

REPORT

September 2014

COASTAL EXPRESS

VENTURA COUNTY-SANTA BARBARA COUNTY TRANSIT

COASTAL EXPRESS

10 YEAR TRANSIT SERVICE PLAN



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Executive Summary

Executive Summary

Overview

When work on this project began last year there were a number of significant issues to be addressed regarding the Coastal Express which included an interim contractor and vehicles, the decision by VCTC to create a system and pursue a long-term contractual agreement, the presence of the Limited with separate fares and infrastructure, the lack of standards or metrics to evaluate the service, and the infrequency of meetings by the CEPAC.

Since that time many of those issues have been addressed, such as:

- The award of a \$66,850,000 contract to Roadrunner by VCTC for a nine-year contract for the VCTC Intercity Transit Service, following an evaluation process which included participation by SBCAG.
- The revision of the CEPAC MOU which was subsequently signed by both agencies and is in effect until 2017.
- The hiring of additional staff by VCTC to be dedicated to the VCTC transit services and increased communication with SBCAG staff regarding service and performance metrics.
- The initiation of work by VCTC on a SRTP and ancillary issues that will assist in framing policies and practices for the Intercity Transit Service system.

Although these all are major steps forward, there are still a number of other issues to be addressed and we have been requested to clearly state and summarize our recommendations, which will follow. First, however, there are a few observations we believe are of relevance which affect the Ten Year Plan.

- SBCAG is much more focused on the commute market, while VCTC has a system perspective that includes providing mobility options for a variety of trip types.
- The ultimate responsibility for the Coastal Express, as one of the VCTC Intercity Transit Service routes, rests with the VCTC. That said, SBCAG is an important funding partner with VCTC, thus there is an excellent opportunity for SBCAG's meaningful participation in the future of the service.
- From a policy perspective, the CEPAC process and the revised MOU are the right choices for governance and, based on our understanding of past history and our observations of recent meetings, this is an excellent group to provide policy guidance and make recommendations. Governance is an important component of the Ten Year Plan and that component has been effectively addressed.

Recommendations

Service

Our primary short-term recommendation would be to view the May contract date as if it was a new service, one that is easy to understand and has consistent concepts. Thus, we recommend technical staff should use the interval until May 2015 to:

- Better understand all the pieces of the existing ridership, both the Coastal Express and the Coastal Express Limited
- Restructure the service into two distinct sub-routes, one to Santa Barbara and one to Goleta, as an example, retaining a higher fare to Goleta recognizing it is a different commuter oriented service, (e.g. retaining the \$4.00 fare)
- Develop process for service evaluation, including goals and objectives for performance measurement, such as recommended minimums
- Re-cut the schedules and delete those trips below the staff's recommended; minimums also maximize the use of clock-face headways using consistent intervals
- Communicate the draft changes with employer and stakeholder groups
- Conduct a focused marketing effort prior to the re-introduction
- Adapt and adjust after implementation with minor modifications

The basic rationale for this process is that the current Coastal Express service has been through difficult times during the past two years and ridership is flat. The start of the new contract, with rebranded name for the service and vehicles, provides a great opportunity for something “new and improved”, which is consistent with VCTC plans for the service reintroduction.

Customer Service

Establish an annual market research process with VCTC working in concert with Traffic Solutions. Fund a dedicated marketing and advertising line item in the annual budget. Items to be addressed would include improved outreach and communication, expanded availability of fare media, interaction with employers and stakeholders, onboard connections with riders, etc.

Fares

As indicated above, we recommend initially retain the \$4 cash fare and \$120 pass cost to Goleta and sustain the other existing fares, reconciling other policy differences between Coastal Express and Limited fares. We would recommend consideration of fare modifications in FY 16-17 with an ongoing policy of fare reconsideration every two years.

Fare Media and Transfers

Work with the other operators in the region to maximize fare system consistency and application, recognizing that commuter market typically does not include transfers, but mid-day and weekend riders would be candidates to use multiple systems to complete their trips.

Advertising

Within the transit industry, agencies that have never used advertising have been reluctant to begin this process, primarily due to concerns about potential problems relating to subject material and control as well as the resistance to affect the aesthetics of the vehicle. However, during the past few years with decreased funding availability there has been a recognition that a dedicated source of revenue is beneficial. Within the service area, both

MTD and GCT use advertising to generate revenue, thus, we would recommend that additional revenues be sought from advertising.

Governance

Sustain the CEPAC process, including the meeting schedule; convene the Technical Committee and initiate an ongoing Technical Committee meeting schedule to especially address inter-operator and regional issues, such as seamless and coordinated fares, marketing and communication of services, etc.

Fiscal Sustainability and Estimating Demand

These two issues are the most complex and difficult to address for reasons that are a combination of policy perspectives and technical interpretations. With respect to the fiscal plan, SBCAG has a dedicated funding source and has adopted a thorough Strategic Plan that allocates funds to a variety of programs, including Coastal Express, and estimates funding availability through FY 27-28. VCTC, on the other hand, relies on a variety of federal and state funding sources that have historically funded public transportation and is currently considering options for a capital plan for the County. These are two different approaches.

From a demand for service perspective the service inconsistencies of the past two years have arguably impacted demand, but is that demand the three percent per year increase from the prior three years or the more rapid increases that took place from the start of service?

Fiscal Sustainability

In general, the Coastal Express funding plan is sustainable, but will require several issues, some related to operations and some related to capital, to be addressed during the life of the Ten Year Plan, as indicated in the draft ten year budget. That budget shows a total cost for the service is approximately \$3.1 m per year, which includes roughly \$2.4 m for operating, \$0.3 m in capital and \$0.4 m in administration. Those costs are offset by revenues from the FTA of \$0.5 m and fares of \$0.9 m, which equal approximately \$1.4 m, leaving an annual net cost of \$1.7 m, or approximately \$0.85 m per year to each agency. This dollar amount would be extremely close to, or possibly exceed the amount of funds anticipated from Measure A.

However, as indicated in the CEPAC agenda information from the May meeting, information which we believe is realistic, the potential to add revenue from fare increases and advertising, for example, could result in \$0.37 m from fares and \$0.13 m in advertising or approximately \$0.5 m annually. In addition, based on the current ridership information and the recommendation to re-evaluate services, there could be some initial operational savings by reducing mid-day service and restructuring peak period service. Thus, we believe there is sufficient flexibility in the operations budget for the Ten Year Plan.

With respect to capital, as communicated by VCTC, their SRTP process is evaluating the capital needs for the County, especially including the VCTC Intercity system. In our view, VCTC should have the ability to anticipate funding for vehicle replacement similar to all other operators. Historically, those operators would have anticipated 80% federal funding and develop a plan for developing a state and local match. More recently, there has been a

reduction in federal bus funding and a shift to discretionary opportunities. From a state perspective, although there have been inconsistencies in funding in the recent past, California has a long history of supporting transit, compared with many states, and also has offered a variety of funding opportunities.

That said, SBCAG, through the CEPAC process, does have a stake in the capital planning process and should be involved in that planning. In addition, the capital planning for Coastal Express and the VCTC Intercity system should include a longer term vehicle replacement plan, which should also have input from SBCAG. For example, there may be some financial advantage for SBCAG to “guarantee” the availability of a portion of the annual costs, which potentially could be used to leverage other funds. There have been numerous creative financing processes used within the industry, many based on the policy directions of the day. The key to success is the ability to respond once those funds are available, whether those are related to livability or ladders of opportunity.

Capital funding is one area where we strongly believe it is premature for us to prescribe an alternative or alternatives, pending the completion of the VCTC capital planning work.

Estimating Demand

Although ridership has grown six-fold since service began, during the period from FY 08-09 to FY 11-12 ridership growth averaged three percent per year. Since that time, the Coastal Express ridership has declined roughly fifteen percent, but adding the Limited ridership back into the corridor shows a relatively flat demand during the past two years.

It has been noted that the potential for ridership should be significantly higher than the current demand based on the number of commuters in the corridor. Our experience has been that each commuter service is unique and response to public transit has been historically influenced by providing time and cost competitive service. The cost side is especially sensitive to “out of pocket” costs such as parking and fuel. The time competitive impacts will be significantly improved with the completion of the entire HOV lane project, but only partially improved with the completion of the current project.

We do believe that if the service is restructured and rebranded that ridership will increase. Following that initial spike we would recommend anticipating a 2 to 3 percent annual increase which would also increase by a 1 percent commuter market capture following the completion of the HOV lane project.

Conclusion

The message we have tried to convey in the Ten Year Plan is that although many of the “toughest” issues have been addressed continued hard work is required to turn the good work done to date into great service for the customers. You have excellent policy leadership, executive staff commitment and dedicated technical staff. These are the components necessary to move forward in the areas described above.

Introduction

Introduction

Since 2001, the Santa Barbara County Association of Governments (SBCAG) and the Ventura County Transportation Commission (VCTC) have partnered to co-manage and co-fund the VISTA Coastal Express intercounty bus service, now known as VCTC Intercity Transit. The Coastal Express operates daily with stops in Oxnard, Ventura, Carpinteria, and Santa Barbara, with service to Goleta during weekday peak hour time periods. The service operates 56 trips on weekdays, 20 trips on weekends, and carries about 300,000 passengers annually.

The Coastal Express is one of the VCTC routes serving Ventura County, which include the 126, 101, East, Conejo Connection (with service to Los Angeles County), and service to the Cal State Channel Islands campus. All of these routes are controlled by VCTC, which operates the service under contract to a private provider. The current operating contract has been extended for the current year and a new long-term agreement has been awarded for nine years, effective May, 2015.

As communicated in the scope of work:

The objective of the Coastal Express Ten Year Service Plan is to assess market demand for service in the corridor, evaluate existing service efficiency, provide recommendations for service levels, examine funding and governance alternatives, and develop recommendations for how to organize, administer, and operate a unified transit service in the corridor. Although the Coastal Express has been operating since 2001 and has grown to be the largest and most productive VCTC service, no plan has ever been developed to formalize a shared vision between the two agencies for transit service in the corridor. A comprehensive plan for how service in the corridor should be operated and governed should inform the planned Request for Proposals scheduled for release in the fall of 2013 that will result in long term operating contract with a private service provider.

The Coastal Express service had been affected by the bankruptcy of the prior service provider for VCTC, Coach America, which led to the selection of the current provider. Although that change in contractors was able to be made without a break in service, which was a significant accomplishment, the replacement vehicles were not of the same caliber as the previous over the road coaches. Thus, there was an impact on service and ridership, which has been addressed over time by the replacement contractor, with more structural upgrades, vehicles, fareboxes, etc., to be implemented in the new contract.

VCTC has acted to purchase some of the over the road coaches which is a change from its previous processes and has made a long term commitment to managing the routes as the VCTC Intercity Transit system. Also, additional staff has been hired to provide more direct contract oversight and monitoring. The implementation of the new contract parameters will play an important role in framing the cost structure for this Ten Year Plan. In addition, VCTC has initiated a Short Range Transit Plan which will affect a number of aspects of this plan including:

- Recommended fare policies and fare levels
- Establishment of a capital plan for the County including a replacement plan for the Intercity Transit vehicles
- Establishment of a policy with regard to advertising on coaches to offset operating costs
- Development of a performance measurement and standards process which will guide service delivery priorities over the life of the contract

The following sections of the report include the background and history for the service as well as the existing conditions for a ridership base that has grown six-fold since inception. Also, there are recommendations for goals, objectives and performance measurement, which should be consistent with the information developed as part of the SRTP. In addition to the technical aspects of the plan, a significant body of knowledge and understanding has been developed regarding the key role of the Coastal Express Policy Advisory Committee. That group, consisting of three elected officials from each county, has served to provide stewardship over the Memorandum of Understanding for the service, which also includes the financial agreements and budget process. Moving forward with the Ten Year Plan will continue to require strong policy direction from the CEPAC. Previously, recommendations were discussed for updating and adding minor modifications to the MOU. Subsequently, a new MOU has been collaboratively developed by VCTC and SBCAG and approved by both agencies, which will guide policy governance for the Coastal Express service. The MOU is a three-year document that will be in effect until 2017.

Recommendations for the Ten Year Plan include the following areas, which have been included in the Executive Summary and will also be addressed within the body of the plan:

- Governance
- Financial Planning
- Service Guidelines and Demand Estimation
- Customer Service
- Fare Considerations

Data Collection

Background

Tasks included in this section are the collection of data and information from SBCAG and VCTC and stakeholder interviews with various representatives from policy makers, affected agencies and interested parties.

Data and Information

The data and information collection process began with a data request list that included the following:

Studies

- TDA Triennial Performance Audits, other available financial audits
- Regional Growth Forecasts
- Passenger Survey results
- MOU for Coastal Express and other VISTA service MOUs
- NTD submittals

Service Area Characteristics Data

- Total Population, Seniors, Youth under 18, Car ownership, Population below poverty level, both numbers and densities of these characteristics of the two counties and the corridor
- Location and capacity of any park and ride lots near the corridor, including lot restrictions and usage
- Travel generators in the corridor
- Planned or projected developments along or near the corridor
- Corridor/ roadway improvement plan

Transit Data - (in general, this request refers to the service on the Coastal Express Corridor)

- Ridership data, at the stop level for the Coastal Express and Coastal Express Limited service, daily, monthly, annually
- Timetables, including bus pull-in and pull-outs, layovers, and vehicle assignments
- Other route level statistics including annual vehicle and revenue hours, annual vehicle and revenue miles, one-way or round trip route lengths in miles, layover locations, vehicle requirements, farebox revenue, annual expenses, and other relevant data
- Description of the fare structure and policies
- Revenue by fare classification and any multi day pass sales data.
- GIS layers depicting the Coastal Express route, if available
- Fleet inventory, including information on vehicle type, year, condition, backup vs. active total accumulated mileage, and annual miles traveled

- Bus transfer locations and facilities, and inventory of bus stops and bus shelters, if available.
- Most recent SRTP or other transit studies

To provide a more open and readily usable repository for data and information, a “Dropbox” site was established which was also accessible by staff from both agencies. A complete listing of the document inventory is contained in the Attachment A, however, the general types of data and information received included: surveys of riders, which provided demographic and frequency of use data; ridership data for the Coastal Express, the Coastal Express Limited and focused information on specific times of day, locations of travel, etc.; service and operating agreements for the current and prior providers; information regarding the fare increase process, such as the Title VI analysis, staff reports and policy actions, etc.; background regarding interaction with other operators, such as SBMTD; various audits of VCTC and the service; reports to the respective policy boards, including the existing MOU; previous requests for proposal and responses received; data and information regarding the SBCAG Clean Air Express and Traffic Solutions Online; as well as many historical documents that provided information regarding the development of the service and the various activities that had been completed since the service was implemented.

This data and information provided the background material which was then transformed into the subsequent Existing Conditions Section.

Partner and Agency Input

Also as part of the initiation of the study, a number of stakeholders were identified for a series of one on one or small group meetings. These individuals were identified by staff of either SBCAG or VCTC. The one on one meetings and discussions occurred during the weeks between July 15, 2013 and August 10, 2013. The list of stakeholder included policy level individuals, state legislative offices, advocacy groups, City and County of Santa Barbara, Cottage Hospital, University of California, Santa Barbara, Santa Barbara Mass Transit District, and Roadrunner, who is the current operator of the service. A complete list of the stakeholders interviewed as well as a summary of each is contained in Attachment B.

