

STAFF REPORT

SUBJECT: Clean Air Express Update

MEETING DATE: February 3, 2010

AGENDA ITEM: 7

STAFF CONTACT: Scott Spaulding

RECOMMENDATION:

Receive an update on the consensus reached by the Clean Air Express interagency working group regarding the service operator for FY2010/11.

SUMMARY:

Following the adoption of Measure A by Santa Barbara County voters in 2008, SBCAG staff began developing alternatives for providing inter-regional transit service beginning in July 2010. The Clean Air Express interagency working group, consisting of staff from Santa Maria, Lompoc, MTD, and SBCAG, has met regularly to discuss options for how to manage and operate commuter bus service currently serving North County commuters traveling to their jobs on the South Coast. Consensus has been reached regarding the most efficient and cost effective method of providing the Clean Air Express for the next two years under the Measure A inter-regional transit program. The Working Group agreed that Santa Maria Area Transit is the transit agency best positioned to operate the service until the next update of the Measure A Strategic Plan in 2012.

DISCUSSION:

SBCAG currently funds three separate and individually managed inter-regional transit services through the Measure D program: the Clean Air Express, serving Lompoc and Santa Maria, the Valley Express, serving the Santa Ynez Valley, and the Coastal Express, serving Goleta, Santa Barbara, Carpinteria, Ventura, Oxnard, and western Ventura County. All three of these services are eligible for funding under the Measure A Inter-Regional Transit Program, which contains \$22.5 million in the North County Program and \$25.35 million in the South County Program. Measure A funds will be available beginning in July 2010.

Clean Air Express

The Clean Air Express was created by the Air Pollution Control District in 1990 as an emissions reduction program, essentially consisting of large "buspools" for commuters. As the service developed and grew in popularity additional trips were added and in 2001 SBCAG assumed management of the program under the Traffic Solutions division, transforming the service into a

Member Agencies

Buellton ■ Carpinteria ■ Goleta ■ Guadalupe ■ Lompoc ■ Santa Barbara ■ Santa Maria ■ Solvang ■ Santa Barbara County

conventional public commuter bus service. Using CMAQ and Measure D regional funds, new vehicles were purchased and the service was expanded to serve Lompoc with six round trips and Santa Maria with five round trips. In response to the dramatic escalation of fuel prices in 2008 and increases in ridership, one additional “emergency” round trip was added through an agreement with MTD to operate a surplus Valley Express vehicle in Clean Air Express service from Lompoc. In FY2009, the service carried 205,000 passengers, required \$250,000 in Measure D funds, and had a farebox ratio of 80%. As a result of the recession and lower fuel prices, ridership has declined about 20% from the 2008 peak.

Valley Express

The Valley Express serves Solvang and Buellton with public commuter bus service and was initiated by MTD in 2005 using CMAQ funds approved by SBCAG. The Santa Ynez Valley was formerly served by the Clean Air Express (with stops by two Santa Maria routes in Buellton) but with the launch of the Valley Express, Clean Air Express service to Buellton was discontinued. Due to weaker than expected ridership, the Valley Express was reduced from four daily round trips to three in July 2008, when Measure D funds began supporting the service after the CMAQ grant ended. In FY2009 the Valley Express carried 30,785 passengers, required \$46,550 in Measure D funds, and had a farebox ratio of 74%. As a result of the recession and a substantial fare increase in 2009, Valley Express ridership has declined significantly (50%) since July 2008 when the service was consolidated.

Inter-Regional Transit Service Provision Under the Measure A Program

Prior to the adoption of Measure A, the future of the Clean Air Express and Valley Express commuter bus services was in doubt. Measure D is the sole funding source for these programs and without any alternative funding, both services were planned for termination with the sunset of Measure D. Fortunately, Measure A was adopted and sufficient funding for regional transit is now secure through 2040. With funding secure, the primary task is now how to most effectively and efficiently provide commuter bus service to North County residents, and how the services should be governed.

Operations. Under both APCD and SBCAG management, the Clean Air Express has been operated by contracting with a private service provider. Various private companies have been selected as the Clean Air Express contractor after an RFP process, similar to the way SMAT and COLT manage and operate their local services. MTD is a public transit district and operates both their local service and the Valley Express directly using their own employees. Both types of service provision offer advantages and disadvantages but neither is significantly more or less appropriate as a method of operating regional transit.

