

STAFF REPORT

SUBJECT: Valley Express Commuter Bus Service Annual Performance Report

MEETING DATE: May 12, 2010

AGENDA ITEM: 5

STAFF CONTACT: Scott Spaulding

RECOMMENDATION:

- A. Receive annual performance report of the Valley Express bus service and update on development of service alternatives.
- B. Recommend authorization of a revised Memorandum of Understanding with SBMTD to operate the Valley Express through December 31, 2010 and allocate up to \$50,000 in Measure A funds for continuation of the service.
- C. Recommend that staff work with ad hoc transit working group to develop a plan to reintegrate commuter bus service from Santa Ynez Valley into the Clean Air Express system.

SUMMARY:

The Santa Barbara Metropolitan Transit District (MTD) began operating the Valley Express commuter bus service between the Santa Ynez Valley and the South Coast in March 2005. The service features charter-style coaches and operates during peak hours only, south in the morning and north in the afternoon, with pick up locations in Solvang and Buellton and drop off locations in Goleta and Santa Barbara. Originally funded by a three-year federal CMAQ grant that expired in March 2008, the SBCAG board approved \$80,000 in regional Measure D funds in June 2008 for a reduced service level and required MTD to provide SBCAG with annual performance reports to evaluate the cost effectiveness of the service. At the request of MTD, in February 2010 the board approved an additional \$81,000 in regional Measure D funds to support the Valley Express through June 2010. The board also directed staff to develop options for improving the effectiveness and efficiency of the service following the end of the Measure D program.

The Valley Express performance measures are evaluated annually in the spring prior to any funding recommendation for the following year. Although the Valley Express has been operating for over five years, the service has failed to meet the performance standards specified in the MOU with SBCAG, which include passengers per trip, farebox ratio, and subsidy per passenger. Passenger loads have consistently been a fraction of the seats available on the

large commuter coaches currently being used, suggesting that smaller vehicles may be more appropriate for the service.

Staff is recommending that the current Valley Express service be continued using Measure A funds only for an additional six months through an extension of the MOU termination date to December 31, 2010. During this time, staff will work with MTD, the City of Solvang, and other Clean Air Express partners to develop a plan for “right-sizing” and reintegrating Santa Ynez Valley commuter bus service back into the Clean Air Express in order to increase the performance and cost effectiveness of the service. The plan will be presented to the board for approval prior to the expiration of the MOU.

DISCUSSION:

MTD operates the Valley Express commuter transit service between the Santa Ynez Valley and the South Coast. There are currently three round trips per day, reduced from four during the federally funded pilot period. Trips originate and terminate in Solvang, stop in Buellton to pick up and drop off passengers, and serve Goleta, UCSB and Santa Barbara. The service was originally funded by a federal CMAQ grant approved by the SBCAG Board in October 2004. Before the launch of the Valley Express in 2005, two Clean Air Express routes originating in Santa Maria served Buellton, providing commuter service between the Santa Ynez Valley and South Coast for 20-25 customers.

In May 2008, following the end of the federally funded pilot program, the board approved \$80,000 in regional Measure D funds to continue operating the Valley Express through June 2009. Under an MOU with SBCAG, service was reduced from four trips to three in order to improve the efficiency of the service. At the request of MTD, in February 2010 the SBCAG board approved an additional \$81,000 in regional Measure D funds to support the service through June 2010. The board also directed staff to develop options for improving the effectiveness and efficiency of the service following the end of the Measure D program.

The Valley Express is evaluated annually prior to any funding recommendation. The MOU with SBCAG to provide the service includes performance measures used in the annual evaluation, including passengers per trip, farebox ratio, and Measure D subsidy per passenger. While progress was being made towards meeting these standards in the early years of the service, following the decline of gas prices from their historic highs in 2008 there has been a very stable pattern of lower than projected ridership and productivity.

	Fiscal Year				Performance Standards	FY2010
	2006	2007	2008	2009		YTD July – March
Passengers Per Trip	13.5	15.4	18.5	20.4	30	15.2
Farebox Ratio	44%	53%	59%	74%	85%	53%
Subsidy Per Trip	\$4.49	\$3.29	\$2.53	\$1.51	\$0.50	\$3.77

Over the last fifteen months, while fuel prices have increased over 50%, ridership has fallen 12% (1Q09/1Q10) and has consistently averaged about 15 riders per trip this fiscal year (see

table 2), a fraction of the 52 seats available on the vehicles currently being used. With a population of about 24,000, the Santa Ynez Valley likely does not warrant the level of commuter bus service currently provided by the Valley Express, three daily round trips using large charter-style buses. For comparison, the Santa Maria Valley population of over 135,000 is served by just five Clean Air Express trips using the same type of vehicle. Low demand for commuter bus service from the Santa Ynez Valley is consistent with prior attempts to serve this market. Under APCD management, the Clean Air Express served Solvang and Buellton with one route between 1996-1998 and again for a six month period in 1999. In both cases service was discontinued due to low ridership.

While the Valley Express is eligible for Measure A Inter-Regional transit funding, it is important to ensure that all Measure A funds are spent as efficiently as possible. As directed by the board in February 2010, staff is in the process of developing options to provide commuter bus service to Santa Ynez Valley residents in the most cost effective manner. Alternatives currently being considered include reintegrating the service back into the Clean Air Express, which served Buellton prior to the initiation of the Valley Express in 2005, and using a smaller vehicle type to provide commuter service. The interagency ad-hoc transit working group that in 2009 developed a consensus management option for the Clean Air Express under the Measure A program is an appropriate mechanism to discuss and develop service alternatives. During the next few months, staff proposes to work with the ad-hoc working group partners to develop an alternative service plan for approval by the SBCAG board.

The anticipated date for implementing service alternatives is January 2011. Because the current MOU with MTD to provide the Valley Express service expires on June 30, the MOU will have to be extended to continue the service until alternatives can be fully developed and implemented. No changes to the existing Valley Express MOU other than the termination date are expected.

COMMITTEE REVIEW:

None.

ATTACHMENTS

April 8, 2010 letter from Sherrie Fisher, MTD to Jim Kemp, SBCAG Executive Director