

**Board Report**

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Agenda Number: 27.

**OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE
MARCH 18, 2021**

**SUBJECT: STATUS OF MOTION 10.1: FY21 OPERATIONS RECOVERY PLAN & MOTION 27.1
UPDATE (MARCH 2021)**

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE status report on the March 2021 response to Motion 10.1: FY21 Operations Recovery Plan and on Motion 27.1 Revenue Service Hour Parameters for FY21 & FY22.

ISSUE

On September 24, 2020, the Metro Board of Directors (Board) approved Motion 10.1: FY21 Operations Recovery Plan (Attachment A) directing staff to:

- A. Report back to the Operations, Safety, and Customer Experience Committee in 60 days, with updates every 60 days thereafter, with an FY21 Operations Recovery Plan that achieves the following outcomes:
1. Aligns bus lines with their respective NextGen service tier standards.
 2. Does not exceed maximum load factors on buses and trains based on industry accepted health and safety standards.
 3. Sets criteria for adding service in anticipation of future on-street conditions related to economic sector and/or school re-openings and the return of traffic congestion and effect on bus speeds.
 4. Takes full advantage of operational savings from faster bus speeds to achieve performance-based service outcomes.
 5. Restores revenue service hours as appropriate to achieve all of the above outcomes.
- B. Report back to the Finance, Budget, and Audit Committee in 60 days with an amendment to the FY21 Budget, if necessary, to implement the above FY21 Operations Recovery Plan.

Similarly, at the February 2021, regular board meeting, Metro was directed to amend the current

timeline to accelerate the implementation of 6.5 million Revenue Service Hours by June 2021 and 7 million by September 2021.

This report addresses Items 1-5 in Section A above and the directive in Motion 27.1.

BACKGROUND

In September 2020, the Board approved the FY21 Annual Budget which included 5.6M annual Revenue Service Hours (RSH) for Metro bus operations. Motion 10.1: FY21 Operations Recovery Plan was approved as part of the budget deliberations to direct staff to monitor service performance and determine criteria for increasing service to levels envisioned by NextGen while balancing vehicle loads, financial constraints, public health directives, and service quality.

DISCUSSION

The following provides the status update for each item listed in the motion:

1. Aligns bus lines with their respective NextGen service tier standards -

No Change. Attachment B lists all bus lines by service tier for the December 2020 shake-up, as well as the NextGen Transit First full buildout scenario frequencies.

2. Do not exceed maximum load factors on buses and trains based on industry accepted health and safety standards

No Change. Service continues to be scheduled to maintain a max. load standard of 75% of seated capacity during any 20 min. time slice during peak periods and 60 min. time slices during off peak period.

3. Set criteria for adding service in anticipation of future on-street conditions related to economic sector and/or school reopenings and the return of traffic congestion and effect on bus speeds

