

Date: August 17, 2007  
Committee Meeting Date: August 15, 2007  
Board Meeting Date: August 30, 2007  
ACTION  X  DISCUSSION   INFO

**BOARD MEMORANDUM**

**TO:** Transit Planning and Operations Committee  
Santa Clara Valley Transportation Authority  
Board of Directors

**THROUGH:** Michael T. Burns  
General Manager

**FROM:** John H. Ristow  
Acting Chief CMA Officer

**SUBJECT:** Comprehensive Operations Analysis - Bus Service Operating Plan

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**Policy-Related Action: Yes**

**Government Code Section 84308: No**

**RECOMMENDATION**

Adopt the revised Bus Service Operating Plan for implementation in January 2008 as described in Attachments A and B.

**BACKGROUND**

This memorandum presents an overview of the Bus Service Operating Plan and provides a summary of the input received through Comprehensive Operations Analysis (COA) public outreach efforts.

In April 2007, VTA released a Draft Service Operating Plan, which proposed significant revisions to its Bus Transit Network. The Draft Plan was the product of the Comprehensive Operations Analysis (COA), an 18-month effort to develop transit investment policy, evaluate market opportunities and identify improvements to VTA's transit system. After an intensive period of public outreach activities, VTA staff has developed a Revised Service Operating Plan for consideration by the VTA Board of Directors at its August 30 meeting.

The objectives of the COA are to increase ridership while improving operating efficiency. In addition, the effort is aimed at making significant progress towards the Board-adopted goal of a 20-25 percent farebox recovery rate for VTA services.

The COA incorporated both market research studies and policy development efforts into the formulation of the Draft Plan. Market research studies included a survey of VTA bus and light rail passengers in late 2005 and early 2006. The passenger survey asked customers for suggestions of how to improve VTA services. The two highest-rated suggestions by VTA riders for improvements to the system were to “offer more frequent service” and “provide real time information”. Also, a telephone survey of Santa Clara County households was conducted to gain a better understanding of the general travel market. The results of that survey were analyzed to identify customer attitudes towards transit and estimate the market potential for increased ridership. Among other conclusions, the survey revealed that 68 percent of the overall travel market in Santa Clara County was not tolerant of transit features such as walking to a stop, waiting for a bus or transferring between buses.

An in-depth examination of VTA’s existing transit operations and performance was also performed in the data analysis phase of the COA. It revealed that a select few lines within VTA’s 70-plus local and express routes were carrying the vast majority of riders. While these lines tend to perform well, the vast majority of VTA services are underutilized, contributing to the overall farebox recovery rate of just under 14 percent. Board policy establishes a target farebox recovery rate of between 20 and 25 percent.

Finally, the Transit Sustainability Policy was developed with VTA committees and the Board of Directors in late 2005 and early 2006 to help guide the formation of the Bus Service Operating Plan Proposal. The policy establishes performance measures for evaluating the effectiveness of transit services and seeks to define a core area where transit investment will thrive. A selection of the key Core Principles for the COA are presented below:

- *Operate service when and where there is sufficient mass of demand to meet ridership and revenue expectations.*
- *Increase transit mode share by focusing resources to target markets where transit can compete.*
- *Define a core transit network of services that serve a variety of trip purposes, and a market-based network of services that serve specific customer needs.*

A significant component of the Transit Sustainability Policy was the creation of Service Design Guidelines that establish criteria for existing and proposed services related to ridership and productivity. For example, the Service Design Guidelines suggest criteria for boardings per revenue hour for each of VTA's service products. Boardings per revenue hour are a measurement of productivity indicating that a transit product is well utilized and efficient in its operations. The standard for boardings per revenue hour varies depending on the product from 20 for new community bus lines to 33 for primary local bus lines. While the Service Design Guidelines were a component of the COA analysis, they were not the only basis for individual line proposals. Other factors such as market potential and operating efficiency were considered. The Service Design Guideline criteria will be utilized as VTA moves forward with a new Service Plan and staff conducts regular evaluations of the service.

Each of the policy and analytical efforts became inputs into the Draft Bus Service Operating Plan developed in early 2007 and released to the general public in April, 2007.

The Draft Bus Service Operating Plan was developed under the objective that a revised bus transit network will be cost neutral. In other words, overall system service levels will remain the same. The goal is to increase ridership and improve farebox recovery through more efficient use and distribution of the equivalent resources. Through measures such as eliminating or consolidating unproductive route segments, the proposal generates resource savings. These savings were then reinvested into the areas of the system that are most productive and offer the best opportunities for ridership growth.

## **DISCUSSION**

The revised Bus Service Operating Plan contains 40 individual route changes since the release of the first draft proposal in April. These changes range from modifications to routes or frequency to the introduction of new bus lines. Most of the changes are the direct result of community and stakeholder input. Others are continued refinements of the original proposal. All of the modifications are consistent with the larger COA objectives of increasing ridership, raising VTA's farebox recovery ratio and improving service efficiency. While several routes have been enhanced and new routes introduced, the revised proposal maintains the core network of 15-minute peak frequency that is critical to improving transit's competitiveness. In addition, the revised proposal solidifies the Community Bus program through conversion of existing routes or the introduction of new lines. Express Bus services are enhanced in more markets than the first proposal. The most significant changes in the revised proposal, along with stakeholder concerns, are presented in Attachment C.

