hotel.

**FIGURE 3: NLTE Annual Passenger Trips**

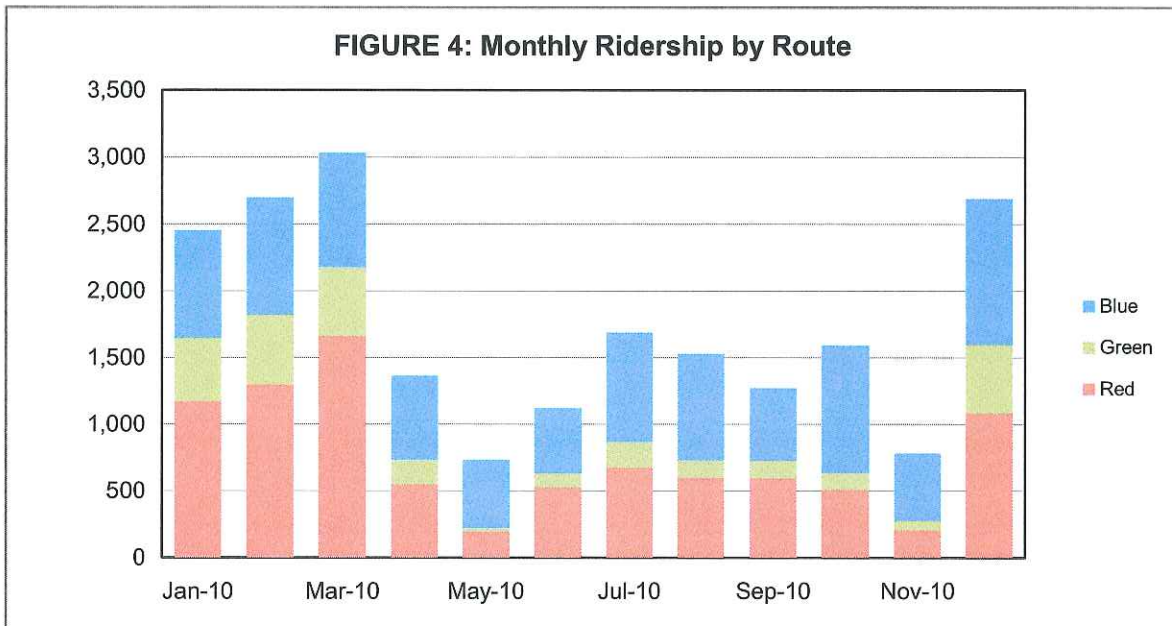


**TABLE 3: NLTE Monthly Ridership and Revenue by Route**

Month	1-Way Passenger-Trips				Total Passenger Revenue			
	Red	Green	Blue	Total	Red	Green	Blue	Total
Dec-07	791	844	818	2,453	\$19,635	\$19,983	\$18,406	\$58,024
Jan-08	935	666	1,132	2,733	\$21,811	\$16,568	\$27,582	\$65,961
Feb-08	1,006	748	802	2,556	\$25,721	\$19,050	\$21,296	\$66,067
Mar-08	1,155	625	654	2,434	\$26,617	\$16,834	\$16,851	\$60,301
Apr-08	282	185	294	761	\$7,743	\$4,998	\$7,843	\$20,584
May-08	217	100	318	635	\$5,925	\$3,058	\$8,193	\$17,175
Jun-08	381	211	487	1,079	\$10,078	\$5,925	\$12,300	\$28,303
Jul-08	658	290	699	1,647	\$16,916	\$8,540	\$17,958	\$43,414
Aug-08	595	320	647	1,562	\$15,247	\$8,850	\$17,590	\$41,687
Sep-08	355	173	581	1,109	\$9,452	\$4,820	\$15,678	\$29,949
Oct-08	239	84	882	1,205	\$6,184	\$2,415	\$23,227	\$31,826
Nov-08	166	77	401	644	\$4,688	\$2,440	\$10,982	\$18,109
Dec-08	749	681	1,094	2,524	\$20,251	\$18,296	\$29,407	\$67,954
Jan-09	729	431	800	1,960	\$19,629	\$11,306	\$19,903	\$50,837
Feb-09	1,239	594	1,136	2,969	\$30,375	\$17,148	\$33,981	\$81,504
Mar-09	1,212	403	1,335	2,950	\$32,359	\$11,259	\$37,334	\$80,952
Apr-09	447	112	282	841	\$11,824	\$3,048	\$9,000	\$23,872
May-09	186	57	361	604	\$5,290	\$1,870	\$10,778	\$17,938
Jun-09	451	142	563	1,156	\$11,631	\$4,673	\$16,968	\$33,271
Jul-09	765	157	560	1,482	\$20,438	\$4,440	\$17,245	\$42,122
Aug-09	497	192	677	1,366	\$15,454	\$6,040	\$19,571	\$41,064
Sep-09	294	112	726	1,132	\$9,153	\$3,671	\$21,552	\$34,375
Oct-09	259	60	536	855	\$7,273	\$1,905	\$16,364	\$25,541
Nov-09	177	63	301	541	\$5,568	\$1,793	\$8,205	\$15,566
Dec-09	752	379	781	1,912	\$19,834	\$9,981	\$21,065	\$50,880
Jan-10	1,167	476	804	2,447	\$30,187	\$12,575	\$21,924	\$64,686
Feb-10	1,292	525	877	2,694	\$34,293	\$14,876	\$23,471	\$72,639
Mar-10	1,659	514	855	3,028	\$40,334	\$12,829	\$21,485	\$74,648
Apr-10	547	183	630	1,360	\$14,899	\$4,744	\$17,568	\$37,210
May-10	193	27	510	730	\$5,670	\$828	\$16,661	\$23,159
Jun-10	527	102	490	1,119	\$13,245	\$3,558	\$16,127	\$32,929
Jul-10	676	190	818	1,684	\$21,000	\$6,448	\$26,421	\$53,868
Aug-10	601	129	796	1,526	\$18,448	\$4,663	\$25,133	\$48,243
Sep-10	598	129	544	1,271	\$16,599	\$4,180	\$17,150	\$37,929
Oct-10	508	130	953	1,591	\$15,485	\$4,489	\$31,267	\$51,241
Nov-10	205	69	508	782	\$6,415	\$2,133	\$15,647	\$24,195
Dec-10	1,085	511	1,092	2,688	\$31,567	\$14,988	\$30,660	\$77,214
Jan-11	1,241	382	778	2,401	\$34,315	\$12,253	\$24,274	\$70,842
Subtotal by Season <sup>1</sup>								
Winter 07-08	3,887	2,883	3,406	10,176	\$93,783	\$72,435	\$84,135	\$250,353
Winter 08-09	3,929	2,109	4,365	10,403	\$102,614	\$58,008	\$120,625	\$281,246
Winter 09-10	4,870	1,894	3,317	10,081	\$124,648	\$50,261	\$87,945	\$262,853
Spring 08	499	285	612	1,396	\$13,668	\$8,056	\$16,036	\$37,760
Spring 09	633	169	643	1,445	\$17,114	\$4,918	\$19,778	\$41,809
Spring 10	740	210	1,140	2,090	\$20,569	\$5,572	\$34,229	\$60,369
Summer 08	1,634	821	1,833	4,288	\$42,240	\$23,315	\$47,848	\$113,403
Summer 09	1,713	491	1,800	4,004	\$47,522	\$15,153	\$53,783	\$116,457
Summer 10	1,804	421	2,104	4,329	\$52,693	\$14,668	\$67,680	\$135,040
Fall 08	760	334	1,864	2,958	\$20,323	\$9,675	\$49,887	\$79,885
Fall 09	730	235	1,563	2,528	\$21,993	\$7,368	\$46,120	\$75,481
Fall 10	1,311	328	2,005	3,644	\$38,499	\$10,802	\$64,064	\$113,365
Total by Year								
2008	6,738	4,160	7,991	18,889	\$170,631	\$111,794	\$208,907	\$491,331
2009	7,008	2,702	8,058	17,768	\$188,825	\$77,131	\$231,963	\$497,919
2010	9,058	2,985	8,877	20,920	\$248,140	\$86,308	\$263,512	\$597,959

Note 1: Winter = December - March; Spring = April, May; Summer = June-August, Fall = September-November.

Source: North Lake Tahoe Express.



Ridership figures for individual runs are shown in Table 4, for the most recent available year. Ridership to the airport is highest on the Green and Blue Routes for the mid-morning (9:05 AM and 9:25 AM) departures, while on the Red Route ridership is highest for the 6:40 AM departure. As there is not another Red Route departure until 10:25 AM, this may reflect passengers who are forced to take a NLTE van earlier than they would otherwise desire. Reflecting the concentration of outbound flights in the 6 AM hour, there is a substantial ridership for the runs starting as early as 3:20 AM. Coming from the airport, ridership is highest in the early afternoon runs, though there is also substantial ridership in the late morning and the evening.

Ridership data was also evaluated by drop-off location (pickup location can be assumed to parallel this pattern):

- As shown in Table 5, over the course of the entire year the most popular location was the Hyatt, with 30.2 percent of the ridership (3,065 passenger-trips), followed by the Squaw Valley core area (all stops in Squaw Valley with the exception of the Resort at Squaw Creek), with 18.4 percent.
- The busiest location in the winter is the Squaw Valley core area (26.3 percent), followed by the Hyatt (21.1 percent) and the Resort at Squaw Creek (7.8 percent).
- In summer, the busiest location is the Hyatt (34.5 percent) followed by Granlibakken (20.0 percent) and the Squaw Valley core area (9.9 percent).

While concentrated at the larger lodging properties, this data reflects the wide geographic spread of destinations served by the NLTE.