Percent of Trips Exceeding Maximum Load Standard

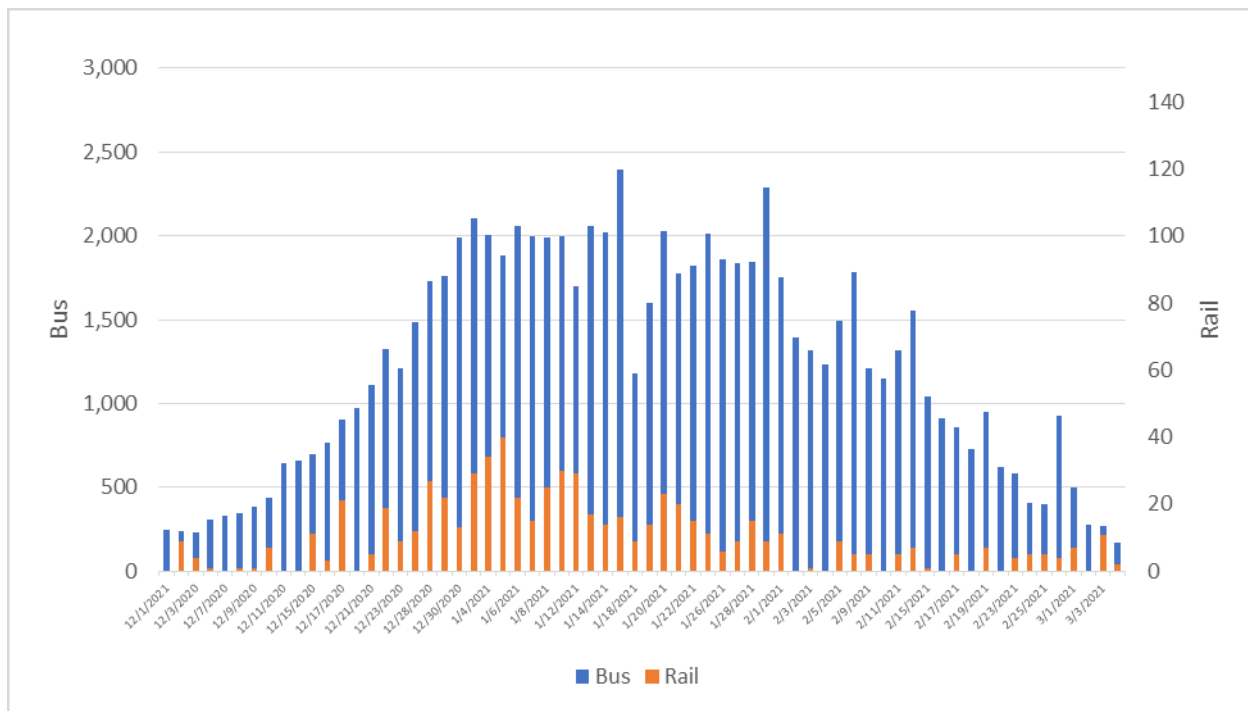
Maximum loads on all Metro bus trips continue to be monitored weekly. The percent of trips on average each week exceeding the 75% of seated load standard over the past 60 days is as follows:

- Weekdays: average 1.7% or 185 trips (range 1.0% to 2.3%) so on average meets the target
- Saturdays: average 3.2% or 206 trips (range 1.3% to 4.3%)
- Sundays: average 2.3% or 141 trips (range 0.4% to 4.3%)

For the December 13, 2020 service changes, additional trips were added throughout the week to address trips with consistent heavy loads. Given the significant number of cancelled assignments

in January and February 2021 due to operator shortage, additional trips were not able to be added to accommodate weekend loads. However, the Operations return-to-work strike force has been successful in clearing a significant number of backlogged cases. As such, canceled work hours for bus have decreased by about 85% from roughly 2,000 during the first week of January 2021 to about 250 during the first week of March 2021 (see Figure 1). With cancelled service stabilized at the pre-COVID level, temporary service enhancements can now be added on weekends to accommodate heavier loads.

Figure 1
Cancelled Work Hours (Weekdays)



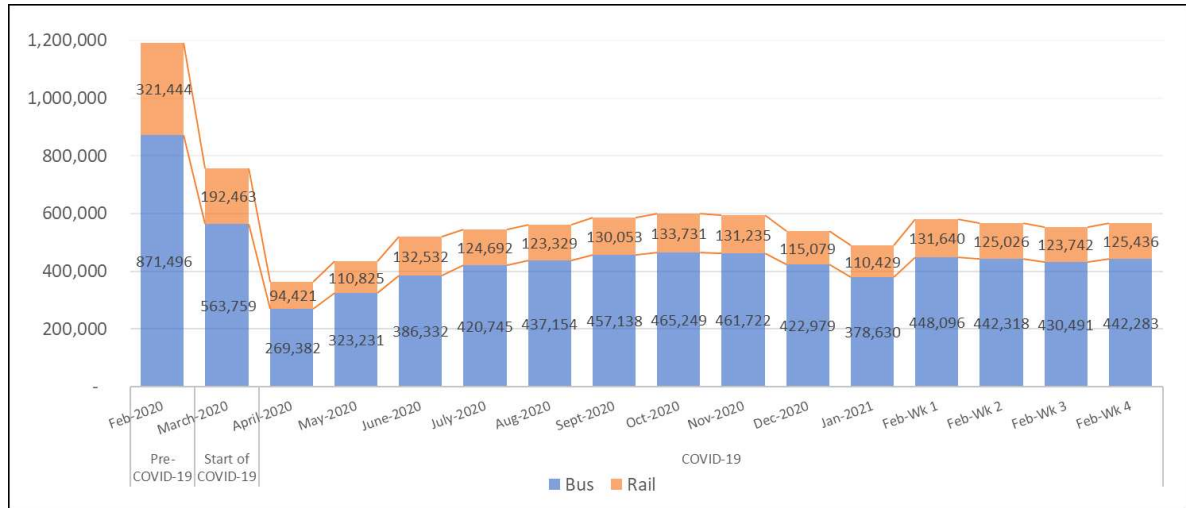
The next scheduled service change will be June 2021 which will continue implementation of the NextGen bus plan including a significant amount of network changes and reallocating underutilized services to high ridership lines. Per Motion 27.1: FY22 Service Restoration, an additional 880K annualized RSH will also be added to the current 5.62 million annualized RSH bringing the base service levels beginning in FY22 to 6.5 million annual RSH.

