

Metropolitan Transportation Commission Programming and Allocations Committee

November 12, 2012

Item Number 3a

Regional Measure 2 (RM2) Operating Program Update

Subject: Regional Measure 2 (RM2) Annual Operating Program Update for FY2011-12

Background: As summarized below, three of the twenty-eight RM2 funded routes did not meet the performance standards as required by the close of FY2011-12.

| Agency | Required Farebox Ratio | 2009-10 (audited) | 2010-11 (audited) | 2011-12 (audited) | Year Required | Service Productivity |
|-------------------------|------------------------|-------------------|-------------------|-------------------|---------------|----------------------|
| Peak | | | | | | |
| FAST – Transit Route 40 | 30% | 24.7% | 22.2% | 28.4% | FY2007-08 | ↑ |
| Napa Route 29 | 30% | 2.8% | 10.9% | 20.9% | FY2011-12 | ↔ |
| All Day | | | | | | |
| WestCAT Route 30Z/JPX | 20% | 19.0% | 17.9% | 17.9% | FY2006-07 | ↓ |

FAST Route 40: In May 2012, staff reported that data showed Route 40 meeting the 30% farebox recovery performance standard, and the Commission approved funding through FY2012-13. However, the RM2 performance audit has confirmed that the farebox recovery was 28.4%. Although this is 1.6% below the required ratio, it is important to note that the farebox recovery ratio increased from 22% to over 28% in one year. Based on increased marketing investment and significant improvements made to the service, Route 40 is projected to meet the 30% farebox recovery standard by the close of FY2012-13. Staff will continue to monitor the route closely and will make a recommendation to the Commission later this fiscal year regarding continued funding for FY 2013-14.

WestCAT Route 30Z/JPX: While this route achieved the farebox standard in the prior two years by using the three-year averaging method per MTC’s RM2 Policies and Procedures, there has been a steady decline since FY2009-10. WestCAT will be asked to implement a corrective action plan to meet the performance standard by the close of FY2012-13. Staff will report on the progress of Route 30Z/JPX to the Commission later this fiscal year and will make a recommendation regarding funding for FY2013-14.

NCTPA Route 29: NCTPA added midday service to Route 29 in December of 2012, which will change the performance standard for farebox recovery from 30% to 20%. Route 29 is projected to meet the 20% all day service farebox recovery standard going forward.

In addition to the routes described above, two routes listed in the table below will require monitoring to ensure that they meet required performance standards in the near future.

| Agency | Required Farebox Ratio | 2009-10 (audited) | 2010-11 (audited) | 2011-12 (audited) | Year Required | Service Productivity |
|-----------------------------------|------------------------|-------------------|-------------------|-------------------|---------------|----------------------|
| Owl | | | | | | |
| MUNI Owl Service Route 14 Mission | 10% | 13.5% | 9.4% | 10.3% | FY2007-08 | ↓ |
| All Day | | | | | | |
| LAVTA The Rapid | 20% | N/A* | 10.5% | 11.2% | FY2013-14 | ↔ |

MUNI Owl Service Route 14: This route met the required farebox standard in FY2012-13 based on using a three-year average, but is showing a downward trend in both farebox and service productivity.

LAVTA Rapid: LAVTA's Rapid service has until FY2013-14 to meet the performance standards. Staff is working with LAVTA staff to implement changes to the route in order to improve farebox recovery and productivity.

Issues: None

Recommendation: None; information only.

Attachments: STA Letter of Support
Presentation Handout

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Solano Transportation Authority

... working for you!

SOLANO TRANSPORTATION AUTHORITY

Member Agencies:

Benicia • Dixon • Fairfield • Rio Vista • Suisun City • Vacaville • Vallejo • Solano County

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October 18, 2012

Christina Verdin Hohorst
Metropolitan Transportation Commission
101 Eighth Street
Oakland, CA 94607-4700

RECEIVED
OCT 22 2012

METROPOLITAN TRANSPORTATION
COMMISSION

Re: Letter of Support to continue Regional Measure 2 (RM2) funding for SolanoExpress Route 40

Dear Ms. Hohorst;

On behalf of the Solano Transportation Authority (STA), I am forwarding this letter to convey STA's support to continue Regional Measure 2 (RM2) funding for SolanoExpress Route 40. Solano Express Route 40 is a commuter route, operated by Fairfield and Suisun Transit (FAST), connecting the communities of Vacaville, Fairfield, Benicia to the Pleasant Hill and Walnut Creek BART stations. This is the only Express Service that connects Central and Eastern Solano County to the BART along the I-680 corridor.