**TABLE 4: Ridership by Route and Run**

Route	Run #	Departure Time <sup>1</sup>	Passengers by Season				Total
			Spring <sup>2</sup>	Summer <sup>3</sup>	Fall <sup>4</sup>	Winter <sup>5</sup>	
<b>TO AIRPORT</b>							
Red	59	3:20 AM	68	114	112	344	638
Red	60	6:40 AM	128	210	186	901	1425
Red	61	10:25 AM	96	211	120	607	1034
Red	62	11:50 AM	47	169	95	359	670
Red	63	2:15 PM	60	152	113	376	701
Red	64	6:40 PM	17	15	14	29	75
Red	65	10:00 PM	4	1	4	13	22
Green	66	5:50 AM	14	46	44	188	292
Green	67	9:05 AM	56	96	69	460	681
Green	68	1:05 PM	33	52	35	246	366
Green	69	5:05 PM	23	38	21	140	222
Green	70	8:50 PM	4	6	3	16	29
Blue	71	3:30 AM	86	135	155	188	564
Blue	72	6:25 AM	132	182	321	416	1051
Blue	73	9:25 AM	148	376	254	456	1234
Blue	74	12:00 PM	115	203	179	334	831
Blue	75	3:55 PM	64	107	102	175	448
Blue	76	7:25 PM	15	19	10	43	87
<b>FROM AIRPORT</b>							
Red	59	9:00 AM	9	22	23	98	152
Red	60	10:30 AM	33	94	62	284	473
Red	61	12:30 PM	72	287	144	411	914
Red	62	2:00 PM	78	193	184	724	1179
Red	63	4:30 PM	47	178	130	480	835
Red	78	5:30 PM	2	0	0	85	87
Red	64	8:45 PM	39	114	95	342	590
Red	65	11:45 PM	40	44	29	222	335
Green	66	8:00 AM	2	4	3	31	40
Green	67	11:15 AM	40	47	45	217	349
Green	68	3:15 PM	23	86	74	300	483
Green	79	5:30 PM	0	0	0	188	188
Green	69	7:30 PM	15	46	34	146	241
Blue	72	8:30 AM	16	19	19	51	105
Blue	73	11:30 AM	108	190	155	295	748
Blue	80	1:00 PM	104	247	211	516	1078
Blue	74	2:30 PM	75	230	229	254	788
Blue	81	4:00 PM	83	127	151	204	565
Blue	75	6:00 PM	77	76	71	198	422
Blue	76	9:30 PM	80	86	83	212	461
Blue	77	11:15 PM	24	79	56	225	384
Blue	82	11:45 PM	13	26	8	35	82

Note 1: Departure time for To Airport runs is shown for earliest possible pick-up location.

Note 2: Spring is April through May 2010.

Note 3: Summer is June through August 2010.

Note 4: Fall is September through November 2010.

Note 5: Winter is February through March 2010 and December 2010 through January 2011.

Source: North Lake Tahoe Express.

**TABLE 5: 2010 Passengers by Dropoff Location**

*Runs From Airport Only*

*Stops Not Listed Had Zero Recorded Ridership*

Location	Total Passengers Dropped-Off by Season				Total	
	Spring <sup>1</sup>	Summer <sup>2</sup>	Fall <sup>3</sup>	Winter <sup>4</sup>		
<b>RED Route</b>						
Truckee Train Depot	13	24	23	92	152	1.5%
The Resort At Squaw Creek	45	74	176	408	703	6.9%
Squaw Valley	173	215	99	1,374	1,861	18.4%
River Ranch - Alpine Meadows	1	3	11	61	76	0.7%
Tahoe City	17	89	67	288	461	4.5%
Granlibakken Conference Center	41	435	243	281	1,000	9.9%
Sunnyside Resort	30	92	48	142	312	3.1%
<b>GREEN Route</b>						
Truckee Train Depot	17	61	28	162	268	2.6%
Cedar House Sport Hotel	2	8	15	3	28	0.3%
Larkspur Hotel	3	23	4	21	51	0.5%
Truckee Tahoe Airport	1	8	3	31	43	0.4%
Northstar-at-Tahoe	27	28	28	389	472	4.7%
Ritz-Carlton Highlands	15	34	50	70	169	1.7%
<b>BLUE Route</b>						
Hyatt at Lake Tahoe	466	751	745	1,103	3,066	30.2%
Parkside Inn	15	11	13	19	58	0.6%
Incline Village Rec Center	19	39	41	62	161	1.6%
Tahoe Biltmore - Crystal Bay	33	61	41	103	238	2.3%
Kings Beach	21	79	44	241	385	3.8%
Tahoe Vista	9	56	12	95	172	1.7%
GarWoods Grill & Pier	7	24	23	34	88	0.9%
Northstar-at-Tahoe	5	31	19	188	243	2.4%
Ritz-Carlton Highlands	4	18	29	19	70	0.7%
Truckee Tahoe Airport	0	3	0	0	3	0.0%
Larkspur Hotel	0	1	0	7	8	0.1%
Truckee Train Depot	0	6	10	36	52	0.5%
Note 1: Spring is April through May 2010. Note 2: Summer is June through August 2010. Note 3: Fall is September through November 2010. Note 4: Winter is February through March 2010 and December 2010 through January 2011. Source: North Lake Tahoe Express.						

## Fares

As shown in Table 6, the fare required for NLTE service varies by one-way vs. round-trip, as well as by the number of persons traveling in a group. In addition, multi-ride passes are available. This fare structure is designed to “reward” frequent riders and group trips, and also is intended to make NLTE fares competitive with other providers for larger groups. Table 7 presents the number of riders served by fare type, for a typical busy month (January 2011). As shown, the highest proportion or 26 percent of riders are paying a single one-way fare, followed by 21 percent of ridership that are traveling on a round-trip fare for two persons. Overall, 50 percent of riders travel on a one-way fare, 45 percent on a round-trip, and the remaining 5 percent on a frequent rider card.

**TABLE 6: Existing NLTE Fare Structure**

Number of Passengers	One Way	Round Trip
1	\$40	\$75
2	\$75	\$110
3	\$80	\$135
4	\$90	\$160
5	\$100	\$170
6	\$120	\$180
7	\$140	\$200
8	\$160	\$220
9	\$180	\$240
10	\$200	\$280
11	\$220	\$300
12-15	\$240	\$300
16-21	\$240	\$400
<u>Frequent User/Locals Card</u>		
5 Trips	\$125	
10 Trips	\$200	
15 Trips	\$300	
20 Trips	\$400	
25 Trips	\$500	

### Existing Passenger Perceptions

The NLTE website and on-board comment cards provide passengers with an opportunity to participate in a short 10-question survey, along with an opportunity to leave comments. A review of the 974 surveys fully or partially completed throughout 2009 yielded the results shown in Table 8 regarding passenger perceptions of the survey. As shown, the service received high marks in all categories, with a minimum of 94 percent responding positively in each of six categories. The highest ranking was in response to “Was the reservation agent courteous and knowledgeable” and “Was the shuttle driver polite, courteous and friendly”, both of which generated 98 percent positive responses. The lowest positive response (94 percent positive) was in response to “Was the shuttle on time” and “Was the vehicle clean and comfortable.” Perhaps the best overall indication is the response to “Will you use our service again,” with 96 percent responding positively. As a whole, the passenger survey responses reflect favorably on the NLTE program and the current service contractor.

The survey also provides useful information regarding how passengers learn about the availability of the service. Table 9 indicates the dominance of the Internet in transportation service marketing with a total of 41 percent learning of the service via the web (through the NLTE website or through other websites). An additional 37 percent learned of the service through friends, relatives or lodging properties – as this source grows over time as more people are aware of the service. This is an indication of how use of the service can be expected to grow over time. This table also shows the decline in the importance of “traditional” media (print, brochure, phonebook, radio, and TV), which together only generated 4 percent of the first

**TABLE 7: Ticket Sales by Fare Type**  
January 2011

Ticket Type	Price	# Sold	Total Revenue by Type	% Trips by Fare Type
One Way for 1 Pax	\$40.00	600	\$24,000	26%
Round Trip for 1 Pax	\$60.00	1	\$60	0%
One Way for 2 Pax	\$75.00	140	\$10,500	12%
Round Trip for 1 Pax	\$75.00	127	\$9,525	11%
One Way for 3 Pax	\$80.00	28	\$2,240	4%
One Way for 4 Pax	\$90.00	21	\$1,890	4%
One Way for 5 Pax	\$100.00	3	\$300	1%
Round Trip for 2 Pax	\$110.00	118	\$12,980	21%
Frequent Rider (5) for 1 Pax	\$125.00	3	\$375	1%
Round Trip for 3 Pax	\$135.00	13	\$1,755	3%
One Way for 7 Pax	\$140.00	1	\$140	0%
One Way for 8 Pax	\$160.00	2	\$320	1%
Round Trip for 4 Pax	\$160.00	11	\$1,760	4%
Round Trip for 5 Pax	\$170.00	5	\$850	2%
One Way for 9 Pax	\$180.00	1	\$180	0%
Round Trip for 6 Pax	\$180.00	2	\$360	1%
Round Trip for 7 Pax	\$200.00	1	\$200	1%
Frequent Rider (10) for 1 Pax	\$200.00	9	\$1,800	4%
One Way for 11 Pax	\$220.00	1	\$220	0%
Round Trip for 8 Pax	\$220.00	3	\$660	2%
One Way for 13 Pax	\$240.00	1	\$240	1%
One Way for 16 Pax	\$240.00	1	\$240	1%
One Way for 21 Pax	\$240.00	1	\$240	1%
<b>Total Ticket Sales for January 2011</b>			<b>\$70,835</b>	
<u>Subtotals by Fare Type</u>				
One Way				50%
Round Trip				45%
Frequent Rider				5%
Source: North Lake Tahoe Express.				

impressions. Finally, it is interesting to note that – even with the low-visibility location of the existing NLTE counter at the airport – 2.5 percent of passengers indicated that they learned of the service by “saw ad or counter in airport.”

#### Passenger Comments

LSC conducted a review of the individual passenger comments. The following reflects a representative sample of individual comments.

