

Transit Sustainability Project



Partnership Board Meeting
June 23rd, 2009

The Problem:

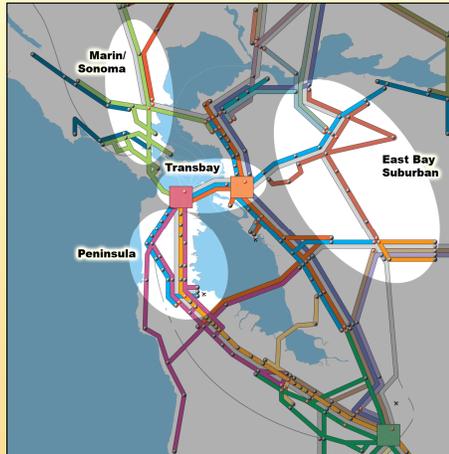
- Looking back - Since 1991, transit operating costs have increased over 5% annually; service has increased by 2% annually and ridership has been mostly flat with only a 0.2% increase annually.
- Looking forward - T-2035 confirms that the current transit system is not sustainable for many operators over next two decades, if not sooner.
- Immediate elimination of State funding for transit operations at least through 2012 drives service cuts and fare increases.
- Long-term sustainability requires *reform and new revenue*.
- Future public support for transit revenue measures will require a serious accounting of cost-effectiveness.
- MTC is considering plans to place a regional gas tax measure on the 2012 ballot --- the clock is ticking...

Multiple Service Providers

Examples:

- Inner East Bay (AC, BART, WestCAT, Union City)
- Transbay Services
- Peninsula (BART, Caltrain, SamTrans)
- East Bay Suburban
- Solano County
- Marin/Sonoma

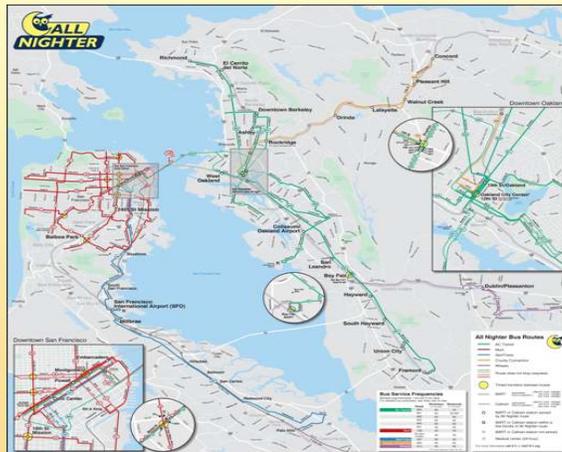
Overlapping Routes and Services



3

Complicated Multi-operator Services... Discourage Ridership?

Night Owl Transit Service



4

Inconsistent Fare Policies

Discount Fare Eligibility

Transit Operator	Senior/ Disabled	Youth	Child
AC Transit	50%	50% (5-17 yrs.)	4 and under free (limit 2)
BART	63%	63% (5-12 yrs.)	4 and under free
Caltrain	50%	50% (5-17 yrs.)	4 and under free (limit 1)
County Connection	66%	Same as adult	Under 6 free
Golden Gate Transit	50%	50% (6-18 yrs.)	5 and under free (limit 2)
SamTrans	58%	43% (5-17 yrs.)	4 and under free (limit 1)
San Francisco Muni	66%	66% (5-17 yrs.)	Under 5 free
Santa Clara VTA	58%	15% (5-17 yrs.)	Under 5 free
WestCAT	58%	Same as adult	Under 6 free (limit 2)

5

Sustainability Project Goals

1. Reform

- Improve productivity of existing transit system by 10%
- Identify specific strategies to address long-term cost effectiveness and financial sustainability of the system

2. Revenue

- Establish a multi-year investment plan as basis for seeking voter approval in 2012

6

Project Scope - Reform

<p>1. Individual transit agency actions to increase service productivity</p>	<p>Internal cost control</p> <p>Service delivery options/improvements</p> <p>Cost-sharing across multiple operators</p>
<p>2. Recommendations from recently completed analyses.</p>	<p>VTA and SF MTA Effectiveness Analyses</p> <p>Solano County Consolidation Analysis</p> <p>Regional Rail Plan - Governance</p> <p>Suburban East Bay Bus - CCCTA, ECCTA, LAVTA, WestCAT</p>