Each provided their perspectives and opinions of the existing services, infrastructure, etc. The goal of each of the discussions was to find common points of agreement to serve as the foundation to build the Ten Year Plan, as well as to understand any barriers or obstacles for the service to continue to be successful in the future. Some of the more common comments received included:

- Service needs seem to exist both in the peak hour as well as off peak including weekends.
- Would like to see joint schedule of Coastal Express and Coastal Express Limited and compatible fare media
- Having separately operated services in the corridor, with disparate fares and information seems to be difficult for riders as well as potential riders
- There are a growing number of employers in Goleta who will want alternative transportation options for their employees. Those identified included: Deckers, FLIR International, and the Cabrillo Business Park
- Service is good for both counties, for Ventura County to provide transportation options for work and other destinations and from the Santa Barbara perspective, it meets the need to bring in workers to the growing number of employers while not contributing to traffic congestion along the 101
- Need to prioritize service quality and stability

From the stakeholder interviews, the following ideas were identified as common framework for moving forward:

- Both agencies are best served if the Coastal Express service is a combined system, as opposed to being operated independently by each agency
- The service should remain as a seven day operation and recognize that work trips occur outside the peak periods and mobility connections for non-work trips add value to the communities
- That said, performance metrics need to be developed and employed to guide the use of resources
- As indicated in the MOU, policy issues shall be brought forward to the CEPAC for the annual meeting in April that will include budget and service issues
- Fare policy for the Coastal Express will be integrated as part of the total VCTC system, but will include recommendations developed as part of fare and service policy planning and approved by the CEPAC
- Opportunities to decrease vehicle and operating costs through vehicle purchase and increased vendor competition will be explored in the upcoming procurement. That procurement will include participation by both agencies

These ideas have also been incorporated into the subsequent sections of the report.

Existing Conditions

History and Service Baseline

Public transit service was initiated from Ventura to Santa Barbara, Goleta, and UCSB, on August 6, 2001. At that time, VISTA replaced the Santa Barbara Clean Air Express, funded by the Santa Barbara Air Pollution Control District. The Clean Air Express had provided one peak hour subscription bus trip from Ventura to the Santa Barbara metropolitan area.

The VISTA Coastal Express was a cooperative effort of the two Executive Directors of SBCAG and VCTC. They developed the general concept during 2000 and presented those concepts to their respective boards. It was agreed that VCTC would be responsible for the planning, management and operation of the service, with input from SBCAG staff. The service was initially funded using a combination of VCTC Congestion Mitigation Air Quality (CMAQ) funds and Santa Barbara County Measure D funds. After the completion of the three-year CMAQ funding, the current financing plan was developed.

In general, the basic organizational framework has sustained, perhaps most importantly via the financial formula which blends FTA funding generated by the service with farebox revenue and shares the remainder of the costs equally between the two agencies.

The current Coastal Express schedule includes more than 50 trips with northbound trips beginning at 4:30 AM and ending at 6:00 PM, and southbound trips beginning with a 6:30 AM trip and ending at 8:45 PM. Weekend service includes 10 round trips per day, operating generally from 7 AM to 7 PM. Weekend service does not include Goleta and Oxnard, and weekday service includes express trips to/from the Hollister corridor and UCSB in Goleta during the morning and evening commute period.

The VISTA Coastal Express stops in the Santa Barbara metropolitan area were based on the existing Clean Air Express bus stops, with some additional stops located by VCTC staff using input from the SBCAG Unmet Transit Needs processes. A technical planning group assisted VCTC in locating the route. This informal group included both VCTC and SBCAG staff, as well as staff from the County of Ventura Public Works, Santa Barbara Air Pollution Control District staff, City of Santa Barbara, and the SBMTD.

Once service began, the VISTA Coastal Express buses operated both weekdays and weekends, with more service operating during the commute peaks, and with the weekend buses starting later in the day.

Service in the corridor also includes the Coastal Express Limited which is managed and operated by the Santa Barbara MTD. This service is separate from the Coastal Express and is funded through SBCAG using Caltrans Prop 1B mitigation funding during the time period of reconstruction of Highway 101. This service started in 2011, and consists of eight trips per day, 4 AM and 4 PM trips between the Government Center in Ventura, Santa Barbara and Goleta. The four AM trips leave Ventura between 6:25 AM and 7:30 AM, while the

evening return services leave Goleta at 4:03 and 4:35 PM and Santa Barbara at 4:02 and 4:35 PM.

The Coastal Express Limited service will cease operation in June of 2015. During the interim period, if costs exceed the available TMP funds, those costs will be shared by VCTC and SBCAG. After June 2015, the Limited services will be incorporated into the Coastal Express service. SBCAG and VCTC technical staff are currently reviewing service times and levels to ensure that the transition to a blended service is consistent and any changes are communicated effectively to existing riders.

Currently, the two services have separate and non-interchangeable fare infrastructures, with separate passes and differing fare rates.

VCTC operated Coastal Express fares

Adult/Student	\$3.00
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Senior/Disabled/Medicare	\$1.50
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Children under 5 free

Passes

Monthly Adult/Student	\$105.00
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Senior/Disabled/Medicare	\$52.00
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10 Day Pass	\$27.00
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Coastal Express Limited Fares

Adult	\$4.00
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10 Day pass	\$35.00
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Day Pass	\$6.00
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Unlimited 30 day pass	\$120.00
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The GoVentura card, which is the pass which is currently in use by VCTC, is scheduled for discontinuance in July 2015. The transition to a combined service will include a review and analysis of the fare policy which guides fare levels in the corridor. In addition, the SRTF currently in development for the overall VCTC service will address recommended fare policies for consideration. The recommendations section of this report will provide some policies for the VCTC and the CEPAC to consider in the development of appropriate fare levels in the corridor.

Transfers

Within Ventura County, riders can transfer to the Coastal Express service for the fare of \$1.50 from other VCTC services. There is a separate agreement with respect to transfers from the SBMTD service to the Coastal Express, which was renewed and approved by the SBMTD board in 2012.

The fare policy in development should address transfers between services in the corridor with those in the destination communities for service provided by other transit operations in the region. These would include Gold Coast Transit District and SBMTD and ensure if system to system transfer is required to reach a final destination, it can be made easily from a customer perspective. Specifically, it will be important to develop a process where the rider pays once and the affected fare is reconciled through inter-operator agreements.

Physical Assets

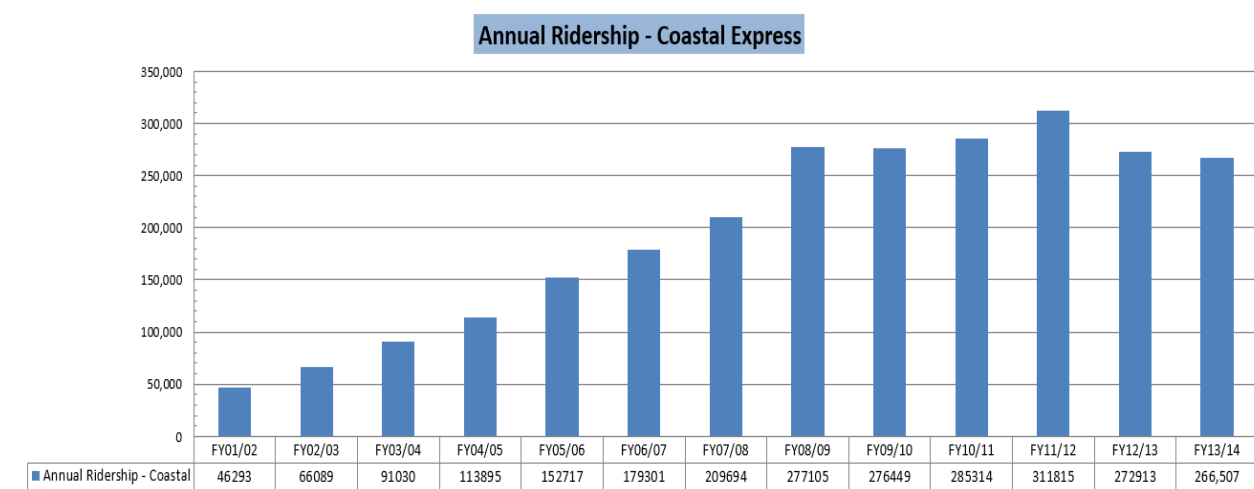
The Coastal Express service has previously been operated using vehicles provided by the operator, and paid for by VCTC as part of its contractual arrangement. That approach is being changed in the new contract. VCTC is using capital funds to purchase 14 over the road coaches for all of the VCTC routes. These will be arriving during the fall and will be available for service starting in January, 2015.

It is anticipated that by owning its own equipment, VCTC contract operating costs will be reduced. In addition, owning at least a portion of their own fleet will prevent the service quality disruption that occurred during the bankruptcy of Coach USA when over the road coaches were no longer available for use in VCTC service. However, a replacement schedule and financial plan for vehicles will be required, and is currently being incorporated into the overall capital plan for the County as part of the SRTF process.

Performance Data

As indicated in the chart below, ridership had increased dramatically between FY 01-02 and FY 08-09 and then had tapered off until the disruptive effect of the Coach USA bankruptcy, which resulted in decreases the past two years from the prior peak demand year of FY 11-12 with a ridership of 311,815. Clearly, the basic concept to connect the two counties with public transportation is sound as ridership had grown more than six-fold since 2001.

Table 4.1: Ridership



The Coastal Express ridership has historically also included seasonal variations with peaking occurring during the first quarter and lower ridership recorded during the second and third quarters.

The Coastal Express is also characterized by asymmetrical demand which is consistent with other commuter oriented corridor based services, with approximately 75% of weekday boardings northbound between 5 and 8 AM and southbound between 1 and 5:30 PM. As a result, commute-hour trips experience high ridership, while off peak and reverse commute trips have lower ridership. Table 4.2 illustrates per-trip averages for weekday service, northbound, and Table 4.3 illustrates per trip averages for weekday service, southbound.

Table 4.2 Average Daily Ridership Northbound

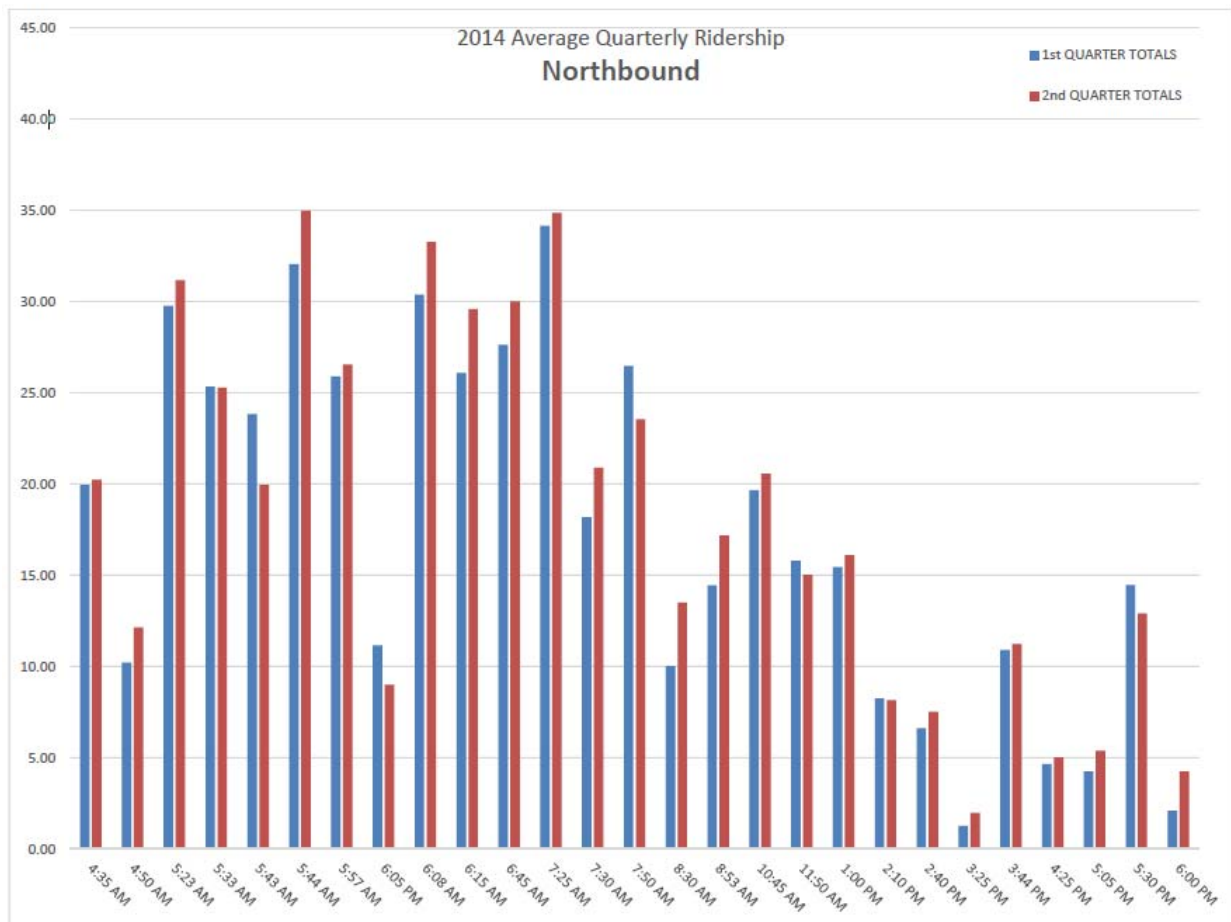
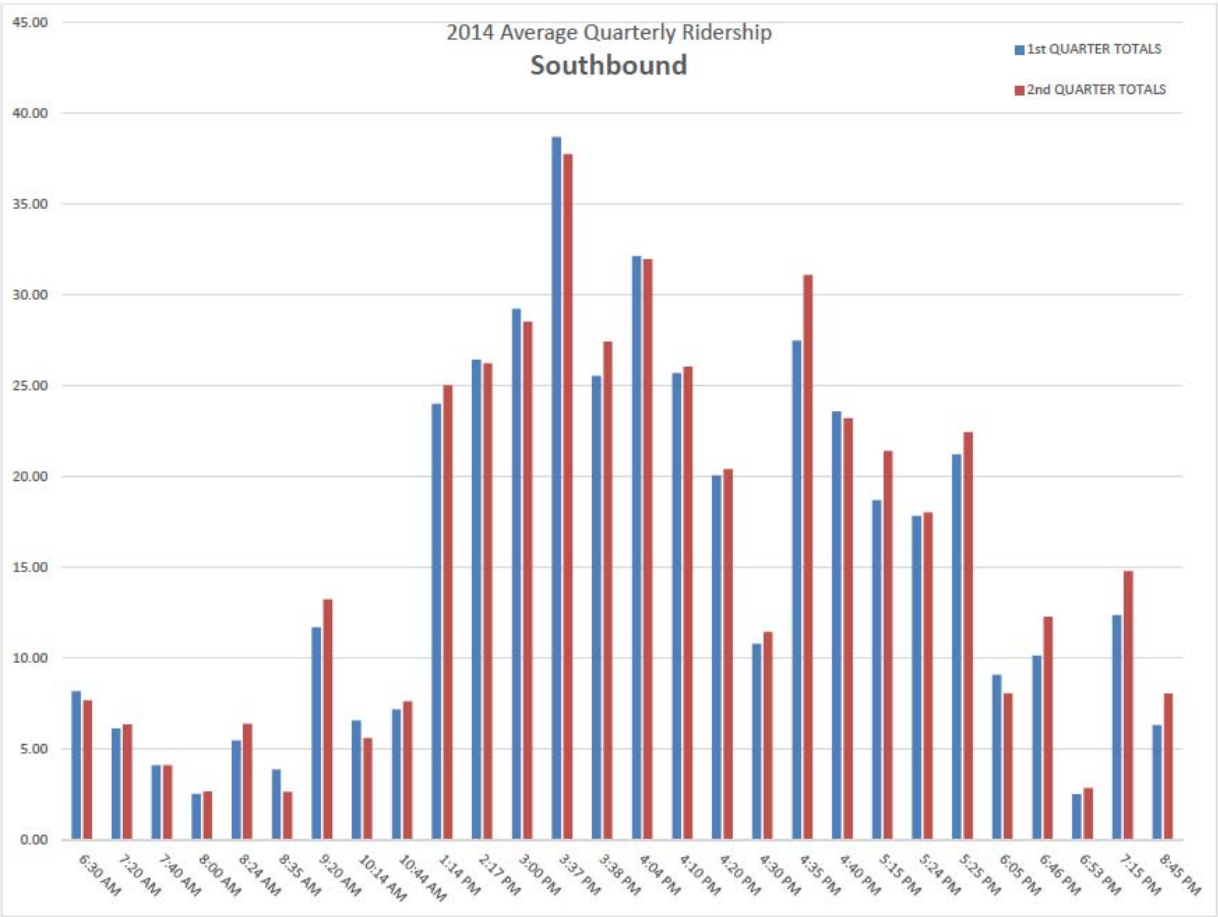


Table 4.3: Average Daily Ridership Southbound



Ridership on the Coastal Express Limited has grown significantly since its inception, as noted on the ridership table, Table 4.4 as shown below:

Table 4.4: Coastal Express Limited Ridership



From a performance perspective, the two operations offer different types of service, with the Coastal Express a bi-directional, all day service, including weekends, while Coastal Express Limited is a uni-directional peak hour only service. Thus, there are different performance outcomes as noted below using FY 13-14 information:

	Coastal Express	Coastal Express Limited
Passengers per hour:	14.28	22.66
Farebox recovery:	66%	62%

As referenced previously, VCTC uses the TDA definition of farebox recovery which is based on dividing revenues by operating costs, which produces a ratio of 66% which gives the impression that two-thirds of the costs would be captured with each new rider. However, in reality the Ten Year Plan budget includes annual costs such as the amortization of VCTC owned vehicles, the financing of contractor owned vehicles, etc. As a result each new rider only adds 33% of the costs which means the remaining two-thirds of that fare has to be subsidized.

