METROPOLITAN
TRANSPORTATION
COMMISSION

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Memorandum

TO: General Managers (Large Transit Operators) DATE: April 11, 2014

FR: Alix Bockelman, Deputy Executive Director, Policy

RE: TSP/PIP Integration

As you know, MTC adopted the Transit Sustainability Project (TSP) recommendations in May 2012 and established TSP performance measures and targets for the large seven operators to achieve by FY2016-17. Attached is a copy of the adopted TSP, MTC Resolution No. 4060. Additionally, state law requires operators to participate in triennial performance audits and submit annual Productivity Improvement Program (PIP) projects to MTC.

Currently, PIP projects are derived from TDA audits or created independently by operators. In an effort to streamline the TSP and PIP processes, I am proposing to have the TSP metrics become the PIP for each agency. In October 2014, I plan to update the Commission on the revised PIP project process focused on the TSP cost metrics. Therefore, please provide the following by July 31st, 2014:

1. An update to the TSP Strategic Plan identifying progress and any new strategies implemented to achieve the TSP targets, consistent with your Short Range Transit Plan currently under development.
2. A copy of your agency's FY2012-13 NTD submittal.
3. Submittal of one or more of the TSP 5% Cost Reduction Metrics as the PIP project for your agency. Agencies may choose to list sub-element projects as included in the strategic plans.

We will provide your staff with strategic plan development and review assistance, as requested. Please contact Kenneth Folan (510-817-5804 or kfolan@mtc.ca.gov) or me at (510-817-5850 or abockelman@mtc.ca.gov) if you have any questions.

Alix A. Bockelman
Deputy Executive Director, Policy

AB: KF

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Memorandum

TO: General Managers (Small Transit Operators)

DATE: April 11, 2014

FR: Alix Bockelman, Deputy Executive Director, Policy

RE: TSP/PIP Integration

As you know, MTC adopted the Transit Sustainability Project (TSP) recommendations in May 2012, to continue recent service and cost control improvements achieved by Bay Area transit agencies. Attached is a copy of the adopted TSP, MTC Resolution No. 4060.

The Commission established TSP performance measures and targets for the large seven operators and specific service and institutional recommendations related to all operators. Additionally, state law requires operators to participate in triennial performance audits and submit annual Productivity Improvement Program (PIP) projects to MTC. Currently, PIP projects are derived from TDA audits or created independently by operators. We have gathered initial input from you on ways to streamline the TSP and PIP processes, incorporating coordination initiatives already underway with your agencies. Initial concepts for a restructured PIP, based on input from the small operators, include:

- Corridor/sub-regional updates to Express Bus Plans
- Mobility Management
- Clipper Implementation
- Improved coordination with BART
- Transit Asset Management Plan Implementation

We plan to continue to work with you to develop more relevant and effective PIP projects focused on the TSP recommendations and specific transit agency initiatives. The revised PIP projects would be presented to the Commission in October 2014. Kenneth Folan of my staff will be contacting you soon to provide more information. Feel free to contact Kenneth Folan (510-817-5804 or kfolan@mtc.ca.gov) or me at (510-817-5850 or abockelman@mtc.ca.gov) if you have any questions.

Alix A. Bockelman
Deputy Executive Director, Policy

AB: KF

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Date: May 23, 2012
Referred by: TSP Select Committee

Performance and Investment Policies

Performance Measures and Targets

To monitor the performance of the seven largest transit agencies in the Bay Area, the Commission establishes the following TSP performance target, measures, and monitoring process:

Performance Target

5% real reduction in at least one of the following performance measures by FY2016-17 and no growth beyond CPI thereafter. To account for the results of recent cost control strategies at agencies, the baseline year will be set at the highest cost year between FY2007-08 and FY2010-11.

Performance Measures

- Cost Per Service Hour*
- Cost Per Passenger*
- Cost Per Passenger Mile*

**As defined by the Transportation Development Act*

Monitoring Process

In FY2012-13, agencies are to adopt a strategic plan to meet one or more of the targets and submit to MTC.

On an annual basis, starting in FY2013-14, the transit agencies submit performance measure data on all three targets to MTC.

In FY2017-18, MTC will analyze agency progress in meeting target

In FY2018-19, MTC will link existing and new operating and capital funds administered by MTC to progress towards achieving the performance target.

The following agencies, the largest seven transit agencies in the Bay Area, are subject to the performance measures and targets: AC Transit; BART, Caltrain, Golden Gate Transit, SFMTA, SamTrans, and Santa Clara VTA.

