

STAFF REPORT



MEETING DATE:	June 19, 2018
SUBJECT:	Review Service Alternatives for the Sunday Transit Demonstration Project, Hold a Public Comment Period and Consider Development of a Business Plan
AGENDA ITEM:	7
STAFF CONTACT:	Sean Tiedgen, AICP, Senior Transportation Planner

SUMMARY:

Transit service on Sundays has been a long-requested need through SRTA's Unmet Transit Needs process and is documented in RABA's transit plans. The board of directors directed staff to explore options for a demonstration project that would provide transit service on Sundays under a new paradigm that better utilizes advance technology. Results of outreach efforts and preliminary analysis will be presented, including a recommendation to develop a business plan for the 'General Public Demand Response Service with an App' alternative.

STAFF RECOMMENDATION:

It is recommended that the board of directors:

1. Receive a presentation on project outreach and preliminary analysis results;
2. Provide a public comment period to receive comments regarding the service alternatives; and
3. Consider directing staff and Mobility Planners to move to the business plan development stage for the 'General Public Demand Response Service with an App' alternative.

DISCUSSION:

Background and Working Paper #1 – In 2016, the SRTA Board of Directors directed staff to explore options for a demonstration project that would provide transit service on Sundays. The following summarizes previous board actions:

- April 2016 – Awarded funds to the city of Shasta Lake to develop a feasibility study for micro-transit services for the city.
- December 2016 – Approved using SRTA's regional planning funds to fund a feasibility study for transit services on Sundays. Approved issuing a joint Request for Proposals with the city of Shasta Lake to acquire a consultant for both projects.
- February 2017 – Awarded contract to Mobility Planners for feasibility studies for SRTA and the city of Shasta Lake.
- April 2018 – Recommended Sunday Service Business Plan in response to unmet transit needs findings, and possible project implementation by July 1, 2019.

Over the past year, staff and Mobility Planners have been gathering input to inform the development of transit service alternatives that could be implemented on Sundays. This effort included the following:

- In-person or phone interviews of existing transit and alternative transportation services, including Redding Area Bus Authority (RABA), Dignity Health Connected Living (DHCL), taxi companies, Uber and Lyft (Spring 2017);

- Evaluation of existing transit ridership data and development of a rider survey (Summer 2017);
- Rider surveys were conducted to understand rider needs and desired locations of service for Sunday transit (October/November 2017); and
- Sketch planning of service alternatives (December 2017 – April 2018).

A market research paper (see attached Working Paper #1) was prepared and summarizes the first three items above. Key findings from that paper include:

- Approximately 58% of survey responders indicated that they would use Sunday services every week, while 82% said they would use the service two or more times a month.
- Sunday ridership is estimated to be 80% of Saturday ridership; approximately 1,078 daily riders.
- For case of comparison, Sunday service fares should be consistent with existing RABA fares.
- Primary trip needs on Sundays include: shopping (59.2%), recreation (40.3%), going to a place of worship (38.9%) and work (24.6%).
- Approximately 29% of riders have a need of bike rack amenities.

Working Paper #2: Sketch planning results – The results from working paper #1 were used to conduct sketch planning exercises of potential service alternatives.

Four transit service alternatives were evaluated under the sketch planning exercise. Each is summarized briefly below. To provide an “apples-to-apples” comparison strictly for planning purposes, all service alternatives assume fares at the current RABA rates (\$1.50 per trip and \$0.75 zone fare for general public, with senior/disabled person fares at half price) and ADA-accessible vehicles would be available. The fare structure will likely be different once a project is implemented. Many fares will be reduced or free because of the funding source requirements. A comparison table is provided in Attachment A. Detailed comparisons of the alternatives are available on pages 41 – 47 of Working Paper #2 (see online link below).

- RABA’s fixed-route Saturday service applied to Sunday – The RABA fixed route alternative was used to establish a baseline for comparing each of the other three alternatives against. Riders would use the service just like any other day of the week. It assumes the same RABA services provided on Saturdays, including the fixed routes, ADA paratransit services and schedules. Saturday service hours start three hours later than weekday service (between 8:35 and 10:20 AM) and end between 7:15 and 7:30 PM. Contracting with RABA for the service is assumed. Annual costs are estimated between \$517,140 - \$550,290.

