

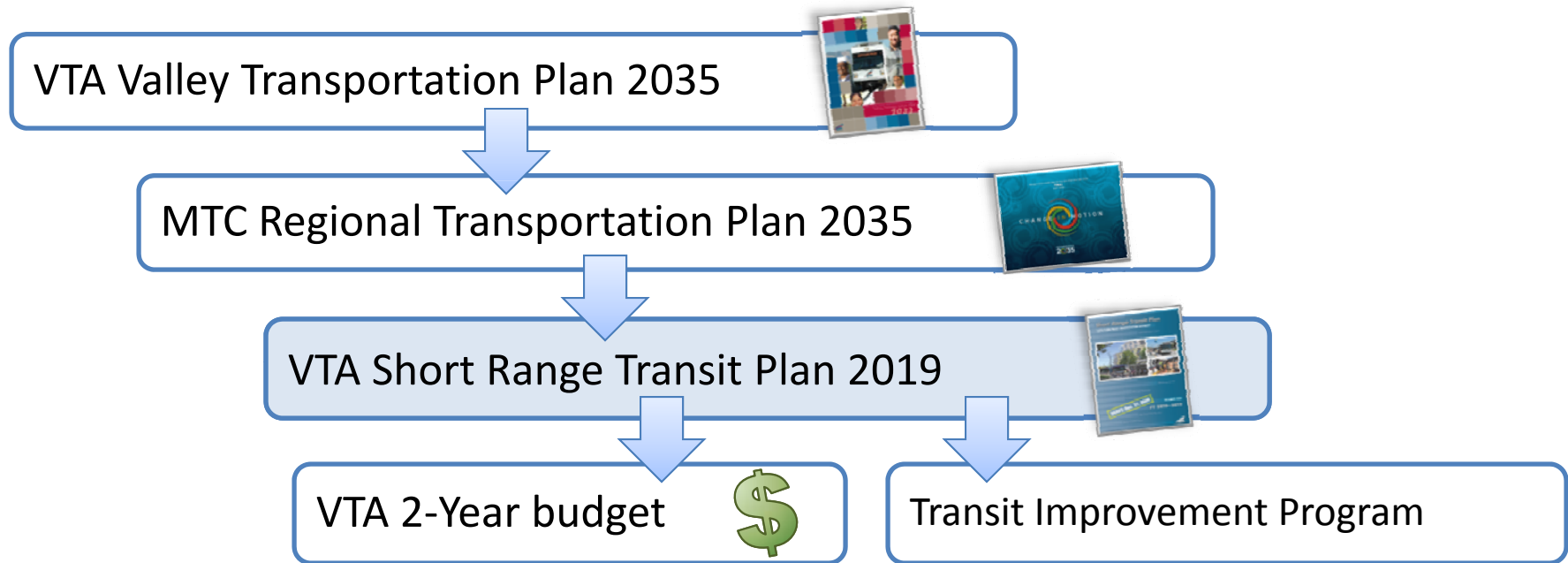


VTA Short Range Transit Plan

FY 2010-2019



SRTP Context



The SRTP...

- ...is VTA's short term plan for transit service, covering ten fiscal years
- ...is guided by VTA's long-term plan and MTC's regional plan
- ...serves as a basis for development of VTA's 2-year budget.
The next budget cycle will be fiscal years 2011-2012

SRTP Content

SRTP Period: FY 2010 – 2019

Structure of the Document:

- **Ch 1: Route & System Performance for FY09**
- **Ch 2: Operating Forecast**
- **Ch 3: Capital Improvement Program (CIP)**
- Appendix A: Measure A ballot language
- Appendix B: Fleet Management Plan
- Appendix C: Financial projection assumptions
- Appendix D: BART financial assumptions