#### *Positive Comments*

- *Once we found the counter and bus driver, getting up to Tahoe was very easy. It took a lot of the worry out of the trip, and your driver was kind enough to wait for us after our flight was delayed.*

**TABLE 8: Summary of NLTE Passenger Perceptions**

	#	%
<b>Rate the ease of use of the North Lake Tahoe Express</b>		
Easy	923	95%
Difficut	51	5%
<b>Will you use our service again?</b>		
Will Use Again	905	96%
Will Not Use Again	35	4%
<b>Was the reservations agent courteous and knowledgeable?</b>		
Yes	950	98%
No	24	2%
<b>Was the shuttle on time?</b>		
Yes	912	94%
No	62	6%
<b>Was the shuttle driver polite, courteous and friendly?</b>		
Yes	953	98%
No	21	2%
<b>Was the vehicle clean and comfortable?</b>		
Yes	912	94%
No	62	6%

Source: Passenger comment cards, all of 2009.

**TABLE 9: How NLTE Passengers Learn of the Service**

	#	%
Internet	253	37.4%
Lodging Property	148	21.9%
Friends/Family/Word of Mouth	100	14.8%
Conference Planner	61	9.0%
Other	42	6.2%
Internet -- Other	23	3.4%
Saw Ad or Counter In Airport	17	2.5%
Print	15	2.2%
Brochure	7	1.0%
Other Transportation Service	3	0.4%
Phonebook	3	0.4%
Travel Agent	3	0.4%
Radio	1	0.1%
TV	1	0.1%



- *I made an error when booking my return trip. Your representative was so accommodating and polite. It was my mistake, yet your representative called me to re-schedule before I had the chance to call the company. I was truly impressed, but more thankful for the effort.*
- *Couldn't be any easier and the price is right. Our driver back to the Airport on the 15th was delightful. Gave us all kinds of tips for our return trip.*
- *The service agent was more than helpful and answered all of our questions very thoroughly. Our plane was scheduled to arrive in Reno about 2 hours before we were originally able to get a shuttle appt. However when we landed we decided to check-in with NLTE and upon doing so, the women indicated that she had a driver ready at that moment and could take us up right then; so he did. It was really great! The shuttle driver was very friendly....told us some really great places to ski, eat, drink, and play. On a scale of 10, I would give your company most definitely a 10!*
- *I can't suggest an improvement, and believe me as a business man who runs a business, I would be willing. On the return trip 2/21/09 at 1:20 PM, the vehicle may have had an exhaust problem - that or it was the vehicle in front of us.*
- *Excellent service and value! Very pleased - traveling with my family of 5 from Reno to Northstar. The NLTE was on time both to Northstar and back. Your driver was courteous, knowledgeable, and helpful with our gear and luggage. I would travel with you again and will recommend your shuttle service to friends who ski. Thanks again!*
- *You do the area a great service.*
- *Driver waited for our delayed flight. Our driver was a very careful and thoughtful driver. Our experience was a great start to our Christmas vacation.*
- *This was the first time I have used your service...During the holiday season which could have made the travelling difficult. In all frankness, your entire team and systems worked very well, and I was very pleased with the overall process. Owning a home directly across from the Incline Hyatt and being able to use your services will greatly enhance my ability to get up to my Tahoe home far more easily...I intend to use your services again in the future! Many thanks!*

#### *Negative Comments*

- *Pick up at the airport was very easy - pick up at the Hyatt was one-half hour late, and then we were in an accident and waited 2 hours for a new bus to take us to the airport - barely making our flight (without our luggage).*
- *Shuttle bus was 10 minutes late. Given that you require customers to be there 10 minutes before departure time, I was waiting over 20 minutes. I had almost called for a taxi before the van pulled up.*
- *First day for the driver who spoke bad English and was lost twice on the way to Northstar. He stopped the van got out and walked down the street leaving us there. He did this three times. Had no idea where the train depot was and had no idea how to get to Northstar from there. We had to show him each turn. The van was old and noisy.*

- *Driver was locked out of van, and we had to wait until someone could come with a key and unlock the van. Driver did not know the location of Squaw Valley Lodge.*
- *Driver speed was 75 mph which is too fast for the bus. Slow your drivers.*
- *First the shuttle was over one hour late which they said was due to weather. However, none of the other shuttle companies were late. When we reached Northstar they did not know where to drop us off. Our reservations were made by the condo office so one would think they would know which parking lot to go to. The same thing happened on our return trip. The driver was waiting at the wrong parking lot. This was annoying and caused delays.*

#### *Common Suggestions*

- *When user volume permits, add more frequent trips. Biggest drawback now is the long wait between vans.*
- *A larger sign at the airport to make it easier to locate your office and advise that you need to confirm your arrival into the airport.*
- *A sign at the Truckee train depot for your service would have given me ease of mind I was in the correct place.*
- *Add the Sierra Nevada College as a stop on the route - lots of students use this to get to and from the airport and it would be great if we could be picked up and dropped off at the campus.*
- *The price is a bit high - that is my major complaint. The service is good, but price is high.*
- *I would suggest improved signs directing people to the shuttle counter in the airport. As a newcomer to the Reno Airport and your service, I will admit it was a bit difficult finding your counter.*
- *Maybe a few more shuttle times. Our flight was not until 11 AM, but we had to be at the Hyatt for a 7 AM pickup.*
- *More shuttle times would be more convenient for passengers. I had to wait at the airport for over 2 hours due to no shuttles at a convenient time for my flight arrival.*
- *Only weakness is the lack of signage - specifically pick up location at Northstar. When asking the staff, they said "probably up there" or "over there." Received directions to two different locations and this was stressful when trying to catch a plane.*
- *Provide more knowledgeable and better trained reservation agents.*
- *Shuttles need cargo carriers on the roof or back. You must understand people are going skiing and bring large luggage.*
- *Most importantly is consideration for the customer's time. If a group of 10-12 tells you they are arriving at 12:30 on a particular airline, check to see if that flight is a little late. I don't think 30 minutes is that much to ask.*

- *Not being able to see out of the windows of the shuttle is awful - like having a blindfold on! All of your ads? You ruined the trip, and we will not be using your shuttle again. I am cancelling our return service - your service would be great if you cleared the windows.*

## **Perception of Property Managers and Conference Planners**

In an effort to further analyze the North Lake Tahoe Express service, LSC contacted the major resorts in the North Lake Tahoe region, as well as smaller motel operators, to gain their insight on the service. Eight specific questions were asked to the conference planners and property owners, each of which is outlined below with a summary of the responses.

### **1. How much of a challenge is transportation to your ability to book the property for groups, conferences, and other events? Do people ask about transportation options that may be available? Do you refer them to providers, and if so, who?**

*"Somewhat a concern but not a show stopper. When guests inquire, we provide them with what (we know) is available. Everything from shuttles and taxis to buses." – Peppertree Inn*

*"We are mostly serving individual guests and families. People do ask about transportation, mostly foreign travelers arriving to Reno Airport or Truckee Train Depot. There is no public transportation option from Truckee to Tahoe Vista, so taxi cab is the only possibility at 50-100 USD one-way." – Firelite Lodge*

*"I refer group business first to NLTE as the most cost-effective option. Second, we refer them to DMC or transportation company (Bell Limo/Airport Mini Bus and/or North Tahoe Executive Shuttle)." – Hyatt*

*"We constantly are asked about the cost and availability of transportation from Reno to the Hyatt. We exclusively offer the NLTE unless the group needs or wants to provide a charter bus for everyone. We would be at an extreme disadvantage without the services from the Express." – Hyatt*

*"Transportation is always a key component. Nearly every group inquires about shuttle transportation, and we always refer to NLTE." – NLTRA*

*"Transportation is key in landing domestic and international destination travelers. Many do not want to drive in the snow or want to take advantage of ski-in/ski-out lodging properties without paying for an expensive 4x4 rental car that would sit idle for a good portion of their stay. Also, UK and other international travelers can be intimidated to drive on the other side of the road. Because I market the NLTE and assist Jaime Wright with landing wholesale contracts, I refer business directly to her. For those who are after private transit, I refer to the Resort at Squaw Creek, the Ritz-Carlton (if they're staying at any of these properties), as well as local taxi/shuttle services in the Tahoe-Truckee region." – NLTRA*

*"We are frequently using NLTE for all groups or FIT customers. Sometimes this can be challenging especially when the NLTE departure times are not working for us. In cases like this, we are trying to rent a bus from Bell Limo." – Granlibakken*

*"It is not much of a challenge from the airport, but around the lake and to other activities it can be challenging or costly. Yes, airport service is NLTE." – Northstar*

*“Transportation is not a problem that arises for my groups in general. Through our in-house RSC transportation department, we are usually able to make arrangements with our in-house vehicles or book through third parties. Some groups find our pricing to be high so they do look for other options. If we are providing options, we usually recommend North Lake Tahoe Express because of the lower fare. We also recommend Limo/Private car companies if groups are requesting those specifically.” – Resort at Squaw Creek*

**2. Can you provide examples of groups or travelers that find transportation to be a problem?**

*“The free shuttles to Squaw, Alpine, and Homewood offer limited schedules. It may not always fit the wishes of the guest.” – Peppertree Inn*

*“Groups whose attendees come from all over the country, or whose attendees are making their own transportation arrangements, are the most difficult because attendees arrive at scattered times, and there is no manifest to work from to arrange transportation” – Hyatt*

*“We compete with every other destination in the country and several have easier access and options to these locations so everyone – groups especially – consider the ease and cost of transportation when making a final decision on where to go.” – Hyatt*

*“Most travelers do not find transportation to be a problem as the NLTE runs a pretty efficient service. The only problems that arise from time to time would be for those people who are only staying a night or two and land in Reno in the morning and want to be skiing as quickly as possible. Sometimes this even works well, but other times, they may have just missed a shuttle and would have to wait 2 or 2.5 hours and do not want to do that due to their limited time on-mountain.” – NLTRA*

*“A lot of people would like more frequent departures to and from the airport.” – Granlibakken*

*“I think that groups that are looking to explore more than one resort find that it would be more convenient to rent a vehicle.” – Northstar*

