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Memorandum

TO: Regional Advisory Working Group DATE: April 18, 2011

FR: Sri Srinivasan

RE: Plan Bay Area: Draft Transit Operating Needs Assessment

For Plan Bay Area, MTC staff will evaluate funding needs to operate and maintain transit services over the 28-year plan period from FY 2012-13 through FY 2039-40. This memo outlines the analysis methodology, preliminary findings and comparison of the projected needs to the previous long-range plan, Transportation 2035 (T2035).

Methodology

MTC staff distributed a survey to the region's transit operators for information on current and planned service levels; existing and projected operating costs; and existing and projected local operating revenues over the period of Plan Bay Area. Staff has received the survey data for 23 of the 25 surveys sent.

Cost Projections

The cost to operate and maintain existing service levels was projected by the transit operators. MTC requested a cost breakdown of expenses by mode (bus, paratransit, rail, etc.) and system-wide non-operating expenses including debt service by year-of-expenditure. Transit operators also provided planned service changes over the period. Staff is working with operators to assess assumptions and reasonableness of data submitted. Because the transit service is also being evaluated as part of the Transit Sustainability Project, staff is focusing the operating needs assessment on existing services for the time being. Therefore, planned service changes are not included in this preliminary operating needs assessment.

Preliminary Results and Comparison to T2035

Preliminary calculations of the 28-year projected transit operating expenses for existing service levels only are summarized below. For comparison, the operating costs for T2035 are also summarized.

Table 1: DRAFT Plan Bay Area (RTP/SCS) 28-Year Transit Operating Needs (In Inflated $1,000,000s)

		DRAFT PLAN BAY AREA PRELIMINARY OPERATING NEEDS	T2035 OPERATING NEEDS	PERCENT CHANGE (T2035 VS. PLAN BAY AREA)	PLAN BAY AREA PROJECTED SERVICE LEVEL (IN FY40) (Revenue Vehicle Hours)	T2035 PROJECTED SERVICE LEVEL (IN FY33) (Revenue Vehicle Hours)	PERCENT CHANGE (T2035 VS. PLAN BAY AREA)
			LARGE OPERATORS				
1	AC Transit	$11,540	$11,745	-2%	1,624	1,854	-12%
2	BART	$26,347	$22,076	19%	2,000	1,961	2%
3	Caltrain	$4,204	$3,467	21%	30	41	-26%
4	Golden Gate Transit (inc. MCTD)	$4,713	$2,941	60%	385	419	-8%
5	SamTrans	$6,304	$6,794	-7%	880	991	-11%
6	SF MTA	$27,547	$28,921	-5%	3,439	3,710	-7%
7	VTA	$16,199	$14,594	11%	1,803	1,533	18%
	SUBTOTAL LARGE OPERATORS	*$96,854*	*$90,539*	7%	*10,161*	*10,509*	-3%
			SMALL OPERATORS				
8	ACE Train	$632	$497	27%	91	19	380%
9	Benicia Breeze*	--	$60	--	--	24	--
10	County Connection	$1,535	$1,125	36%	306	542	-43%
11	Fairfield-Suisun Transit	$467	$292	60%	98	120	-18%
12	LAVTA	$663	$656	1%	149	152	-2%
13	MCTD (exc. GGBHTD)	$1,191	$535	123%	188	64	194%
14	NCTPA	$300	$362	-17%	94	87	8%
15	Petaluma Transit	*$84*	*$97*	-14%	23	22	5%
16	Rio Vista Delta Breeze	$32	$13	148%	6	5	10%
17	Santa Rosa CityBus	$618	$354	74%	112	111	1%
18	Sonoma County Transit	$443	$581	-24%	105	125	-16%
19	SMART	--	--	--	--	--	--
20	Tri-Delta Transit	$725	$635	14%	203	202	0%
21	Union City Transit	$154	$147	4%	49	48	1%
22	Vacaville City Coach	$54	$102	-48%	30	31	-5%
24	Vallejo Transit*	--	$679	--	--	140	--
23	WestCAT	$436	$381	15%	93	118	-21%
25	WETA: Vallejo Ferry**	$959	$847	13%	14	17	-18%
	SUBTOTAL SMALL OPERATORS	$8,293	$7,363	13%	1,560	1,827	-15%
	TOTAL LARGE & SMALL OPERATORS	**$105,147**	**$97,902**	**7%**	**$11,721**	**$12,336**	-5%

Note: This table only includes existing service levels
* Vallejo Transit and Benicia Breeze will submit data together as Soltrans at a later date.
** WETA: Vallejo Ferry also includes Alameda/Oakland and Harbor Bay Ferry Service.

Key Observations

The key observations from a region-wide basis of the Plan Bay Area projections against those from T2035 are as follows:

Operating Cost

- The total system operating cost is projected to increase from $98 billion to $105 billion, or 7.4%.
- The total operating need for the large 7 operators similarly increases 7%, or $6.3 billion.

- The change is not uniform across operators, with AC Transit, SAMTRANS and SFMTA showing decreases in cost and existing service levels. Follow-up is needed with the operators because in a few cases costs for the existing system may have been categorized as planned service changes.

Service Levels

- Service levels for the existing system are projected to decrease from 12.4 million annual revenue vehicle hours (T2035) to 11.7 million annual revenue vehicle hours (Plan Bay Area), or a decrease of 5%.
- Similar to changes in cost, the projected change in existing service levels between T2035 and Plan Bay Area are not uniform across operators. Of the large operators, only BART and VTA are projecting service level increases. Of the small operators, significant increases in the existing service levels are projected.

Issues Identified

MTC staff expects to work with transit operators over the next few weeks to address some of the following issues.

Growth Rates

Growth rates for costs and operator estimated revenue vary greatly. MTC staff will work with individual operators to understand assumptions and may consider using standard growth rates consistent with other Plan Bay Area revenue assumptions.

Additional Operating Expenses

In addition to the costs provided by the operators, staff will be adding regional operating costs such as Clipper and other transit connectivity operating program costs to the total. These numbers are currently under development and will be reviewed by the Partnership Transit Finance Working Group.