As indicated in the charts above, the significant issues caused by the bankruptcy impacted Coastal Express ridership during the past two fiscal years. During that time, although the quality of the vehicles has steadily improved, ridership has remained relatively flat, with some seasonal decreases that have been historically consistent. In addition, with the availability of the Coastal Express Limited service which was started in 2011-2012 with over the road coaches, there likely was a migration of riders from the Coastal Express to the Limited. The total ridership in the corridor, combining ridership of the Coastal Express and the Limited for the past two years was 312,000, which would have been a stable level of ridership compared with FY 11-12.

Coastal Express Ridership versus Capacity

The following table shows available capacity based on current number of vehicles with respect to peak demand periods, 5-8 AM northbound and 3-6 PM southbound. As is seen, there is available capacity on the existing fleet for the foreseeable future. None of the passenger loads shown exceed 40 passengers on average. There could clearly be days and trips which capture higher levels, but none of the average loads demonstrate additional vehicle requirements. Table 4.5 below references current vehicle utilization rates for the Coastal Express

Table 4.5: Vehicle Utilization Rates

	seats	riders	Utilization Ratio
Northbound peak	605	230	38%
Southbound peak	605	287	47%

Administrative Staff

Coastal Express is part of the VCTC system. Over the last year, the administrative and personnel resources available for managing, planning and service oversight have grown significantly. This is represented by the commitment of staff and resources to the following functions, which are now reflected in the VCTC staffing structure. The new positions along with the percentage of their time associated with the VCTC intercity transit operations are as follows:

Program Manager - new (50-60%)

Transit Planner - new (10-20%)

Admin Assistant - new (20-30%)

These positions will provide support to the pre-existing VCTC staff that currently manage customer service, farebox reconciliations and operations. Within the current budget for the fiscal year, the percentage of staff time associated with total VCTC Staff associated with Coastal Express is budgeted as \$143,532. This is approximately 58% of the total current year VCTC transit administrative budget of \$245,013.

In the current year, the budget total will also reflect \$50,000 for the administrative support of SBCAG of services in the corridor. It should be noted that administrative costs for both agencies had not been previously included in the Coastal Express budget.

Service Funding

There are multiple sources of funding for the Coastal Express, which is consistent with other funding programs for public transit agencies in the state of California. The primary federal funding is provided under the FTA 5307 program which is the formula fund dedicated to urban systems in areas with a population over 200,000. This funding source is targeted as capital, but as was used by VCTC, this source can be utilized for the capital cost of contracting for services.

The table 4.6 below details Coastal Express funding sources between 2007 and 2012. There was a brief period of two years in which VCTC had been awarded discretionary federal 5316 funds, Jobs Access Reverse Commute, a portion of which was applied to support services in the Coastal Express corridor. The SBCAG portion of the funding that has been applied to the service is part of the County's Measure A revenues.

Table 4.6: Coastal Express Funding Sources

	Fiscal Year						
	2007	2008	2009	2010	2011	2012	2013
Cost	\$945,002	\$1,025,873	\$1,413,534	\$1,565,841	\$1,689,661	\$1,810,342	\$2,109,647
Operating Cost							
Fare Revenue	\$288,168	\$344,417	\$450,042	\$547,588	\$676,875	\$752,264	\$645,762
Farebox%							
FTA 5307	\$205,609	\$273,790	\$308,794	\$371,978	\$459,485	\$497,381	\$471,115
FTA JARC	n/a	n/a	n/a	n/a	n/a	n/a	\$96,402
Net Cost	\$451,225	\$407,666	\$654,698	\$646,275	\$553,301	\$560,697	\$896,368
VCTC Share	\$225,613	\$203,833	\$327,349	\$323,138	\$276,651	\$280,349	\$566,393
SBCAG Share	\$225,613	\$203,833	\$327,349	\$323,138	\$276,651	\$280,349	\$329,975

The newly developed MOU between VCTC and SBCAG clarifies how the funding for the Coastal Express service will be shared between the two agencies. Specifically, the contract operating fee, the specific related capital costs, and administrative fees for both VCTC staff and services and SBCAG complete the operating costs. From that total, revenue from the farebox, and any attributable FTA federal funds from 5307 (capital and operating) and 5339 (capital) will be deducted. The remaining net cost will be shared between SBCAG and VCTC.

Marketing and Branding

Marketing and branding for the Coastal Express has been the responsibility of VCTC. However, the last two years, a consolidated schedule has been developed and distributed which combines information for the Coastal Express and the Coastal Express Limited. VCTC, as part of its overall system improvement and vehicle purchase, has upgraded their brand which will be seen on the new buses as they arrive. The new MOU addresses the question of marketing and branding for the Coastal Express as follows:

VCTC will include the Coastal Express in its intercity bus system marketing activities, promotional materials, printed schedules, etc. Any marketing programs specific to the Coastal Express may be developed either cooperatively by SBCAG and VCTC, with the costs for all marketing activities and promotional materials included in the annual budget and shared equally, or by either agency as a part of its internal marketing program controlled and paid for by the sponsoring agency. The schedule and other service information shall be accessible on the VCTC website and the SBCAG Traffic Solutions website. VCTC's existing guaranteed-ride-home and SBCAG Traffic Solutions emergency-ride-home programs will be available to users of the service.

There is also a study under development to allow advertising on the coaches as another revenue source for the service. This is being reviewed as part of the VCTC SRTP. In general, it is a common practice in the industry that if advertising is approved by the policy board, it can be an additional sustainable revenue source. The value of advertising varies greatly and the market in an area greatly influences revenue potential.

SBCAG notes that currently, the four Limited trips generate \$30,000 in advertising revenue annually. If similar numbers were to be generated from the Coastal Express, which provides many more trips, then revenues of \$200,000 to \$300,000 could be realized. For purposes of comparison, the 2014-15 Gold Coast Transit budget includes an estimate of \$225,000 for advertising revenue.

Current estimates for VCTC for bus advertising revenue anticipate revenue at \$9,000 per bus per year, which would total to \$118,800 on an annual basis at initiation of this program.

Governance Structure

The Coastal Express route has the highest ridership within the VCTC system. Policies for all these routes, including the Coastal Express, are determined by the Ventura County Transportation Commission.

For issues specific to the Coastal Express service, which spans the two counties, it was decided when the service was initiated to develop a process between SBCAG and VCTC to jointly consider policy and structural decisions, and a Memorandum of Understanding was developed and implemented. The MOU has been updated periodically to reflect changing conditions as follows:

- The MOU was amended on August 21, 2003, and again in 2004. The 2004 amendment specified stops in each of the cities served, removed a clause subjecting VCTC service contracts to approval by SBCAG, deleting membership from the Technical Advisory Committee except for staff from VCTC and SBCAG, and modifying the specific membership of the Policy Advisory Committee (PAC) to allow for appointments from the Board rather than specific agency or Supervisorial Districts in Santa Barbara County.
- The MOU was also amended on January 17, 2008, and added the possibility of a stop in Oxnard, a provision for the first order of business at each PAC meeting election of the Chair (to rotate between Counties), and added SBMTD as an ex-officio member of the PAC.
- In December 2007, the Policy Committee directed staff to develop fare adjustment options for committee consideration and present the options at the next meeting. At the May 2008 Policy Committee meeting, the committee unanimously voted to recommend that VCTC increase the cash fare to \$3.00 from \$2.00 and the monthly pass to \$110.00 from \$75.00, to be implemented as soon as possible. In July 2009,

following completion of a Title VI (Civil Rights) rider survey and a public hearing process, VCTC approved raising the fares on the VISTA Intercounty Coastal Express and Conejo Connection services. After receiving public comments and concerns raised by VCTC Commissioners, the VCTC adopted a two-phased fare increase. At their July 2009 meeting, the VCTC approved an Intercounty fare increase to \$2.50 effective September 2009, and a subsequent \$.50 increase to be implemented a year later. This second phase of the increase was approved in July 2010 and became effective in September 2010; although the monthly pass fare was increased to \$105.00 rather than \$110.00.

- More recent issues regarding the service have included:
 - o The bankruptcy of the previous service provider and the emergency transition to a new provider and interim vehicles
 - o The initiation of the Coastal Express Limited funded through US 101 Traffic Management Program funds and operated by SBMTD under agreement with SBCAG
 - o Modification of the Coastal Express Limited fares from \$6 to \$4 per trip
 - o Potential operation of the Coastal Express by Gold Coast Transit
 - o VCTC decision to retain operation of all VISTA services and have completed a long-term contract process, scheduled to start in May 2015 with a nine year time frame.

The updated MOU has been signed and will be in effect through 2017, and a copy is contained as Attachment C.

Surveys and Public Input

It is important in establishing a framework for the Ten Year Plan to gather information from current as well as potential customers of the service. For this planning effort, information from current customers was reviewed from prior on board surveys conducted by VCTC. Information from non-riders and potential riders was gathered through conducting a modest survey effort with the SBCAG Traffic Solutions group using a Survey Monkey format. The group included human resource personnel from some of the region's employers, some commuting employees of Traffic Solutions members, as well as other regional entities.

As noted, approximately every three years VCTC completes a thorough on board survey to gather demographic and preference information from existing customers. Statistics from the surveys completed in 2009 and in 2012 were reviewed for similarities and updates.

The following are some statistics from the completed on board surveys:

Weekdays

2012

- Passengers on the Coastal Express boarded primarily at the Ventura County Government Center (45%) and the Oxnard Esplanade Mall (23%). The most common purpose for their trips was to get to work (86%). Almost half of all passengers (46%) marked Goleta as their final destination, while another (28%) marked ending their trip in Santa Barbara. (54%) of Coastal Express weekday passengers were 50 years of age or older.

2009

- Passengers on the Coastal Express boarded primarily at the Ventura County Government Center (46.9%) and the Oxnard Esplanade Mall (19.4%). The most common purpose for their trips was to get to work (83.8%). A large majority of passengers marked Goleta as their final destination (37.5%). The next most popular destination was Santa Barbara (32.5%). From an age standpoint (41.3%) of Coastal Express weekday passengers were 50 years of age or older, and (30%) were in the next youngest category which is 35-49.

Weekends

2012

- Passengers on the weekend Coastal Express route boarded primarily at the Ventura County Government Center (58%) and at the Pacific View Mall (25%). The most common reason for weekend trips were work (61%). The only major shift in weekend service from weekday service was final destination, (86%) of weekend passengers marked Santa Barbara as their final destination while only (15%) indicated Goleta (it should be noted that weekend Coastal Express service does not operate to Goleta; these riders may have transferred to SBMTD services).

2009

- Passengers on the weekend Coastal Express boarded primarily at the Pacific View Mall (33.3%) and Ventura Government Center (25%). The most common reason for weekend travel for work (46.7%), or medical/dental (16.7%) and social/recreational (16.7%). The majority marked Santa Barbara as the final destination (58.3%).

One of the most interesting findings from the surveys is that for the weekend riders in 2009 91.7% do not have a car available to make their trip, while 66% of weekday riders do have a car and choose to use the service. In the 2012 survey, 77% of weekend riders do not have a car available to them to make the trip, while during the weekdays, 77% of riders do have a car available to them.

In general, the statistical information from riders from survey to survey was consistent.

As noted previously, two Survey Monkey efforts were completed in order to gather information from employers and agencies regarding what service and other attributes that might attract current non-users to ride the Coastal Express. Members who participate in SBCAG's Traffic Solutions program, as well as other regional stakeholders were notified regarding the availability of the survey and its' purpose. Respondents included 13 human resource managers from Traffic Solutions member partners and an additional 110 respondents from the various programs identified.

A copy of the Coastal Express Quick Survey form is contained in Attachment D

The three top responses for important factors in the choice to use the Coastal Express service are:

- Frequency of service
- Travel time
- Proximity of stop to workplace

Human resource managers offered similar responses to the employees:

- Frequency of service
- Travel time
- Stress reduction

Regarding fares, 26.5% suggested a fare of \$100/month or \$2.50 per trip was desirable, while 23% suggested a fare of \$105/month or \$2.63 per trip, the current fare was desirable.

The most frequently identified gaps in the current schedule were Ventura to Goleta, during the midday (17) and Carpinteria to Goleta (14).

Of the survey respondents, 80 identified as mainly driving alone, 25 indicated that they use the Coastal Express, 20 indicated that they use the Coastal Express Limited, and 20 identified as primarily commuting via carpool.

Answers to survey questions are contained in Attachment E.

Forecast Need

Forecast Methodology

There are a range of methodologies which can be used to identify needs and forecast ridership trends. In general, these include the demographic and socio economic characteristics of the region and also the identification of the range of potential travel markets in order to establish and forecast potential ridership.

This part of the plan will provide a service area profile of the operating environment in which the Coastal Express service is operated. This will include specific population, employment and travel usage characteristics. This work, in conjunction with an understanding of the level of service provided in the corridor, will enable a discussion of the forecast of trends which can be anticipated in the ten year time frame of this study,

Demographics

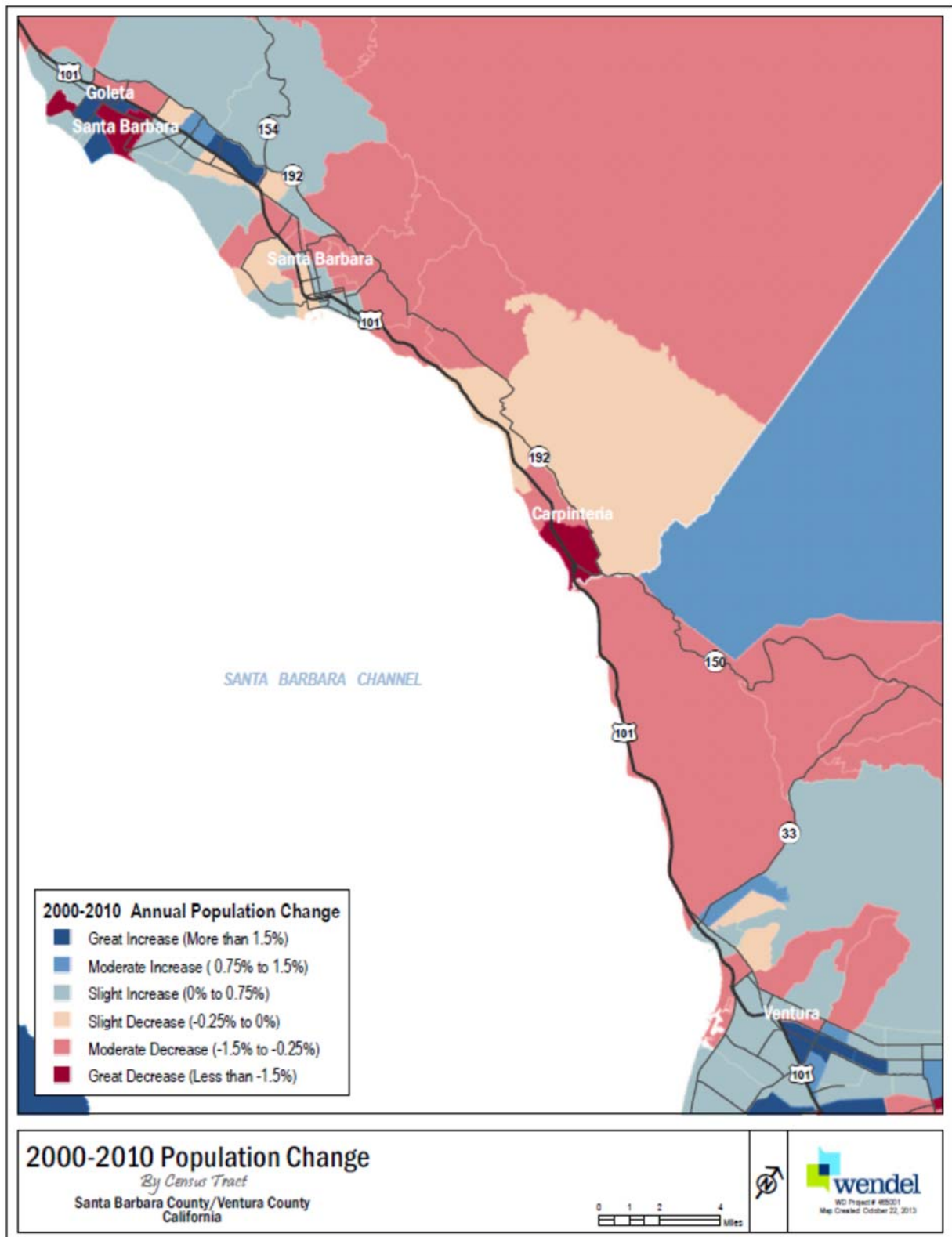
The Coastal Express connects the cities of Ventura and Oxnard in Ventura County to Carpinteria, Santa Barbara and Goleta along the Highway 101 corridor, which is the primary north-south connection in the two-county region. This area has been the subject of a number of studies over the past decades in an effort to manage growth and congestion, to maintain the quality of life for residents and also to continue to attract visitors. The story of the Coastal Express and the strength of its growth since its inception in the early 2000's is intertwined with the growth of transportation needs and demands in the region. That growth accentuated the importance of the corridor in providing transportation between Ventura and Santa Barbara Counties to meet needs in the areas of commuting for employment, access to UCSB, and access to jobs to help manage the balance between housing and jobs, as well as the high amount of tourism in the region.