*“I only work with conference groups, and whether they’re an association or a private company they usually have similar needs/experiences. The biggest transportation issue for my groups is not transportation to the airport, but instead it’s transportation between Squaw Valley and Tahoe City and other locations on the lake, as well as frequent enough service between here and the Village at Squaw.” – Resort at Squaw Creek*

**3. Do your guests use the North Lake Tahoe Express? Do you have an approximate percentage?**

*“Actual use is up to the guest. We merely provide the information on options.” – Peppertree Inn*

*“Yes, we don’t have any statistics. We need to provide the ability to book NLTE directly on individual property website. Best if ticket can be purchased as an addition to lodging. Direct links and streamlined booking process would definitely help. Small commission will encourage hotels to offer NLTE services.” – Firelite Lodge*

*"At least 40 percent of our guests use the NLTE, and we continue to promote it as the best option if you are not renting a car." – Hyatt*

*"Yes. I can't give an exact amount but for those that don't rent cars, the percentage is very high."– NLTRA*

*"Many of the clients (tour operators) I work with package the NLTE. I do not have percentage numbers for you at this time because I do not see their hotel bookings. I only contract the lift ticket and transportation portions of the package." – NLTRA*

*"We are using NLTE for almost all the groups. At least 65 percent of them are using NLTE." – Granlibakken*

*"Yes, probably around 10 percent." – Northstar*

*"Pretty rarely. Only groups that feel that our prices are too high end up using them." – Resort at Squaw Creek*

#### **4. What is your perception of the North Lake Tahoe Express? Strengths? Weaknesses?**

*"We must do whatever is possible to maintain and improve the service. We should improve communication between driver, dispatcher, and the client. Maybe a real time GPS locator. Dispatch person should be better educated in the booking process to avoid mistakes. We're taking reservations on a daily basis and know how to ask questions and how to confirm all the information. They have to be more sensitive when dealing with foreign tourists. We had guests left off waiting because NLTE went to the wrong hotel and never bother to find out why no one was waiting. Why not take hotel phone number when taking reservation? Our guests from Australia had to take a cab, and they were late at the airport. Clear mistake of the dispatcher, but NLTE said no refund. Very bad experience. Also, it would be nice if NLTE could cover Truckee-North Lake Tahoe route on per-call basis. Another weakness is that people don't know about this service. We need to post bus stop signs at each participating property and make buses more recognizable. Whatever the advertising is, at least part of the bus must have unique colors/name of NLTE. The very unique color would help. For example Reno has green, South Lake Tahoe (SLT) blue. The currently used white color is too generic to be identified with this service." – Firelite Lodge*

*"It is a fantastic concept. Strengths are that there are set schedules, it can be reserved online, and there is flexibility if travel plans change due to weather or unavoidable delays. Weaknesses: scheduled departure times are too far apart, reservations cannot be made last minute online, shuttles can be cancelled at the last minute by NLTE due to weather conditions leaving passengers stranded. For group travel, it would be important to have one contact that can be exclusive for the group and solely manage their itineraries." – Hyatt*

*"It is an on time and reliable option for anyone." – Hyatt*

*"The NLTE is an absolutely invaluable tool when selling Lake Tahoe versus other destinations. Prior to the NLTE service, we were at a distinct disadvantage to our competition when pursuing group/meeting business. The one weakness I find is the big gaps between services at particular points in the day. It would be great to have something that ran every 90 minutes or so." – NLTRA*

*"The North Lake Tahoe Express is a great service as it runs three routes simultaneously and drops guests off at the door of their lodging property. This is a huge competitive advantage over other airport transfer products such as in South Lake Tahoe where guests are only dropped off at the casinos and in Colorado, where guests have to wait at stop after stop at each different hotel/ski destination along the I-70 corridor." – NLTRA*

*"Feedback from our customers is that some of the drivers are unfriendly or giving a hard time to customers about payment, etc., even though they were booked or added through the airport dispatch." – Granlibakken*

*"I think that it is good. Pretty easy schedule to follow. We have heard that sometimes making a manual reservation or call backs are not very timely. These are third party comments." – Northstar*

*"I think it is a fine alternative. But the fact that it drops and picks up at so many locations makes it less than ideal for meeting planners that want more private/customized service for their attendees." – Resort at Squaw Creek*

**5. How much does the North Lake Tahoe Express increase your ability to market or sell the property to groups? How many events per year?**

*"This program makes a huge difference in our ability to market or sell the hotel. Groups need an option for travel, and with Denver commute to the mountains, it provides us with a strategic advantage. Having a standard discounted price facilitates a faster response on all RFP's which most ask for transportation options." – Hyatt*

*"We wouldn't have an easy solution for groups if the NLTE did not exist. Over 100 groups per year use the NLTE whether this is their only option or is an option they provide to their attendees." – Hyatt*

*"It is a tremendous asset. I can't give an exact number of groups it has convinced to book, but it's a major factor in many group's decision." – NLTRA*

*"The NLTE is a competitive advantage when pitching North Lake Tahoe to ski clubs; however, I spend the majority of my time working with companies who package independent travelers, not groups." – NLTRA*

*"It is a great option to include since many of the competitive destinations offer this service. It is viewed as an amenity." – Northstar*

*"We sell our own Transportation Department, we don't sell others. Others are only provided if we can't meet their needs/budget." – Resort at Squaw Creek*

**6. Any example where the North Lake Tahoe Express made a difference in whether or not an event happened at your property?**

*"We have negotiated to include complimentary NLTE transfers as a condition for two events that have/will happened at our property. Because of the cost involved, we do this only for very large pieces of business where the expense is justified by the group's overall revenue. It would be nice to have a larger discount for the hotel to offer to its employees, as well as to*

*have in case the hotel offers NLTE complimentary as a concession to book a piece of business.” – Hyatt*

*“GE Healthcare in June of 2010 would have not chosen us had we not provided this option. We had to subsidize the transportation for the group in order to win this business and the NLTE was the best choice.” – Hyatt*

*“I work for the convention bureau and not a property. That being said, convenient, affordable airport transportation is a factor with nearly every group we book.” – NLTRA*

*“We have landed some ski club outings due to the fact that we have the North Lake Tahoe Express as they were not all arriving into the Reno Airport on the same flights and didn’t want to rent cars.” – NLTRA*

*“Not really.” – Northstar*

*“No.” – Resort at Squaw Creek*

**7. Do you think that the North Lake Tahoe Express service should continue?**

*“Yes.” – Peppertree Inn*

*“Yes, it should continue.” – Firelite Lodge*

*“Definitely. I would like to see it increased to one shuttle every hour, especially during busy winter/summer seasons. The removal of this program would have a measurable impact on our success and the success of the Lake Tahoe basin.” – Hyatt*

*“IT MUST CONTINUE.” – Hyatt*

*“It MUST continue!” – NLTRA*

*“YES! The NLTE is a HUGE competitive advantage for North Lake Tahoe over other destinations and is key to booking destination travelers. Without this service, I would have a hard time building destination visits into our region and could almost guarantee an immediate decline.” – NLTRA*

*“Absolutely YES.” – Granlibakken*

*“Yes, absolutely.” – Northstar*

*“Yes, it offers economic transportation.” – Resort at Squaw Creek*

**8. What comments do you hear from your guests? Are they positive or negative?**

*“Mixed – I’ve heard guests compliment the drivers on friendliness. I’ve also heard from guests that the drivers seemed inexperienced in the mountain/snow conditions.” – Hyatt*

*“All positive.” – Hyatt*

*"I've heard nearly completely positive feedback except for the fact that folks wish it ran more frequently. The long gaps in service have caused folks to seek out other options." – NLTRA*

*"Most comments are very positive that are relayed back from guests about the service. The main complaint is airport signage, which I know is ridiculously expensive, and has been somewhat improved but needs to read North Lake Tahoe Express." – NLTRA*

*"Comments about the drivers. Would like to have less stops between the airport and Granlibakken. Sometimes is difficult to deal with refunds and schedule changes due to delayed flights, weather, and other factors." – Granlibakken*

*"They are mostly positive." – Northstar*

*"None. Again the feedback that we receive is primarily regarding our in-house services or third parties that we book out." – Resort at Squaw Creek*

### **Additional comments received by the planners/properties**

*"Because the hotel does occasionally offer complimentary NLTE transfers to a group as a condition to book an event, it would be nice if there was a dedicated person at NLTE that could assist the planners with coordinating this." – Hyatt*

*"It would be great if NLTE offered an employee discount to the people that work at the various stops on the route. I know that I would take NLTE instead of driving to the airport for my own personal travels if there were a discount." – Hyatt*

*"It would be great if NLTE could somehow team up with the South Tahoe Express service for joint marketing, booking, etc. That would give NLTE access to additional vehicles and drivers, and I think it would make it easier to book the service." – Hyatt*

*"Overall, this program has been a great option to have, and I have to compliment Jamie on her outstanding partnership. Her response is lightning fast, and she is a huge asset to your organization." – Hyatt*

### **Coordination of NLTE Schedule with RTIA Flights**

A NLTE service schedule that is coordinated with the schedule of flights in and out of RTIA is a key consideration. While flight schedules were reviewed in setting up the existing schedule, flight schedules have changed substantially over recent years. Table 10 presents a summary of the existing flight arrivals and departures on the busiest day of the week in terms of number of flights (Friday).