Conclusion: Baseline option for comparison.

- Taxi Subsidy Option – SRTA would partner with one or more taxi companies and provide a “per-trip” subsidy. The scenario tested assumed that riders would only pay \$1.50 for any trip, up to \$20.00. If a trip costs more than \$20.00 then the rider pays the difference. Trips would be eligible for the service only if they start and end within the existing RABA service area. Services would be available all day on Sunday. Riders request trips by calling the taxi company or booking a trip via a smartphone App or website. Annual costs are estimated between \$386,099 - \$537,569.

Conclusion: Not selected due to three key issues: 1) Taxi companies in the region do not have accessible vehicles for wheelchair trips. This alternative would require working with taxi companies to lease or purchase accessible vehicles for the project, which could be very expensive; 2) Taxi

companies do not have automated dispatching software to integrate an on-demand software that allows ride requests by a mobile App. Research indicates start-up costs for such a system average \$125,000; and 3) The size of available vehicles reduces the number of shared rides.

- “Micro-transit” – A transit provider would provide a “hybrid” on-demand service. Transit vehicles would service a specific area and transfers between service areas would be necessary. Riders would utilize existing RABA transit stops as pick-up/drop-off locations for trips. Certain stops would be “scheduled stops” where the transit vehicle would show up at approximately the same time every hour. Riders request trips by calling the provider, by booking a trip online or by a smartphone App, or by showing up spontaneously at a transit stop. Advance reservations could be made. Services would be provided from 6:30 AM to 7:15 PM. Annual costs are estimated between \$474,529 - \$514,709.

Conclusion: Not selected due to the following: 1) Services are provided only to/from existing bus stops and does not provide riders curb-to-curb or door-to-door services; 2) Requires transfers between micro-transit zones, which would add either additional vehicles and increase service costs, or increase the durations of rider’s trips; 3) Scheduling of services is complex and may be too complicated for a one-day only type of service; 4) Service costs for basic service is higher than other alternatives.

- General Public Demand Responsive Service with Mobile App – A transit provider would provide curb-to-curb services anywhere in a defined service area. Services would initially start in most of the Redding area, with the possibility to expand to the cities of Anderson and Shasta Lake, and nearby areas unincorporated areas of Shasta County within the urban core. Door-to-door services would be provided to eligible riders. Riders request trips by calling the provider, by booking a trip online or by a smartphone App. Advanced reservations could be made. Services would be provided from 6:30 AM to 7:15 PM. The App would include integrated fare collection so that various cards or passes could be used. Annual costs are estimated between \$351,891 - \$382,555.

Conclusion: Advance to the business plan development stage. This alternative provides the most balanced approach to meeting community transit needs by maintaining low costs for everyone (riders and transit providers), providing flexibility to meet changes in ridership demand, and allowing multiple riders to share or pool trips. Technology improvements in recent years supports this type of service and can provide real-time information along with integrated fare collection.

Although conventional fixed route service appears to perform better, it would cost more and is not financially sustainable. Staff used conservative estimates for on-demand ridership and fare revenue for purposes of this study since there is little to no real-world comparison for this kind of service. The business plan and information learned from a two-year pilot project would enable staff to determine if on-demand public transit services are viable and can be tailored to meet the farebox ratio goal of 20%.

Full details of the service would be ironed out during the business plan stage. This will include: administration and operation of the service; hardware and software needs; staffing and training; more detailed ridership estimates; costs and revenues; branding/marketing; a timeline for starting the service; and potential phasing/expansion options depending on rider demand. It’s anticipated a business plan would be presented at SRTA’s October meeting for review and implementation.

If successful, this project may serve as a model for improved weekday service, city of Shasta Lake micro-transit service, or CTSA service. These could be considered in a future coordinated Short/Long Range Transit Plan.

ALTERNATIVES:

The board of directors may choose a different alternative than the one recommended; request specific topics to be added to the scope of the final report; request more information at a future meeting; or not move forward with the project.

