



Board Report

File #: 2021-0245, File Type: Program

Agenda Number: 24.

**OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE
MAY 20, 2021**

SUBJECT: BETTER BUS PROGRAM FUNDING AND IMPLEMENTATION STRATEGY

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

The following actions are recommended:

1. ADOPT the Better Bus Program as a major component of Metro’s portfolio of improvements.
2. APPROVE the Better Bus investments Plan and pursue the five-year funding and implementation strategy (Included as Attachment B), including additional staffing, and report progress to the Operations, Safety, and Customer Experience Committee every six months.
3. APPROVE the inclusion of Better Bus program investments and expenditures in each annual budget and in future updates to the Short Range Transportation Plan and Long Range Transportation Plan.
4. APPROVE, by mid-year, the addition of 14 new project FTEs, in Operations (5), Communications and Government Relations (7), and Grants Management, Planning and Programming (2), to the FY22 staffing budget, dedicated exclusively to the funding and implementation of the Better Bus Program.

ISSUE

At the January 28th Regular Board Meeting, Metro’s CEO informed the Board that he had directed the Countywide Planning Department, Operations Department, and Office of Management and Budget to work with the Chief of Staff and Executive Officers for Equity and Race and Customer Experience to develop a multi-year financial plan to implement the Better Bus Program. Metro reported to the Board on the Better Bus Program in April 2021. This report builds upon the April informational report that was received and filed by the Operations, Safety, and Customer Experience Committee, and establishes a process for future, biannual reports to the Board.

As described below and in Attachment B, the Better Bus implementation and funding strategy is an

ambitious framework to drive systemwide and long-term investment in bus performance, ridership, and customer experience improvements. It is recommended that Metro staff will report back to the Operations, Safety, and Customer Experience Committee every six months on updates to the funding and implementation strategy, informed by funding and staffing needs, changes in individual project scopes, the success of Better Bus pilot programs, new funding opportunities and grants programs, allocation of flexible funding, and other considerations.

BACKGROUND

Better Bus, a new agency-wide effort coordinated by the Customer Experience unit in the Office of the CEO, seeks to highlight and address bus rider needs by making improvements to bus services and stops. The purpose of Better Bus is to align Metro efforts and elevate investments to improve bus speed, ease, safety, and comfort. Metro aims to transform the bus riding journeys in Los Angeles County by providing dignified experiences for the three-fourths of Metro riders that take the bus, who are largely from Equity Focus Communities (EFCs) and living under the poverty line, nine of 10 of whom are persons of color.

Better Bus is about addressing needs and disparities, as well as justly serving and prioritizing people who are critical to the future well-being of Los Angeles County. Many riders are also essential workers, serving much-needed roles such as public service, caregiving, maintenance, and other frontline roles that are the foundation of Los Angeles' recovery out of the pandemic. We all rely on essential workers and therefore, we all rely on buses.

This report documents the unfunded and funded portions of the Better Bus Program and sets an ambitious agenda for the types of investments the agency will make over the next five years to meet the needs of bus riders.

DISCUSSION

Staff envisions Better Bus as an ongoing improvement program that is meant to ensure that Metro staff is continually collaborating to incorporate and prioritize bus customer experiences in the annual budget and long-term planning processes, such as the Long Range Transportation Plan, as well as ongoing grant-seeking efforts and the shaping of federal and state legislative policy. In the early phases of the program, staff will prepare standards and design plans that will prepare Better Bus capital initiatives to be "shovel ready," as funding becomes available.

As discussed in the April 2021 Receive and File Report (2021-0194), the total projected cost to implement Better Bus over five years (FY22-26, funded and unfunded, not including staff positions identified later in the report) is estimated at \$2.1 billion. Of this amount, \$1.08 billion is unfunded during FY23-26, and \$783.9 million will be included in baseline bus operations from FY23-26 (see Table 1).