Table 11 presents an evaluation of those flights currently conveniently served by the NLTE schedule. The number of flights in each 15 minute period is shown, along with the existing NLTE arrivals and departures at the airport, in boxes. NLTE vans arriving at the airport are considered to conveniently serve flights departing at least 60 minutes later (to allow for check in and security) but no more than 120 minutes later. Arriving flights are considered to be conveniently served if they are 30 to 90 minutes prior to departure of an NLTE van. These flights served by the existing NLTE schedule are shaded. This table readily shows those flights



**TABLE 10: Existing RTIA Flight Schedule**

*Busiest Day of the Week (Friday)*

Departing Flights			Arriving Flights		
Flight	City	Departure from Reno	Flight	City	Arrival In Reno
WN944	Las Vegas	6:00am	US530	Phoenix	12:31am
UA299	Denver	6:00am	WN712	Las Vegas	7:20am
WN887	Phoenix	6:05am	AA3074	Los Angeles	7:35am
US486	Phoenix	6:05am	WN1788	Los Angeles	7:45am
WN1885	Phoenix	6:05pm	WN1234	Las Vegas	7:50am
UA6300	Los Angeles	6:10am	WN1774	San Diego	8:05am
DL2728	Salt Lake City	6:20am	WN724	Portland	8:45am
UA35	San Francisco	6:25am	AS2443	Seattle	9:44am
WN1008	Denver	6:30am	UA6552	San Francisco	8:43am
AA2010	Dallas	6:55am	UA6651	Los Angeles	10:02am
WN1185	Las Vegas	7:00am	WN1549	Boise	8:45am
AS2250	Seattle	7:05am	WN1034	Las Vegas	10:05am
UA300	Denver	7:19am	DL4707	Salt Lake City	9:16am
WN712	Portland	7:45am	WN585	Chicago MDW	11:10am
AA3118	Los Angeles	8:00am	AS2442	Los Angeles	10:35am
WN1788	Salt Lake City	8:10am	AA1273	Dallas	10:55am
WN1759	Las Vegas	8:15am	WN1042	Las Vegas	10:50am
WN1632	San Jose	8:25am	UA239	San Francisco	11:03am
UA6552	San Francisco	9:05am	WN1544	Denver	11:10am
WN1549	Los Angeles	9:10am	WN1903	Phoenix	11:40am
WN724	San Diego	9:15am	US522	Phoenix	11:58am
US221	Phoenix	9:40am	AA1487	Chicago ORD	12:00pm
WN594	Chicago MDW	9:55am	DL1543	Salt Lake City	12:14pm
AS2443	Los Angeles	10:10am	WN1196	Seattle	12:45pm
DL4707	Salt Lake City	10:15am	WN230	Las Vegas	12:50pm
WN864	Las Vegas	10:20am	UA6616	San Francisco	1:15pm
UA6651	Los Angeles	10:21am	WN820	Los Angeles	1:30pm
WN1034	Boise	10:30am	AA3024	Los Angeles	1:35pm
AS2442	Seattle	11:05am	WN1737	San Jose	1:40pm
WN1667	Las Vegas	11:15am	UA295	Denver	2:04pm
WN1544	Phoenix	11:35am	AA1633	Dallas	2:20pm
WN585	San Jose	11:35am	UA6490	Los Angeles	2:53pm
UA32	Denver	11:35am	US524	Phoenix	3:32pm
AA871	Dallas	11:35am	WN2054	Las Vegas	3:35pm
WN1903	Las Vegas	12:10pm	DL4725	Salt Lake City	3:56pm
US145	Phoenix	12:30pm	AS2259	Seattle	4:55pm
US634	Phoenix	12:40pm	WN201	Las Vegas	5:25pm
AA1750	Chicago ORD	12:40pm	DL4569	Salt Lake City	5:37pm
WN1196	Los Angeles	1:10pm	WN1885	Salt Lake City	5:40pm
DL2928	Salt Lake City	1:15pm	WN753	Portland	5:45pm
WN230	Seattle	1:20pm	UA6518	San Francisco	5:58pm
UA6667	San Francisco	1:33pm	WN1325	San Diego	6:15pm
WN1208	Denver	1:40pm	WN1470	Las Vegas	6:30pm
AA3017	Los Angeles	1:45pm	US526	Phoenix	6:35pm
WN1737	Las Vegas	2:05pm	WN1033	Boise	6:35pm
UA281	Denver	2:38pm	AA3052	Los Angeles	6:40pm
AA1320	Dallas	2:55pm	WN542	Phoenix	6:55pm
UA6360	San Francisco	3:21pm	WN3675	Denver	7:15pm
WN2438	Las Vegas	4:05pm	AS2448	Los Angeles	7:35pm
US596	Phoenix	4:15pm	UA6597	San Francisco	7:46pm
DL4725	Salt Lake City	4:30pm	UA296	Denver	8:23pm
AS2259	Los Angeles	5:15pm	AA1057	Dallas	8:25pm
WN1159	Las Vegas	5:55pm	WN1339	San Jose	8:30pm
DL4569	Salt Lake City	6:10pm	WN763	Los Angeles	8:35pm
WN753	San Jose	6:15pm	AS2255	Seattle	9:14pm
UA6490	Los Angeles	6:29pm	WN1172	Las Vegas	9:20pm
WN1325	Boise	6:45pm	WN594	San Jose	9:30am
WN1033	San Diego	7:00pm	US528	Phoenix	10:08pm
AA3058	Los Angeles	7:05pm	DL1443	Salt Lake City	10:24pm
US527	Phoenix	7:15pm	WN906	Phoenix	10:25pm
WN542	Portland	7:20pm	WN607	Las Vegas	10:45pm
WN165	Las Vegas	7:35pm	UA159	Denver	11:00pm
WN3675	Los Angeles	7:40pm	WN1577	Las Vegas	11:15pm
AS2448	Seattle	8:05pm	UA498	San Francisco	11:45pm
UA6597	San Francisco	8:13pm	UA6811	Los Angeles	11:59pm
WN1197	Las Vegas	8:55pm			

Source: RTIA website, 3/21/2011.

**TABLE 11: RTIA Flight Times Served by NLTE  
Friday in Winter (Busiest Day)**

15-Minute Period		# of Flights			NLTE Departures from RTIA/Arriving Flights			NLTE Arrivals at RTIA/Departing Flights		
From	To	Arriving	Departing	Total	Red	Blue	Green	Red	Blue	Green
12:00 AM	12:14 AM	0	0	0	0	0	0	0	0	0
12:15 AM	12:29 AM	0	0	0	0	0	0	0	0	0
12:30 AM	12:44 AM	1	0	1	1	1	1	0	0	0
12:45 AM	12:59 AM	0	0	0	0	0	0	0	0	0
1:00 AM	1:14 AM	0	0	0	0	0	0	0	0	0
1:15 AM	1:29 AM	0	0	0	0	0	0	0	0	0
1:30 AM	1:44 AM	0	0	0	0	0	0	0	0	0
4:45 AM	4:59 AM	0	0	0	0	0	0	0	0	0
5:00 AM	5:14 AM	0	0	0	0	0	0	0	0	0
5:15 AM	5:29 AM	0	0	0	0	0	0	0	0	0
5:30 AM	5:44 AM	0	0	0	0	0	0	0	0	0
5:45 AM	5:59 AM	0	0	0	0	0	0	0	0	0
6:00 AM	6:14 AM	0	6	6	0	0	0	6	6	6
6:15 AM	6:29 AM	0	2	2	0	0	0	2	2	2
6:30 AM	6:44 AM	0	1	1	0	0	0	1	1	1
6:45 AM	6:59 AM	0	1	1	0	0	0	1	1	1
7:00 AM	7:14 AM	0	2	2	0	0	0	2	2	2
7:15 AM	7:29 AM	1	1	2	1	1	1	1	1	1
7:30 AM	7:44 AM	1	0	1	1	1	1	0	0	0
7:45 AM	7:59 AM	2	1	3	2	2	2	1	1	1
8:00 AM	8:14 AM	1	2	3	1	1	1	2	2	2
8:15 AM	8:29 AM	0	2	2	0	0	0	2	2	2
8:30 AM	8:44 AM	1	0	1	1	1	1	0	0	0
8:45 AM	8:59 AM	2	0	2	2	2	2	0	0	0
9:00 AM	9:14 AM	0	2	2	0	0	0	2	2	2
9:15 AM	9:29 AM	1	1	2	1	1	1	1	1	1
9:30 AM	9:44 AM	1	1	2	1	1	1	1	1	1
9:45 AM	9:59 AM	0	1	1	0	0	0	1	1	1
10:00 AM	10:14 AM	2	1	3	2	2	2	1	1	1
10:15 AM	10:29 AM	0	3	3	0	0	0	3	3	3
10:30 AM	10:44 AM	1	1	2	1	1	1	1	1	1
10:45 AM	10:59 AM	2	0	2	2	2	2	0	0	0
11:00 AM	11:14 AM	3	1	4	3	3	3	1	1	1
11:15 AM	11:29 AM	0	1	1	0	0	0	1	1	1
11:30 AM	11:44 AM	1	4	5	1	1	1	4	4	4
11:45 AM	11:59 AM	1	0	1	1	1	1	0	0	0
12:00 PM	12:14 PM	2	1	3	2	2	2	1	1	1
12:15 PM	12:29 PM	0	0	0	0	0	0	0	0	0
12:30 PM	12:44 PM	0	3	3	0	0	0	3	3	3
12:45 PM	12:59 PM	2	0	2	2	2	2	0	0	0
1:00 PM	1:14 PM	0	1	1	0	0	0	1	1	1
1:15 PM	1:29 PM	1	2	3	1	1	1	2	2	2
1:30 PM	1:44 PM	3	2	5	3	3	3	2	2	2
1:45 PM	1:59 PM	0	1	1	0	0	0	1	1	1
2:00 PM	2:14 PM	1	1	2	1	1	1	1	1	1
2:15 PM	2:29 PM	1	0	1	1	1	1	0	0	0
2:30 PM	2:44 PM	0	1	1	0	0	0	1	1	1
2:45 PM	2:59 PM	1	1	2	1	1	1	1	1	1
3:00 PM	3:14 PM	0	0	0	0	0	0	0	0	0
3:15 PM	3:29 PM	0	1	1	0	0	0	1	1	1
3:30 PM	3:44 PM	2	0	2	2	2	2	0	0	0
3:45 PM	3:59 PM	1	0	1	1	1	1	0	0	0
4:00 PM	4:14 PM	0	1	1	0	0	0	1	1	1
4:15 PM	4:29 PM	0	1	1	0	0	0	1	1	1
4:30 PM	4:44 PM	0	1	1	0	0	0	1	1	1
4:45 PM	4:59 PM	1	0	1	1	1	1	0	0	0
5:00 PM	5:14 PM	0	0	0	0	0	0	0	0	0
5:15 PM	5:29 PM	1	1	2	1	1	1	1	1	1
5:30 PM	5:44 PM	2	0	2	2	2	2	0	0	0
5:45 PM	5:59 PM	2	1	3	2	2	2	1	1	1
6:00 PM	6:14 PM	0	1	1	0	0	0	1	1	1
6:15 PM	6:29 PM	1	2	3	1	1	1	2	2	2
6:30 PM	6:44 PM	4	0	4	4	4	4	0	0	0
6:45 PM	6:59 PM	1	1	2	1	1	1	1	1	1
7:00 PM	7:14 PM	0	2	2	0	0	0	2	2	2
7:15 PM	7:29 PM	1	2	3	1	1	1	2	2	2
7:30 PM	7:44 PM	1	2	3	1	1	1	2	2	2
7:45 PM	7:59 PM	1	0	1	1	1	1	0	0	0
8:00 PM	8:14 PM	0	2	2	0	0	0	2	2	2
8:15 PM	8:29 PM	2	0	2	2	2	2	0	0	0
8:30 PM	8:44 PM	2	0	2	2	2	2	0	0	0
8:45 PM	8:59 PM	0	1	1	0	0	0	1	1	1
9:00 PM	9:14 PM	1	0	1	1	1	1	0	0	0
9:15 PM	9:29 PM	1	0	1	1	1	1	0	0	0
9:30 PM	9:44 PM	1	0	1	1	1	1	0	0	0
9:45 PM	9:59 PM	0	0	0	0	0	0	0	0	0
10:00 PM	10:14 PM	1	0	1	1	1	1	0	0	0
10:15 PM	10:29 PM	2	0	2	2	2	2	0	0	0
10:30 PM	10:44 PM	0	0	0	0	0	0	0	0	0
10:45 PM	10:59 PM	1	0	1	1	1	1	0	0	0
11:00 PM	11:14 PM	1	0	1	1	1	1	0	0	0
11:15 PM	11:29 PM	1	0	1	1	1	1	0	0	0
11:30 PM	11:44 PM	0	0	0	0	0	0	0	0	0
11:45 PM	11:59 PM	2	0	2	2	2	2	0	0	0
Flights Served		65	66		29	35	23	23	27	21
% Flights Served					45%	54%	35%	35%	41%	32%

