

**LIVERMORE AMADOR VALLEY TRANSIT AUTHORITY**  
**1362 Rutan Court, Suite 100**  
**Livermore, CA 94551**

**PROJECTS and SERVICES \*\*SPECIAL\*\* COMMITTEE MEETING /**  
**COMMITTEE OF THE WHOLE**

**COMMITTEE MEMBERS**

<b>KARLA BROWN – CHAIR</b>	<b>SCOTT HAGGERTY</b>
<b>TIM SBRANTI - VICE CHAIR</b>	<b>BOB WOERNER</b>

**DATE:** Monday, September 8, 2014

**PLACE:** Diana Lauterbach Room LAVTA Offices  
1362 Rutan Court, Suite 100, Livermore

**TIME:** 3:30p.m.

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**AGENDA**

**1. Call to Order**

**2. Meeting Open to Public**

- Members of the audience may address the Committee on any matter within the general subject matter jurisdiction of the LAVTA Board of Directors.
- Members of the audience may address the Committee on items on the Agenda at the time the Chair calls for the particular Agenda item.
- Public comments should not exceed three (3) minutes.
- Agendas are published 72 hours prior to the meeting.
- No action may be taken on matters raised that are not on the Agenda.

**3. Rapid Corrective Action Plan**

**Recommendation:** Endorse and forward the attached Resolution 25-2014 to the Board of Directors for approval.

**4. Matters Initiated by Committee Members**

**5. Next Meeting Date is Scheduled for: September 22, 2014**

**6. Adjourn**

Please refrain from wearing scented products (perfume, cologne, after-shave, etc.) to these meetings, as there may be people in attendance susceptible to environmental illnesses.

In the event that a quorum of the entire Board is present, this Committee shall act as a Committee of the Whole. In either case, any item acted upon by the Committee or the Committee of the Whole will require consideration and action by the full Board of Directors as a prerequisite to its legal enactment.

*I hereby certify that this agenda was posted 72 hours in advance of the noted meeting.*

*/s/ Diane Stout*

*9/3/14*

*LAVTA Administrative Services Department*

*Date*

*On request, the Livermore Amador Valley Transit Authority will provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. A written request, including name of the person, mailing address, phone number and brief description of the requested materials and preferred alternative format or auxiliary aid or service should be sent at least seven (7) days before the meeting. Requests should be sent to:*

*Executive Director*

*Livermore Amador Valley Transit Authority*

*1362 Rutan Court, Suite 100*

*Livermore, CA 94551*

*Fax: 925.443.1375*

*Email : [frontdesk@lavta.org](mailto:frontdesk@lavta.org)*

**AGENDA**

**ITEM 3**



STAFF REPORT

SUBJECT: Rapid Corrective Action Plan  
FROM: Christy Wegener, Director of Planning and Communications  
DATE: September 8, 2014

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**Action Requested**

Endorse and forward to the Board of Directors for approval. The Board will be requested to approve and forward the Corrective Action Plan to MTC.

**Background**

This staff report is to provide the Committee with a Corrective Action Plan for the Rapid service, in response to a request by Metropolitan Transportation Committee (MTC) staff.

**Discussion**

On January 21, 2014, MTC sent a letter to LAVTA indicating that if the Rapid did not meet the required 20% farebox recovery ratio by the close of FY14, that Regional Measure 2 (RM2) funding may be discontinued after FY15. The MTC letter is included as Attachment 1. In April 2014, LAVTA met with MTC staff to review the productivity of the Rapid line and to discuss planned activities to improve metrics. At that meeting, LAVTA staff reported that as of March 2014, the Rapid's farebox recovery was measuring 15.5%, based on current ridership and the FY 13 hourly costs. At the end of the discussion, MTC staff indicated that the Rapid's farebox recovery needed to be closer to 17% by the fall of 2014, or a preliminary recommendation may be made to eliminate funding in FY16 at the October Commission meeting. Unfortunately, the farebox recovery ratio, based on FY 14 costs per hour has dropped to 13.7%, which is higher than the previous year, but not as high as estimated in March. The reason for the lower farebox number is that overall expenses for the system increased in FY 14, resulting in a higher cost/hour, which, in this case, more than wiped out the benefit of the higher ridership.