7

Project Scope - Reform

<p>3. Service and administrative effectiveness at the sub-regional level.</p> <p>a) Inner East Bay - AC Transit, BART, WestCAT, Union City</p> <p>b) Transbay bus routes</p> <p>c) Regional Owl Service</p> <p>d) Marin/Sonoma Counties</p> <p>e) ADA paratransit service delivery options</p>	<ul style="list-style-type: none"> ▪ Identify changes in market demand ▪ Develop cost-effective changes in service delivery ▪ Improve service reliability to attract new riders ▪ Create effective multi-year transition to move riders into more productive service
<p>4. Uniformity where it matters most to customers and can yield savings.</p>	<ul style="list-style-type: none"> ▪ Fare discount eligibility criteria ▪ Customer information systems ▪ Fare collection - TransLink ▪ ADA paratransit service

8

Reform Opportunities?

Savings/Revenue Redirection within Existing Authority	Annual Regional Estimate
Hold expense growth to inflation	\$29 million
Redirect RM2 to more productive services	\$35 million
Ensure fares keep pace with inflation	\$4 million
Eliminate fare discounts above Federally-mandated levels	\$40 million
TransLink rapid conversion	TBD
Transit Call Center Consolidation	\$10 million
Restructure ADA paratransit service delivery	TBD
Joint procurements/standard equipment specs	TBD

** Preliminary estimates based on near-term T2035 data and 2001 analysis of fare discounts*

9

Revenue Opportunities

Seek new revenue for Bay Area transit:

- Secure voter approval of a regional gas tax in 2012
- 10 cent (maximum authority) would raise roughly \$300 million annually
- Regional gas tax would likely need to support both transit and road needs
- Establish multi-year Action Plan, based on results of the Transit Sustainability Project, to which to apply new revenues.
- Place conditions on new revenue allocations to avoid unsustainable system in the future.

10

Executive Oversight Committee

1. Geographic balance
2. Mix of large and small agencies
3. Agencies with recent experience conducting system effectiveness and consolidation analyses
4. General manager/CEO participation

Proposed Membership

SFMTA - Nathaniel Ford
 Samtrans - Michael Scanlon
 AC Transit - Rick Fernandez
 Solano TA - Daryl Halls
 WestCAT - Charlie Anderson

VTA - Michael Burns
 BART - Dorothy Dugger
 Santa Rosa City Bus - Bob Dunlavey
 CCCTA - Rick Ramacier
 MTC - Steve Heminger

Technical Support

Project Management	MTC
Stakeholder Outreach	MTC Public Participation Plan <ul style="list-style-type: none"> ▪ Public meetings/workshops ▪ Surveys (supplement existing survey data, as needed) ▪ Focus groups ▪ Website ▪ Other electronic information
Technical Advisory Committee	Key transit agency staff experienced in: <ul style="list-style-type: none"> ▪ Service planning ▪ Operations ▪ Public information ▪ Finance ▪ Regional transit policy
Consultant support	Peer review facilitator Technical analyses beyond existing agency capacity Stakeholder outreach coordination

Preliminary Schedule

April 2009	Conceptual Review of Transit Sustainability Project (TSP) with Transit General Managers
April 2009	Commission adopts T-2035 including commitment to proceed
June 2009	Conceptual Review of TSP with Partnership Board
July 2009	Oversight Committee confirms scope and resource allocation (staff vs. consultants, etc.)
October 2009 thru December 2010	Complete regional and sub-regional analyses Conduct public participation program
January 2011	Confirm most promising efforts for more detailed implementation planning
Winter/Spring 2011	Draft policy and service recommendations, implementation priorities, and financial plan
Summer 2011	Complete outreach/public review process Commission adoption

13

Proposed 2-year Budget

Funding Source	Amount
FTA Section 5303 Carryover	\$700,000
FY 2010 Section 5303 (~40% of SRTP allotment)	\$300,000
RM2 Integrated Fare Study (remaining balance)	\$950,000
State Planning & Research (amount requested)	\$300,000
Total	\$2,250,000

14