Transit Performance Initiative and Customer Satisfaction Survey

The Commission establishes an investment, incentive and monitoring strategy to improve service performance and attract new riders to the region's transit system. The target for each agency is to increase ridership levels at or above the rate of population growth in counties/corridors in which the agency operates service. Agencies are encouraged to utilize the Transit Competitive Index tool, developed for the Bay Area as part of the TSP, to achieve this target.

Investment
As part of the OneBayArea Grant program, the Commission has established an initial commitment of $30 million to fund service improvements on major bus and light rail corridors, focusing on improvements to major corridors in the AC Transit, SFMTA, SamTrans, and Santa Clara VTA service areas. If successful in demonstrating achievement of operational and ridership goals, similar investments would be recommended in the future.

Incentive
The Commission will reward transit agencies that achieve ridership increases and productivity improvements and will allocate transit funds on the basis of performance, thereby encouraging *all* of the region's transit operators to continuously improve their service and attract more riders. Funding sources, amounts and distribution formulas shall be established by the Commission. In establishing distribution formulas, the Commission shall consider at least one alternative that does not reduce the cumulative current funding level for small operators for the fund sources established by the Commission for this incentive program.

Monitor
Maintaining and/or improving customer satisfaction ratings is an important indicator of whether transit is meeting the needs of the traveling public. The Commission will conduct a bi-annual regional customer satisfaction survey to provide a consistent region-wide mechanism to measure customer satisfaction and provide information to build new ridership and improve service. Agencies will be required to coordinate data collection efforts, either through cost sharing, resource sharing, or project management.

Date: May 23, 2012
Referred by: TSP Select Committee
Revised: 04/24/13-C

Service, Paratransit and Institutional Recommendations

Service

1. **Integrate bus/rail scheduling software to facilitate schedule coordination and customer travel planning. Establish a regional schedule change calendar.**

   The Commission finds that schedule coordination between connecting agencies will increase the attractiveness of public transit but that connecting agencies make schedule changes on different dates and in some cases use incompatible scheduling software systems that make schedule integration difficult. This recommendation would align the schedule change calendar for major schedule changes among the region's operators and require all connecting operators to implement a compatible scheduling software system. Implementation would be subject to each transit agency's future scheduling system procurement timeline, and, for some agencies, may be subject to negotiation of changes to existing labor contract provisions that govern schedule change dates.

2. **Conduct multi-agency Short-Range Transit Plans (SRTPs) at the county or subregion-level to promote interagency service and capital planning.**

   The Commission has historically provided federal planning funds for each transit agency to independently prepare an SRTP of the agency's 10-year operating and capital plan. This recommendation would strengthen the joint planning that has begun in the region and recommend that transit agencies in a county or multi-agency travel corridor collaborate on a 10-year plan. The multi-agency SRTPs should develop capital replacement priorities and schedules, consider connectivity in service planning, establish fare policy consistency, establish common performance measures, and identify opportunities for shared functions. Future funding for SRTPs will take into account coordination opportunities.

3. **Support transit agency operations on major corridors by requiring local jurisdictions to consider transit operating speeds and reliability in projects affecting these corridors.**

   Travel time savings are a key component in building customer satisfaction and attracting new passengers. Under the Commission's proposed OneBayArea Grants program, local jurisdictions are required to adopt a complete streets resolution to be eligible for regional funding. Complete streets aims to consider all road network users including pedestrians, bicyclists and transit riders. MTC is further proposing to expand the scope of the Freeway Performance Initiative to include investments to improve transit operations on key arterial roadways.

4. Consider fare policies focused on the customer that improve regional/local connections.

Implement the Phase III Clipper requirements to revise existing operations and fare policies to a standardized set of business rules. Continue to work towards a more consistent regional standard for fare discount policies and minimize transfer penalties so that passengers can choose the most optimal route for their transit trip.

5. Recommendations specific to Marin, Sonoma, and Solano Counties

The Commission is committed to achieving more rational service delivery in geographic areas served by multiple transit agencies by supporting the collaboration, coordination and consolidation efforts already underway to bring them to implementation stage.

Sonoma: County-level SRTP work is underway in Sonoma County. MTC will provide funding to the Sonoma County Transportation Authority to collect customer opinion and demographic survey data to better inform service planning throughout the county.