At the July 7, 2014 Board Meeting, staff presented an information-item on the Rapid's productivity and outlined a three-pronged action plan to improve ridership and performance metrics. The July Board report is included as Attachment 2.

In recent conversations, MTC Staff indicated that LAVTA must have a Board-adopted Corrective Action Plan in place by fall 2014. If not, MTC staff may recommend discontinuing the RM2 funding in FY16.

Staff has finalized the Corrective Action Plan for the Rapid (Attachment 3). Staff have also completed preliminary analysis based on stop-level ridership metrics, which is included as Attachment 4.

**Next Steps**

If approved by the Board of Directors, staff will forward the approved Corrective Action Plan to MTC for inclusion in their October 2014 Commission Report on ongoing RM2 funded projects.

**Recommendation**

Endorse and forward the attached Resolution 25-2014 to the Board of Directors for approval.

Attachments

1. MTC letter
2. Rapid Board Report July 2014
3. Rapid Corrective Action Plan
4. Rapid Stop Level Ridership
5. Resolution 25-2014



**METROPOLITAN  
TRANSPORTATION  
COMMISSION**

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January 21, 2014

*Amy Rein Worth, Chair*  
Cities of Contra Costa County

*Dave Cortese, Vice Chair*  
Santa Clara County

*Alicia C. Aguirre*  
Cities of San Mateo County

*Tom Azumbrado*  
U.S. Department of Housing  
and Urban Development

*Tom Bates*  
Cities of Alameda County

*David Campos*  
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Napa County and Cities

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*Jake Mackenzie*  
Sonoma County and Cities

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and Housing Agency

*James P. Spering*  
Solano County and Cities

*Adrienne J. Tissier*  
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*Scott Wiener*  
San Francisco Mayor's Appointee

*Steve Heminger*  
Executive Director

*Ann Flemer*  
Deputy Executive Director, Policy

*Andrew B. Fremier*  
Deputy Executive Director, Operations

Mr. Paul Matsuoka  
General Manager  
Livermore-Amador Valley Transportation Authority (LAVTA)  
1362 Rutan Drive, Suite 100  
Livermore, CA 94551-7318

RE: Notification of Potential Discontinuation of RM 2 Funding for Rapid Service

Dear Mr. <sup>Paul</sup>Matsuoka:

As you are aware, projects receiving Regional Measure 2 (RM2) operating assistance are required to meet performance standards outlined in the RM2 Policies and Procedures.

The Rapid Bus service between the City of Livermore, Stoneridge Mall/West Dublin BART station to the East Dublin/Pleasanton BART Station is required to meet all performance standards by FY2013-14. A three and a half year ramp-up period following service initiation was allotted to allow the route to meet the RM2 performance standards. The required standards are:

- Farebox recovery must be 20% of the total operating cost; and
- A positive trend in service productivity (passengers per hour) must be maintained.

Although there have been positive increases in service productivity and farebox recovery within the last year, the FY2012-13 Performance Monitoring Report for the Rapid indicated that the route did not meet the required farebox standard. At the November 2013 Programming and Allocations Committee, LAVTA's Rapid audited farebox recovery ratio was reported as 12.8%. More recent operating statistics provided by LAVTA show a 14.9% farebox recovery.

If the service does not meet the standards during the next Performance Monitoring review at the close of FY2013-14, funding may be discontinued at the close of

FY2014-15. We will set up a meeting as soon as possible to discuss potential corrective actions that can be taken to improve the route's performance.

Staff plans to take an update to the Commission on the RM2 FY2013-14 operating program in Spring 2014 and will report on LAVTA's proposed corrective action plan.