In this section, regional characteristics which relate to transportation demand and need will be identified and related to transportation in the corridor.

Population and Employment

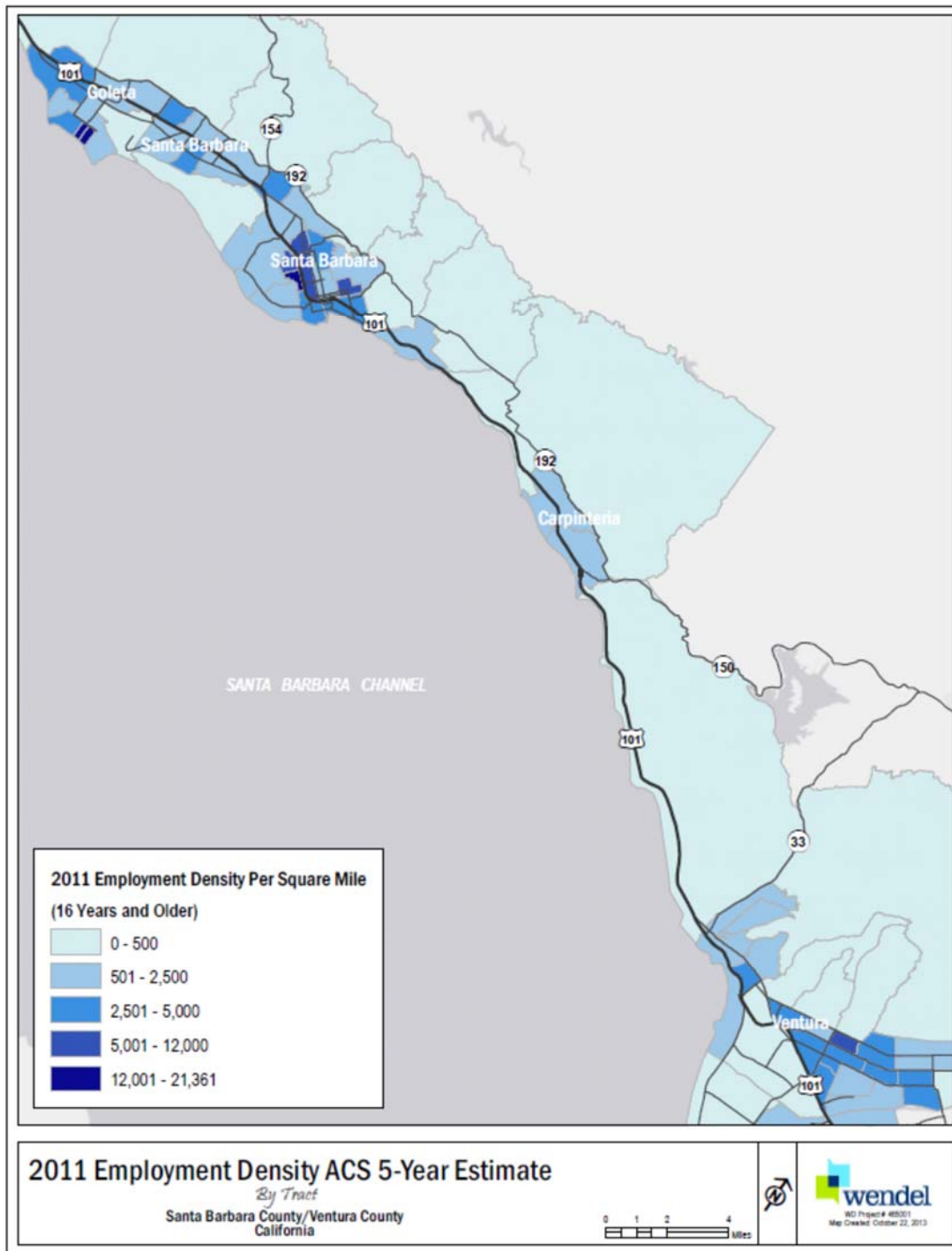
Demand for service, since almost 90% of the trips were categorized as work/commute in the 2012 survey, is greatly influenced by population and employment trends and also fuel prices and travel times. With regard to population, the following figure indicates that in the period from 2000 – 2010, in general, there were population decreases in areas around Santa Barbara and Carpinteria, while population tended to increase proximate to the Ventura area. This information tends to support anecdotal input received during the stakeholder interview process that the cost of housing was forcing people out of Santa Barbara, resulting in more commute trips in the corridor.

Figure 5.1: 2000–2010 Population Change



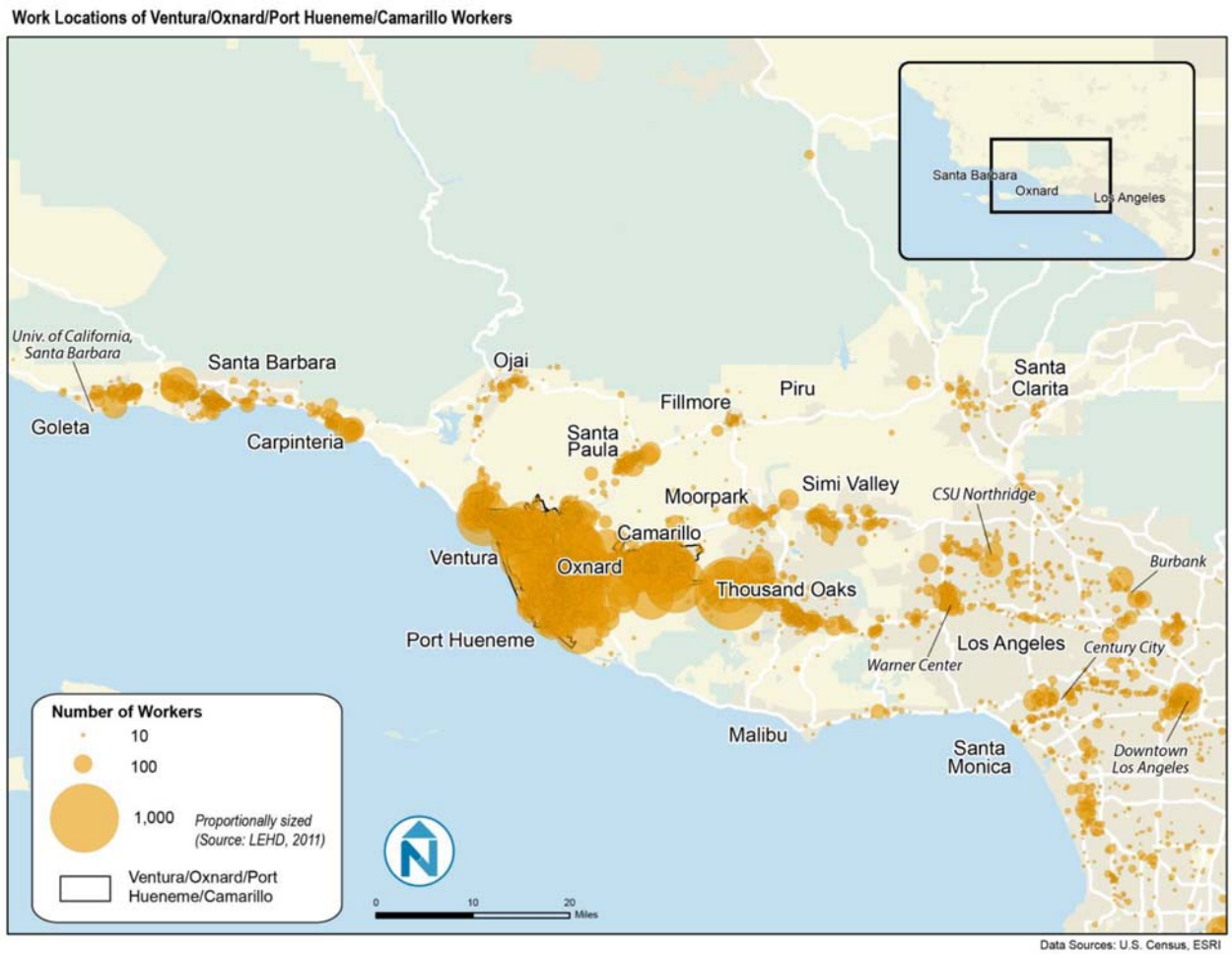
With respect to employment patterns, the attached map of employment density indicates the areas of highest density were from Santa Barbara to Goleta, matching with the Coastal Express destinations.

Figure 5.2: Employment Density



Planning work recently completed in Ventura County indicates that there are a significant percentage of workers from west Ventura County who commute to Carpinteria, Santa Barbara and Goleta, which is consistent with the recognition of the importance of having a highly functioning travel corridor between the two counties to accommodate that daily work flow.

Table 5.3 Work Location of Ventura Workers



Recent work completed for SBCAG, the 2007 Commute Profile for Santa Barbara and Ventura Counties, among others which was prepared by Strategic Consulting and Research, provides the following baseline travel characteristics for the study region:

Santa Barbara County: 3.8 % use transit as their primary commute mode, 14.4% carpool and 1% vanpool. Of the respondents who use transit, 43% indicate that they have no other means of transport available. Convenience is the most frequent response for travel mode of choice, and travel time is a factor in that choice as well. Also, 2% of respondents travel to Ventura County to work.

Ventura County: 1.7% use transit as their primary commute mode, 14.4% carpool, and 0.5% vanpool. 1 in 5 respondents indicated that they choose their mode because they have no other alternatives available to them. Convenience is the highest rated factor in mode choice. And 4% of Ventura County residents respond that they commute to Santa Barbara.

Equity

There is an increasing emphasis commensurate with the use of federal transit funds regarding the impact on minority and low income populations that needs to be considered as part of the Ten Year Plan process. For example, in October 2012, the Federal Transit administration issued revised guidelines to recipients of FTA funds regarding instructions necessary to implement U.S. Department of Transportation Title VI regulations which have authority based on Title VI of the Civil Rights Act of 1964, stating that, “No Person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.” The guidelines also included clarification regarding Title VI and Environmental Justice, which states basically that the former is a statute of law, which applies to recipients of federal funds with FTA providing oversight. The latter is an Executive Order, which applies to Federal agencies with recipients facilitating FTA compliance.

The Title VI process includes evaluation of disparate impact and disproportionate burden which occurs when a facially neutral policy or practice disproportionately affects members of a group as identified by race, color or national origin (disparate impact) or income (disproportionate burden). As a result, it stipulates that the transit provider shall develop a policy for measuring disparate impacts and disproportionate burden and establish a threshold for determining when adverse effects are borne disproportionately by minority or low income populations and when benefits are not equitably shared by minority or low-income populations

Previously, in August 2012, the FTA released a circular regarding Environmental Justice (EJ) Policy Guidance for recipients. The key components of EJ are:

- To avoid, minimize, or mitigate disproportionately high and adverse human health and environmental effects, including social and economic effects, on minority populations and low-income populations.
- To ensure the full and fair participation by all potentially affected communities in the transportation decision-making process.
- To prevent the denial of, reduction in, or significant delay in the receipt of benefits by minority and low-income populations.

As a recent relevant example, in 2012 VCTC completed a Title VI assessment of a proposed transfer fare modification for the Coastal Express and SBMTD. Information from that analysis using 2010 Ventura County census data included identifying: minority population (e.g. 78 percent Hispanic and 13 percent Asian); minority and low-income census tracts; and potential impacts on minority and low income riders. The analysis indicated there was no undue burden and the transfer fee to SBMTD was approved.

Future fare and service modifications will also require Title VI and Environmental Justice considerations, and, in general, those considerations, such as developing public participation and limited English proficiency plans should be incorporated into the planning process.

Peer Commuter Corridor Service

Although every service and region is unique, it is important to understand from a contextual basis how corridor transit services are viewed and how they perform. In identifying peers for this particular service, it was also important to set the stage for the future condition which is the development of the HOV/carpool lane that will connect Ventura County and Santa Barbara County. This project is scheduled to be partially completed during the Ten Year Plan cycle, so it may impact the Coastal Express service.

In addition, the characteristics of this corridor include a number of factors that will continue to influence future transit use. Goleta is a growing employment destination in the corridor, with a number of large employers which appear in general to have parking availability, but a high local regard for alternative mobility strategies. The UCSB appears to be a potential market for increased commuting, the City of Santa Barbara is a primary employment destination which has more limited access to parking, but has additional options for transit connections to various parts of the City as well as the SBMTD service area. Ventura is an employment destination and both Oxnard and Ventura have transit connections to other parts of Ventura County either through other VCTC services or other partnering providers such as Gold Coast Transit.

There are some peers nationally that have commute services operating in HOV lanes. In Illinois, there is the Tri-State Flyer which serves Chicago's southern suburbs to employment centers in the Chicago western suburbs. These routes operate peak direction and peak hour, with six morning runs, and seven afternoon runs. Running time is in excess of 90 minutes and the routes average 21 boardings per trip. Houston Metro operates one similar route along a state highway that was initiated during construction of the HOV lanes. The service operates during peak hours only, and connects park and ride lots with downtown offices, retail and transit connections. Eleven morning inbound trips and thirteen afternoon outbound trips are operated. Additionally, four limited-stop revenue trips are operated in the non-peak directions. No service is operated during off-peak hours or on weekends. The peak headway is ten minutes. Ridership on the route averages 19 boardings per one-way trip.

OCTA operates the bus network in Orange County, California, as well as the high-occupancy/toll (HOT) lanes on State Highway 91 (SR 91), which extends from Orange County to adjoining Riverside County. Route 794 began operation on SR 91 in September 2006. Seven AM peak trips leave every weekday from Riverside County's bedroom communities for employment centers in Orange County, with an extra vehicle available in case seating capacity is exceeded. The service is unidirectional and operates in the peak hours only.