Flights served includes those arriving 30 to 90 minutes prior to van departure, and those departing 60 to 120 minutes after van arrival.

that are not conveniently served by the current schedule, as those values not shaded. Of the total arriving flights, 45 percent are currently served by the Red Route, 54 percent by the Blue Route, and 35 percent by the Green Route. Of departing flights, 35 percent are conveniently served by the Red Route, 41 percent by the Blue Route, and 32 percent by the Green Route. The following are concentrations of flights not currently well served by the existing NLTE schedule:

- Red Route: 6 arriving flights are not served between 10:30 AM and 11:15 AM, 12 flights between 5:15 PM and 7:30 PM, and 8 flights between 8:30 PM and 10:30 PM. For departing flights, 10 flights are not well served between 7:00 AM and 9:15 AM, 14 flights between 10:15 AM and 12:45 PM, and 14 flights between 5:45 PM and 9:00 PM.
- Blue Route: 5 arriving flights are not served between 8:30 AM and 10:15 AM and 11 are not served between 5:45 PM and 8:00 PM. For departing flights, 8 are not served between 7:00 AM and 8:30 AM, 11 between 10:00 AM and 11:45 AM, and 8 between 4:00 PM and 6:30 PM.
- Green Route: 8 arriving flights are not served between 7:45 AM and 9:45 AM, 6 flights between 12:45 PM and 1:45 PM, 7 between 7:15 PM and 8:45 PM, and 8 after 10:00 PM. Departing flights not served consist of 16 flights before 8:15 AM, 13 between 12:30 PM and 3:30 PM, and 11 between 4:30 PM and 7:30 PM.

Overall, there is a particular need for an early morning run to the airport on the Green Route, mid-morning runs on the Red and Green Routes, and late afternoon runs on all routes. Heading up the hill, there is a need for a mid-morning run on the Green Route, early evening runs on the Red and Blue Routes, and a late night run on the Green Route. Adding these runs would substantially expand the proportion of flights served by NLTE.

### **Economic Impact of the NLTE Program**

The data and input presented above can be used to roughly estimate the economic benefits of the NLTE program to the region. Beyond the secondary benefits of local employment and the benefits of reduced auto use, the primary economic benefit stems from the increased attractiveness of the region as a destination resort and conference location, and specifically from those guests that otherwise would not have visited the region. While the large majority of NLTE passengers would have visited in the absence of the program – most likely by renting cars – the comments discussed above indicate that there are clearly groups that would not have booked meetings/conferences in the region without the availability of the NLTE program. In light of these comments and the overall passenger characteristics, a reasonable estimate is that 3 percent of all NLTE riders represent visitors that otherwise would not have visited the region. Applying this proportion to estimate existing ridership and dividing by 2 to convert to round-trips, this corresponds to 320 additional destination visitors to the region.

*The Economic Significance of Travel to the North Lake Tahoe Area: 2003-2008 Detailed Visitor Impact Estimates* (Dean Runyan Associates, August 2009) provides data that can be used to estimate the total spending of these incremental visitors. A guest staying at a hotel/motel/bed-and-breakfast spends an average of \$219 per person per day, and stays an average of 3.4 days per trip. Multiplying by the number of additional visitors, the NLTE increases overall visitor spending in the region by an estimate \$238,000 per year.

## Review of Existing Institutional/Financial Structure

This section first presents a review of the existing institutions involved in the NLTE and their respective roles. Current contracting and billing procedures are reviewed. Costs and revenues are then discussed. Finally, near-term forecasts of potential financial conditions are presented.

### Existing Institutional Structure

There are four key organizations involved in the provision of the NLTE:

- The **North Lake Tahoe Resort Association** provides subsidy funding for the program. As discussed above, for the current year this funding is expected to equal approximately 10 percent of the total cost of the program, or roughly 60 percent of the total subsidy needed for the program. As the primary subsidy funding entity, the NLTRA also plays a key role in setting policy for the program.
- The **Tahoe Transportation District** provides the necessary authority to operate passenger transportation services in both California and Nevada. By act of the US Congress, the TTD has the authority (among others) to: *“own and operate a public transportation system to the exclusion of all other publicly owned transportation systems in the region...acquire or agree to operate upon mutually agreeable terms any public transportation system or facility within the region...and contract with private companies to provide supplementary transportation or provide any of the services needed in operating a system of transportation for the region.”* The TTD is the contracting agency for the contract with the transit service provider (Airport Mini Bus), and oversaw the RFP process used to select the service provider. However, it is not involved in the management of the NLTE on a day-to-day basis and none of the funding for the program currently comes from or is passed through the TTD.
- The **Truckee – North Tahoe Transportation Management Association** (TNT-TMA, which is a California non-profit) provides the financial management and day-to-day oversight of the NLTE. Responsibilities of the TNT-TMA regarding the NLTE program consist of the following:
  - On a day-to-day basis, oversee the contract with the service provider, including review of invoices, ensuring that passenger complaints are addressed, ensuring that the terms of the contract are upheld.
  - Meet with existing and potential funding partners to encourage expansion of subsidy sources and levels.
  - Provide marketing services for the NLTE program, including print, radio, television advertising and support of the website.
  - Oversee the online reservation system.

The TMA’s role in the NLTE is also a part of the Tahoe Regional Planning Agency’s Overall Work Plan, which indicates that *“The TNT/TMA agrees to continue marketing and website enhancements for North Lake Tahoe Express airport service to all lodging properties and the Community to help increase ridership and revenues,”* and *“the TNT/TMA agrees in conjunction with the Tahoe Transportation District staff to manage the contract for*

*scheduled airport service from Truckee and North Lake Tahoe to Reno/Tahoe International Airport (North Lake Tahoe Express) and the winter night time shuttle service.”*

- **Airport Mini-Bus (AMB)** is the private transportation company that operates the service. AMB is part of a group of companies that also include Bell Limo and Whittlesea – Checker Cab. As a whole, the companies operate a wide range of services, including limousines, a flat-rate service between the RTIA and downtown Reno, and a subsidized cab program for low-income work trips, as well as the NLTE program. With regards to the NLTE program, Airport Mini Bus is responsible for the following:
  - Provision, maintenance and fueling of vehicles
  - Providing drivers, including training, license checks, salary and benefits
  - Dispatching
  - Operation of the computer reservation system, and staffing reservation phones
  - Provision and staffing of a ticket location at RTIA
  - Maintenance of records, including passenger counts and revenues
  - Ensuring that the service meets customer service standards

Airport Mini Bus was selected to operate the service through a Request for Proposals (RFP) prepared by the NLTRA. This initial contract between the TTD and AMB was signed on November 15, 2006.

The relationship between the four organizations is best summarized in the contract between the TTD and Airport Mini Bus. The service is currently operating under a contract between the TTD and Airport Mini Bus dated November 15, 2010, with a contract term of one year. This contract includes the following:

- *“[The] District extends its interstate operating authority to Airport Mini Bus for purposes of providing the service.”*
- *Truckee-North Transportation Management Association ... shall continue to serve as Contract Manager for this project.*
- *North Lake Tahoe Resort Association...shall act as fiscal agent for this project, with responsibilities to provide Placer County TOT funds for project operating and marketing support for the project, consistent with approval by the Placer County Board of Supervisors.*
- *The costs charged by Airport Mini Bus for providing the service as described in this Agreement is set forth in Exhibit C, attached hereto. These costs cannot be changed during the term of this Agreement, except as may be agreed to, in writing, by the parties, in consultation with the TNT/TMA and NLTRA.*
- *In the event passenger demand for the transportation services described in this Agreement should exceed available transit vehicle capacity, or, if necessary in the judgment of Airport Mini Bus in order to maintain schedules, Airport Mini Bus may provide additional vehicles. To the maximum extent possible and practical, Airport Mini Bus shall consult with TNT/TMA regarding the need to provide additional vehicles to meet passenger demand. Documentation of the cost of providing these additional vehicles to meet passenger demand shall be made part of the monthly report prepared and submitted to the TNT/TMA.*

It is important to note that, under the current contract, there is no limit on the total profit that Airport Mini Bus can make over the course of a year on the service. The contract is also not clear as to the total subsidy funding that can be provided to Airport Mini Bus. The contract indicates that, *"The costs charged by Airport Mini Bus for providing the service as described in this Agreement is set forth in Exhibit C, attached hereto."* However, Exhibit C in the original contract is an outdated projection of costs and revenues. The TNT/TMA Program Manager indicates that there is a verbal agreement with Airport Mini Bus to (1) not exceed the "\$800 per bus per day" rate included in the original (2005) Airport Mini Bus proposal, and (2) not exceed \$100,000 per year in annual subsidy requests. Note that it is unclear how the first of these two figures applies today in that two buses are often used to operate the individual routes.