I appreciate your efforts to meet the Commission's productivity objectives for RM2 funded services. If you have any questions, please do not hesitate to contact me or Theresa Romell at (510) 817-5772.

Sincerely,

A handwritten signature in blue ink that reads "Ann Flemer".

Ann Flemer  
Deputy Executive Director, Policy

AF: CV

## LIVERMORE AMADOR VALLEY TRANSIT AUTHORITY

## STAFF REPORT

SUBJECT: Rapid Ridership Plan

FROM: Christy Wegener, Director of Planning and Communications

DATE: July 7, 2014

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**Action Requested**

Information only. After additional analysis and Federal Transit Administration (FTA) clarification, the recommendation for Rapid service changes will be brought back to the Board in the fall for possible inclusion in the winter 2014 service package.

**Background**

The Rapid line is not meeting the productivity targets for continued receipt of Metropolitan Transportation Commission's Regional Measure 2 funding, and FY2016 operational funding is in jeopardy.

**Discussion**

On April 23, 2014, LAVTA staff attended a meeting at the Metropolitan Transportation Commission (MTC) regarding the Regional Measure 2 (RM2) funding for the Rapid, currently \$580,000 per year. Ongoing RM2 funds require a 20% farebox recovery ratio, and as of March 2014, the Rapid was measuring 15.5%.

Farebox Recovery Ratio (FBR) is a measure of a route's productivity: the higher the percentage, the better the route's performance in terms of fare revenue compared to total costs. While productivity on the Rapid has improved over the past few years, going from an FBR of 10% to a high of 16% FBR, the route has not yet reached 20%. The improvement in FBR from 2011 to 2014 is largely due to a reduction in peak headways from 10 to 15-minutes in early 2013, which reduced costs by approximately 10% each day. Since its inception, ridership on the Rapid line has remained relatively flat. The Rapid currently carries approximately 1,350 passenger trips per day; to meet 20%, assuming no other changes, would require an additional 450 passenger trips per day or a 35% increase.

At the April meeting, MTC Staff indicated that if LAVTA doesn't have a concrete action plan and/or the Rapid metrics don't significantly improve by early fall 2014, MTC staff may recommend discontinuing the RM2 funding in FY2016.

After examining the productivity of the Rapid line, LAVTA staff has developed an action plan to reduce costs and improve ridership, and seeks to notify the Board of the following activities:



1. Reduce costs: Staff proposes to analyze the impact of ‘short turning’ midday trips on the Rapid line at the Downtown Livermore Transit Center (LTC), eliminating service between the LTC and the Lawrence Livermore National Labs (LLNL) during the middle of the day. The midday service that would be eliminated is already duplicated along the easternmost segment of the Rapid by Route 10, which provides service every 30-minutes all day. Ridership reports based on the onboard Automatic Passenger Counters (APCs) indicate that approximately 20 passenger trips per hour are generated on the Rapid line in the East Avenue corridor during the midday hours. Route 10 currently carries an average of six passenger per trip, and therefore has ample capacity to handle any displaced Rapid riders during the mid-day. A map detailing the potential midday alignment is included in Attachment 1.

Short turning the midday trips results in an estimated savings of 14 hours per day of service, or 3,570 hours per year. Depending on the ridership impact, this modification would likely improve the farebox recovery ratio by 0.5-1.5%. This modification may require FTA concurrence as the Rapid was originally funded with Very Small Starts funds and programmatic changes to the project require FTA approval. Staff has been working with the FTA on a letter of clarification.

2. Improve ridership: Efforts by staff to improve Rapid ridership are already underway. Along the Rapid alignment there are opportunities for increasing ridership with relatively minimal costs via a targeted marketing campaign to ridership generators. For example: the top parking deck at the Downtown Livermore Parking Garage provides approximately 150 spaces for Altamont Commuter Express (ACE) train and Wheels bus riders. Current observations indicate 80-90% of the spaces remain unused every day. Using the connectivity to the regional BART network, there is an opportunity to promote the garage and the Rapid service to Livermore residents as an alternative to trying to find parking at the East Dublin/Pleasanton BART station after 8:00am in the morning.