The COA is not a one-time only exercise but rather the framework for a process of continual improvement of transit services in Santa Clara County. Towards this end, the service standards developed as part of the Transit Sustainability Policy earlier this year will be employed as a means of measuring the effectiveness of COA-related changes when VTA evaluates and revises transit service for January 2009 implementation.

### **COA Public Involvement Program**

Public outreach and involvement activities have been an integral component at every phase of the COA. With the release of the Draft Plan, VTA staff initiated an intensive 90-day period of public input, highlighted by 12 public workshops throughout the county. The objective of the public outreach program was to distribute the Draft Plan to a wide audience, allowing stakeholders the opportunity to understand the proposed service changes. Subsequent meetings and presentations then would allow for questions and answers along with opportunities for public input. VTA customers were notified of the Draft Plan through widespread distribution of a brochure as a supplement to VTA's *Take One* monthly informational newsletter.

In addition to the brochure, meetings and presentations, the VTA web site contained a significant level of information including PowerPoint presentations, Board Memoranda and summaries of analysis and proposals at the route level. An e-mail address, [coa@vta.org](mailto:coa@vta.org), was established as another avenue for public input into the Draft Plan. To date, VTA has received over 800 comments through email, standard letters, petitions, phone calls and comment cards submitted at

public meetings. A Compact Disc (enclosed) containing input received through June 30<sup>th</sup> is included with this memorandum. A second Compact Disc, containing additional input received after the release of the revised proposal, will be distributed to the TP&O Committee members and general public at the August 15 meeting and will be sent to the VTA Board in advance of their August 30 meeting.

The focus of COA public meetings has been on providing the public with information and receiving input from stakeholders. The centerpiece of the input process was a series of 12 public meetings throughout the county in San Jose, Campbell, Gilroy, Mountain View, Palo Alto and Milpitas. Over 400 people attended these meetings, highlighting issues and providing invaluable insight towards a Revised Draft Plan. In addition to public meetings, VTA staff offered to present the Draft Plan to city councils throughout the county. Working with representatives from the Policy Advisory Committee, VTA staff presented the Draft Plan and a summary of the Organizational Assessment to 11 city councils and the Board of Supervisors in May and June. Finally, staff met with stakeholder groups to discuss specific elements of the Draft Plan.

The public involvement program is anticipated to conclude in August with a public meeting scheduled for August 7 in Downtown San Jose followed by VTA advisory and standing committees.

The COA process and the outreach to stakeholder groups had the effect of raising the awareness of several opportunities for consideration over the coming months. Among these opportunities are the following:

**Marketing and Public Information** – The challenge of educating the public about service changes occurring in January 2008 and promoting VTA's new Bus Transit System will go hand-in-hand. The outreach conducted as part of the COA has established a database of concerned citizens. The market research information should also prove invaluable as VTA delivers its message to loyal customers and potential new riders.

**Light Rail System** – It is possible that the market and operational research that contributed to modifications of the bus network can also be applied to the Light Rail System. This research could be combined with the rail simulation software currently under development by VTA consultants in an effort to explore the effectiveness of express trains, passing tracks, extensions and other potential changes to today's system.

**Community Bus Outreach** – The revised proposal will introduce 10 new Community Bus lines this January in addition to those recently implemented in Morgan Hill and Gilroy. The routing and service levels for these new lines should be viewed as an initial program and VTA is committed to returning to each community to evaluate their performance, identify marketing opportunities, exploring future changes in routing and service levels and identifying new markets.

**Express Bus Opportunities** – A review of rider input materials makes clear that many Express Bus lines have fiercely loyal ridership. The revised proposal maintains enhancements for Express services to Fremont BART and South County. Future consideration should be given to

other emerging markets. Also, proactive marketing campaigns and partnerships with employers that are already offering long-distance bus service are areas of further opportunity.

## **ALTERNATIVES**

The staff recommendation is to adopt the proposed Bus Service Operating Plan as proposed in Attachment A. The recommended plan is cost neutral and will have no impact on the adopted Fiscal Years 2008 and 2009 Operating Budget.

Alternatively, the Board can reject the proposal and maintain the existing service plan resulting in no changes to VTA bus services and will not require any change in the approved Fiscal Years 2008 and 2009 Operating Budget.

An additional alternative for consideration, the Board could adopt the Plan but identify specific changes or ask staff to return with alternative proposals for specific routes or areas. Service modifications which result in additional costs would require an amendment to the adopted budget to account for increased bus operating expenses. Significant modifications to the proposed service plan could also result in a delay in the proposed January 2008 implementation schedule.

## **FISCAL**

The recommended Bus Service Operating Plan is consistent with the adopted budget for Fiscal Years 2008 and 2009 will have no impact on the budget.

Any service increases above the proposed Bus Service Operating Plan would require an amendment to the adopted budget.

Prepared by: Kevin Connolly, Transportation Planning Manager