In fiscal year 2010-11, Route 40 farebox ratio dropped with the economy from 30% to 22%. Since it operates only during commuter's time, the route is required to meet a 30% farebox ratio to continue to be RM2 eligible. Early in fiscal year 2011-12, Fairfield and Suisun Transit (FAST) staff took action to restore the route's farebox ratio and bring more riders back to the route by conducting a survey of current riders, partnered with STA's Solano-Napa Commuter Information (SNCI) program to meet with major employers and employment centers in Contra Costa County to market the Route 40 service, and identified route modifications that could make the service more attractive and productive.

In November 2011, FAST implemented changes to Route 40 identified through the analysis and public input process, and modified the route to run more efficiently. At the end of fiscal year 2011-12, these efforts increased ridership on Route 40 and improved its farebox ratio by 6% (from 22% to over 28%). In this current fiscal year (2012-13), the Route 40 ridership numbers are showing an increase compared to last fiscal year. In addition, the STA is in the process of launching a marketing campaign to promote the SolanoExpress Intercity routes that will include Route 40. This marketing campaign is funded through RM2 funds awarded to STA as part of SolTrans transitional cost and STA's STAF funds. Based on the ridership statistics through the first quarter of FY 2012-13, SolanoExpress Route 40 is projected to meet and exceed the required 30% farebox this year.

We respectfully request the Metropolitan Transportation Commission (MTC) continue to fund Route 40 with RM 2 funds. Please contact STA's Daryl Halls or Liz Niedziela at 707 424-6075 if you have any questions regarding the Solano Express Route 40 service or this request.

Sincerely,

Handwritten signature of Jack Batchelor

Jack Batchelor, Chair
Solano Transportation Authority
Mayor, City of Dixon

- CC: STA Board Members
MTC Commissioner and Solano County Supervisor James P. Spering
Steve Heminger, Executive Director, MTC
Wayne Lewis, Transit Manager, FAST