In addition, the major employers along the Rapid line, such as the Lawrence Livermore National Lab, Livermore Premium Outlets, and Stoneridge Mall, will need to comply with the SB1339 legislation and provide a transit benefit for all their employees by September 30, 2014. This provides a perfect opportunity to promote the Rapid service, and staff are working on an employer-outreach pilot program that will include a toolkit of resources.

3. Better connectivity to BART: Lastly, in August 2014, the schedule of the Rapid will be adjusted for better connectivity with the BART system. Customer service complaints suggest that riders have abandoned the Rapid service because of poor connectivity to the BART trains in the reverse commute direction (eastbound arrivals in the AM, and westbound departures in the PM). Staff have analyzed the schedule and are making cost-neutral adjustments for better train connectivity to be implemented in August 2014. The following table represents the existing and future connectivity with BART:

<b>The Rapid - Connectivity with BART (in Minutes)</b>				
<b>BART Trains</b>	<b>Eastbound</b>		<b>Westbound</b>	
	<b>Existing</b>	<b>Future</b>	<b>Existing</b>	<b>Future</b>
<b>Westbound Departures</b>	8	5	7	5
<b>Eastbound Arrivals</b>	2	7	1	14

**Next Steps**

The next immediate step is to transmit the letter to the FTA. Upon FTA concurrence, staff will begin to analyze the full impacts of short-turning the Rapid, and bring recommendations back to the Board as a part of the winter 2014 service change package. In addition, staff will immediately begin on the new ridership initiatives.

**Recommendation**

None – information only.