Another apparent mistake in the current contract is with regards to its term, which reads, *"This renewal agreement shall be deemed effective as of November 14, 2007, and shall continue in full force and effect through November 14, 2008, unless terminated by any party as herein provided."*

### **Current Contractor Billing Procedure**

The billing procedure used by Airport Mini Bus to calculate its invoice varies depending upon whether passenger fare revenues surpass operating expenses. For months in which fare revenues exceed expenses (in recent years, December, January, February and March), no invoice is prepared. TNT/TMA and TTD get information regarding fare revenues based upon the computerized reservation system, though this figure typically varies slightly from the revenues reported by Airport Mini Bus due to apparently valid adjustments for refunds, cancellations, etc. However, during these months the TNT/TMA does not receive any direct information from Airport Mini Bus regarding revenues received or costs. This appears to be in technical breach of Section 3 of the existing contract, which states in part, *"By no later than the tenth day of the month immediately following the end of each month for which the service is provided, Airport Mini Bus shall produce and submit to the TNT/TMA a complete and accurate record of all fares derived from the service during that month, along with an invoice for the cost of providing the service during that same period."*

For months in which fare revenues do not cover operating expenses, Airport Mini Bus provides a simple one-line invoice, along with a spreadsheet that details the invoice amount calculation. This calculation does not provide line-item details on specific costs. Rather, overall costs and revenues are identified, along with the proportionate share associated with the NLTE program. A review of this procedure indicates the following:

- Airport Mini Bus tracks costs associated with NLTE as part of their "per capita" services, which also includes a service connecting RTIA with the downtown Reno area. It is therefore necessary for the company to estimate the proportion of costs associated with the NLTE. This is done based upon the proportion of revenues associated with each of the two services. While this may generate a reasonable allocation, this is an unusual factor on which to base allocations. It is more typical for a transportation service to allocate shared service costs based on some measure of actual service, such as the proportion of vehicle-miles or driver-hours operated.
- Costs are estimated in a complicated process of calculating what the costs would have been in 2006 when the contract started, adjusted for subsequent changes in unit costs. While a "work around" arrangement, the resulting costs do not seem unreasonable.

- Administrative/overhead costs associated with management and accounting functions of the company as a whole are also included. These also appear to be reasonable.
- The costs also include a 10 percent “profit” which is calculated on the monthly operating loss (costs minus passenger revenues). There is no mention of this additional profit charge in the current (or the original) contract. This procedure has the counter-intuitive result of rewarding the contractor more as the subsidy needs of the program increases (for those months in which costs exceed passenger revenues).

While there are some elements of the current contract and billing procedures that warrant modification or clarification, we also conclude that the net result for the NLTRA and TTD has been a “good deal” in that costs of the service have been modest in comparison with the scope of the service. One measure of this is to compare the “\$800 per bus per day” original bid with the actual costs per route per day. Adding the passenger revenues for FY 2009-10 (\$523,311) and the operating subsidy requirements for the same year (\$94,646) results in an estimated operating cost of \$617,957. Divided by 365 days per year and 3 routes operated per day, the cost per day per route is equal to \$564, or only 70 percent of the original bid price.

### Historical and Current Subsidy Funding

The monthly subsidy funding paid out to Airport Mini Bus since the inception of the service is presented in Table 12. As shown, these expenditures have been on a positive trend, declining from a high of roughly \$145,000 per year in the first full year of service to an estimated value for the current full fiscal year of \$54,000. The number of months for which no subsidy requests were received has increased over the years – in the last 12 months, no operating subsidy has been needed in July and in December through March.

Subsidy is also required to fund the TNT/TMA’s services (and ancillary services paid through the TNT/TMA) regarding program administration and marketing. This figure is currently \$64,000 per year. Overall, the subsidy required to fund NLTE is approximately \$118,000 annually.

Table 13 presents the historical and current subsidy funding levels, by funding source. This table reflects the positive growth in passenger revenues over the course of the program, and corresponding reduction in subsidy funding, as is also shown in Figure 5. At present, the non-NLTRA funding commitments are as follows:

Incline Village Crystal Bay Visitors and Conventions Bureau	\$21,000
Hyatt Resort	\$ 7,000
Biltmore	\$ 3,500
Truckee – Tahoe Airport	\$ 2,500
Larkspur Hotel	\$ 1,000
Cedar House	<u>\$ 1,000</u>
Total	\$36,000

As a result of growth in passenger revenue and other subsidy, the NLTRA funding has dropped from roughly \$182,000 in FY 2007-08 to an estimated total for FY 2010-11 of approximately \$85,000 (compared to a budgeted maximum of \$98,000).

**TABLE 12: Monthly Subsidy Payments to Airport MiniBus for Operations**

Month	Fiscal Year				
	2006-07	2007-08	2008-09	2009-10	2010-11
July	\$0	\$10,352	\$15,363	\$22,200	\$0
Aug	\$0	\$13,426	\$10,372	\$5,475	\$830
Sept	\$0	\$18,287	\$31,278	\$13,196	\$1,982
Oct	\$0	\$18,380	\$14,155	\$21,225	\$22,857
Nov	\$6,790	\$16,316	\$22,419	\$13,273	\$17,326
Dec	\$15,548	\$2,750	\$0	\$0	\$0
Jan	\$21,289	\$1,294	\$1,916	\$0	\$0
Feb	\$17,896	\$3,946	\$0	\$0	--
Mar	\$15,629	\$12,315	\$0	\$0	--
Apr	\$26,379	\$24,964	\$21,890	\$8,570	--
May	\$18,738	\$7,918	\$15,483	\$9,417	--
June	\$10,012	\$15,379	\$5,778	\$1,290	--
Total	\$121,945	\$145,327	\$138,654	\$94,646	\$42,995
Estimated Annual Total		--	--	--	\$53,992

**TABLE 13: NLTE Ridership and Financial History**

Year	Ridership	Passenger Revenues	NLTRA	Subsidy Funding Source		Total	Notes
				Washoe County Sources (1)	Nevada County Sources (2)		
FY 2006-07	10,748	\$258,211	\$179,945	\$25,000	\$2,187	\$207,132	Startup - 7.5 Months
FY 2007-08	17,194	\$451,147	\$181,952	\$41,875	\$4,950	\$228,777	
FY 2008-09	18,783	\$515,159	\$174,654	\$46,391	\$4,000	\$225,045	
FY 2009-10	18,547	\$523,311	\$98,000	\$81,430	\$4,000	\$183,430	
FY 2010-11	14,527	\$448,023	\$79,912	\$16,491	\$1,123	\$97,526	Partial Through Feb 2011
FY 2010-11	21,653	\$675,249	\$85,000	\$32,992	\$4,500	\$117,992	Forecast Full Year (3)

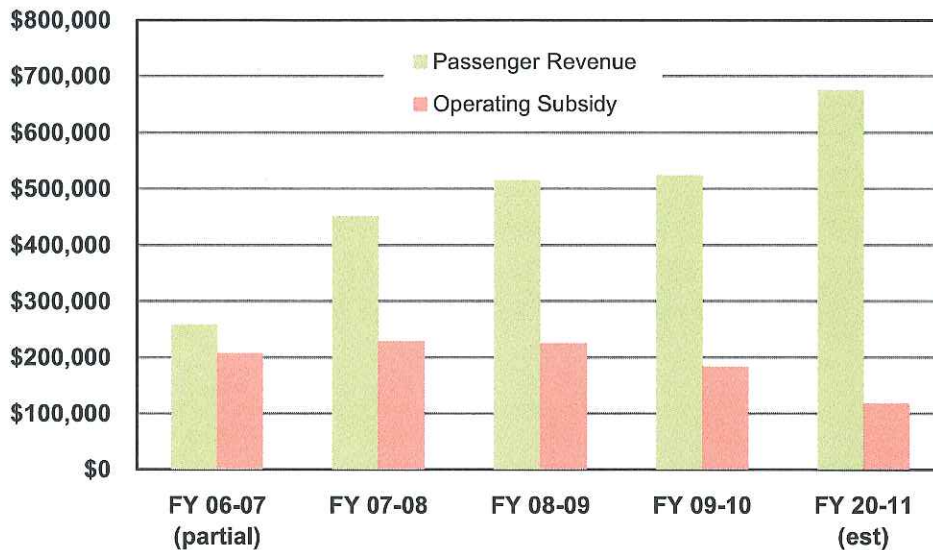
Note 1: Including the Hyatt, Biltmore and Incline Village Crystal Bay Visitor and Convention Bureau.

Note 2: A total of \$4,500 in funding is available in FY 2010-11 from Truckee-Tahoe Airport, Cedar House, and Larkspur Hotel.

Note 3: Total subsidy estimated by LSC. Allocation to funding sources by TNT/TMA.



