

Date: July 30, 2007

Committee Meeting Date: August 9, 2007

Board Meeting Date: NA

BOARD MEMORANDUM

ACTION DISCUSSION INFO X

TO: Policy Advisory Committee
Santa Clara Valley Transportation Authority
Board of Directors

THROUGH: Michael T. Burns
General Manager

FROM: Donald A. Smith, Jr.
Chief Operating Officer

SUBJECT: FYTD 2007 Third Quarter Transit Operations Performance Report
(July 1, 2006 – March 31, 2007)

FOR INFORMATION ONLY

BACKGROUND:

The FYTD 2007 Third Quarter Performance Report presents key performance information regarding the operation of the Valley Transportation Authority (VTA). This report is routinely produced after each quarter and at the end of the fiscal year. A detailed summary of the FYTD 2007 third quarter performance follows.

DISCUSSION:

Ridership

Bus ridership during the first nine months of FY 2007 totaled 23.5 million, a 1.5% increase compared to the previous fiscal year. Average weekday ridership was 101,039, a 1.6% increase. Bus routes that contributed to this increase were Line 22, Line 31 (McKee LRT Station to Evergreen College/The Villages), Los Gatos Community Bus Lines 48 and 49, and Rapid 522.

Light rail ridership recorded a 31.1% increase in total boardings through the third quarter of FY 2007. Average weekday ridership was 32,728, a 32.9% increase. Average weekday ridership for the Vasona line was 3,021.

System (bus and rail) ridership for FYTD 2007 increased 7.5%. Average weekday ridership increased 7.8%, from 124,119 last fiscal year to 133,767 this fiscal year.

Operating Expense and Revenue (preliminary)

The total transit operating expense through the third quarter of FY 2007 increased 3.9% to \$190.4 million.

The cost of labor through the third quarter of FY 2007 was up 1.2% compared to the same period last fiscal year. Expenses for supplies and services, which constitute 22% of the total FYTD 2007 operating expenses, increased 14.8% from \$36.5 million last year to \$41.9 million this year. Fuel and traction power costs increased \$1 million and parts usage increased \$3.4 million as a result of parts warranty expiration. The \$41.9 million expense for supplies and services was 0.6% below budget.

System total operating hours through the third quarter of FY 2007 were 1.7% more than in FY 2006. Since the increase in operating expenses outpaced the increase in total system hours the net result was an increase in system cost per total hour of 2.2% from \$164.78 to \$168.33.

Fare revenue collected during the first nine months of FY 2007 was \$26.4 million, up 3.5% compared to FY 2006. The increase was primarily due to increased ridership. The farebox recovery ratio during the first nine months of FY 2007 was 13.8%, slightly less than last year's 13.9%.

Key Performance Indicators

Unscheduled absenteeism for operator and maintenance personnel continue to meet adopted goals, with the exception of light rail maintenance personnel who recorded an absenteeism rate of 8.1%, slightly over the adopted goal of less than or equal to 8.0%.

Combined, bus and light rail recorded 158,518 miles between chargeable accidents, a decrease of 8.7% during the first nine months of FY 2007 when compared to FY 2006. The daily service reliability performance (as measured by the percent of scheduled service operated) for the first nine months of FY 2007 was 99.47%, up 0.1% compared to the same period last year and exceeding the established goal of 99.30%.

Through the third quarter of FY 2007 bus and light rail miles between mechanical schedule losses decreased 1.2% compared to FY 2006. The number of mechanical road calls for bus and light rail that resulted in a service loss increased by 2.8% over the same period last year.

For on-time performance, FYTD 2007 light rail on-time performance of 89.5% was 4.3% less than the 93.5% recorded in FY 2006. Disruptions in service to support various construction activities contributed to this decline. Bus on-time performance was 89.7% during the first nine months of FY 2007, down slightly from last year's 90.3%. Traffic congestion has increased as the economic conditions improve.

Paratransit

Through the first nine months of FY 2007, Paratransit ridership increased by 5.1% from 722,623 in FY 2006 to 759,250 in FY 2007. VTA's Eligibility Ride Program where applicants were provided free Paratransit service to and from their eligibility interview was discontinued effective July 1, 2006. Eligibility determinations are now based on telephone interviews, personal information form review and professional reference consultations (as needed) instead of in-person interviews.

The net operating cost during the first nine months of FY 2007 was \$18.9 million, up 2.3% compared to the same period last fiscal year. This increase is due to increases in ridership and the cost of fuel, a 3% rate increase for Paratransit service providers, and costs associated with the relocation of the Paratransit vehicle facility in December 2006. The vehicle facility relocation to VTA property is expected to produce efficiencies resulting in cost savings in fueling and facility leasing costs.

The net cost per Paratransit passenger trip through the third quarter of FY 2007 was \$24.84, 2.6% less than the \$25.50 net cost per trip recorded in FY 2006, exceeding the established goal. This was achieved, in part, by providing 61% of all rides as shared trips and by maintaining the 2.3 passenger per revenue hour goal.

As of January 1, 2007, vehicle maintenance services and fuel are now purchased from the County of Santa Clara. These program changes resulted in savings of over \$148,000 from January 2007 through March 2007 when compared to the same period last year. The fuel purchase agreement allows for cost savings through excise tax exemptions.

Contracted and Inter-Agency Services

VTA is a partner in various services that expand the transportation options for our customers. These relationships include commuter rail (ACE, Caltrain), inter-county express bus lines (Dumbarton Express, Highway 17 Express, and Monterey-San Jose Express), and rail feeder services (ACE shuttles and Light Rail shuttles).

In August 28, 2006, VTA partnered with Monterey-Salinas Transit (MST) to introduced the Monterey-San Jose Express. The route originates in downtown Monterey and runs three round trips daily with transfers to and from Capitol Corridor trains that operate between San Jose-Oakland-Sacramento, Caltrain (including "Baby Bullet" express trips), and VTA's bus and light rail services. Monterey-San Jose Express is a pilot program funded by a federal Jobs Access Reverse Commute grant, the Capitol Corridor Joint Powers Authority and VTA.

Ridership through the third quarter of FY 2007 for these services compared to FY 2006 are as follows:

- Caltrain ridership was 8,053,402, up 7.9%. An estimated 3.3 million of these were Santa Clara County boardings.

- ACE ridership was 511,334, up 10.1%. An estimated 215,000 of these were Santa Clara County boardings.
- Dumbarton Express ridership was 172,723, up 11.4%. An estimated 78,000 of these were Santa Clara County boardings.
- Highway 17 Express ridership was 179,418, up 38.7%*. An estimated 91,000 of these were Santa Clara County boardings.
- ACE shuttle ridership was 142,659, up 4.8% (operates entirely in Santa Clara County).
- Light Rail shuttle ridership of contracted services was 210,532, down 47.5%. The ridership number does not include Los Gatos Community Bus Lines 48 and 49 because these routes became directly-operated by VTA on July 3, 2006.

* No service in October 2005 due to labor strike.

Note: Monterey/San Jose Express ridership from January 2007 through March 2007 is not yet available.

Future Quarterly Transit Operations Performance Reports

The Operations Division acknowledges the recommendations contained in the VTA Organizational and Financial Assessment regarding performance measures reporting. The Operations Division is currently evaluating these recommendations to determine structural changes that will improve the content and usefulness of future Transit Operations Performance Reports.

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