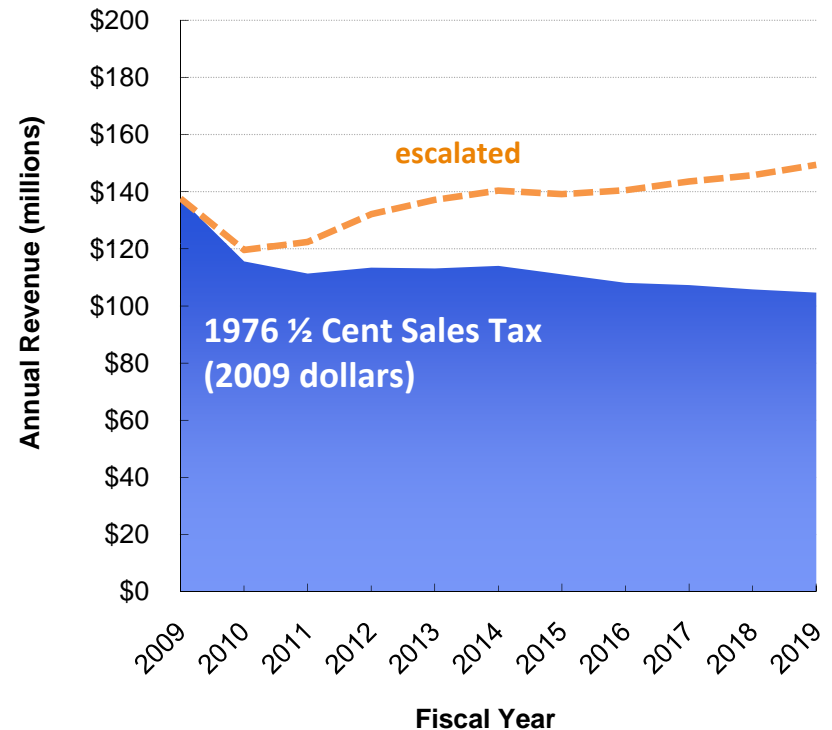
Operating Forecast: Service Changes

- Assumes **no net increase** in operating hours through **FY17**
- The **operating forecast** of this SRTP includes:
 - Bus Rapid Transit services
 - Santa Clara/Alum Rock BRT service **FY13**
 - El Camino BRT service **FY13**
 - Stevens Creek BRT service **FY17**
 - Light Rail expansion (Eastridge, Vasona) **FY18**
 - BART feeder bus services **FY18**
 - BART to Berryessa service **FY18**

Operating Forecast: Sales Tax Revenue Projection

Declining sales tax receipts have become a major structural problem for VTA's operating budget

- Sales tax receipts are declining over the entire SRTP period (in constant dollars)
- For example, receipts in FY19 will be 24% lower than in FY09
- Operating funds coming from Measure A experiencing some decline as well
- Sales tax projection by VTA staff, using data from Beacon Economics and Economy.com