Loads will continue to be monitored on a weekly basis and further adjustments can be made if needed through interim schedule adjustments.

Ridership Potential and Public Health Directives

During January and February 2021 average weekday bus ridership remained stable at 50% below pre-COVID levels, with Saturdays between 43% down and Sundays from 36%. Ridership is anticipated to grow slightly during FY21Q4 given the declining number of new COVID cases and more aggressive vaccination roll out. Figure 2 shows bus and rail ridership trends through the COVID pandemic to date.

Figure 2
Systemwide Average Weekday Ridership



Rider-ship	Pre-COVID-19 Feb-20	Start of COVID-19 Mar-20	April-20	May-20	June-20	July-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	1/31-2/6	2/7-2/13	2/14-2/20	2/21-2/27
TOTAL	1,192,940	756,222	363,803	434,056	518,864	545,437	560,483	587,191	598,980	592,957	538,058	489,059	579,736	567,344	554,233	567,719

Notes

- 3/19/20 - Safer at Home Order Issued
- 11/30/20 - Targeted Safer at Home Order Issued
- 2/26/21 - Safer L.A. Order Issued

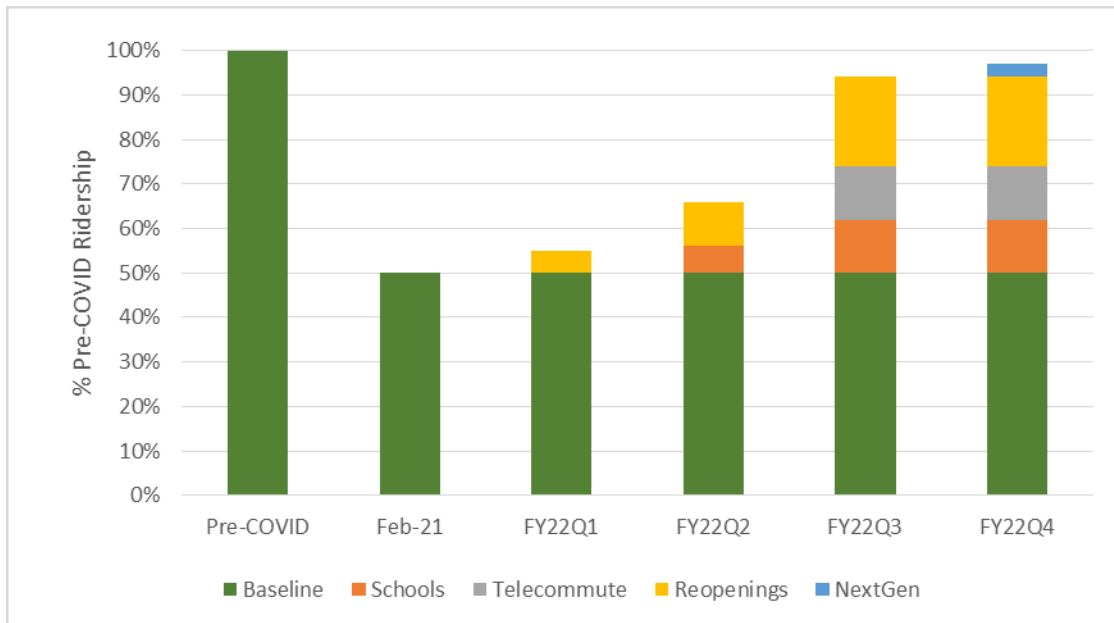
Projecting ridership through FY22 is difficult given the many unknowns regarding post-COVID travel behavior and economic recovery. Transit ridership recovery will be dependent on several factors, most notably:

- Schools Back in Session** - Prior to COVID, student/college/university ridership accounted for about 12% of daily bus boardings. Assuming schools are back in session in Fall 2021, ridership would be expected to increase by about 6% in FY22Q2 and 12% in FY22Q3.
- Continued Telecommuting** - Based on the COVID ridership survey conducted by the Customer Experience department in May/June 2020, roughly 25% of pre-COVID bus riders are currently telecommuting either full time or part time. About 5% of the 25% telecommuting do not expect to be able to telecommute after the pandemic while about 10% expect to be able to at least part time, and the remaining 10% do not know. Assuming the first 5% and about one third of the remaining 20% return, we would expect to see a gradual increase of up to about 12% in ridership from current telecommuters returning to full time or part time commuting on transit likely by the end of FY22Q3 when all vaccinations should be completed.

- NextGen Implementation - The NextGen service plan is scheduled to be fully implemented by December 2021 with some implementation already completed in December 2020 and a second phase to be implemented in June 2021. This plan is expected to result in a 5% ridership increase over pre-COVID levels once the system matures in about one year, with incremental growth each quarter starting in FY21Q4. With the full buildout of NextGen speed and reliability infrastructure, ridership is anticipated to increase by an additional 10%. However, the infrastructure will not be completed for an additional four to five years. Therefore, ridership would be expected to grow by 3% by the end of FY22 and an additional 10% by FY25-26.
- Economic Recovery - The Safer at Home orders took effect on March 20, 2020. As a result, bus ridership declined by about 70% in April 2020. Restrictions began lifting in May 2020, and by October 2020, ridership recovered about 20%. Unfortunately, with the increases in COVID cases due to the winter holidays, ridership declined in December 2020 and January 2021 with new restrictions, but has since recovered slightly as of February 2021. Currently, bus ridership is at about 50% of pre-COVID levels. Assuming a similar rebound as the previous reopening, anticipated economic recovery through FY22 could yield a gradual increase in ridership totaling about 20% likely by the end of FY22Q4, about one to three quarters after full vaccination is expected to be completed. This gradual increase recognizes that some businesses will be able to immediately fully reopen while others will take longer to reopen or need to phase their reopening. This pattern is consistent with the gradual recovery of ridership seen during the second half of calendar year 2020 after the spring and summer 2020 peaks in COVID cases.

Based on this analysis, bus ridership is projected to return to about 97% pre-COVID levels by the end of FY22 (see Figure 3).

Figure 3
Projected Bus Ridership Growth in FY22



Ridership will continue to be monitored on a weekly and monthly basis to determine when where service should be added.

Resource Availability

Financial

The Board adopted Motion 11.1 in January 2021 that reallocated \$24.3M in the FY21 mid-year budget adjustment for the restoration of transit service and directed staff to immediately begin preparing to restore service no later than end of FY21 to increase the agency’s capacity to run 7.0 million annual bus RSH. The budget planning assumptions for service levels in FY22, as presented to the Board in February 2021, outlines a plan to restore bus service levels, including:

- June 2021 - Increase from 5.62 million current annualized RSH to 6.5 million;
- September 2021 - Increase to 7.0 million annualized RSH;

Staffing and Accelerated Bus Operator Hiring Activities

Implementing the FY22 service level increases is highly dependent on the availability of operators. Operations will immediately accelerate bus operator graduates from about 25-30 per month in February and March 2021 to 125-150 per month in April 2021 and continue with this monthly enhanced hiring plan until enough operators are onboarded to support the final adopted FY22 RSH plan. In addition, Operations will continue to work closely with Human Capital & Development to return as many existing operators out on leaves as soon as possible. It should be noted that through early March 2021, Metro has received over 450 applications in the hiring pipeline with interviews scheduled and classes ready to begin. In addition, additional class space and logistical matters are currently being addressed in a manner that is safe and adheres to all COVID-19 guidelines.