Vehicle maintenance has traditionally been performed at South County-based facilities during the day while the vehicles are not in service. If maintenance were to be performed at a North County-based facility it would have to be done at night or on weekends as deadheading vehicles would be cost-prohibitive. If a North County based agency were to operate the service, a South County bus storage facility would be required to store the spare bus kept in the Goleta/Santa Barbara area in cases of road failure or other planned or unexpected maintenance.

Governance. A second important factor to consider in developing service provision alternatives is political oversight. All transit services are ultimately governed by boards, commissions, or other bodies comprised of public officials (or their designees) elected by the customers of the transit service, providing a direct link between the service and the accountable elected officials. The COLT and SMAT services, for example, are overseen by their respective city councils, while the MTD board, because it operates over multiple jurisdictions, is appointed by the cities of Goleta, Santa Barbara, and Carpinteria, and the County of Santa Barbara.

SBCAG has funded and operated the Clean Air Express since 2001, and as a result has acted as the policy board. After SBCAG assumed management of the Clean Air Express, the North County Subregional Planning Committee acted as the board steering committee for the service, making recommendations to the full SBCAG board for final approval. Elected officials from Lompoc, Santa Maria, Guadalupe, and the adjacent unincorporated areas (constituting the Clean Air Express commute shed) sit on both the North County Subregional Committee and the full SBCAG board. The current SBCAG Clean Air Express service contract with AmericanStar was assigned to Lompoc in July 2009 for the final year of the contract, which expires in June 2010.

Although the Traffic Solutions division has operated the Clean Air Express successfully since it assumed management from APCD in 2001, because it is not a transit agency SBCAG has a higher cost structure than alternative operators such as Lompoc, Santa Maria, or MTD. Following the adoption of Measure A, the Clean Air Express Working Group began meeting regularly to develop a consensus regarding the most effective and efficient Clean Air Express operator under the Measure A program. The three largest transit agencies in the county were natural candidates to consider as potential operators, and because all three were capable of providing the service, developing accurate agency cost estimates became a priority. Final cost estimates were completed in December 2009 and are listed in the table below.

Operator	Hourly Cost	Annual Cost
MTD	\$101	\$818,100
SMAT	\$104	\$842,400
COLT	\$109	\$882,900

Although several different operating alternatives were discussed by the Working Group, consensus was reached to have MTD continue operating the Valley Express and have Santa Maria Area Transit (SMAT) assume responsibility for operating the Clean Air Express. While reintegrating commuter bus service to the Santa Ynez Valley back into the Clean Air Express was considered as a method of reducing costs and increasing efficiency, the group believed that if this policy direction is pursued in the future, additional time is required to develop an integration plan that would be as seamless to inter-regional transit customers as possible. Shifting responsibility to SMAT from SBCAG is also consistent with the recommendation in the North County Transit Plan adopted by the board in October 2006.

To ensure all customers of the service are directly represented on the policy board, the staff working group is recommending that the North County Subregional Committee maintain its role as the advisory committee to the SBCAG board and the SBCAG board would continue to serve as the governing board for both the Clean Air Express and Valley Express. Also recommended in the North County Transit Plan was the creation of a North County interagency transit technical committee, similar to the committee that advises the Breeze regional transit service but for the entire North County region. Such a committee would help coordinate wide ranging services such as the Guadalupe Flyer, the Breeze, RTA Route 10, the Wine County Express, the Valley Express, the Clean Air Express, and perhaps the Los Alamos and Cuyama shuttles.

The City of Santa Maria is currently finalizing its plan to operate the Clean Air Express and will work with SBCAG staff to develop an MOU to govern the provision of the service. It is anticipated the MOU will be brought to the SBCAG board in May. The SBCAG board would

adopt a Program of Projects for Measure A in June which would include funding allocated for continuation of the Valley Express and Clean Air Express services.

COMMITTEE REVIEW:

The Clean Air Express working group has reviewed this issue at meetings throughout 2009 and reached consensus at their January 21 meeting.