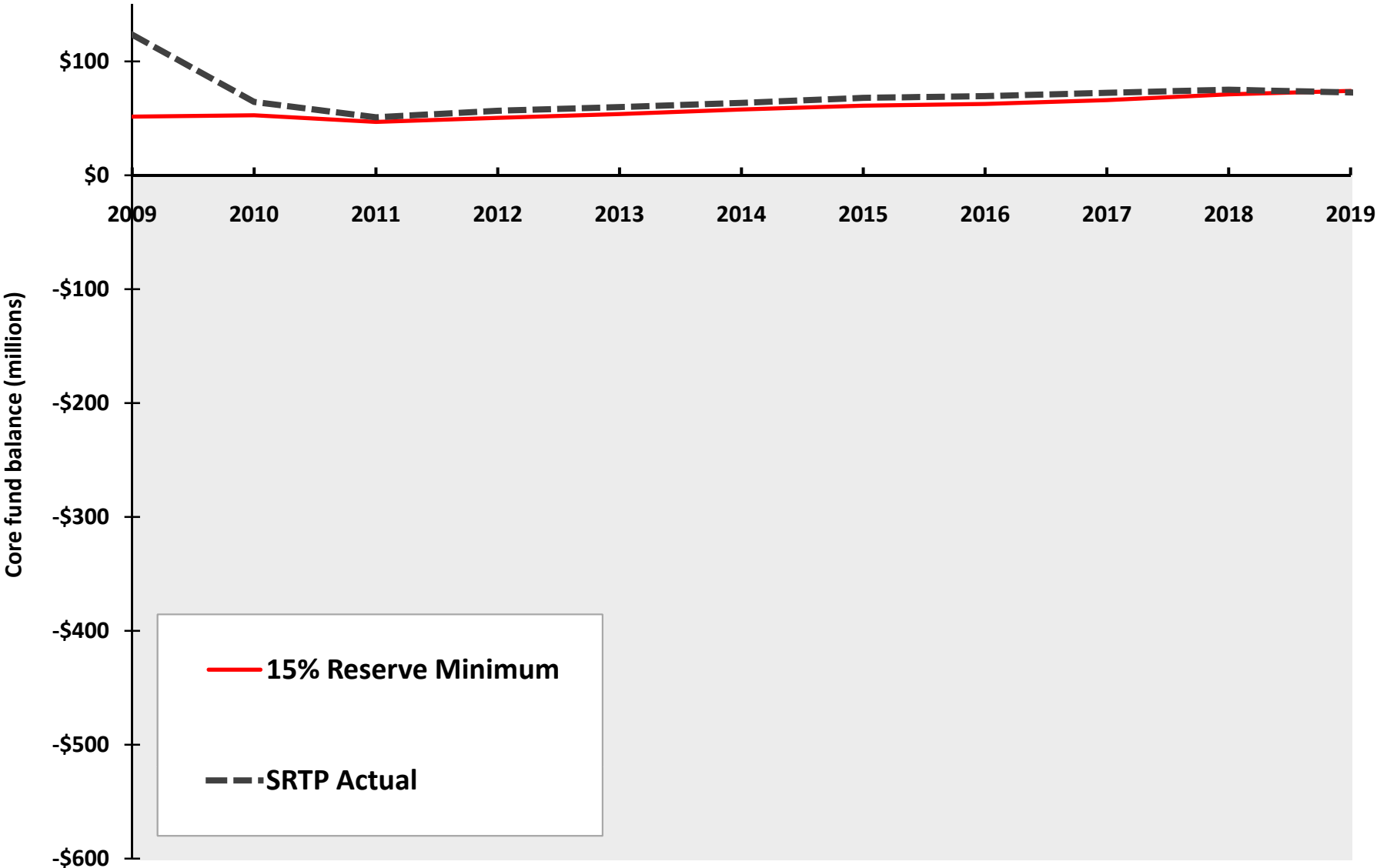


Operating Forecast: Critical Components

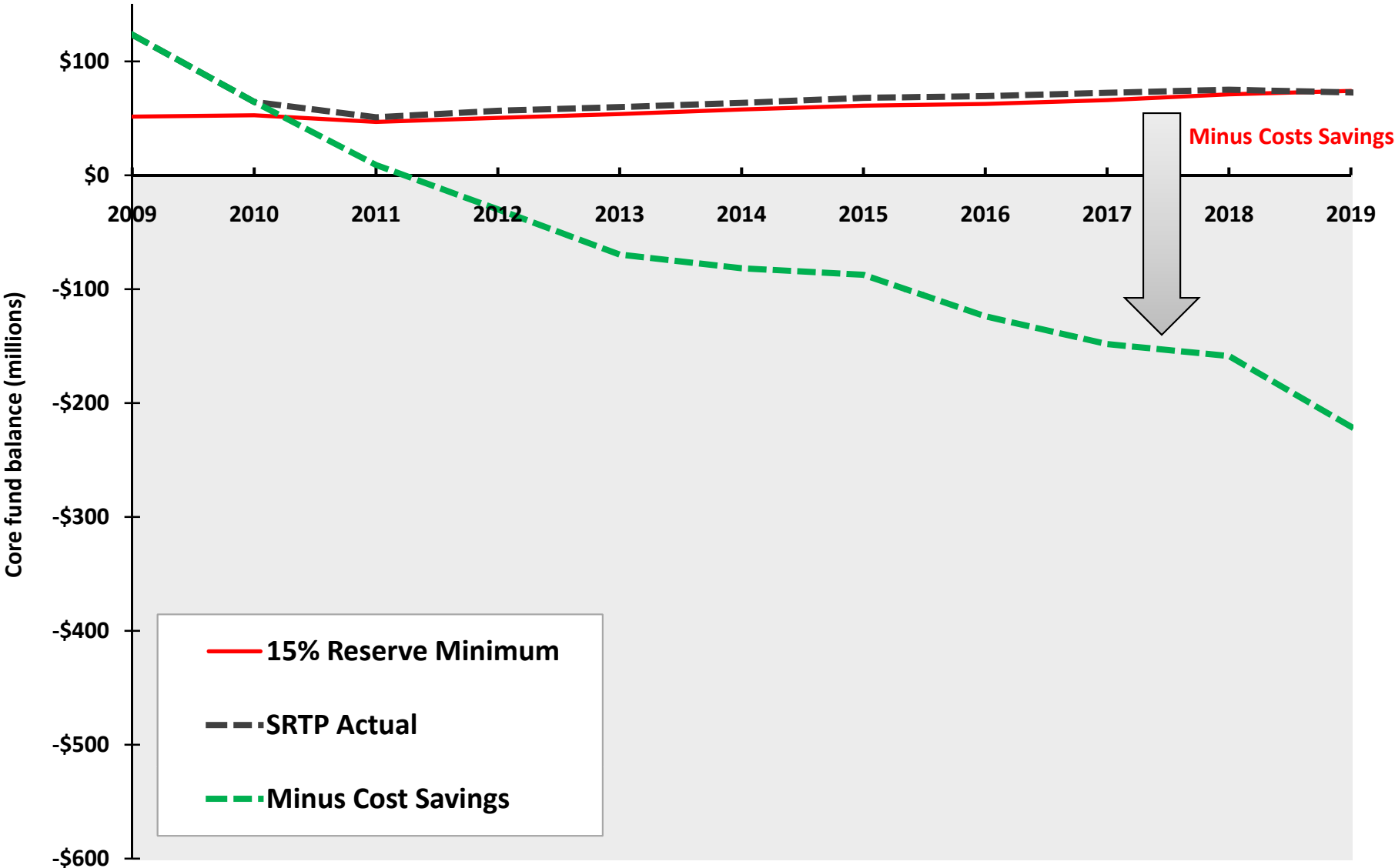
- **Fare revenue** grows substantially
- Annual **State Transit Assistance** funds to return in FY12
- Diverting **5307 Federal Funds** to operations through FY17
- **Issuing new debt** to purchase buses
- Yearly **unidentified cost savings** beginning in FY11

...Each component is necessary to keep the operating fund balance above the minimum requirement

