

**Board Report**

File #: 2017-0623, **File Type:** Contract**Agenda Number:** 29.

**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE
AD HOC CUSTOMER EXPERIENCE COMMITTEE
NOVEMBER 16, 2017****SUBJECT: SYSTEMWIDE BUS NETWORK RESTRUCTURING
PLAN****ACTION: AWARD TASK ORDER****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to award an 18-month, firm fixed price Task Order No. PS878320003041 under Countywide Planning Services Bench Contract No. PS4010-3041-F-XX with Cambridge Systematics, Inc., for an amount of \$1,295,762, to develop a Systemwide Bus Network Restructuring Plan, subject to resolution of protest(s), if any.

ISSUE

In May 2017, staff briefed the Board of Directors on the need to conduct the Metro Service Study (Systemwide Bus Network Restructuring Study). In August 2017, staff presented a status report to the Board, indicating that a task order Request for Proposals (RFP) was issued to the Countywide Planning Bench contractors to assist in this effort. Board approval of the Contract is needed to proceed with development of the Plan.

DISCUSSION**Background**

Metro provides over 1.3 million customer trips per weekday with a fleet of over 2,200 buses, 219 light rail, and 104 heavy rail cars. Service is distributed along an extensive network of 136 bus lines and 102 one way track miles of rail service that span 1,433 square miles of Los Angeles County. In addition, Metro funds local bus services operated by sixteen (16) municipal bus operators and several other community services providing almost 335K trips per day. Together, the municipal operators account for roughly 30% of transit service within the County while Metro provides the remaining 70%. Therefore, coordination of services, fare payment, signage and information is critical to providing seamless services throughout the region.

The Metro bus and rail system will continue to expand with the passage of the County's Measure R in 2008 and Measure M in 2016, both one-half cent sales taxes for transportation improvements. Currently, three mega transit projects are being constructed, including Crenshaw/LAX, Regional Connector, and the Purple Line Extension. Several others, including the Gold Line Foothill Extension to Claremont, East San Fernando Valley Transit Corridor, West Santa Ana Transit Corridor, Sepulveda Pass, and Bus Rapid Transit (BRT) between North Hollywood and Pasadena, and along Vermont Avenue, are planned to be in construction within the next 10 years.

Despite being the second most heavily used bus and seventh most heavily used rail systems in the country, and voter endorsement for continued growth, Metro's systemwide transit ridership continues to decline, consistent with national trends. A recent survey of past riders found that 19% of respondents stopped using Metro services primarily because their travel patterns changed, and another 12% stated that it is too hard to get to and from transit. Eighteen percent and 11%, respectively, mentioned slow speeds and service reliability were their main reasons for leaving transit. Ridership declines can also be attributed to shifts in customer demographics and lifestyles, changing workforce travel patterns, safety and security concerns, new technology and opportunities for other travel options such as shared mobility on-demand.

Systemwide Bus Network Restructuring Study

Given the transforming landscape of transportation and travel demand within Los Angeles County, Metro is embarking on an effort to restructure the entire bus network into a comprehensive and intuitive system of high quality and integrated transit services that are relevant, reflective of, and attractive to the diverse customer needs within Los Angeles County. More specifically, the service restructuring aims to increase transit use within the County over the next decade by attracting customers to ride more by retaining current customers, reclaiming past customers, and recruiting new customers. In addition, the re-baselined bus network will set the foundation for future growth from transportation investments provided through Measures R and M.

With the diversity and complexity of Metro's governing boards, key stakeholders, customers, and operating environment, the following principles are critical to the success of this project:

- Extensive public input and outreach throughout the project (early buy-in and understanding of tradeoffs from Board and key stakeholders, and inclusive of LA County's diverse communities).
- Integration/coordination with Metro's Strategic Plan and Long Range Transportation Plan (LRTP) update, as well as municipal operator system restructure plans.
- Collaborative process with local jurisdictions and other key stakeholders (implement service

improvements in conjunction with transit supportive infrastructure and programs).

- Openness to creativity and innovation.

To prepare the Plan, the Contractor shall successfully complete the following tasks, inclusive of gathering data to answer the questions noted below, leading up to the implementation of a systemwide bus network restructure.

- **Market Research, Market Segmentation Analysis and Travel Demand** - A comprehensive understanding of who our past, current and potential customers are. For what trip purposes are they willing to use transit? When do they want to travel? What are the service attributes most important to them? Where are they coming from and going to?
- **Existing Service Evaluation** - What are the strengths, deficiencies, gaps and opportunities of the existing Metro bus network? How are customers using the system, and how well do we meet their needs? Where are the gaps and deficiencies in service and service attributes? Where are the opportunities for ridership growth, and how much can ridership grow if we address our gaps and deficiencies?
- **Establish Service Concepts** - Develop a series of preferred service concepts to consider that best match with the travel demand and service attributes most important to each customer group. How do these service concepts address the gaps and deficiencies identified in the Existing Service Evaluation? How will these service concepts create opportunities for ridership growth? What are the tradeoffs between service concepts and how will the benefits outweigh the negatives?
- **Service Design Guidelines** - The service concepts will be translated into a set of service design guidelines and criteria to ensure that any future adjustments to service are consistent with the preferred service concept.
- **Capital Infrastructure Needs** - Transit preferential infrastructure will be identified that will enhance speed and reliability of bus service along key regional corridors, as well as infrastructure to support new service delivery methods, and customer service infrastructure for major transfer points and activity centers.
- **Service Restructuring Plan** - The Contractor and Metro service planning and scheduling staff will work hand in hand to develop a transit network based on the preferred Service Concept and design guidelines that are anticipated to maximize ridership and improve customer experience within: 1) existing resources, 2) 10% fewer resources, and 3) 10% greater resources.

DETERMINATION OF SAFETY IMPACT

Conducting this study will not have any impacts on the safety of our customers and/or employees.

FINANCIAL IMPACT

The FY18 budget includes \$1,000,000 in Cost Center 3151, project 306004 to conduct the Systemwide Bus Network Restructuring Study. Since this is a multi-year contract, the Cost Center Manager and Chief Operations Officer will be responsible for budgeting future years for the balance of the remaining project budget.

Impact to Budget

The source of funds for this project will come from regional administration funds earned on Proposition A sales tax. These funds are not eligible for operating or capital functions.

ALTERNATIVES CONSIDERED

The Board could consider not conducting this study and/or completing the study using in-house resources. Neither of these options is recommended as the bus system continues to be misaligned with current day travel demand and travel options and there are insufficient in-house resources to conduct the study and develop a Plan of this magnitude.

NEXT STEPS

Upon Board approval, staff will execute Task Order No. PS878320003041 with Cambridge Systematics, Inc. to develop a Systemwide Bus Network Restructuring Plan.

ATTACHMENTS

- Attachment A - Procurement Summary
- Attachment B - Task Order Log
- Attachment C - DEOD Summary

Prepared by: Conan Cheung, SEO, Service Planning, Scheduling and Analysis, (213) 418-3034

Reviewed by: James T. Gallagher, Chief Operations Officer, (213) 418-3108
Debra Avila, Chief Vendor/Contract Management Officer,
(213) 418-3051



Phillip A. Washington
Chief Executive Officer