Table 1: Overview of Proposed Funding for Better Bus and NextGen Service Restoration

Total Projected Cost	FY22 Proposed Funding	Projected FY23-26 Unfunded Total	Total Projected Cost
Better Bus Incremental Proposed Investment	\$50.6 million	\$1.08 billion	
Service Restoration to 7.0 RSH (per Motion 27.1)*	\$165 million	\$783.9 million**	
<i>Total Incremental Projected Cost</i>	<i>\$216.6 million</i>	<i>\$1.9 billion</i>	<i>\$2.1 billion</i>

* reflects only Operations Department cost increase from FY21

**per Motion 27.1, FY23-26 costs to maintain 7.0 million annual RSH are assumed to be funded as part of the baseline bus operations, to be approved as part of each fiscal year's budget process

Staff have realized some success in securing grants to support components of the Better Bus vision. As an example, the agency recently received a grant through the Federal Transit Administration for security lighting at bus stops (\$858,000, in addition to a 25% local match), and an SB1 Local Partnership Program grant to install bus speed improvements along the NextGen Tier I corridors (\$25 million with a \$25 million local match). The Better Bus Program adoption and implementation will position Metro to quickly capitalize on other funding opportunities that arise in the future.

Key Elements of the Better Bus Program

Key components of the Better Bus list of improvements (Attachment B) include bus stop improvement pilots and the NextGen Speed and Reliability Capital Program.

Better Bus Stop Local Partnership Pilot Program

The Better Bus team is exploring opportunities to address the urgent, unmet needs of riders at bus stops for shade, as well as lighting, seating, and real-time information displays. Only 24% of bus stops served by Metro have transit shelters, which has profound social equity and health implications. The Better Bus team is beginning the conversation with the 88 local jurisdictions in the county, as well as the County Department of Public Works, which oversees bus stops in unincorporated areas, to determine possible approaches to simplify and expedite shelter placement and other improvements at bus stops county-wide.

Additional bus stop partnership strategies that Metro is pursuing include:

- Expanding data and technical support for local jurisdictions during important decision-making processes that affect bus customers. For example, Metro is working with the City of Los Angeles as they re-bid their Sidewalk and Transit Amenities Program. The City is adopting a five-part criteria developed by Metro for determining the first-year rollout plans, which outline the highest priority stops for shelter installation. The criteria prioritize stops based on:
 1. High heat
 2. Equity Focus Communities
 3. High ridership

4. Access to key destinations and social services
5. Long wait times

These priority criteria will be used countywide to help local jurisdictions make data-driven decisions on where to site shelters, as well as other bus stop improvements.

- Partnerships with local jurisdictions and LA County to jointly seek grants and inform local, state, and federal legislative policy.
- Developing a standard kit-of-parts for bus stop furniture (including such features as an enhanced signpost, bench, shelter, trash can, real-time displays, and other amenities) that local jurisdictions can opt-in to purchase and place to provide consistency and dignified waiting experiences county-wide.
- As a pilot program, offering limited-time, targeted partnership incentives to help local jurisdictions leverage funds to cover the upfront costs for shelters and other amenities to meet a goal of providing shade at 60% of bus stops across the county by 2026. Additionally, Metro is currently testing low-cost solar and real-time information displays that, if successful, can be installed more broadly to meet riders' needs across the system. For example, Metro could offer to match a portion of capital costs with the agreement that local jurisdictions pay the balance, in addition to installation and ongoing maintenance costs. This could also be used to incentivize streamlining of local approval processes so that improvements can be installed more quickly. Costs included in Attachment B reflect a possible incentive model.
- Exploration of a potential procurement strategy to allow local jurisdictions to benefit from optimal pricing through joint purchasing for shelters and other bus stop amenities that will improve the rider experiences.

NextGen Speed and Reliability Capital Program

As a part of the board-adopted NextGen Bus Plan, Metro staff developed the NextGen Transit First Plan, a program to create priority infrastructure along corridors with the highest-frequency service (Tier I & II) to minimize delay and maximize service frequency and reliability. This effort is overseen by the speed and reliability team in the Operations Department at Metro, which has begun rolling out bus lanes and other capital improvements in partnership with the City of LA, such as Transit Signal Priority, signal retiming, bus bulbs, and stop relocations. However, there is a need to expand and expedite this work, with an aggressive target to complete all Tier I & II corridors (50 corridors in total) by 2026. The cost of this program is roughly \$800 million over the next five years. Similar to the Bus Stop Improvement Pilot Program, there may be components of this funding strategy that could require cost-sharing with local jurisdictions.

