VTA Short Range Transit Plan

FY 2010-2019
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)

15% Reserve Minimum

SRTP Actual
Core Fund Balance by Year (FY09 – FY19)

Core Fund Balance (millions)

-100 (2009)
-200 (2010)
-300 (2011)
-400 (2012)
-500 (2013)
-600 (2014)
-700 (2015)
-800 (2016)
-900 (2017)
-1000 (2018)
-1100 (2019)

15% Reserve Minimum
SRTP Actual
Minus Cost Savings

Minus Costs Savings
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

• Fare revenue grows substantially
• Yearly **unidentified cost savings** beginning in FY11
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
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

12-mo avg ending Oct. 2009
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?