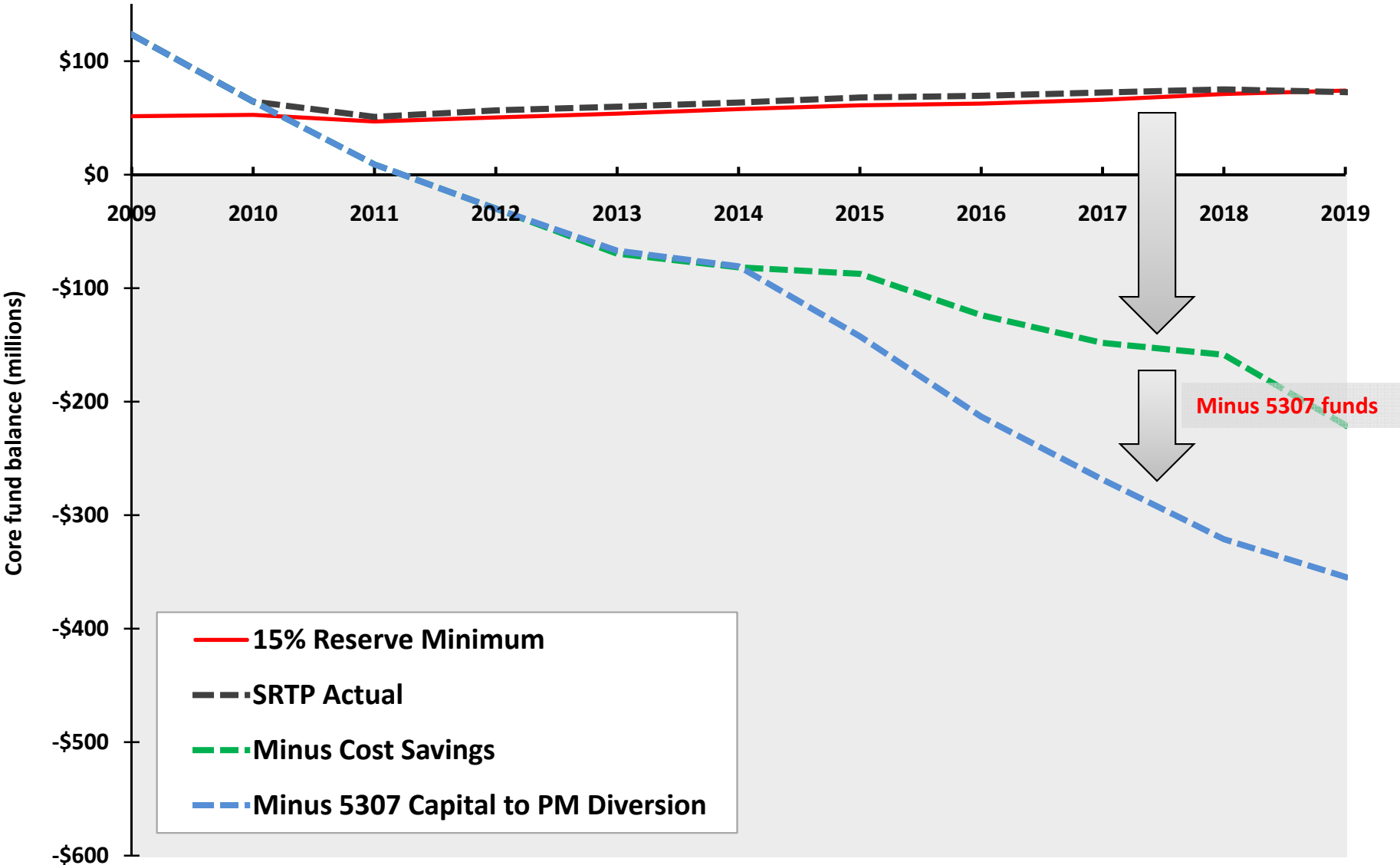
Core Fund Balance by Year (FY09 – FY19)