Metro’ accelerated bus operator hiring plan includes, but is not limited to the following:

- ✓ Updated Bus Operator Video Content & Flyer
- ✓ External Bus Operator Job Landing Page - Updated and available
- ✓ Internal/External Messaging (Agency Ad, SharePoint, COVID Brief, CEO's Every Voice Counts, LinkedIn, Metro's The Source, and Metro Project Account Distribution Lists (BikeShare & Program Management)
- ✓ Social Media Buy - Launched enhanced social media efforts to ensure competitiveness and awareness for bus operator hiring
 - Board of Director (BOD) Media Tool Kit - Will serve as a resource for sharing our bus operator hiring initiative across BOD communication platforms and with constituents
 - Recruitment Dashboard - Will easily track/report recruitment activities allowing for adjustments to hiring activities/tactics as necessary

Performance

Boardings per RSH for February 2021 are trending around 26, short of the 30 boardings per RSH. Should ridership increase through the remainder of FY21 with mass vaccinations and gradual reopening of the economy, the performance of this indicator would expect to improve.

4. Takes full advantage of operational savings from faster bus speeds to achieve performance-based service outcomes

The NextGen Speed and Reliability team continue to make progress towards implementing bus lanes, improving Transit Signal Priority (TSP) and other enhancements to the bus network. Since January 2021, the team is has been working on implementation of a bus lane on Alvarado Street, Grand and Olive Streets in downtown Los Angeles, improving signal priority on Metro G Line (Orange), and continuing to work with LADOT to identify future bus lane corridors and expanding TSP to more buses along non-TSP Tier 1 corridors under the NextGen Bus Plan.

Systemwide speeds based on the June 27, 2021 service change should be available in the May 2021 update of this report.

5. Restore revenue service hours as appropriate to achieve all the above outcomes

The FY22 service restoration plan as described has been developed based on the criteria established in item #3 above and is consistent with Motion 11.1 related to FY2021 (FY21) Mid-Year Budget.

FINANCIAL IMPACT

Implementation of Metro's final FY22 bus service restoration plan will be adopted as part of the FY22 annual budget.

Impact to Budget

There is no impact to the approved Metro FY21 budget and allocated funding sources. The planned changes are made within the revenue service hours budgeted.

DETERMINATION OF SAFETY IMPACT

This report does not have a negative effect on the safety of our customers or employees.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Recommendation supports strategic plan goal #1: Provide high quality mobility options that enable people to spend less time traveling. The service changes also respond to the sub-goal of investing in a world class bus system that is reliable, convenient, safe, and attractive to more users for more trips.

NEXT STEPS

The next scheduled status report on Motion 10.1 will be in May 2021. Metro will continue to accelerate all bus operator hiring activities in support of our updated FY21-FY22 revenue service hour parameters/recover plan.

ATTACHMENTS

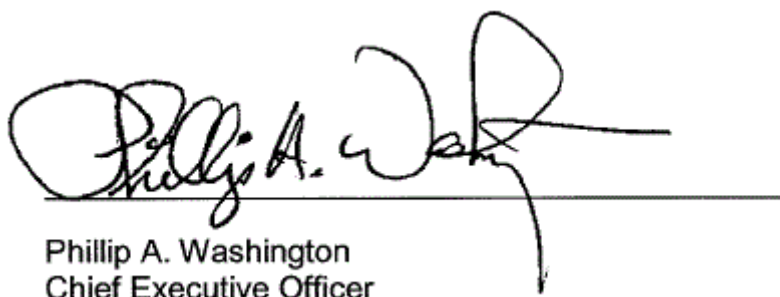
Attachment A - Motion 10.1: FY21 Operations Recovery Plan

Attachment B - December 2020 Scheduled vs. NextGen Planned Frequencies

Attachment C - Motion 27.1: FY22 Revenue Service Hour (RSH) Program Parameters and FY21 Service Increase Motion Update

Prepared by: Conan Cheung, Sr Exec Officer, Service Development, (213) 418-3034

Reviewed by: James T. Gallagher, Chief Operations Officer, (213) 418-3108



Phillip A. Washington
Chief Executive Officer