Other California peers include LADOT which operates almost 100 Commuter Express vehicles on 12 routes; services operate weekdays in one direction, during the peak periods only (although some of the peak periods are 4 or 5 hours in duration); ridership averages 500 boardings per day per route (approximately 24 passengers per hour). Santa Clarita Transit operates their commute service all day, but utilize over the road coaches during peak hour. Other agencies which operate corridor commuter service include North County Transit District, Monterey Salinas Transit District, and Santa Cruz Metro.

SBCAG also sponsors the Clean Air Express, which serves residents of Northern Santa Barbara County commuting to their jobs in Goleta and Santa Barbara. Fares are \$150 for a monthly pass, \$50 for a 10-Ride pass, and \$7 cash for a single ride. Passes can be purchased at the City of Lompoc Transit (COLT) office, the Santa Maria Area Transit (SMAT) office, the MTD Transit Center in Santa Barbara, other locations in Lompoc and Santa Maria, or through the mail using an order form.

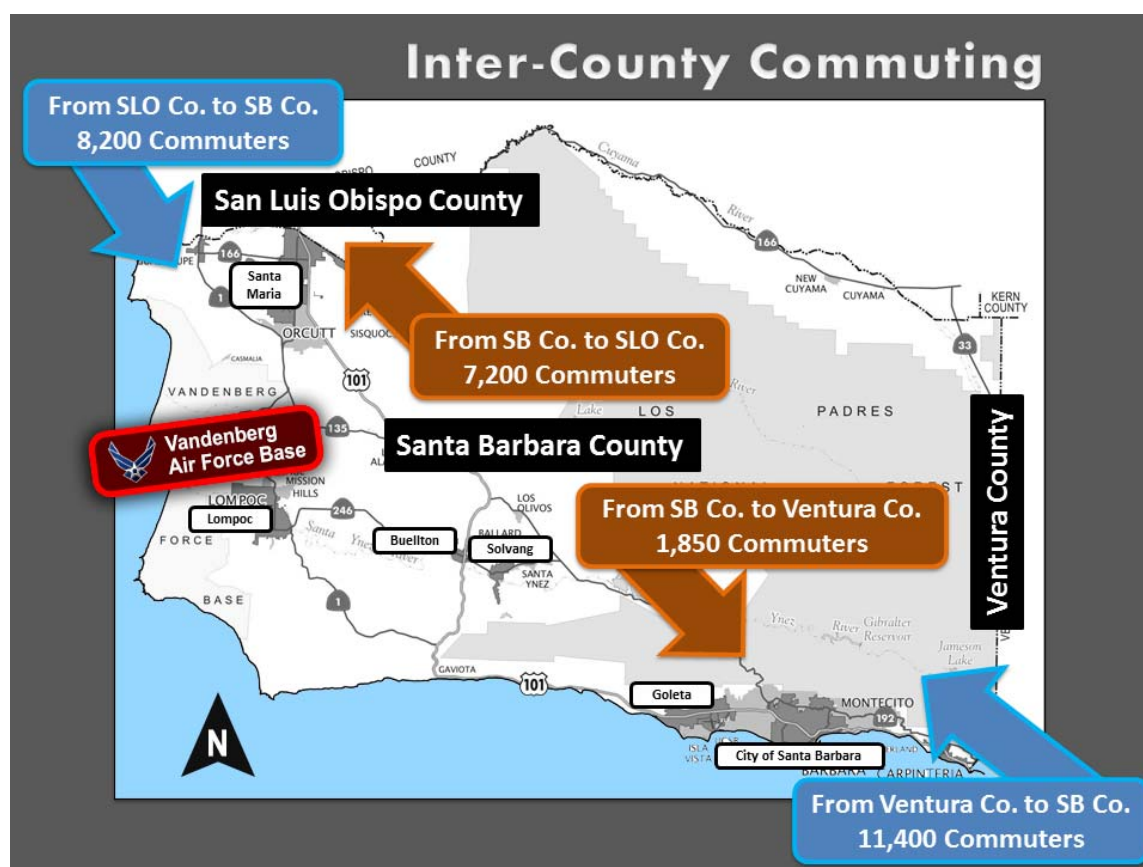
In general, passengers per hour for these services range from 14- 20, which is similar to the Coastal Express.

HOV Development Impact

The most important public infrastructure improvements anticipated for the Coastal Express service area are the construction projects on US 101: first, the 6 miles from Mussel Shoals to Carpinteria and then, 11 miles from Carpinteria to Santa Barbara. These projects will add carpool lanes and, especially when fully completed, should expand the potential for increased transit ridership and shared ride use in the corridor.

The following table regarding intercounty commuting is from the SBCAG website. The table represents the typical journey to work data consistent with data collected through the American Commuter Survey for the 2006-2010 period and represents average weekday commuting estimates for that five year period.

Figure 5.4: Inter-county Commuting



The addition of the carpool/HOV lane on the highway 101 corridor is a significant opportunity to increase market share and patronage on transit in the region. It will allow for a decrease in congestion for commuters, and a resulting decrease in travel time. In order to capture the discretionary commuter and to improve market share, the transit option must be seen as a clear benefit based on travel time and convenience factors including ease of access to information, schedule consistency and convenience, and fare media as well as ease of understanding and use.

Estimation will be based on a review of current transit mode choice for trips in the corridor which is approximately 4% of the 11,400 commuters, or roughly 900 round-trips per day, which is roughly the demand for Coastal Express. Based on prior HOV experience, some locales have noted that with the addition of an HOV lane and the introduction of new service, there has been a capture of 2% of corridor commuter trips to transit. For purposes of the review of Coastal, since there is existing service in the corridor, that estimate would be reduced. A 1% additional capture rate would be 114 passengers which would equate to 228 average daily passenger trips. In order to attract this number of passengers, it will be necessary to embark on a rebranding, reintroduction campaign to introduce this service to new customers.

Based on market conditions, there is a clear opportunity here to gather the higher capture rate depending on how the service is “reintroduced” through the new contract, new vehicles, and new branding as well as tangible features such as easy access to fares and fare media and easy to understand information and communication with the riders.

The capture rate assumes that the HOV lane project is completed from Carpinteria to Santa Barbara. Although the completion of the initial six mile project will facilitate traffic flow in that section, there will continue to be areas of congestion north of the project. It has been noted that any decrease in travel time would have a positive effect on the Coastal Express since the contractor is paid based on an hourly rate. Upon completion of both projects, ridership increases should be anticipated as discussed above.

The existing daily patronage for the Coastal Express service is 950 weekdays and an additional patronage of 182 daily riders on the Coastal Express Limited. It will be important in planning for the service in the corridor to understand connections and access to the refined corridor during the planning for this major regional investment. Unlike traditional transit where patrons are forecast based on populations in the surrounding traffic analysis zones and ridership estimates are developed based on access to a quarter mile (which is the typical industry standard used for how far a patron will walk to access a transit route), this service is more highly dependent on other attributes such as travel time and frequency, connections of other transit services to the corridor, access to and through Park and Ride locations, availability of parking at destination locations, the price of fuel, employer subsidies and other physical barriers to service.

During the stakeholder interview process several persons noted that the significant spike in ridership during FY 08-09 which added almost 80,000 riders was significantly affected by the increased price of gas. Once that price fluctuation ended, ridership from 08-09 until the Coach USA bankruptcy at the beginning of FY 12-13 grew at approximately three percent per year. Since that time, the combined ridership for Coastal Express and Coastal Express

Limited has remained relatively constant at 312,000 per year which is roughly the same demand that existed in FY 11-12. There has been considerable discussion regarding the demand for transit in the corridor, especially future demand based on the service inconsistencies of the past two years. Since service quality and convenience attributes are often key factors in attracting work trips, providing higher quality vehicles, a consistent operating schedule, ease of access to information and fare media, as envisioned during the next contract period, could all have a positive impacts on ridership demand.

From the existing planning processes in the corridor, it is understood that the following traffic mitigation measures are under consideration:

- Expanded alternative modes of transit, including expanded local and regional transit services, new commuter trains, expanded carpool incentives, expanded connection between local bus services and rail services and other regional services
- Expanded bus priority on selected streets through Transit Signal Priority
- Expanded telecommuting and flex work incentives
- Expanded use of Intelligent Transportation System Technology
- Proactively working to reduce peak period traffic through aggressive demand management and rideshare programs
- Monitor the need for additional Highway 101 improvements following implementation of operational plans including bus, commuter rail, TDM and rideshare

**Develop Evaluation Process
Goals, Objectives and Performance Measurement Standards**

Introduction

The development of the performance measurement standards is typically an iterative process, which ties directly with the goals, objectives and performance measures adopted by an agency. This process described below utilized a combination of resources including the TCRP Report 88: *A Guidebook for Developing a Transit Performance-Measurement System*, which observed measures from other transit agencies.

Performance Standards

Overview

A Performance Measurement Program is an essential tool for transit agencies to both monitor the service they deliver and provide justifications for modifications to that service. Development of a measurement program should focus on meeting the goals of the transit agency's policy board and fulfilling the needs of the communities for which they serve. Deciding on which factors to measure and the quantity of measurements is typically determined based on a combination of what data is obtainable by the agency and how that analysis of that data will affect the service design criteria. The following lists display the typical categories, methods of presentation and data collection and organization and standards of evaluation:

Categories:

- **Availability** – how easily potential passengers can use transit services
- **Service Delivery** – assessment of passengers experiences using transit
- **Community Measures** – transit's role in achieving the greater goals of the community
- **Travel Time** – how long the transit trip takes (isolated and compared to other modes)
- **Safety and Security** – how safe the user feels and likelihood of an accident and how personally secure a passenger feels riding the bus or waiting at facilities.
- **Maintenance and Construction** – effectiveness of the agency's maintenance program
- **Economics** – utilization, efficiency, and effectiveness of service and management's impact on these measures
- **Capacity** – ability of transit to move both vehicles and people

Data Presentation:

- Individual measures
- Ratios
- Indexes
- Level of service

Data Collection Methods:

- In house sources (driver's manifest, schedules, financial data, etc.)
- Census data
- AVL or APC counters
- Manual field work (ride checks)
- Passenger environment surveys (on-board surveys)
- Community surveys

Standards of Evaluation:

- Comparison to an annual average
- Comparison to a baseline value
- Trend analysis
- Self-identified standards
- Comparison to typical industry standards
- Comparison to peer systems

These performance measures should be utilized as part of overall policy level service goals and objectives, but they also need to provide functional guidance to staff as they develop service levels based on available resources and ensure the productivity necessary to make the service sustainable from a financial perspective.

By projecting necessary outcomes such as passenger productivity from a systemwide perspective which can sustain reasonable service to the community, appropriate service span and headways can be developed.

Recognizing that the Coastal Express is but one route in the overall Intercity Transit Service network, measures developed for this route should be consistent within that family of services. An important perspective is to recognize that Coastal Express should anticipate productivity to be higher during peak hour, peak direction service. Thus, having performance goals and measures recognizing both the peak and off peak productivity is logical, and reflects the fact that these are two distinct services which is a common practice with regard to performance management within the transit industry.

Currently staffs from SBCAG and VCTC are reviewing service levels and performance characteristics, our recommendation would be that standards should be established for peak and for off peak services, based on a review of current ridership information and statistics, such as:

- Peak and off peak periods should be defined and re-evaluated
- Headway thresholds should similarly be developed
- Ridership should be measured monthly with a quarterly analysis of trends to identify which specific routes might need reviewing or adjusting.

With regard to ridership, developing minimum required riders to maintain a route would be consistent with industry standards. Our understanding is that measures under review currently would be a minimum average of 11 riders, or 20% of a seated load would be the threshold to maintain a route for trips that have average headways of 30 minutes or more and for more frequent service, an average of 22 riders for peak trips or 40% of a seated load for frequencies of less than 30 minutes apart.

In addition, there should be thresholds developed by which service can be added when appropriate. In that regard, it would be appropriate to establish rules with respect to standees specifically, since passengers can be on the route for over 20 miles, standees should not be permitted. The span of service should also be evaluated especially the ability for the last trip that responds to needs.

On time performance is an important metric in commuter service, however, traffic congestion can easily impact travel times and therefore arrival times. On-time performance for departures is important and also many properties have used clock face departure times to develop a schedule that is understandable for riders.

Farebox recovery, or passenger subsidy is also a typical industry metric. Again, this metric has to be consistent with the ability of the service to be financially sustainable over time. Some properties include amortized capital costs when comparing the ratio of farebox revenue with costs. VCTC indicates it uses the California TDA definition of fare revenues divided by operating costs. The TDA minimum farebox recovery for fixed route service is 20%; a review of the National Transit Data Base showed that the national average farebox recovery rate for commuter services is 44.7%.

Farebox recovery standards should be developed for peak and off peak, for example 40% peak, 20% off peak, with an additional combined goal, but these should be consistent with the overall VCTC network and will require further consideration based on a Title VI evaluation of any projected change in fare structure.

Governance

Overview

As noted earlier, the Coastal Express policy governance, while under the authority of the Ventura County Transportation Commission, has historically been directed by an established policy level committee, with representation from elected officials in both counties. The MOU which has guided the input from the Coastal Express Policy Advisory Committee was recently reviewed and updated to reflect more current operating and financial conditions. A copy of the signed MOU is included in Attachment C.

The changes to the MOU include emphasis on financial obligations of both parties, membership on the technical and staff committee that includes representatives from the contract operator as well as the primary service providers in Ventura County- Gold Coast Transit District, and in Santa Barbara County- SBMTD.

The role of the CEPAC is defined as well as the meeting schedules and the staffing and administration of the service. The changes to the MOU are consistent with the recognition of the importance of the success of this service to both parties.

Several other governance alternatives were initially discussed, including a Joint Powers Authority, or a sub contractual relationship. However, given the positive relationship that has progressed over time, it was most appropriate to retain that MOU connection with the Policy Committee, through more regularly scheduled meetings, providing the input on items of importance.

Recommendations

Overview

Recommendations

Service

Our primary short-term recommendation would be to view the May contract date as if it was a new service, one that is easy to understand and has consistent concepts. Thus, we recommend technical staff should use the interval until May 2015 to:

- Better understand all the pieces of the existing ridership, both the Coastal Express and the Coastal Express Limited
- Restructure the service into two distinct sub-routes, one to Santa Barbara and one to Goleta, as an example, retaining a higher fare to Goleta recognizing it is a different commuter oriented service, (e.g. retaining the \$4.00 fare)
- Develop process for service evaluation, including goals and objectives for performance measurement, such as recommended minimums
- Re-cut the schedules and delete those trips below the staff recommended minimums; also maximize the use of clock-face headways using consistent intervals
- Communicate the draft changes with employer and stakeholder groups
- Conduct a focused marketing effort prior to the re-introduction
- Adapt and adjust after implementation with minor modifications

The basic rationale for this process is that the current Coastal Express service has been through difficult times during the past two years and ridership is flat. The start of the new contract, with rebranded name for the service and vehicles, provides a great opportunity for something “new and improved”, which is consistent with VCTC plan for service reintroduction.

Customer Service

Establish an annual market research process with VCTC working in concert with Traffic Solutions. Fund a dedicated marketing and advertising line item in the annual budget. Items to be addressed would include improved outreach and communication, expanded availability of fare media, interaction with employers and stakeholders, onboard connections with riders, etc.

Fares

As indicated above, initially retain the \$4 cash fare and \$120 pass cost to Goleta and sustain the other existing fares, reconciling other policy differences between Coastal Express and Limited fares. We would recommend consideration of fare modifications in FY 16-17 with an ongoing policy of fare reconsideration every two years.

Fare Media and Transfers

Work with the other operators in the region to maximize fare system consistency and application, recognizing that commuter market typically does not include transfers, but mid-day and weekend riders would be candidates to use multiple systems to complete their trips.

Advertising

Within the transit industry, agencies that have never used advertising have been reluctant to begin this process, primarily due to concerns about potential problems relating to subject material and control as well as the resistance to affect the aesthetics of the vehicle. However, during the past few years with decreased funding availability there has been a recognition that a dedicated source of revenue is beneficial. Within the service area, both MTD and GCT use advertising to generate revenue, thus, we would recommend that additional revenues be sought from advertising.

Governance

Sustain the CEPAC process, including the meeting schedule; convene the Technical Committee and initiate an ongoing Technical Committee meeting schedule to especially address inter-operator and regional issues, such as seamless and coordinated fares, marketing and communication of services, etc.