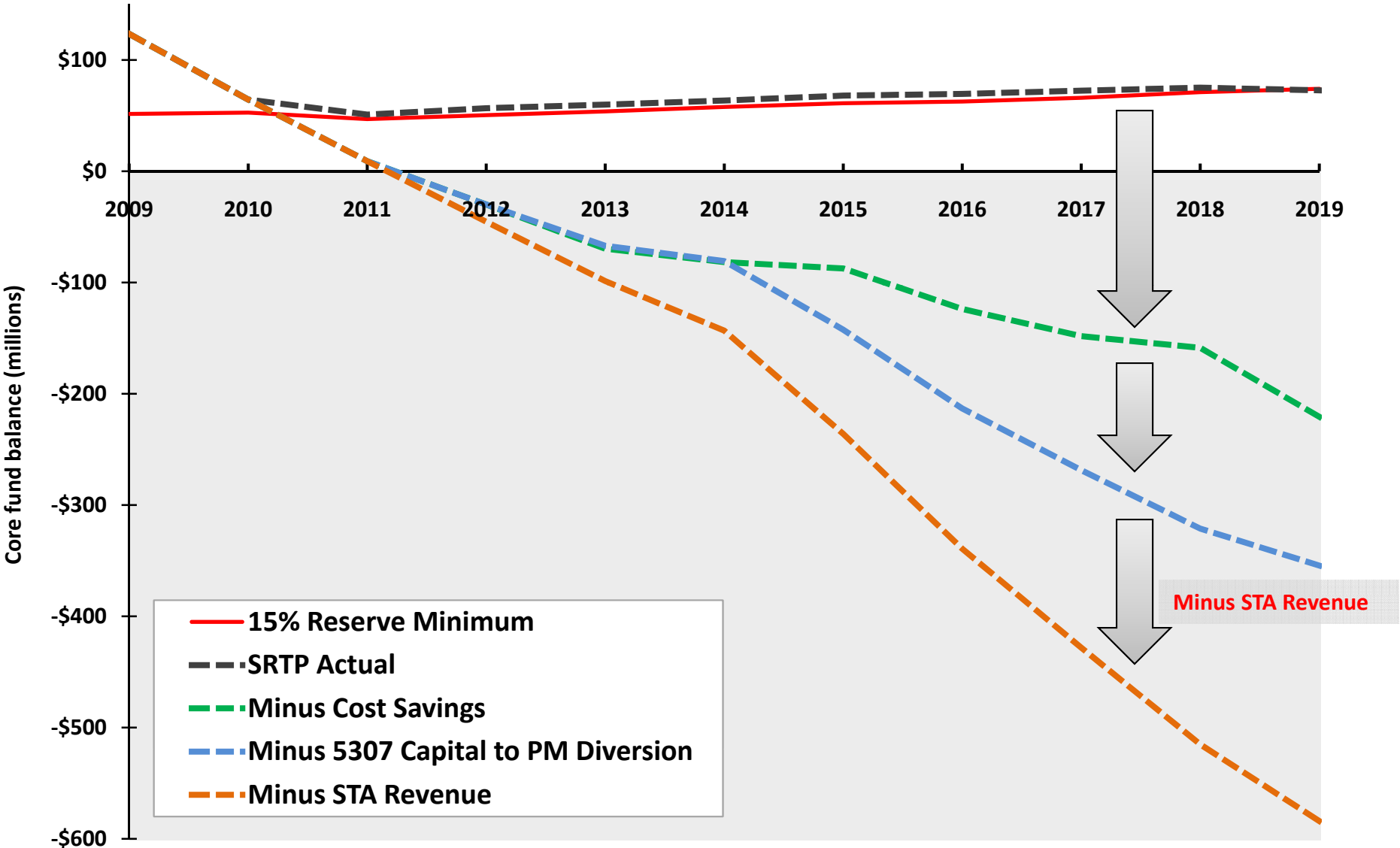
Core Fund Balance by Year (FY09 – FY19)