Regional Measure 2: Operating Program Update

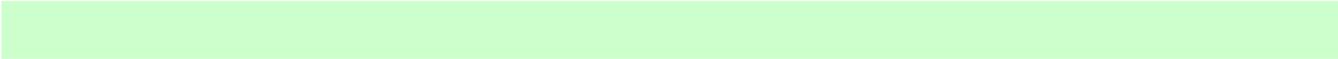
November 14, 2012

Programming and Allocations



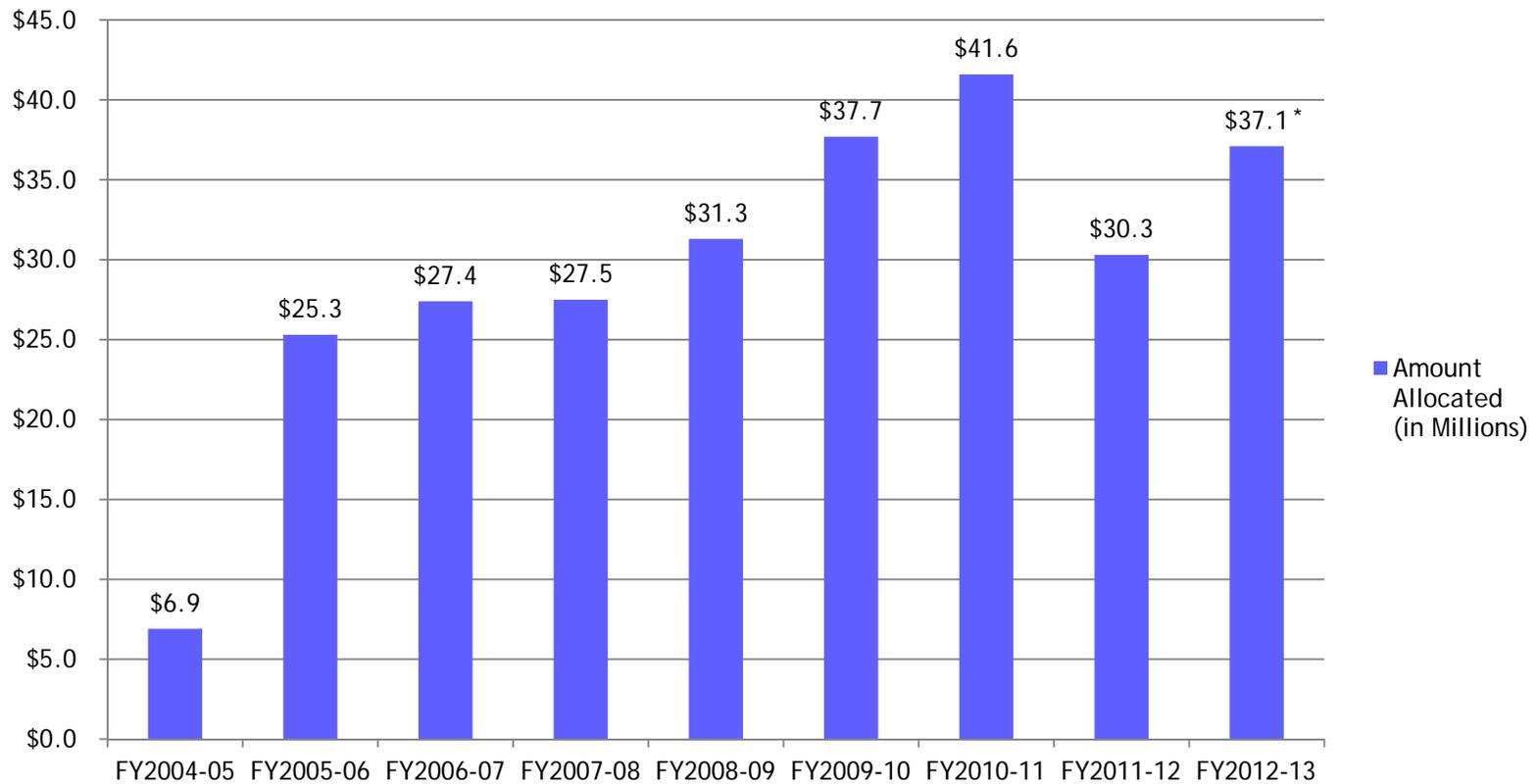
METROPOLITAN TRANSPORTATION COMMISSION

RM2 Operating Program: Overview



- Operating support for 12 projects
- Annual Allocations
- Program cap of 38% of RM2 Revenues
- 1.5% annual escalation for trunkline projects permitted in statute through FY2015-2016.
 - Escalation suspended in FY2007-08 due to lower than projected revenues on toll bridges
- Trunkline projects are required to meet MTC-adopted performance standards

RM2 Operating Program: Annual Allocations



* As of October 2012

RM2 Operating Program

| Projects | Mode | Programmed FY2012-13 (\$ in Millions) |
|--|--------|---|
| Trunkline | | |
| Dumbarton Bus ¹ | Bus | \$2.3 |
| WETA Operations: Alameda/ Oakland/ Harbor Bay; Albany/ Berkeley - S.F.; South S.F. - S.F. ; Vallejo Baylink Ferry | Ferry | \$15.3 |
| Golden Gate Express Bus Service over the Richmond Bridge (Route 40) | Bus | \$2.2 |
| Napa Vine service terminating at Vallejo Intermodal terminal | Bus | \$0.4 |
| Regional Express Bus South Pool (Bay Bridge, San Mateo, and Dumbarton) | Bus | \$6.5 |
| Regional Express Bus North Pool (Carquinez, and Benicia Bridge) | Bus | \$3.0 |
| Owl Bus Service on BART Corridor | Bus | \$1.8 |
| Non Trunkline | | |
| WETA Planning | Misc | \$3.0 |
| MUNI 3rd street | Rail | \$2.5 |
| Clipper ^{® 2} | Misc | \$0.9 |
| AC Transit Enhanced Bus Service: International Blvd and Telegraph Ave. | Bus | \$3.0 |
| | Total: | \$40.8 |

1. Transitional bus service was allocated funding FY2012-13.
2. Clipper[®] shall receive a total of \$20 million; \$1.5 million remaining at the start of FY2012-13.

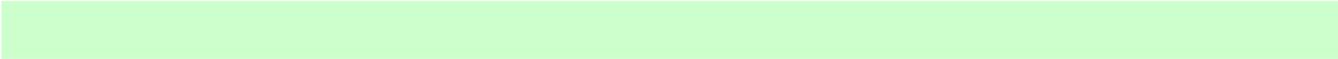
Performance Standards

- 1st standard: farebox ratio by mode and type of service
- 2nd standard: positive trend in service productivity (passengers/hr.)
- Standards must be achieved by 3rd year of service

Farebox Standard

| <i>Service Type</i> | Ferry | Rail | Bus |
|---------------------|-------|------|-----|
| Peak | 40% | 35% | 30% |
| All Day | 30% | 25% | 20% |
| Owl | n/a | n/a | 10% |

Performance Standards



If Standards not achieved:

- MTC Staff consults with project sponsor
- Operator prepares Corrective Action Plan for Commission approval including deadline to achieve standards
- If standards still not met, legislation allows MTC to reassign funds to another project
- Commission may vote to modify scope or funding, or reassign funding

Performance Results FY2011-12 Services Past Three-year Ramp Up Period

Peak Services

| Agency | Required Farebox Ratio | 2009-10 (audited) | 2010-11 (audited) | 2011-12 (audited) | Year Required | Service Productivity |
|-------------------------------|------------------------|-------------------|-------------------|-------------------|---------------|----------------------|
| WestCAT Hercules LYNX/JX | 30% | 56.3% | 53.2% | 56.1% | FY2005/06 | ↑ |
| AC Transit - Rte U | 30% | 30.0% | 33.0% | 30.0% | FY2007-08 | ↓ |
| FAST -Transit Route 40 | 30% | 24.7% | 22.2% | 28.4% | FY2007-08 | ↑ |
| Golden Gate Transit Route 72X | 30% | 59.2% | 70.4% | 72.3% | FY2007-08 | ↑ |
| AC Transit - Rte NX1 | 30% | 44.9% | 46.8% | 39.7% | FY2009-10 | ↓ |
| AC Transit - Rte NX2 | 30% | 50.3% | 43.6% | 39.7% | FY2009-10 | ↓ |
| AC Transit - Rte O | 30% | 44.2% | 43.5% | 41.5% | FY2009-10 | ↓ |
| AC Transit - Rte P | 30% | 43.0% | 40.6% | 35.9% | FY2009-10 | ↓ |
| AC Transit - Rte W | 30% | 38.0% | 32.0% | 32.8% | FY2009-10 | ↓ |
| Napa Route 29 | 30% | 2.8% | 10.9% | 20.9% | FY2011-12 | ↔ |

- FAST Route 40 made significant service changes and increased ridership, but fell short of the farebox recovery standard.
- NCTPA Route 29 made service changes and dramatically increased ridership, but fell short of the farebox recovery standard; the route has demonstrated a need for midday service and will become an all day route in December 2012. Farebox requirement is reduced to 20%.

| | |
|--------|------------------------|
| Green | = Meeting standard |
| Yellow | = Reason for concern |
| Pink | = Not meeting standard |

Performance Results FY2011-12 Services Past Three-year Ramp Up Period

All Day Services

| Agency | Required Farebox Ratio | 2009-10 (audited) | 2010-11 (audited) | 2011-12 (audited) | Year Required | Service Productivity |
|---|------------------------|-------------------|-------------------|-------------------|---------------|----------------------|
| AC Transit - Rte LA | 20% | 23.6% | 25.8% | 31.7% | FY2006-07 | ↑ |
| Golden Gate Transit Routes 40/42 | 20% | 18.2% | 21.5% | 21.7% | FY2006-07 | ↑ |
| SolTrans - Route 80 | 20% | 38.8% | 41.0% | 44.7% | FY2006-07 | ↑ |
| SolTrans - Route 85 | 20% | 24.0% | 26.8% | 32.2% | FY2006-07 | ↔ |
| WestCAT Route 30Z/JPX | 20% | 19.0% | 17.9% | 17.9% | FY2006-07 | ↓ |
| AC Transit - Rte NL | 20% | 29.2% | 29.5% | 28.2% | FY2007-08 | ↓ |
| ECCTA (Tri Delta Transit) Express Route 300 | 20% | 23.4% | 24.2% | 22.8% | FY2007-08 | ↑ |
| FAST -Transit Route 90 | 20% | 45.4% | 45.6% | 57.9% | FY2007-08 | ↑ |
| AC Transit - Rte F | 20% | 52.8% | 48.1% | 54.8% | FY2009-10 | ↑ |
| CCCTA Express Route 96x | 20% | 13.2% | 17.3% | 20.5% | FY2010-11 | ↑ |
| SolTrans - Route 78 | 20% | 22.7% | 21.9% | 21.2% | FY2010-11 | ↑ |
| Golden Gate Transit Route 101 Ops | 20% | 33.1% | 32.6% | 31.7% | FY2011-12 | ↑ |
| WETA - Alameda Ferry Service | 30% | N/A* | N/A* | 49.7% | FY2011-12 | N/A* |
| WETA - Vallejo Baylink Service | 30% | 50.8% | 45.0% | 48.9% | FY2006-07 | ↑ |

* Not part of program in this year

| | |
|--------|------------------------|
| Green | = Meeting standard |
| Yellow | = Reason for concern |
| Pink | = Not meeting standard |

- WestCAT Route 30Z/JPX is working on a corrective action plan to increase ridership.
- AC Transit Route NL did not meet the productivity standard based on the three year average; however, the route still exceeds the farebox recovery standard.