FY22 Proposed Budget for Better Bus

The proposed Better Bus FY22 budget (Attachment B) of \$216.6 million includes incremental costs to restore 7.0 million revenues service hours (RSH) by September 2021 (per Motion 27.1) and \$50.6 million in seed funding for pilot programs (see Table 1), which includes board-directed public safety

and homelessness funding that will be guided by the Customer Experience unit in the OCEO (per Motion 26.2). Additionally, two positions have been included in the FY22 budget proposal to cover the expanded leadership demands and program scopes for Better Bus and Customer Experience.

As a part of the Board-adopted 2020 Customer Experience Plan, the Better Bus team is launching a series of bus-specific pilot programs, beginning in FY22, to test innovative approaches to address customer pain points, including:

- Bus Reliability: a Rescue Ride Pilot Program to help bus riders delayed by a missed run or passup by quickly offering free ride-hail service, and a Bus Headway Management Pilot Program to test how Metro could operationalize a headway-based (rather than schedule-based) dispatch model for high-frequency routes (NextGen Tiers I and II) to shorten wait times, balance loads and reduce crowding.
- Cleanliness on-board buses and at stops/stations: enhanced equipment for on-call pressure-washing of bus stops and zones in instances of unsanitary conditions affecting health and safety, and to test a bus mid-line cleaning pilot where service attendants provide midday interior cleaning while buses are between trips at two high-volume terminals.
- Delay advisories: a Digital Rider Alert System, a robust system to enable riders to receive customized service and emergency alerts through text messages and other channels, and to provide an easy way for riders to communicate with Metro.

FY23-26 Unfunded Needs

Beyond FY22, the Better Bus Team has identified opportunities for potential funding of Better Bus investments through competitive grants and other funds.

Full implementation of Better Bus is contingent on funding availability. Many of the investments included in the Better Bus Program are also priorities of local jurisdictions and subregions, such as bus priority infrastructure and more shelters at bus stops. Metro looks to subregions and local jurisdictions to help define funding opportunities that could be explored to advance these shared goals, such as the discretionary multi-year subregional highway funds, dependent on the subregion's interest and ordinances.

This funding strategy does not yet include potential new or additive funding that may arise from a multi-year surface transportation authorization bill that will replace the FAST Act, implementation of the Biden Administration's proposed American Jobs Plan, or new State-level budget legislation. In concert with the County of Los Angeles, the City of Los Angeles, and other local municipal governments across Los Angeles County, the Board has directed Metro to continue advocating for financial resources that can be made available for operational and capital improvements. The Board's prioritization of Better Bus related investments (including bus stop shelters and customer amenities, homeless support funding) will further help Grants Management, Planning and Programming staff to direct these resources from local, state and federal sources to advance these improvements. Should additional capital funding arise from a future federal surface transportation authorization bill or the Biden Administration's infrastructure plan, this could result in funding specifically for the Better Bus improvements and reduce or eliminate the impact on competing needs.

The Better Bus investments in Attachment B are estimates, both for the amount needed and the year

expended. In particular, the timing of the proposed bus stop improvement program is dependent on the participation by municipalities and the type of investment that is pursued. Should the municipalities forgo participation in this program or take longer than expected to identify investments, the amount of funding needed over the next four years could be lower. However, the estimates included in this funding strategy are intentionally ambitious so that we can accelerate improvements for bus riders as quickly as possible.

Better Bus Program Additional Staffing Requirements

As with any major construction project, the success of Better Bus is heavily dependent on the allocation of adequate financial and staffing resources to deliver the full scope of investments. Staff resources to-date have largely drawn from employees who are assigned to many other tasks, fitting in Better Bus work as they have time available. Better Bus will require dedicated, full time staff, above and beyond the current FY21 and proposed FY22 FTE levels, to realize the vision of this program. The recommended action requests approval to add the first 14 of these FTEs at mid-year FY22.