Core Fund Balance by Year (FY09 – FY19)



Core Fund Balance by Year (FY09 – FY19)



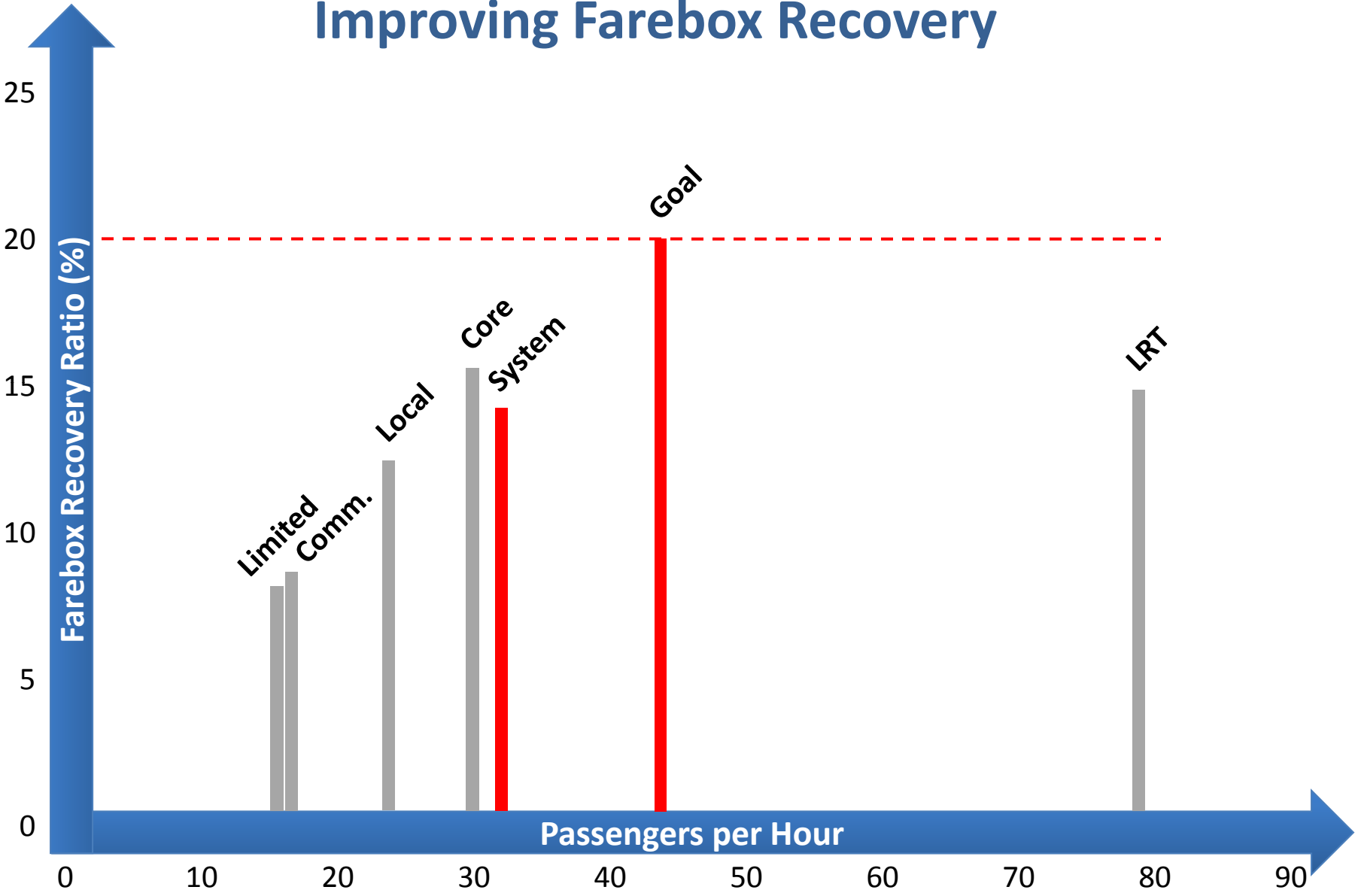
Focus Areas

- Annual **State Transit Assistance** funds assumed to return in FY12
 - Diverting **5307 Federal Funds** to operations through FY17
- External
- Fare revenue grows substantially
 - Yearly **unidentified cost savings** beginning in FY11
- Internal

Growing Fare Revenue

- Grow Ridership
- Board-adopted (2007) Transit Sustainability Policy (TSP)
 - Process for evaluating existing and new service
 - Standards for performance
 - Application to Measure A
- Focus on “Core System”, *Rapid Transit Services*
- Service efficiencies – reallocate resources