Performance Results FY2011-12 Services Past Three-year Ramp Up Period

Owl Services

| Agency | Required Farebox Ratio | 2009-10 (audited) | 2010-11 (audited) | 2011-12 (audited) | Year Required | Service Productivity |
|-------------------------------------|------------------------|-------------------|-------------------|-------------------|---------------|----------------------|
| AC Transit - Owl Service Route 800 | 10% | 21.6% | 21.1% | 22.4% | FY2007-08 | ↑ |
| AC Transit - Owl Service Route 801 | 10% | 10.4% | 10.4% | 12.5% | FY2007-08 | ↑ |
| MUNI Owl Service Route 14 Mission | 10% | 13.5% | 9.4% | 10.3% | FY2007-08 | ↓ |
| Sam Trans - Owl Service (Route 397) | 10% | 17.8% | 20.6% | 22.2% | FY2007-08 | ↑ |

Green = Meeting standard
Yellow = Reason for concern
Pink = Not meeting standard

- All of the Owl services met the farebox recovery standard.
- Muni Route 14 saw a decrease in passengers per hour and is not meeting the productivity standard based on the three year average.

Performance Results FY2011-12 Must Meet Standard in FY2013-14 and Beyond

| Agency | Required Farebox Ratio | 2009-10 (audited) | 2010-11 (audited) | 2011-12 (audited) | Year Required | Service Productivity |
|----------------------------------|------------------------|-------------------|-------------------|-------------------|---------------|----------------------|
| LAVTA The Rapid | 20% | N/A* | 10.5% | 11.2% | FY2013-14 | ↔ |
| WETA - South San Francisco Ferry | 30% | N/A* | N/A* | 7.3% | FY2014-15 | N/A* |

* Not part of program in this year, not applicable

| | |
|--------|-----------------------------|
| Green | = Likely to meet standard |
| Yellow | = Reason for concern |
| Pink | = Unlikely to meet standard |

- LAVTA's Rapid service has until FY 2013/14 to meet the performance standards; LAVTA has decreased frequency and total cost to increase the farebox recovery.
- WETA's South San Francisco Ferry began in June 2012 and has three additional years to meet performance standards.

Three Routes Not Meeting Required Standard

| Agency | Required Farebox Ratio | 2009-10 (audited) | 2010-11 (audited) | 2011-12 (audited) | Year Required | Service Productivity |
|-----------------------|------------------------|-------------------|-------------------|-------------------|---------------|----------------------|
| Peak | | | | | | |
| FAST Route 40 | 30% | 24.7% | 22.2% | 28.4% | FY2007-08 | ↑ |
| Napa Route 29 | 30% | 2.8% | 10.9% | 20.9% | FY2011-12 | ↔ |
| All Day | | | | | | |
| WestCAT Route 30Z/JPX | 20% | 19.0% | 17.9% | 17.9% | FY2006-07 | ↓ |

Pink = Not meeting standard

- FAST Route 40 has reduced operating costs, streamlined service, and increased the farebox recovery ratio. The route will be marketed with other intercity Express Bus routes by the Solano Transportation Authority in FY2012-13.
- Napa's Highway 29 corridor service study has justified adding midday service on Route 29 starting in December 2012; a 20% farebox recovery standard will apply if funded is approved for the next fiscal year.
- WestCAT Route 30Z/JPX achieved the farebox standard in the prior two years by using the three-year averaging method. WestCAT will be asked to develop a corrective action plan.

Performance Results: Policy Requirements

November 2012

- Most operators have met the standards for FY2011-12.
- The following are operator actions and next steps for services not meeting the standard:

| Not Currently Meeting Standard | Operator Action Plan | Next Step |
|--------------------------------|--|---|
| FAST – Route 40 | <ul style="list-style-type: none"> • Allow FAST to market service through Solano Transportation Authority. | <ul style="list-style-type: none"> • Confirm funding continuation in Spring 2013 |
| Napa Route 29 | <ul style="list-style-type: none"> • Implement mid-day service; expected to meet revised 20% farebox recovery ratio | |
| WestCAT Route 30Z/JPX | <ul style="list-style-type: none"> • Develop corrective action plan | |

- Continue to monitor the following services and send a warning letter to ensure the three-year standard is met in future years:
 - Muni Owl Service Route 14
 - LAVTA Rapid