Currently, the Bus Speed Engineering Technical and External Affairs Working Groups only have staffing capacity to deliver a few bus lanes per year. At this rate, it will take more than a decade to deliver all 50 corridors of bus lanes proposed in NextGen. In order to accelerate this effort, additional staffing resources working concurrently in multiple teams will be required to work with communities and deliver these speed and reliability benefits in the five-year time frame of this Better Bus Program. These teams will comprise Service Planning and Development staff in Operations to conduct the technical analysis and design work and Communications staff to do outreach and engagement with all interested and affected stakeholders, including the general public. In addition, the Better Bus Program will require staff in Grants Management, Planning and Programming who are dedicated exclusively to the pursuit of funding for the Better Bus Program and the bus system at-large. Details of the functions and allocations of additional FTEs needed beginning in FY22 are listed below.

Operations (Service Planning) - Total of five (5) FTEs to:

- manage the BRT quick build projects per Motion 16: BRT Vision & Principles and coordinate the NextGen speed and reliability program with other Measure M BRT projects.
- manage the ongoing NextGen bus lane program, design and implementation of bus bulb outs and other street and sidewalk treatments, stop relocations, design and implementation of queue jumpers and other transit priority treatments including City of LA and Countywide signal priority optimization programs for bus and rail, and layover optimization.
- liaise between service planning and other Operations groups, as well as the Better Bus and Customer Experience teams, responsible for coordinating and integrating BRT projects with NextGen, and implementation of All Door Boarding.

Community Relations & Government Relations - Total of seven (7) FTEs to:

- oversee the overall strategy for countywide bus improvements, coordination with elected officials, local jurisdictions, etc.
- conduct day-to-day management of multiple outreach and engagement efforts on bus service and stop improvements countywide
- support planning/outreach and construction/mitigation for capital programs associated with Better Bus

- serve as Metro's liaison to the public, elected officials, and private entities; communicates the benefits of Better Bus
- perform entry-level work for the scheduling, tracking, and production of Metro's outreach and engagement program countywide
- Support state and federal outreach, coordination and advocacy efforts

Grants Management, Planning and Programming - Total of two (2) FTEs to:

- identify and pursue funding to advance the Better Bus program
- conduct Federal and State Legislative Analyses on all Programming, Competitive and Discretionary Grants opportunities aligned with Better Bus activities
- develop and submit applications for Federal and State discretionary grant opportunities aligned with Better Bus activities
- provide multi-year funding plans for the Better Bus program, including cost benefit analyses for all grants strategies, to support bus-related grants applications
- manage all grants activities within Federal and State programs, focused on enhanced oversight and management of bus and operations related grants
- prepare and advance the fleet electrification and replacement funding plan
- liaise with Operations and Community/Government Relations on all outreach with external stakeholders for support of grants applications for bus improvements.

Beginning in FY23 and continuing through the life of the Better Bus Program, the Stops & Zones Department in Operations will require an additional seven (7) FTEs to focus on evaluating and cleaning, as well as installation and maintenance of lighting and amenities at nearly 13,000 bus stops in LA County. As this work gets underway, an additional two (2) Customer Experience FTEs will be needed to manage and oversee the full portfolio of concurrent Better Bus work. Two (2) additional FTEs will also be needed in Planning for countywide grants management and Los Angeles County Transportation Improvement Program (TIP) activities related to the Better Bus and bus system funding. Additional staffing needs for future fiscal years will be brought to the Operations, Safety, and Customer Experience Committee as part of the biannual reports to the Board.

DETERMINATION OF SAFETY IMPACT

The adoption of the Better Bus Program has no immediate impact on safety. However, the funding strategy includes many investments that are focused on improving safety and security for Metro bus riders.

FINANCIAL IMPACT

Funds required in the next fiscal year have been proposed in the FY2022 budget, subject to adoption by the Board.