Fiscal Sustainability and Estimating Demand

These two issues are the most complex and difficult to address for reasons that are a combination of policy perspectives and technical interpretations. With respect to the fiscal plan, SBCAG has a dedicated funding source and has adopted a thorough Strategic Plan that allocates funds to a variety of programs, including Coastal Express, and estimates funding availability through FY 27-28. VCTC, on the other hand, relies on a variety of federal and state funding sources that have historically funded public transportation and is currently considering options for a capital plan for the County. These are two different approaches.

From a demand for service perspective the service inconsistencies of the past two years have arguably impacted demand, but is that demand the three percent per year increase from the prior three years or the more rapid increases that took place from the start of service?

Fiscal Sustainability

In general, we believe the Coastal Express funding plan is sustainable, but will require several issues, some related to operations and some related to capital, to be addressed during the life of the Ten Year Plan, as indicated in the draft ten year budget. That budget shows a total cost for the service is approximately \$3.1 m per year, which includes roughly \$2.4 m for operating, \$0.3 m in capital and \$0.4 m in administration. Those costs are offset by revenues from the FTA of \$0.5 m and fares of \$0.9 m, which equal approximately \$1.4 m, leaving an annual net cost of \$1.7 m, or approximately \$0.85 m per year to each agency. This dollar amount would be extremely close to, or possibly exceed the amount of funds anticipated from Measure A.

However, as indicated in the CEPAC agenda information from the May meeting, information which we believe is realistic, the potential to add revenue from fare increases and advertising, for example, could result in \$0.37 m from fares and \$0.13 m in advertising or approximately \$0.5 m annually. In addition, based on the current ridership information and the recommendation to re-evaluate services, there could be some initial operational savings by reducing mid-day service and restructuring peak period service. Thus, we believe there is sufficient flexibility in the operations budget for the Ten Year Plan.

With respect to capital, as communicated by VCTC, their SRTP process is evaluating the capital needs for the County, especially including the VCTC Intercity system. In our view, VCTC should have the ability to anticipate funding for vehicle replacement similar to all other operators. Historically, those operators would have anticipated 80% federal funding and develop a plan for developing a state and local match. More recently, there has been a reduction in federal bus funding and a shift to discretionary opportunities. From a state perspective, although there have been inconsistencies in funding in the recent past, California has a long history of supporting transit, compared with many states, and also has offered a variety of funding opportunities.

That said, SBCAG, through the CEPAC process, does have a stake in the capital planning process and should be involved in that planning. In addition, the capital planning for Coastal Express and the VCTC Intercity system should include a longer term vehicle replacement plan, which should also have input from SBCAG. For example, there may be some financial advantage for SBCAG to “guarantee” the availability of a portion of the annual costs, which potentially could be used to leverage other funds. There have been numerous creative financing processes used within the industry, many based on the policy directions of the day. The key to success is the ability to respond once those funds are available, whether those are related to livability or ladders of opportunity.

Capital funding is one area where we strongly believe it is premature for us to prescribe an alternative or alternatives, pending the completion of the VCTC capital planning work.

Estimating Demand

Although ridership has grown six-fold since service began, during the period from FY 08-09 to FY 11-12 ridership growth averaged three percent per year. Since that time, the Coastal Express ridership has declined roughly fifteen percent, but adding the Limited ridership back into the corridor shows a relatively flat demand during the past two years.

It has been noted that the potential for ridership should be significantly higher than the current demand based on the number of commuters in the corridor. Our experience has been that each commuter service is unique and response to public transit has been historically influenced by providing time and cost competitive service. The cost side is especially sensitive to “out of pocket” costs such as parking and fuel. The time competitive impacts will be significantly improved with the completion of the entire HOV lane project, but only partially improved with the completion of the current project.

We do believe that if the service is restructured and rebranded that ridership will increase. Following that initial spike we would recommend anticipating a 2 to 3 percent annual increase with an additional increase based on a 1 percent commuter market capture following the completion of the HOV lane project.

Governance

As referenced previously, SBCAG and VCTC have recently signed an updated three-year Memorandum of Understanding that retains the CEPAC, establishes a specific meeting schedule and actions, and builds upon recent staff activities that have updated operational goals, strategies and performance concepts. The most important piece of the governance process is to retain lines of communication through the CEPAC to ensure policy guidance and address issues that will arise over time.

Although there are some inherent complexities that result from the Coastal Express being but one of several services provided by VCTC, the MOU process is the best alternative to continue to serve both agencies and the commute and general public riders of the system.

Financial Planning

The recommendations for the Coastal Express Ten Year Plan also include a ten year projected budget which includes capital costs associated with the Coastal Express program such as the new vehicles due to be transitioned into service starting in January 2015, and also video equipment and a new farebox system. Total costs also include administrative costs associated with the enhanced management and administration of the service.

The budget is based on combining the Limited into the Coastal Express, and reflects the projected budget costs for the contracted operations, based on the current level of services.

The ten-year budget look ahead is shown below in Table 8.1: Ten-year Budget Look Ahead

Table 8.1: Ten-year Budget Look Ahead

10 YEAR BUDGET LOOK-AHEAD including ONE-TIME CAPITAL COSTS

One-time Capital Costs paid according to the following formula.										
VCTC One-time Capital Costs	Total	Allocation	CE Cost	Years Paid	Annual Cost					
Bus purchase	\$9,010,000	40%	\$3,604,000	12	\$300,333					
Video Security System	\$469,972	34%	\$159,508	10	\$15,951					
Farebox	\$89,054	34%	\$30,225	3	\$10,075					
APC	\$186,975	34%	\$63,459	3	\$21,153					
Prof. Services	\$45,509	34%	\$15,446	3	\$5,149					
Total Capital Cost	\$9,801,510		\$3,872,638		\$352,661					

REVENUES (External)	FY14/15 (Draft)	FY15/16	FY16/17	FY17/18	FY18/19	FY19/20	FY20/21	FY21/22	FY22/23	FY23/24
Farebox	\$708,710	\$897,776	\$1,024,639	\$1,052,388	\$1,080,727	\$1,113,150	\$1,146,542	\$1,180,940	\$1,216,368	\$1,252,859
Bus Advertising	\$0	\$118,800	\$122,364	\$126,035	\$129,816	\$133,711	\$137,722	\$141,854	\$146,109	\$150,492
FTA 5307 Attributable	\$413,941	\$413,941	\$413,941	\$413,941	\$413,941	\$413,941	\$413,941	\$413,941	\$413,941	\$413,941
FTA 5339 Attributable	\$54,350	\$54,350	\$54,350	\$54,350	\$54,350	\$54,350	\$54,350	\$54,350	\$54,350	\$54,350
Total Revenues (External)	\$1,177,001	\$1,584,867	\$1,615,294	\$1,646,714	\$1,678,834	\$1,715,152	\$1,752,555	\$1,791,085	\$1,830,768	\$1,871,642

EXPENSES	FY14/15 (Draft)	FY15/16	FY16/17	FY17/18	FY18/19	FY19/20	FY20/21	FY21/22	FY22/23	FY23/24
VCTC Contract Costs	\$2,521,539	2,333,760	2,362,519	2,383,479	2,417,028	2,451,101	2,355,139	2,361,741	2,401,110	2,326,069
VCTC Capital Costs										
Bus purchase	\$300,333	\$300,333	\$300,333	\$300,333	\$300,333	\$300,333	\$300,333	\$300,333	\$300,333	\$300,333
Video Security System	\$15,951	\$15,951	\$15,951	\$15,951	\$15,951	\$15,951	\$15,951	\$15,951	\$15,951	\$15,951
Farebox	\$10,075	\$10,075	\$10,075	\$0	\$0	\$0	\$0	\$0	\$0	\$0
APC	\$21,153	\$21,153	\$21,153	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Prof. Services	\$5,149	\$5,149	\$5,149	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Capital Cost	\$352,661	\$352,661	\$352,661	\$316,284	\$316,284	\$316,284	\$316,284	\$316,284	\$316,284	\$316,284
VCTC Administration*										
Labor (Fully Loaded)	\$143,532	\$147,838	\$152,279	\$156,842	\$161,547	\$166,399	\$171,385	\$176,527	\$181,822	\$187,277
Indirect	\$72,937	\$75,125	\$77,379	\$79,700	\$82,091	\$84,554	\$87,091	\$89,703	\$92,394	\$95,166
Communications (WiFi and Internet)	\$4,752	\$4,894	\$5,041	\$5,192	\$5,348	\$5,508	\$5,674	\$5,844	\$6,019	\$6,200
Mileage	\$1,459	\$900	\$600	\$618	\$637	\$656	\$675	\$696	\$716	\$738
Postage	\$577	\$594	\$612	\$630	\$649	\$669	\$689	\$710	\$731	\$753
Printing (Passes and fare media)	\$11,641	\$11,991	\$12,350	\$12,721	\$13,103	\$13,496	\$13,900	\$14,317	\$14,747	\$15,189
Travel and Conferences	\$4,005	\$2,505	\$2,580	\$2,657	\$2,737	\$2,819	\$2,904	\$2,991	\$3,081	\$3,173
Bank Fees	\$2,376	\$2,447	\$2,520	\$2,596	\$2,674	\$2,754	\$2,837	\$2,922	\$3,010	\$3,100
Legal	\$3,733	\$3,845	\$3,961	\$4,080	\$4,202	\$4,328	\$4,458	\$4,592	\$4,729	\$4,871
Warranty Support & Licensing**	\$0	\$3,640	\$3,640	\$3,640	\$3,640	\$3,640	\$3,640	\$3,640	\$3,640	\$3,640
Total Administration (VCTC)	\$245,013	\$253,780	\$260,957	\$268,676	\$276,627	\$284,817	\$293,252	\$301,941	\$310,890	\$320,107
Subtotal Coastal Express (VCTC)	\$3,119,213	\$2,940,200	\$2,976,137	\$2,968,439	\$3,009,940	\$3,052,202	\$2,964,676	\$2,979,966	\$3,028,284	\$2,962,460
Less Farebox	(\$708,710)	(\$897,776)	(\$1,024,639)	(\$1,052,388)	(\$1,080,727)	(\$1,113,150)	(\$1,146,542)	(\$1,180,940)	(\$1,216,368)	(\$1,252,859)
Less FTA JARC	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less FTA 5307	(\$413,941)	(\$413,941)	(\$413,941)	(\$413,941)	(\$413,941)	(\$413,941)	(\$413,941)	(\$413,941)	(\$413,941)	(\$413,941)
Less FTA 5339	(\$54,350)	(\$54,350)	(\$54,350)	(\$54,350)	(\$54,350)	(\$54,350)	(\$54,350)	(\$54,350)	(\$54,350)	(\$54,350)
Net Cost Coastal Express (VCTC)	\$1,942,212	\$1,474,133	\$1,483,207	\$1,447,760	\$1,460,922	\$1,470,761	\$1,348,843	\$1,330,735	\$1,343,625	\$1,241,310
SBCAG Administration*	\$50,000	\$51,500	\$53,045	\$54,636	\$56,275	\$57,963	\$59,702	\$61,493	\$63,338	\$65,238
Coastal Express Limited	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Coastal Express (SBCAG)	\$100,000	\$51,500	\$53,045	\$54,636	\$56,275	\$57,963	\$59,702	\$61,493	\$63,338	\$65,238
Net Coastal Express (VCTC + SBCAG)	\$ 2,042,212	\$ 1,525,633	\$ 1,536,252	\$ 1,502,397	\$ 1,517,197	\$ 1,528,724	\$ 1,409,545	\$ 1,392,228	\$ 1,406,963	\$ 1,306,548
Agency Share										
VCTC	\$1,021,106	\$762,817	\$768,126	\$751,198	\$758,599	\$764,362	\$704,772	\$696,114	\$703,481	\$653,274
SBCAG	\$1,021,106	\$762,817	\$768,126	\$751,198	\$758,599	\$764,362	\$704,772	\$696,114	\$703,481	\$653,274

*Assume 3% CPI for Admin

**Warranty Expense APC System (5yr Coverage)

Fare increase in fy 15/16 reflects increase of 20% based on addition of Coastal Express Limited and associated fare increase:

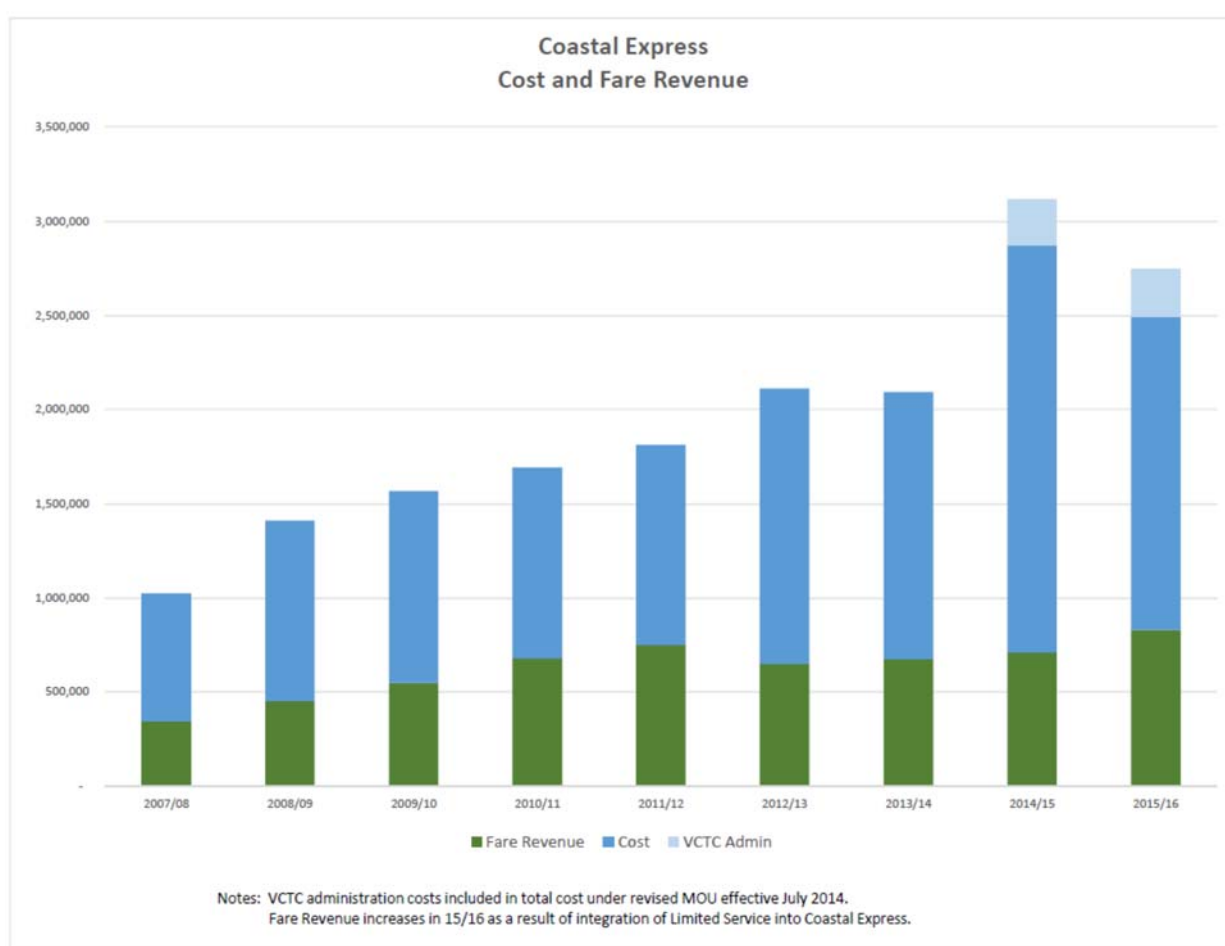
Fare increases in years starting 16/17 reflect an increase of 3%

The reduction in contract costs in 2019/2020 to 2020/2021 are the result of decreased financing obligations of the contractor provided vehicles

As indicated above, the Ten Year Plan is financially sustainable but requires management of the costs and revenues annually, should include additional revenues from advertising and fares and should incorporate the approved VCTC capital plan for Ventura County. We would note that the increased fare revenue in FY 15-16 is based on the infusion of Limited fares; and the decreased costs from FY 19-20 to FY 20-21 are a result of the decreased financing obligations of the contractor provided vehicles.