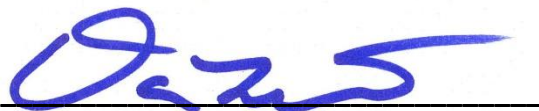
OTHER AGENCY INVOLVEMENT:

SRTA discussed existing services and preliminary transit service ideas with the Redding Area Bus Authority (RABA), Dignity Health Connected Living (DHCL) and the city of Shasta Lake. SRTA and DHCL would partner on this project. The Technical Advisory Committee (TAC) concurs with the staff recommendation.

FISCAL IMPACT:

Annual estimated costs (e.g. operations, administration, software and one-time startup costs) for the recommended On-Demand Response with an App service ranges from \$351,891 to \$382,555 and will be further refined during the business plan development stage. This does not factor in fares that would be collected during the service.

As discussed at the April 24, 2018, SRTA Board of Directors meeting, Low Carbon Transit Operations Program (LCTOP) funds are planned to be used toward this project. This would be in the form of free or reduced fares. An application for the region's share of FY 2017/18 LCTOP funds (\$231,865) has been submitted to Caltrans. A similar amount of LCTOP funds for FY 2018/19 and FY 2019/20 is anticipated to offset this two-year pilot project.



Daniel S. Little, AICP, Executive Director

Attachments:

Attachment A: Comparison Table of Sunday Service Options

Working Paper #1 (available online at <http://www.srta.ca.gov/DocumentCenter/View/4105/Sunday-Transit-Market-Research-Working-Paper-No1>)

Working Paper #2 (available online at <http://www.srta.ca.gov/DocumentCenter/View/4106/Sunday-Transit-Sketch-Planning-Working-Paper-No2>)

Attachment A: Comparison Table of Sunday Service Options

	Fixed Route Baseline	User-Side Taxi Subsidy	Micro- Transit	Demand Response w/app
Sunday Service Span				
Start	9:20 AM	12:01 AM	6:30 AM	6:30 AM
End	7:15 PM	11:59 PM	7:15 PM	7:15 PM
Service Supply				
Vehicles in Peak Service	15	8	8	7
Vehicle Revenue Hours (VRH)	7,140	N/A	5,304	3,863
Direct Operating Cost/VRH	\$ 65.00	N/A	\$65.00	\$65.00
Direct Operating Costs (DRC)				
Low	\$ 447,525	\$ 189,338	\$ 334,815	\$ 251,111
Medium	\$ 464,100	\$ 265,073	\$ 344,760	\$ 265,200
High	\$ 480,675	\$ 340,808	\$ 374,595	\$ 281,775
Estimated Annual Passengers (51 Sundays)				
Low	55,754	15,147	18,434	12,169
Medium	64,346	21,206	27,117	17,136
High	73,093	27,265	34,744	22,759
Passengers Per Veh. Revenue Hr. (systemwide)				
Low	8.10	N/A	3.6	3.2
Medium	9.01	N/A	5.1	4.2
High	9.88	N/A	6.0	5.3
Fares and Fare Revenue (FR) *	\$1.50/0.75	\$1.50/0.75	\$1.50/0.75	\$1.50/0.75
Low	\$ 68,773	\$ 9,846	\$ 20,093	\$ 13,690
Medium	\$ 81,076	\$ 18,025	\$ 29,557	\$ 19,278
High	\$ 93,998	\$ 28,628	\$ 37,871	\$ 25,604
Farebox Recovery Ratio for Direct Operating Costs (FR/DRC)				
Low	15.4%	5.2%	6.0%	5.5%
Medium	17.5%	6.8%	8.6%	7.7%
High	19.6%	8.4%	10.1%	10.2%
Assumed Administrative Costs (AC)	\$69,615	\$39,761	\$51,714	\$39,780
Annual Software Costs (SC)	\$0	\$32,000	\$48,000	\$36,000
Farebox Recovery Ratio Total Costs (FR/(DRC+AC+SC))				
Low	13.3%	3.8%	4.6%	4.2%
Medium	15.2%	5.4%	6.6%	5.7%
High	17.1%	6.9%	8.0%	7.2%
One-Time Start-Up Costs		\$125,000	\$40,000	\$25,000

* For Planning and comparison purposes only. Actual fares for improved services will be higher.