Marin/Sonoma: The commencement of SMART service in Marin and Sonoma counties will alter transit travel patterns. This presents an opportunity to strengthen coordination and service planning among Marin and Sonoma transit providers serving the 101 Corridor and local connections. In coordination with the SRTP process, MTC will work with transit operators and the Marin and Sonoma County CMAs to develop a two-county corridor transit plan for submittal and presentation to the Commission.

Solano: County-level SRTP work is underway in Solano County. MTC will provide funding to the Solano Transportation Authority (STA) to complete the analysis to better inform service planning throughout the county. STA and the Solano transit operators are to use this process to identify service improvements, performance objectives and potential service functional and institutional consolidation opportunities.

6. Inner East Bay Comprehensive Operational Analysis

The Commission supports the following recommendations developed by AC Transit and BART for the Inner East Bay shared service area to: 1) promote a seamless Inner East Bay bus and rail system; 2) build the urban core to allow for spontaneous bus and rail network use by customers; 3) match bus and rail service levels with demand, focusing on improving service productivity while increasing overall system ridership; and 4) ensuring on-going financial sustainability.

BART Service Recommendations for the Inner East Bay

1. Change the dominant BART role from commute to Urban Metro integrated with the Inner East Bay bus network.
2. Implement capacity utilization strategies.
3. Ensure Title VI/Environmental Justice considerations are addressed in both service quality and coverage.

AC Transit Service Recommendations for the Inner East Bay

1. Focus resources on key urban trunk corridors to provide "spontaneous use" Metro network.
2. Redefine "coverage service" or service that provides basic access to transit regardless of ridership levels, as 30 minutes or higher.
3. Invest in service speed improvements.
4. Transbay pilots based on the following design options:
   i. Current service model modified to improve productivity and cost effectiveness
   ii. Fast, frequent shuttles to BART stations
   iii. Augment BART with Transbay service
5. Ensure Title VI/Environmental Justice considerations are addressed in both service quality and coverage.

Joint Fare Product Pilot Programs Recommendation

Implement two pilot fare product programs to provide incentives for customers to use AC Transit and BART interchangeably. The pilots will test the concept that reducing transfer barriers between AC Transit and BART service allows customers to select the optimal mode for each trip. The evaluation of the programs will assess the tradeoffs between Inner East Bay fare revenue and ridership growth.

Paratransit Cost Containment and Service Strategies

The Commission finds that transit agencies must consider strategies to contain the cost of ADA paratransit service using tools that are available to them individually or collectively. MTC expects individual agencies to consider the following strategies:

1. Fixed Route Travel Training and Promotion to Seniors

Expanding fixed route travel training – through mobility orientation sessions and one-on-one individualized training – would increase mobility for the users and help reduce growth of ADA paratransit demand. Ideally, training and outreach should be conducted before individuals apply for paratransit service or, at a minimum, should be made available during the process of determining eligibility for these services.

2. Premium Charges for Service Beyond ADA Requirements

Where transit agencies provide paratransit service that goes beyond what the ADA requires, they may charge extra for those "premium" services. For example, transit agencies that serve an entire jurisdiction (for example they may serve an entire city or taxing district) can define a "two-tiered" service area, with the first tier being the ADA required service area within ¾ mile of the fixed route service and the second tier extending to the jurisdictional limits. A higher fare can then be charged for trips in that second tier. The transit agency can also adopt

differing policies for that premium second tier, such as more limited service hours, denials of service once capacity is reached, and so forth.

3. **Enhanced ADA Paratransit Certification Process**

A robust certification process that includes in-person interviews as well as evaluations of applicants' functional mobility by trained professionals provides more accurate determinations of applicants' travel skills and may result in more applicants being referred to fixed route service based on their individual abilities. This may result in some reduction in ADA paratransit costs and also result in improving the mobility of riders due to the increased spontaneity afforded by fixed-route transit. Depending on the transit agency, available cost savings range from none to substantial. One centralized regional process is not needed, but many transit agencies can enhance their processes. Some smaller agencies could combine this function for efficiency and to support staff with specialized skills.

4. **Implement Conditional Eligibility**

Conditional eligibility finds that some applicants can use fixed-route service for at least some of their trips and specifies the particular conditions under which paratransit service is required. While this requires a more sophisticated eligibility certification process of conditional eligibility avoids ADA paratransit costs for those trips that ADA-eligible riders take on fixed-route service. Opportunities exist at several transit operators in combination with an enhanced eligibility process.