At the April 2021 Operations, Safety, and Customer Experience Committee meeting, the Board requested the inclusion of a line item in the Annual Budget for the Better Bus Program. Staff have

recommended that the list of Better Bus Program investments for each fiscal year be included as part of the Customer Experience summary in the Annual Budget report.

Impact to Budget

The sources of funds for the recommended actions are local and other funds that are eligible at the time of expenditure.

Multiyear Impact

To deliver the fully envisioned \$2.1 billion investment proposed, the estimated additional non-labor funding needed to implement Better Bus is \$1.08 billion over FY23 to FY26. Attachment B provides line item detail, along with potential existing sources for the funding. This excludes amounts already in the proposed FY22 budget and components assumed as part of the baseline operations funding (e.g., bus service restoration to 7.0 million revenue service hours by September 2021, per Motion 27.1). The actual amount of funding needed may differ, as much of the estimated cost and schedule in Attachment B is preliminary. The cost incurred by Metro may also differ depending on the amount funded by local jurisdictions for assets that they will own and or control.

Some of the funding for Better Bus may come from existing local, state, and federal sources, including operations-eligible funding and capital funding that is currently programmed for other uses, as Better Bus was not included in the Board-adopted September 2020 Long Range Transportation Plan (which allocated Metro funding to all Board-approved projects and programs). There are currently no new or existing sources of funding that have been identified for Better Bus in the Long Range Transportation Plan. This could result in additional debt financing for those investments and/or a reallocation of available resources.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Metro's 10-year strategic plan, Vision 2028 calls for Metro to "invest in a world class bus system that is reliable, convenient and attractive to more users for more trips" (Goal 1.2). Central to this goal is a vision for a "smooth trip" which includes both high-quality service features, such as faster and more reliable service, but also improved customer experience along the complete trip journey, from planning one's trip, accessing the transit stop, and arriving at one's destination on time (Goal 2). Better Bus is paramount to achieving both of these goals.

ALTERNATIVES CONSIDERED

The Board could elect to adopt the Better Bus Program without directing staff to pursue the five-year funding and implementation strategy. This is not recommended as the recommended funding and implementation strategy and biannual reporting increase transparency of Metro's investments in a high-quality bus system and place these investments on equal footing with other Board approved and adopted capital and operating projects and programs.

The Board could elect to reject the Better Bus Program. This is not recommended as the Better Bus Program is a direct way to improve trip experiences for the vast majority of Metro's systemwide riders who rely on the bus every day, who are largely persons of color, living in poverty, and currently, mostly essential workers.

NEXT STEPS

The Better Bus team will aggressively seek funding and staffing resources to implement the Better Bus Program and report progress to the Board every six months. The next report is planned for October 2021.

Attachment A -April Board Receive and File Informational Report on the Better Bus Program (File #2021-0194)

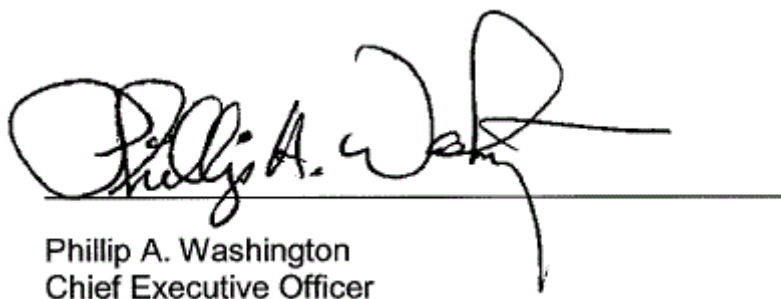
Attachment B - Better Bus Program Funding and Implementation Strategy FY22-FY26

Prepared by: Cassie Halls, Senior Transportation Planner, Customer Experience (213) 922-2757

Aaron Weinstein, EO, Customer Experience (213) 922-3028

Reviewed by: Nadine Lee, Chief of Staff (213) 922-7950

Phillip A. Washington, Chief Executive Officer, (213) 922-7555



Phillip A. Washington
Chief Executive Officer