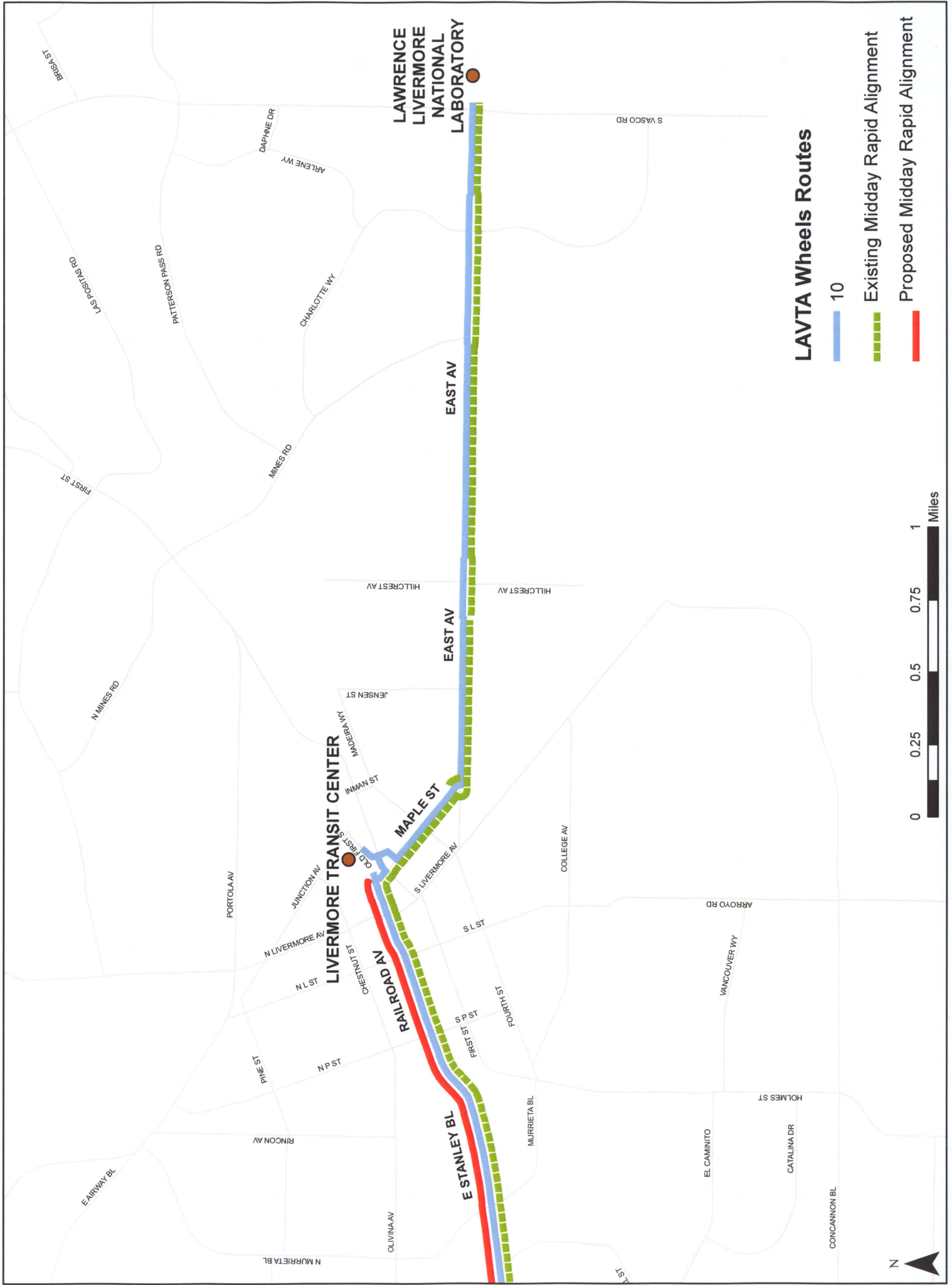
**Attachments:**

1. Rapid Short-Turn Proposal

*Approved:* \_\_\_\_\_

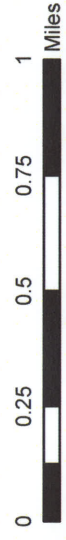
# Rapid Short-Turn Proposal for LAVTA

Attachment 1



## LAVTA Wheels Routes

- 10
- Existing Midday Rapid Alignment
- Proposed Midday Rapid Alignment



### **LAVTA RAPID: Corrective Action Plan, September 2014**

The Rapid line receives Regional Measure 2 (RM2) operating funds from the Metropolitan Transportation Commission (MTC), which cover approximately 18% of the cost of operation (\$580,000). To continue to be eligible for RM2 funds requires a 20% farebox recovery ratio. Farebox Recovery Ratio (FBR) is a measure of a route's productivity: the higher the percentage, the better the route's performance in terms of fare revenue compared to total costs. While productivity on the Rapid has improved over the past few years, going from an FBR of 10% to a high of 13.7% FBR, the route has not yet reached 20%.

The following table represents the annual performance statistics (audited) since the Rapid began operating in 2011:

<b>RAPID Productivity</b>	<b>2010-2011</b>	<b>2011-2012</b>	<b>2012-2013</b>	<b>2013-2014*</b>
Farebox Recovery Ratio	10.5%	11.2%	12.8%	13.7%

*\*FY14 numbers are preliminary*

### **Previous Efforts to Improve Productivity**

In fall 2012, with the Federal Transit Administrations (FTA's) concurrence, headways on the Rapid were adjusted from every 10-minutes to every 15-minutes, saving approximately 3,370 annual hours and immediately improving the farebox recovery by 1-1.5% from FY12 to FY13. With the exception of the reduction in daily service hours, no major adjustments have been made to the line and ridership has increased only slightly over the years.