Improving Farebox Recovery

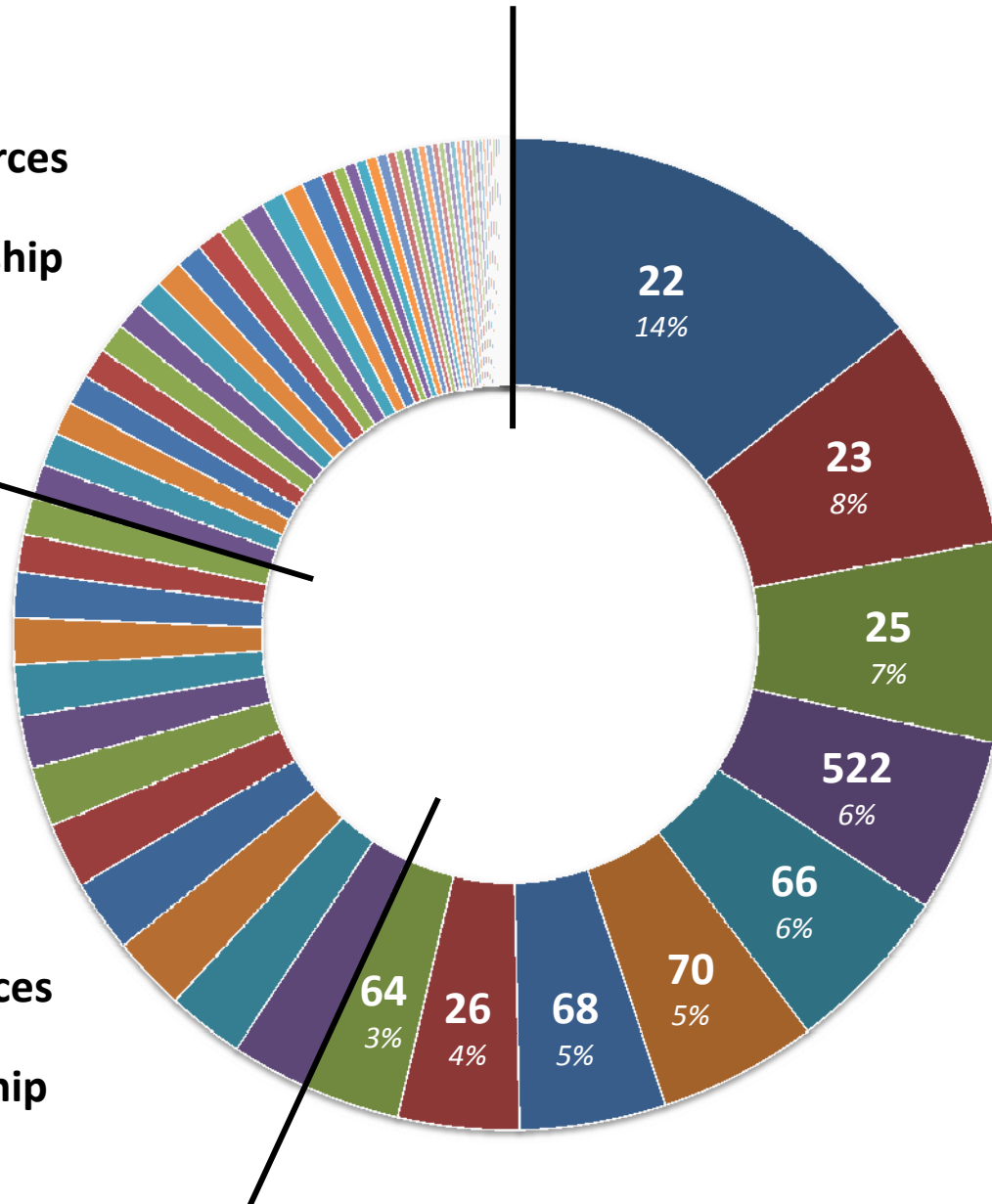


Resources, Ridership and Routes - Bus

52 routes
24% of resources
21% of ridership

12 routes
24% of resources
22% of ridership

9 routes
52% of resources
57% of ridership



Capital Improvement Program (CIP)

This year's CIP has been expanded:

- **Measure A** program incorporated into CIP (was previously an appendix with no funding constraints)
- **Core Program** refers to projects not funded by Measure A
- **All projects classified based on funding:**
 - Tier I: projects with identified funding
 - Tier II: projects without identified funding

Highlighted Projects in CIP

Core Program

Tier I – Identified Funding:

- Bus procurement is funded, though most procurements are delayed
- Various maintenance and facility projects, many with dedicated funding

Tier II – No Identified Funding:

- Vasona light rail extension
- Portion of Caltrain capital program
- LRT System Analysis Projects

Measure A Program

Tier I – Identified Funding:

- BART to Berryessa
- Caltrain Electrification
- Santa Clara/Alum Rock BRT
- Capital Expressway BRT & pedestrian improvements
- Caltrain South County Improvements
- SC/AR and El Camino BRT vehicle procurement

Tier II – No Identified Funding:

- Eastridge Light Rail extension
- El Camino BRT
- Stevens Creek BRT
- Stevens Creek BRT vehicle procurement

Fleet Management Plan: FY 2009-2024

- Bus procurement is most significant component of the core capital improvement program
- Total \$291M through 2019 (assumes approximately 80% local funding)
- SRTP now includes the full 2010 Fleet Management Plan
- Includes vehicle replacements, new BRT vehicles, and BART feeder vehicles
- Diversion of Federal 5307 funds to operations results in the need to issue debt to purchase buses



SRTP Status

- VTA Board adopted 2010 SRTP February 2010
- Start work on next SRTP (2011-2020 timeframe)
- 2011 SRTP scheduled for adoption Winter 2011

Possible Cost Savings Measures

- Labor savings?
- Organizational Structure Change?
- Competitive Bid Services?
- Expansion with design, build, operate models?
- Phase out financial support for inter-regional services?
- Major Service Cuts?