As indicated in table 8.2 below, there has been a rapid growth in costs for the service, but as shown in this chart and the budget sheet above the peak cost occurs in FY 14-15

Table 8.2: Capital and Fare Revenue



The nine-year contract approved by the VCTC in July 2014 is the most critical component of the financial planning process. The annual budgeting process, referenced in the MOU, will be the means of adjusting and adapting to changes in operating conditions, (e.g. fuel prices) that may arise over time.

With respect to capital planning options and alternatives, although the twelve-year useful life of the new vehicles extends beyond the ten-year plan, there will be a need to understand the Coastal Express portion of the VCTC capital plan. The current VCTC SRTP will address the capital planning component.

Our previous capital planning recommendations have included VCTC consideration of developing its own maintenance facility. Just as many transit agencies that contract for service have elected to supply vehicles to the contractor, they have also elected to build their own facilities. The same factors as discussed for vehicle acquisition, control, availability of external funding and elimination of lease costs, have influenced those decisions. Relevant examples of agencies that have developed those facilities in Southern California would include Foothill Transit and Antelope Valley Transit.

Service Guidelines and Demand Estimation

The current work between agency staffs regarding service planning has good starting points with respect to identifying minimum service criteria. In addition, the SRTP as it evolves will offer more specifics with respect to service standards from a system perspective. That preliminary work has included the following initial thoughts regarding Countywide Performance Metrics and Service Guidelines:

Figure 2 Route classification categories

Route Type	Description
Core Arterial	Frequent local bus service, operating along primary arterials in urban areas.
Arterial	Local bus service, mostly operating along arterials in urban areas.
Neighborhood Feeder	Local bus service, providing neighborhood access in urban areas.
Community Circulator	Local bus service connecting multiple origins and destinations in suburban areas.
Intercity Connector	Local or limited stop service providing intercity connectivity.
Regional Express	Limited stop service serving employment and educational destinations, primarily operating along highways during peak commute hours.

Regional Express

Regional express routes provide connectivity to cities and destinations within Ventura County as well as neighboring Los Angeles and Santa Barbara Counties. Service should be fast and comparable to automobile speeds with limited stops that links common origins and destinations. Regional express routes are generally 25-50 miles in length. Some regional services operate only one to two trips each day during peak commute hours while others have robust schedules. Customer markets are similar to those of intercity connectors, however, a high percentage of regional express customers tend to access the service by car.

Most regional express routes have three distinct zones:

- Pick-up zones such as a park & ride or transit center where the majority of passengers originate their trip
- Express zones where the bus makes limited or no stops while in a closed door mode
- Drop-off zones where passengers complete their commute or connect to other routes

Regional express routes typically have higher fares than other route types. Some transit agencies charge unique fares for each route to reflect average trip length/duration.

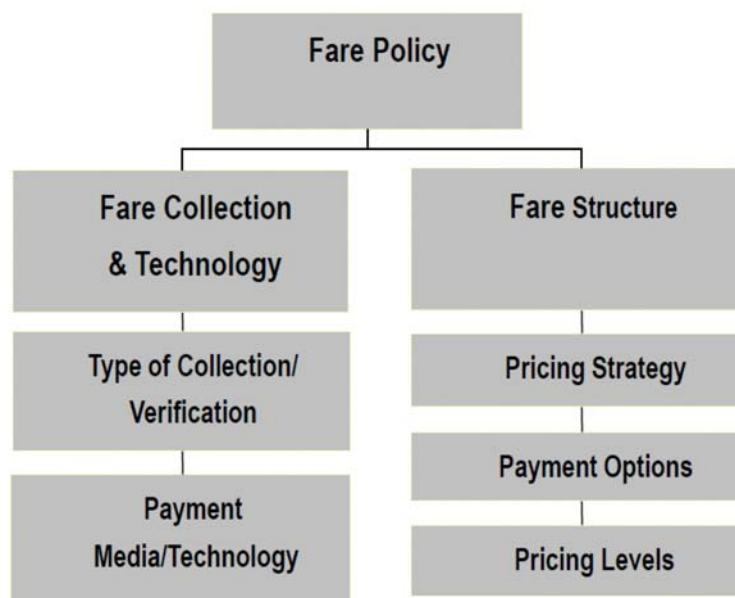
Customer Service

Stakeholder interviews in Santa Barbara included several comments that the processes and practices for obtaining Coastal Express fare media are significantly more difficult than obtaining similar media for the Clean Air Express. Similarly, there were a number of comments received regarding limitations of the GoVentura fare media. With the end of GoVentura scheduled and the pending installation of fareboxes that are consistent with other agencies could facilitate access by both new commuter riders and transfer and connections from other operators such as SBMTD and GCT. Further, discontinuing the separate Limited service infrastructure should represent an improvement in the long term based on one system, one process, etc.

Capturing increased demand can also be accomplished through branding, and the introduction of new high quality coaches into the service. Other features which are really important to consider in the rollout will be ensuring consistent and easy access to “next bus” information, developing understandable or clock face headways, and ensuring easily accessible and easily understood fare media and fare options. These components could be re-introduced to employers in Santa Barbara and re-communicated through jurisdictions in western Ventura County as part of the VISTA system plan. If effectively communicated and coordinated there would be the potential to capture and sustain an initial spike in ridership with the service reintroduction of 5%.

Fare Policy

As indicated in prior documents, fare policy is an important part of any service since it affects many different components of the service including the financial sustainability. The chart below shows the various considerations of developing a transit agency fare policy.



Farebox Recovery

As referenced previously, VCTC uses the TDA definition of farebox recovery which is based on dividing revenues by operating costs, which produces a ratio of 66% which gives the impression that two-thirds of the costs would be captured with each new rider. However, in reality the Ten Year Plan budget includes annual costs such as the amortization of VCTC owned vehicles, the financing of contractor owned vehicles, etc. As a result each new rider only adds 33% of the costs which means the remaining two-thirds of that fare has to be subsidized.

There are a number of subtleties and nuances that can be argued from various perspectives but our point is that although fares generate revenue, the recovery ratio is not as high as it is portrayed through the TDA process.

Fare Policies and Strategies of Peer Agencies

While the study will be ongoing with regard to fares and fare policy for the VISTA services through its SRTP and the resulting Title VI required work, looking at fare policies of peers can provide some framework for future discussions regarding the Coastal Express.

There are a number of fare pricing strategies that include: flat fare (no change within the service area); distance based (fare scaled to reflect distance traveled); time based (which would typically increase fares during periods of peak demand); and premium (which would charge a different fare for what would be viewed as better service, e.g. less stops).

Flat fares are easier to understand, but do not consider that longer distance service results in higher costs. Distance-based recognizes that premise, but requires more understanding of options by customers and typically more interaction with the operators (e.g. answering questions about destinations, cost, and working to get correct fare for the trip).

A time-based system could offer lower mid-day and higher peak period fares, potentially attracting more riders during periods of lower demand. Typical issues with time-based systems are how to define when peak begins and what defines a peak.

A premium fare would be similar to the Coastal Express Limited, where customers pay a higher fare for less stops. Although the concept, like the other differentiated fares, makes sense, a difficulty could be how to communicate that this trip is premium and that trip is not.

From a peer service perspective within Southern California, there are a number of examples of agencies that use some form of distance based pricing. For example, the LACMTA and predecessor agencies have used express service zone fares for decades, typically adding a cost increment based on the number of freeway miles travelled. The LADOT Commuter Express program also uses freeway miles as the determinant for zone fares, with those monthly pass and cash fares priced as follows:

- Base - \$57/\$1.50
- Zone 1 - \$80/\$2.50
- Zone 2 - \$100/\$3.00
- Zone 3 - \$124/\$3.75
- Zone 4 - \$140/\$4.25

For example, the Line 423 service from Thousand Oaks to downtown Los Angeles is a zone 4 trip with a distance of approximately 40 miles, compared with a Goleta-Ventura trip which is approximately 38 miles.

Other service providers in southern California such as Antelope Valley Transit and Santa Clarita Transit also use distance based fares with AVTA monthly fares exceeding \$300 and one way fares up to \$9 per trip. SCT trips are shorter in distance with fares priced up to \$194 for a monthly pass and \$4.25 per trip.

In the Bay Area, Golden Gate Transit, a long-standing commuter operator also has a distance based zone policy with zone based fare shown below with the following fares:

A. Current Bus Fares

Effective July 1, 2014

Adult (19-64) Cash Bus Fare

Effective July 1, 2014

	San Francisco	Marin County			Sonoma County	
Bus Zone (See Zone Map)	1	2	3	4	5	6
1 (San Francisco)	\$4.50+	\$5.00	\$6.25	\$7.50	\$10.75	\$11.75
2 (Sausalito, Marin City, Mill Valley, Tiburon, Belvedere)	\$5.00	Refer to Marin Local Cash Fare Table (below)			\$7.50	\$8.75
3 (Corte Madera, Larkspur, Greenbrae, Kentfield, Ross, San Anselmo, Fairfax, Manor, San Rafael, Santa Venetia, Terra Linda, Marinwood, Lucas Valley)	\$6.25				\$6.25	\$7.00
4 (Ignacio, Hamilton, Novato, San Marin)	\$7.50				\$5.00	\$6.25
5 (Petaluma, Cotati, Rohnert Park)	\$10.75	\$7.00	\$6.25	\$5.00	\$4.50	
6 (Santa Rosa)	\$11.75	\$8.25	\$7.50	\$6.25		
East Bay (Richmond, Richmond BART Station, El Cerrito Del Norte BART Station)	\$9.25	\$5.00			\$9.25	



Other agencies, such as Monterey Salinas Transit charge a higher fare for commuter service but that fare is the same whether you travel to San Jose or to Paso Robles. It should be noted that many of these peers operate as a system and thus price the commuter service as part of the total system, including the system fare policy. In addition, many of the services operate in a single direction, primarily during the peak hours.

Although technology allows for more differential pricing, the industry trend would be to simplify fare option, such as offering day passes instead of transfers, etc. In the short-term, sustaining the current fares would seem logical, recognizing that there is an existing differential between the base fare for Coastal Express and Coastal Express Limited that should be addressed as well as the incompatibility of monthly passes for the two services.

Another peer comparison would be to compare fares per route mile for express services. Looking at LADOT, Foothill Transit, OCTA, Santa Clarita Transit and LACMTA, they range from \$0.07 to \$0.13 for fare per route mile. Similar distance information for Coastal Express would be Goleta – Ventura 36 miles, and Santa Barbara – Ventura 28 miles. At a fare of \$3.00, Coastal Express fare per mile equates to \$0.08 for Goleta and \$0.11 for Santa Barbara. Thus, the Coastal Express fare appears to be consistent with other systems.

It should also be noted that the budget shown above contains the following notes:

- Fare increase in 2015/16 reflects addition of Coastal Express Limited
- Fare increases in years starting 16/17 reflect an increase of 3%

Table 8.3 Regional Commuter Bus Service Fares

Service	Trip Length (miles)	Cash Fare	Pass Fare
Coastal Express	30-45	\$3.00	\$105.00
LA DOT	35-40 (zone 4)	\$4.25	\$140.00
Clean Air Express	35-70	\$7.00	\$150.00
Santa Clarita	35 (downtown)	\$4.25	\$165.00/\$194.00
MST	70 (San Jose)	\$12.00	\$190.00
Golden Gate Transit	20 (zone 3)	\$6.25	\$200.00
AVTA	65 (downtown)	\$14.00	\$249.00/\$310.00

Conclusion

Clearly, it will continue to be important to identify additional financial resources to maintain and grow the system as it continues to serve a growing need in the vital highway 101 corridor.

Traditional federal resources will be a less dependable source of operating revenue, so the development and enhancement of partnerships into the service including from other state and local partners should be a focus for the future.

For example, Colleges and Universities are a strong partner nationally with transit. Within the VISTA system currently, Cal State Channel Islands is already a contributing partner to the service. Consideration for identifying opportunities to include UCSB into the partnership should be a strong consideration and a plan and process developed to gather momentum should be developed.

In addition, there has been discussion regarding the potential for Ventura County to join Santa Barbara as a self-help county through the passage of a funding authorization. That type of funding has provided additional resources in the development of many transit services within California and throughout the country.

Attachment A

Data and Document List

Information Reviewed for Report

2009-10 Surveys

Coastal Express Surveys 2007

- 2010 Census Track Make
- 2005-09 American Community Surveys

Costal SBMTD Transfer Information and History

2012 VISTA Surveys

Information and History for VISTA Fare Increase 2009

Information and History for VISTA 2012 Onboard Survey

VISTA MTD Transfer Information 2012

FY 2010 Triennial Review

Approval of VISTA Highway 101 Cooperative Agreement

Carpinteria Passenger Activity

Costal Express Passenger Loads April 2013

Costal Express Service Indicators 2011-2012 (Appendix)

Costal Express Ridership August 2012 Update

Costal Express Total Boardings 5-22-12

Costal Ridership Jan/Feb 2013

Costal – Roadrunner Week 1

FY2013-2014 Equipment Contract

FY2013-2014 Services Contract

VCTC Board Items, including Board Survey, Fare Increase, Title 6 Agreement and Contract Reviews

Coastal Express Ridership 2012-13

Coastal Express NB Carp Stops

Coastal Express Ridership JRAC

Coastal Express Ridership Weekend

VISTA Carpinteria Service Ridership

SBMTD Transfer Fee Results

VCTC Triennial Performance Audit

VCTC VISTA TDA Audit FY Ending June 30, 2012

VCTC TDA Performance Audit Report 2008

Ventura Co TDA Audit 2010

Via Real and Mark Activity

Via Real Stop

VISTA 2007 Surveys

VISTA Audit 2010

VISTA Coastal Budget Closeout FY 2011-12

VISTA Coastal Express Sunday Headway

VISTA Lease Agreement 2009-12

VISTA Ops Agreement 2009-12

VISTA Ridership Comparison FY by Month

VISTA Onboard Survey

Weekday Coastal Express Riders NB

Attachment B

Stakeholder Summary Comments

Coastal Express 10 Year Plan

Stakeholders Interviewed and Summary Comments

Helene Schneider, City of Santa Barbara – Traffic is a problem in Santa Barbara thus having mobility options is an important public policy issue. As Mayor of Santa Barbara is well-versed in public transportation issues and understands the difficulties SBCAG has had in the past working to get information from VCTC. Policy committee has not met frequently and issues have not been adequately addressed. Looking forward to study. Is both rail and mobility advocate.

Janet Wolf/Salud Carbajal, Santa Barbara Board of Supervisors – They are the other two representatives of SBCAG on the Coastal Express Policy Committee. Both expressed confidence in their abilities to work collaboratively with their counterparts from Ventura County but were disappointed in the lack of meetings of the Policy Committee. They had heard staff comment about lack of information and processes governing the service and believed that Santa Barbara as a partner should have a greater voice in the decision-making. It was noted that Supervisor Wolf had biked to the meeting.

Steve Bennett, Ventura County Board of Supervisors - He has been a member of the Policy Committee for a number of years, and has been involved in several studies regarding public transportation, as well as the VISTA service. He noted that although the percentage of people riding transit is relatively low, there is a need for a more uniform approach within the County. He was involved in the prior fare increase discussions and understands the sensitivity to fares. Scheduling the Policy Committee meetings has been difficult, but agreed that better collaboration with Santa Barbara would make sense if there are policy issues to discuss.

Bryan MacDonald, City of Oxnard – City Councilman from Oxnard. Relatively new to transit issues; is on Gold Coast Transit Board. Listens to the input from Martin Erickson on City staff, former staffer at MTD. Has many ties to Santa Barbara from police background and understands the housing/employment dynamic in Santa Barbara and the impact on traffic on the 101 and the commutes from Ventura County. Believes working collaboratively with SBCAG should make sense from a policy perspective.

Carl Morehouse, City of Ventura – Carl is a City Council member from Ventura. He has a diverse planning background and is a strong believer that many issues, including transportation, are influenced by land use actions and strategies. For example, if there were more affordable housing in Santa Barbara there would not be the congestion/commute issues involved in this study. That said he is perfectly willing to work toward a positive solution with his colleagues from Santa Barbara.