MTC transmitted a letter to LAVTA in January 2014 which indicated that LAVTA had until the end of FY14 to improve performance metrics, or the RM2 funding would be recommended for elimination in FY16. After meeting with MTC staff in April 2014, Staff presented an initial action plan for the Rapid to the Board in July 2014 which included a three-pronged action plan to improve performance metrics. One of the items in the plan was a proposal to examine the impacts of short-turning the Rapid at the Livermore Transit Center during midday hours, which staff was considering for the winter 2015 service change package. The short-turning option, which would include a reduction in the midday service levels, was estimated to reduce daily hours by just under 10%. However, without knowing the full impact on ridership, this reduction in service hours may only have a minor, positive impact on FBR. After further analysis into the stop-level ridership on the Rapid, staff have reconsidered the short-turn option.

## **Current Situation**

As stated above, in order to retain RM2 funding, the Rapid must meet a 20% farebox recovery ratio. With no other adjustments in service, ridership would need to increase by 35% (an additional 450 passengers per day) to achieve this target. This target ridership figure is impossible to meet in the very near-term and any other adjustments in service made to achieve the productivity goal would most likely have major impacts on service, which require proper time and analysis. The only way to improve productivity metrics is with an increase in revenue, a reduction in costs, or realistically, a combination of both.

The primary way to increase revenue on the Rapid is to increase ridership (more riders equals more fare collected). For this effort, staff have implemented the following activities:

1. Improved Route Connectivity: On August 25, 2014, the schedule of the Rapid was adjusted for better connectivity with the BART system. Past customer service complaints suggested that riders had abandoned the Rapid service because of poor connectivity to the BART trains. Staff will be monitoring performance and will report back on any improvements in ridership.
2. Address Technological Issues: One of the main features of the Rapid line is the Traffic Signal Priority (TSP), which allows the buses to have shortened red lights or extended green lights when approaching certain intersections along the line. In addition, two intersections (one in Livermore and one in Dublin) have queue-jumping capability. Currently, the Rapid Operators are not utilizing the queue-jumps in Livermore and Dublin, and LAVTA staff have started to analyze the effectiveness of TSP, as well as to test the health of the TSP system. Re-training the operators on the queue-jumps is scheduled for 2014.

In 2015, staff is working on an employer outreach pilot program which not only includes marketing the Rapid line, but also developing an employer-pass program (Eco-Pass) for the entire Wheels system. Initial efforts specific to the Rapid include:

1. Market Research: Detailed market segmentation analysis has not been conducted post-start up and provides a unique opportunity to increase ridership with targeted marketing and outreach efforts to major generators (employers or regional activity centers) along the line. Using the connectivity to the regional BART network, there is an opportunity to promote unused parking spaces at the Downtown Livermore Parking garage, as well as at other park-and-ride locations in the Tri-Valley, as an alternative to trying to find parking at the East Dublin/Pleasanton BART station after 8:00am in the morning. Staff has begun to develop marketing materials and an employer toolkit of resources and will begin outreach to employers in late 2014.