5. **Creation of sub-regional Mobility Managers (e.g. CTSA) in one or more sub-regional area to better coordinate resources and service customers**

National and local coordinated models exist and should be evaluated to deliver high quality and efficient paratransit services across transit agency boundaries and shared costs with social services. Several MTC programs, including Lifeline and New Freedom, have funded mobility management efforts to identify best practices and develop mobility management models for regional replication. The Commission will use the information from these efforts to recommend specific areas and agency leads for implementation of sub-regional mobility managers in the Bay Area.

6. **Improve Fixed-Route Transit (per Plan Bay Area)**

   Continuous improvements to the fixed route system will shift some demand from paratransit to the fixed route system.

7. **Walkable Communities, Complete Streets, and Land Use Planning (per Plan Bay Area)**

   The term "walkable communities" refers to communities that are pedestrian friendly, with sidewalks and pathways connecting residential areas with activity centers. Improving the "walkability" of a community is a more holistic approach to addressing ADA paratransit sustainability than other strategies. Similarly, planning efforts should, to the extent possible, ensure that senior housing and other senior-related facilities are sited in locations that are close to fixed-route services and close-in within the community and proximate to activity centers featuring shopping, medical and other services, as opposed to locations outside the community and isolated from activity centers. The ultimate impact of this recommended strategy is very large, even though this is a long-term strategy in which transit agencies will only play a supportive role. It requires an active role from cities and counties.

   An integrated land-use/transportation plan is the primary goal of Plan Bay Area, under development and scheduled for adoption in 2013. In addition, the proposed OneBayArea grant program seeks to reward local jurisdictions for building housing near transit and conditions funding on adherence to complete streets policies.

Institutional

1. **Complete service consolidations for Soltrans and ferry services (Vallejo, Alameda-Oakland, and Harbor Bay).**

   Per the Solano Transit Consolidation Study conducted by the Solano Transportation Authority – the cities of Vallejo and Benicia have formed a joint powers authority (Soltrans) to operate their transit service as a consolidated system. Senate Bill 1093 called for the consolidation of Vallejo, Alameda-Oakland, and Harbor Bay ferry services under WETA. WETA has adopted a transition plan to guide the consolidation of all ferry service, except the Golden Gate ferry services. WETA is currently operating the Alameda-Oakland and Harbor Bay ferry service and set to assume Vallejo service in 2012. Soltrans has completed the initial stages of the consolidation. The Commission will support these agencies and monitor progress during the consolidation process and support Solano County to move forward to consider further consolidations as supported through local planning.

2. **Pursue functional and institutional consolidation among smaller operators where supported by local planning and input.**

   Through the local planning process and, as transit agencies do coordinated planning and fare policy setting, the benefits of functional and institutional consolidation should be further evaluated. Work with Congestion Management Agencies and operators, focusing on

Marin/Sonoma and Solano to continue to improve coordination and evaluate the benefits of additional functional and/or institutional consolidation to improve the financial stability and service for the customer. The appropriateness of these efforts and timeline will be established based on local planning and input.

3. **Integrate multiple transportation functions (transit operating, planning, sales tax, etc).**

   The importance of other transportation decisions, such as roadway projects and pricing, in the success and performance of the public transit system was highlighted throughout the TSP. Therefore, opportunities to better integrate these decision-making authorities should be explored. Currently, the Santa Clara Valley Transportation Authority is the one example of an agency in the region that serves as the sales tax authority, transit agency, and congestion management agency. Work with transit operators and Congestion Management Agencies to identify potential vertical integration opportunities and local support for such integration.

4. **Expand regional capital project planning/design to include sharing existing expertise (e.g., BRT) and facilities (e.g., maintenance shops).**

   Several transit agencies and congestion management agencies in the region have developed robust expertise in capital project development and delivery. As new projects or systems are developed, expertise should be shared across transit agencies to optimize resources. Using Plan Bay Area project listings, MTC will identify specific upcoming projects that may benefit from a sharing of resources and convene a joint discussion of county CMAs and transit agencies to identify specific projects and terms for sharing resources.

5. **Formalize joint procurement of services and equipment.**

   Transit agencies currently have an informal process to monitor each other's bus purchases, allowing agencies to "piggy-back" on another Bay Area or national procurement. This reduces administrative costs of duplicative procurement processes and lowers the unit cost of the purchase because of the higher volume order. The TSP recommends that these joint procurements be strengthened and formalized.

   The Commission will identify typical annual procurements (scope and cost) in addition to those included in the Regional Transit Capital Inventory (major capital replacements), convene transit agencies to identify strong candidate services and equipment for joint procurement, and work with transit operators to evaluate and implement joint procurement models.