**FIGURE 5: NLTE Passenger Revenue and Operating Subsidy Requirement**



### Forecasts of Future Subsidy Funding Requirements

To best reflect the different financial results from the three individual routes, near-term forecasts were prepared for costs and revenues by route. The top portion of Table 14 presents current fiscal year passenger revenues and operating costs, with total annual operating costs allocated based on the proportion of annual runs operated on each individual route. Of note, on a marginal basis, the Red Route is forecast to turn a small "profit," with revenues exceeding costs by roughly \$2,000 for the year. Marginal costs exceed passenger revenues on the Green and Blue Routes, by \$25,000 and \$32,000 annually.

Future ridership on NLTE will depend in large part on the overall economy, as well as factors such as marketing efforts and the price of fuel. Two scenarios were developed to bracket a reasonable range of near-term conditions:

- Extension of Current Trends for 1 Year** – As reflected in Table 3, over the most recent year ridership on the Red Route grew by 12 percent, Blue Route ridership was flat, while Green Route ridership fell by 9 percent. (It bears noting that applying overall ridership trends over a two-year period would result in higher forecasts than the one-year ridership trends.) If these trends were to simply continue for an additional year, the overall passenger revenues would increase by approximately \$27,000. Operating costs are assumed to increase in two ways: a 3 percent increase in unit costs per hour of service to reflect the impact of increased fuel costs on the overall budget, and an increase in the number of runs needed to serve the increased ridership (it is assumed that 25 percent of the additional ridership triggers the

**TABLE 14: Financial Forecasts by Route***Assumes no change in operating costs or outside subsidy funding*

	Green	Red	Blue	Total
<b>FY 2010-11 Base Case</b>				
Annual Revenue	\$102,729	\$271,644	\$300,243	\$675,249
Estimated Annual Operating Cost	\$127,578	\$269,519	\$332,144	\$729,241
Net Operating "Profit" (1)	-\$24,849	\$2,125	-\$31,901	-\$53,992
Administrative/Marketing Costs				\$64,000
Total "Profit"				-\$117,992
<b>With Trend Growth in Ridership for 1 Year</b>				
Percent Growth	-9%	12%	0%	
Fare Revenue	\$93,483	\$304,242	\$300,243	\$697,968
Estimated Annual Operating Cost (2)	\$128,535	\$285,690	\$342,108	\$756,333
Net Operating "Profit" (1)	-\$35,052	\$18,551	-\$41,865	-\$58,365
Administrative/Marketing Costs				\$64,000
Total "Profit"				-\$122,365
Current Maximum Outside Annual Subsidy				\$36,000
Minimum Required NLTRA Annual Funding				\$86,365
<b>With 5% Increase over 1-Year Trend in Red Ridership, and 5% Growth in Blue and Green Ridership</b>				
Percent Growth	10%	22%	10%	
Fare Revenue	\$113,002	\$331,406	\$330,267	\$774,675
Estimated Operating Cost (2)	\$134,595	\$292,428	\$350,412	\$777,435
Net Operating "Profit" (1)	-\$21,593	\$38,978	-\$20,144	-\$2,760
Administrative/Marketing Costs				\$64,000
Total "Profit"				-\$66,760
Current Maximum Outside Annual Subsidy				\$36,000
Minimum Required NLTRA Annual Funding				\$30,760
Note 1: Excludes administrative and marketing costs (\$64,000 per year).				
Note 2: Assumes 3% growth in unit costs, and that 25% of ridership growth triggers need for additional runs.				

need for additional runs). As shown, operating subsidy needs of the overall service under this scenario would increase slightly, to \$58,000 per year. Including \$64,000 for administration and marketing, total subsidy needs equals \$122,000 per year. Assuming funding provided by all existing funding partners remains at current levels, the minimum level of NLTRA funding required for the program would be roughly \$86,365 per year.

- **10 Percent Growth over Existing Trends on Red and Blue Routes, 10 Percent Over Existing Ridership on Green Route** – The bottom portion of Table 14 presents a more optimistic forecast of future ridership and costs, assuming that ridership on the Green and Blue Routes increases by 10 percent increase, and a 22 percent increase occurs on the Red Route. Under this scenario, operating subsidy requirements drop by roughly \$51,000, and the NLTE would be very close (within \$3,000) of needed no subsidy for operations. However, the \$64,000 annual costs for administration and marketing would still require subsidy. NLTRA subsidy, assuming other subsidy sources remain unchanged, would drop to roughly \$31,000.

This analysis indicates that the operations of the NLTE program could well “break even” in the next few years. However, ongoing subsidy of the program as a whole (including administration and marketing) will be necessary for the next several years. Further evaluation indicates that an overall ridership increase of 22 percent would be needed for the overall program to require no

NLTRA funding (assuming other subsidy sources remain). At current trends in ridership, this will occur in 5 to 7 years.

As an aside, another possible strategy to minimize or eliminate NLTRA subsidy would be to reduce service to the most cost-effective routes: the Red Route, as well as the Blue Route, considering the additional subsidy funding generated in Nevada. Even considering the individual lodging property subsidy funding that would be terminated, the elimination of the Green Route would reduce annual subsidy requirements by roughly \$20,000. However, this step would reduce the current benefits of the program to the Northstar area and would result in an inequitable distribution of NLTRA funds, and is thus not recommended.

## Section IV

# Conclusions and Recommendations

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After approximately four years of operation, this study provides a review and evaluation of the North Lake Tahoe Express airport shuttle program. The findings and recommendations of the study can be summarized as follows:

- Provision of an airport shuttle service serving the North Tahoe region is included in several regional plans including the *North Lake Tahoe Tourism and Community Investment Master Plan*. The NLTE plays a particularly important role in an overall regional public transit network in that it allows visitors to reach their destination without a car. As a result, it encourages use of other public transit services (such as the Night Rider) over the course of the visitor's stay. It should be noted that the NLTE service focuses on destination visitors rather than day visitors or short-term weekend visitors from nearby urban areas that generate substantially greater revenues per visitor-day.
- The NLTE service has grown to be a substantial program, providing three routes that serve a large region extending from Truckee to Squaw Valley to Sunnyside to Incline Village. At present, approximately 5,600 one-way van trips are operated each year, serving roughly 21,600 passenger-trips. Overall ridership has increased by 17 percent over the most recent year. While ridership is highest in the winter and summer, spring and fall ridership is growing at a higher rate.
- Service is provided by a private contractor, currently Airport Mini Bus, under contract with the Tahoe Transportation District. The Truckee-North Tahoe Transportation Management Association is also under contract to the TTD to manage the service and provide administrative and marketing services. Funding is provided by the NLTRA, along with the Incline Village Crystal Bay Visitors and Convention Bureau, Nevada County, and several individual lodging properties.
- Passenger perceptions of the service are overall very good, with 96 percent of those completing surveys indicating they plan to use the service in the future. Given the challenges of operating an on-demand passenger transportation service in mountainous winter conditions, the current operator is overall providing a good quality of service.
- Property managers and conference planners are largely positive in their opinion of the service. All those contacted believe the service should continue even among properties that operate their own private airport shuttle service. Several cited specific instances where the availability of NLTE helped to increase visitation to the region. The conference planners and property managers interviewed as part of this study were unanimous in their support of continuation of the NLTE program.
- The NLTE program is estimated to increase total visitor spending in the region by \$238,000 per year. Even excluding consideration of the secondary marketing, image, traffic and environmental benefits, the region as a whole is better off economically due to the NLTE program.

- There are several inconsistencies between the existing TTD-Airport Mini Bus contract and the manner in which actual invoicing by Airport Mini Bus occurs. While the contract calls for documentation for all months, Airport Mini Bus currently provides documentation only for those months in which subsidy is requested. In addition, the invoices include a profit amount, which is not called for in the contract. The invoice calculation process is also a “work around,” using a basis identified at the beginning of the contract and then adjusting for subsequent changes in costs. A new contract and invoicing procedure should be developed. This procedure should be modified to make it clear that passenger revenues belong to the NLTE program, rather than the service contractor. Profits for the contractor should be made a function of the costs of services provided, rather than the subsidy requirement.
- Regardless of the invoicing procedure, it is important to note that Airport Mini Bus is charging to the project only roughly 70 percent of the total charges allowable under the current contract. Overall, LSC finds that the NLTE program has been getting a “good deal” from the contractor in terms of service quality, willingness to operate the service in a cost-effective manner, and overall subsidy requirements.
- The NLTE service contract should be let for new bids, through a Request for Proposals process. This should not be construed as a criticism of the existing contractor. Rather, it is good public policy to solicit bids every three to five years in order to ensure that the best use is being made of public funds and to keep a contractor focused on providing good service. As the current contract period ends in November 2011, this would be a good opportunity to conduct an RFP solicitation process.
- In the short term, continued NLTRA subsidy funding will be required. If current ridership trends continue and if current funding partnerships are maintained, the NLTE program is on track to require no NLTRA subsidy funding in approximately five to seven years. Whether funding partners would be willing to maintain current subsidy levels when NLTRA funding is eliminated is unknown.
- At least at the busier stops, shuttle stop signs should be posted to let passengers know where to expect the van.
- NLTE vehicles should be clearly identifiable. While exterior advertising within guidelines can be provided, all vehicles should be clearly marked as the North Lake Tahoe Express.
- Marketing should focus on Internet presence and working directly with lodging managers/staff as well as conference planners. Traditional print advertising in the local market should be de-emphasized.
- TNT-TMA should be provided in a new contract with the opportunity for training sessions with driver and dispatch staff on at least a quarterly basis. Training for new drivers and dispatchers should include a tour of the service area to provide an understanding of specific service locations and street networks.
- As ridership grows, additional service times should be added to the schedule. In particular, there is a particular need for an early morning run to the airport on the Green Route, mid-morning runs on the Red and Green Routes, and late afternoon runs on all routes. Heading up the hill, there is a need for a mid morning run on the Green Route, early evening runs on the Red and Blue Routes, and a late night run on the Green Route. Adding these runs would

substantially expand the proportion of flights served by NLTE, though they would add to the subsidy needs of the program.

- A stop should be added at Sawmill Heights, as part of overall Northstar service.
- A stop at Sierra Nevada College should be added, if support can be generated from the college.
- Particular effort should be made to increase use of the NLTE program by lodging properties in the Northstar area.