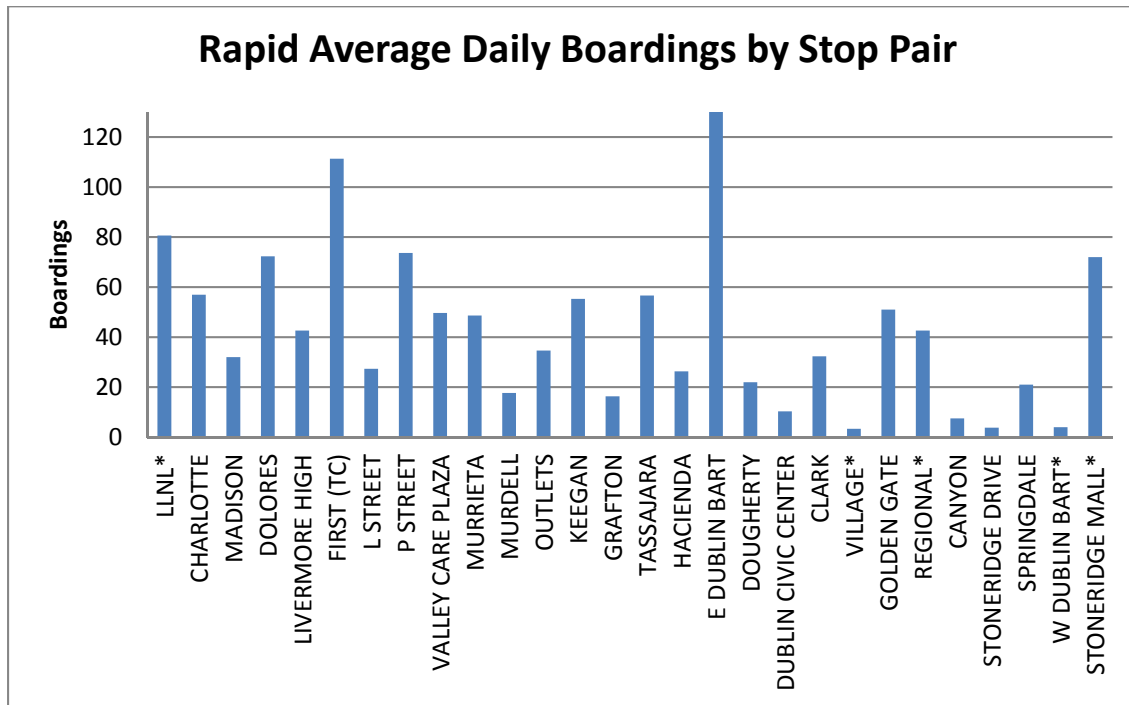
### Reduce Costs:

An additional way to help meet the RM2 farebox recovery target is to reduce costs via a reduction or realignment in service hours. In July, staff discussed with the Board a potential reduction in midday service on the Rapid, to be implemented in February 2015. Staff had initially begun to look at the impact of 'short turning' midday trips on the Rapid line at the Downtown Livermore Transit Center (LTC), eliminating service between the LTC and the Lawrence Livermore National Labs (LLNL) during the middle of the day. However, after looking at the stop level ridership, it became clear that the ridership on the easternmost segment of the Rapid was more productive than the ridership on other segments, calling into question the appropriateness of the short-turn concept.

After further analysis, staff recommends that no changes be made to the route now because there is no clear alternative that will continue to serve the most customers and still reduce costs. Instead, staff recommends waiting until the completion of the Comprehensive Operational Analysis (COA), which will evaluate the entire route structure, including how the Rapid line. The COA is expected to launch in early 2015, with initial recommendations available within nine months. The COA is expected to have major recommendations related to the Rapid line and could realistically recommend a realignment or adjustment in service in 2016. Any change made to the route in February to decrease service hours would likely be superseded by the COA less than two years later, leaving customers further confused about the service. As a result, staff recommends leaving the route as is until it can be evaluated in a comprehensive manner with the rest of the system.

**Rapid: Daily Ridership by Stop**

At the July Board meeting, the Board requested more information on the stop-level ridership of the Rapid line to determine whether there were stops that could be removed. Staff has compiled the following chart, which represents average daily boardings along the Rapid line.



While there are stops that appear to be underutilized, as well as close together, drawing firm conclusions about the effectiveness of thinning the Rapid stops is difficult. For stops that are close to one another with high ridership (P Street and Valley Care Plaza, for example), there would likely be a negative impact on ridership and possibly a shift from the Rapid to Route 10. For stops that are underutilized (Village, Canyon and Stoneridge Drive, for example), removing the stops would have very little impact on running time because there are currently very few riders using those stops. Further, removing stops that have very little ridership does not come without costs – many of the Rapid stops have shelters, which are costly to remove. In addition, all the marketing materials (bus books, system maps, etc.) would need to be updated to reflect a reduction in stops.

Staff proposes to take a more comprehensive approach to the productivity of the Rapid stops during the Comprehensive Operational Analysis.