Hillary Blackerby, Das Williams staff – She is the Senior Field Representative for Assemblyman Das Williams. He has been interested in transit issues and had proposed

legislation that would have facilitated expansion of a county program for transit in Ventura. Their office has worked with both SBCAG and VCTC in the past and understands the different perspectives of the agencies. The Assemblyman as a strong proponent of opportunities for individuals supports the retention of all day service for the corridor.

KK Holland, Hannah-Beth Jackson staff – She not only represents Senator Jackson, but also is a former rider of the Coastal Express. She indicated that PM commute trips from Santa Barbara were often long and late and had expressed belief that more late night service to UCSB might be well-received. Transit is not a big issue in the region per se, however, the growing congestion on the 101 suggests that options other than solo driving should make sense. Understands the different perspectives of those from Santa Barbara and those in Ventura, but there should be a way for this service to operate for both parties.

Roger Aceves, City of Goleta – Mayor of Goleta, also spent years on SBMTD Board and now is on SBCAG Board. City is growing, especially with business development. Use of public transportation and ridesharing is major focus of employers and employees receive benefits to use those options. Service should be well run and meet the schedules of commuters, bring back the over-the-road coaches. They want to be a partner, but request more information and participation. The policy board should meet more frequently.

Sherrie Fisher /Jerry Estrada, SBMTD – MTD was pleased to be able to use vehicles and provide Coastal Express Limited service for SBCAG. Their Board requires a long lead time for modifications, thus the future of Limited is important to them. They also have worked cooperatively with VCTC in the past. They would see the potential for more service integration between the MTD service and Coastal express. They have route to Carpinteria and serve downtown Santa Barbara well. They are also proponents of looking at fare integration potential and would work with regional group in that regard. They have responsibilities for the vehicles, which are their assets, but willing to continue to discuss options and alternatives.

Steve Brown, Gold Coast Transit – General Manager for Gold Coast Transit. Following county-wide study GCT was expected to be the operator of VISTA, but several locales expressed concerns and VCTC decided to retain operations. That action was probably well-timed from a GCT perspective since the agency is transitioning into a Transit District from the current Joint Powers Agency and he wants to ensure that transition is smooth. He has collaborated with VCTC, SBMTD and other operators in the past and is willing to be part of a regional operator group that considers issues such as fare coordination.

Matt Dobberteen, County of Santa Barbara – His responsibility is working towards improved access within the County through better understanding of data and access paths. Has done a lot of background traffic work and is especially interested in bike access and options, which also relate to non-auto use for the county. Is known as the alternative transportation lead for the county and has provided survey and other information through Traffic Solutions.

Sarah Grant, Browning Allen, City of Santa Barbara – The City is a big proponent of the service, both from the standpoint of good public policy and also as a major employer with many employees using it. They find the Clean Air Express process of buying passes and other media to be much easier than working with VCTC.

Cindy Moore, City of Goleta – Planner and transportation coordinator for the City. Reiterated many of the issues raised by the Mayor, and reinforced the interest of the City in transportation alternatives that are good for the environment as well as public transportation. City provides incentives to City employees that use alternative forms of transportation and providing good transit service for those employees as well as employees from other businesses is good public policy. That service needs to be frequent and convenient with quality service to effectively attract riders.

Ron Lafrican, Cottage Hospital – Cottage Hospital has facilities in both Santa Barbara and Goleta and thus he is familiar with services to both locales. The hospital; benefits from Coastal Express service in two ways – both for employees and for those visiting, especially the Santa Barbara location. The hospital encourages employees to use public transportation. Service was adversely affected by the Coach USA bankruptcy, since the older transit vehicles are not fulfilling the quality of service required. The Limited Service is better but has fewer runs. He has worked effectively with Scott in the past on run times and stop locations, etc.

Charles Sandlin, Roadrunner – Roadrunner is a family run transportation provider with headquarters in Camarillo. Following the Coach USA bankruptcy they stepped in to offer to provide the VISTA service, including Coastal Express. They hired many of the former staff thus the operational aspects of the service were well addressed. However, the used transit buses were a constant source of concern. He has worked with VCTC on various options and alternatives to add over-the-road vehicles to the fleet. He is interested in growing the business and believes they have the ability to serve the customers and agencies well.

Cameron Yee, CAUSE – The acronym CAUSE stands for Central Coastal Alliance United for a Sustainable Economy, which includes the availability of public transportation for those who need access to work, school, facilities, etc. His role as a researcher is to suggest ways to improve transportation justice and social equity. In that role he has worked to improve service connections and operations in Ventura and Santa Barbara counties, including increased input from riders and potential riders.

James Wagner, UCSB – Program manager for transportation alternatives for UCSB. Has promoted availability of Coastal Express with mixed results. Faculty and students appear to like the earlier PM trip which gets them on the road in time to beat the peak. Not sure how price sensitive service is; pre-tax credit is available for full-time individuals. Not sure what future will be both from a university and public transit viewpoint. Might be more virtual, stay at home options. Willing to participate in survey of students if provided.

Jim Kemp, SBCAG – SBCAG interest is to understand long term issues brought about by proposed contract process. They were not pleased with the Coach USA bankruptcy and vehicle change. Their Clean Air Express has better data, information and process. To be equal partner need similar data and information from VCTC. If agreement cannot be developed, may run services separately.

Scott Spaulding, SBCAG – Project Manager for SBCAG transit services. Has been pressing for better data and information for years. SBCAG focus is on serving commuters and decreasing congestion. Believes there is demand for more service, but should be quality focused such as Coastal Express Limited.

Steve Vandenberg, SBCAG – His role in project is to ensure that SBCAG receives a Ten Year Plan that can be used in concert with other planning efforts. Their mission is to deliver results for voters that supported Measure A. Many of ideas being discussed by VCTC, long contract, owning vehicles, etc. appear to affect them significantly. SBCAG needs to understand the issues and ramifications.

Kent Epperson, Traffic Solutions – SBCAG has a number of studies, reports and surveys that include ideas to attract riders to public transportation and ridesharing. His section is responsible for communicating those options. Believes there is potential to do attract more riders with better marketing and communication as well as increasing availability and options for passes and other fare media.

Darren Kettle, VCTC – VCTC has acted to retain control of VISTA service and now has the responsibility to make that service work as a system. Ideally would have completed SRTP before embarking on long term Coastal express plan but bankruptcy of Coach and current contract with Roadrunner have resulted in need for action. Although there are differences in SBCAG priority for commuters compared with VCTC interest in serving all trips, retaining as one system makes more sense.

Vic Kamhi, VCTC - Has worked diligently over the years to improve service, grow ridership, et al. “Meltdown” of Coach halted ridership gain. Has been scrambling to get better vehicles through Roadrunner. In the process of replacing and adding staff which will be a plus. Basic difference in service goals is SBCAG and congestion and VCTC and mobility. Agrees there is room for more information reporting. Has done good job though of addressing need for more service based on input from riders.

Coastal Express 10 Year Plan

Stakeholders Interviewed

Jim Kemp, SBCAG

Scott Spaulding, SBCAG

Steve Vandenberg, SBCAG

Darren Kettle, VCTC

Vic Kamhi, VCTC

Roger Aceves, City of Goleta

Kent Epperson, Traffic Solutions

Helene Schneider, City of Santa Barbara

Sherrie Fisher, SBMTD

Jerry Estrada, SBMTD

Matt Dobberteen, County of Santa Barbara

Sarah Grant, Browning Allen, City of Santa Barbara

Cindy Moore, City of Goleta

Ron Lafrican, Cottage Hospital

Bryan MacDonald, City of Oxnard

Carl Morehouse, City of Ventura

Hillary Blackerby, Das Williams staff

Charles Sandlin, Roadrunner

Cameron Yee, CAUSE

KK Holland, Hannah-Beth Jackson staff

James Wagner, UCSB

Steve Brown, Gold Coast Transit

Attachment C

CEPAC Memorandum of Understanding

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE VENTURA COUNTY TRANSPORTATION COMMISSION
AND
THE SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS

Regarding Coordination of Intercity, Fixed Route Public Transportation Service between Ventura County and Santa Barbara County.

This Memorandum of Understanding (MOU) is entered into between the Ventura County Transportation Commission, hereinafter referred to as "VCTC", and the Santa Barbara County Association of Governments, hereinafter referred to as "SBCAG", for the purpose of defining agency roles, responsibilities and commitments in conjunction with the operation of intercity fixed-route public transportation service in the US 101 corridor between Ventura County and Santa Barbara County.

WHEREAS, the VCTC initiated intercity bus service in 1994 and inter-county bus service in 1999; and

WHEREAS, due to increasing requests for transportation alternatives and increasing congestion on the 101 freeway corridor between Ventura and Santa Barbara counties the creation of bus transit service was desired leading to the implementation of the VCTC operated COASTAL EXPRESS route, herein after referred to as COASTAL EXPRESS, in 2001; and

WHEREAS, the COASTAL EXPRESS is one route of the VCTC regional fixed route intercity bus system that provides intercity transportation within Ventura County and to adjacent counties; and

WHEREAS, the Ventura/Oxnard large-urbanized area, as defined by the United States Census Bureau, is uniquely positioned to maximize federal transit funds; and

WHEREAS, VCTC had limited ability to provide local match required for the use of federal transit funds and SBCAG had local funds that could be used as local match a financial partnership was created to fund the Coastal Express route through an MOU first approved in August 2000; and

WHEREAS, in April 2013, VCTC restructured its intercity bus operations to fully implement a regional intercity transit system and in doing so no longer requires a local match contribution to maintain a comparable level of service; and

WHEREAS, while VCTC no longer requires the local match for federal funds as provided by SBCAG in order to fund the COASTAL EXPRESS route, the agencies continue to desire to work cooperatively to support the COASTAL EXPRESS through a this Memorandum of Understanding;

NOW THEREFORE, this document reflects the intent of both parties to coordinate the operation of the COASTAL EXPRESS, as described below.

1. Project Description

The COASTAL EXPRESS is a regularly-scheduled, fixed-route, intercity express bus route between Ventura and Santa Barbara Counties and is one route in the VCTC regional intercity bus system. The service is open to the public, for all trip purposes, and will be fully accessible to persons with disabilities. The service will be on-going, with an annual review

to include service modifications and budget adjustments based on recommendations from the Policy Committee.

2. Policy Committee

The Coastal Express Policy Committee shall consist of three representatives from VCTC and three representatives from SBCAG. The members from SBCAG shall be selected by the SBCAG board of directors. The Ventura County representatives shall be selected by the VCTC. The Santa Barbara Metropolitan Transit District (SBMTD) shall designate a representative and the Gold Coast Transit District (GCTD) shall designate a representative to serve as ex-officio members of the Policy Committee.

A quorum shall consist of two voting representatives from each county, and no action shall be taken without a quorum. The Chairperson of the Policy Committee shall rotate annually between members from Ventura and Santa Barbara counties. The committee shall meet at least quarterly and adopt an annual meeting schedule prior to January 1 of each year.

The Policy Committee shall make recommendations involving but not limited to the following issues:

- Fare adjustments
- Schedule revisions resulting in a change of more than 20% in daily service hours
- Amendments or revisions to the MOU
- Annual budget
- The Coastal Express Ten Year Route Plan and updates

The Policy Committee shall meet prior to April 1 to review and recommend the budget and route plan for the following year, and prior to November 1 to receive the annual report and input from the technical committee with respect to meeting targets for goals, objectives and performance measurements. The Policy Committee shall not set policy but make recommendations to VCTC.

3. Lead Agency

VCTC is the lead agency for administration of the COASTAL EXPRESS and is responsible for service contracting and compliance with all federal and state requirements, including reporting requirements pursuant to the National Transit Database.

4. Budget and Annual Report

The COASTAL EXPRESS will operate seven days a week, excluding major holidays. The priority area for interregional service will be the Ventura/Oxnard and Santa Barbara urbanized areas.

In the course of VCTC operating its regional intercity bus system, the COASTAL EXPRESS route will be reviewed and evaluated continuously to determine if service adjustments are necessary. A route plan and budget for the upcoming fiscal year will be presented to the Policy Committee prior to April 1 of each year for review and recommendation to VCTC and SBCAG. The annual budget must be approved by the VCTC and SBCAG boards. The route plan and budget will include proposed route and schedule information, projected revenue and expenditures, funding commitments by each agency, and a summary of current and future marketing efforts.

An Annual Report will be presented to the Policy Committee prior to November 1 of each year and will include per trip ridership reports, operating farebox ratio, actual revenue and expenditures, and other standard performance measures for the preceding fiscal year.

5. Coastal Express Route Ten-Year Plan

Prior to October 31, 2014, a Coastal Express Ten-Year Plan shall be developed under the direction of the Policy Committee and adopted by SBCAG and VCTC. The plan shall cover a ten-year period and evaluate, analyze and make recommendations regarding issues such as, but not limited to, service levels, funding, goals and performance measures, and fares. The Coastal Express Route Ten-Year Plan will be updated, under the guidance of the Policy Committee as part of VCTC's intercity bus system planning on a regular basis and in coordination with SBCAG.

6. Funding

VCTC and SBCAG shall share equally in the costs associated with the service, after deducting Federal Transit Administration (FTA) 5307 funds attributable to the service net of their administrative costs, all passenger fares, advertising revenue, and any other operating revenue generated by or attributable to the route. VCTC and SBCAG shall continue to fund the COASTAL EXPRESS route under this arrangement. Service levels shall be established and agreed upon by both agencies through the annual route plan and budget as described in Section 4.

In addition to the annual funding commitment agreed upon by both agencies. SBCAG or VCTC shall have the option of funding additional Coastal Express service at the agency's sole expense. Coastal Express service funded exclusively by either agency shall be fully integrated into the Coastal Express annual budget and route plan.

7. Technical Committee

A Technical Committee shall be established and consist of staff representatives from VCTC, SBCAG, the Gold Coast Transit District, and the Santa Barbara Metropolitan Transit District, and the contract operator.

The Technical Committee will advise VCTC on operational elements including routes, schedules, adjustments to the performance standards in the Coastal Express Transit Plan, the annual budget, the annual report, and other service details and make recommendations to the Policy Committee. Minor modifications to service plans, routes and schedules are delegated to the Technical Committee.

8. Staffing and Administration

VCTC shall manage the COASTAL EXPRESS route as part of the VISTA intercity transit system. VCTC's cost to manage, operate and administer the COASTAL EXPRESS shall be allocated proportionally based on the share of COASTAL EXPRESS revenue hours as a portion of the total amount of VISTA revenue hours. The estimated annual cost for administering the COASTAL EXPRESS shall be included in the annual COASTAL EXPRESS budget. The estimated SBCAG costs associated with assisting in the planning and administration of the Coastal Express shall also be included in the annual budget. Duties relating to the Coastal Express to be performed by VCTC in consultation with SBCAG shall include: planning, marketing/branding, managing the service contractor, customer service, preparing and managing grants, preparing agendas, reports, and minutes for Policy Committee, Technical Committee meetings, providing monthly service reports to SBCAG, regular meetings with SBCAG staff. VCTC shall maintain insurance and

indemnification provisions identical or substantially similar to the terms identified in Attachment A in any agreement with a firm to provide transportation services, including the Coastal Express.

In lieu of and notwithstanding the pro rata risk allocation which might otherwise be imposed between the parties pursuant to Government Code Section 895.6, the Parties agree all losses or liabilities incurred by a party shall not be shared pro rata but instead the Parties agree, pursuant to Government Code Section 895.4, each of the Parties (the "Indemnifying Party") shall fully indemnify and hold harmless each of the other Parties, their officers, board members, employees and agents, from any claim, expense or cost, damage or liability imposed for injury (as defined by Government Code Section 810.8) occurring by reason of the negligent acts or omissions or willful misconduct of the Indemnifying Party, its officers, board members, employees, agents or volunteers, under or in connection with or arising out of any work, authority or jurisdiction delegated to such party under the MOU. No party, nor any officer, board member, employee or agent thereof shall be responsible for any damage or liability occurring by reason of the negligent acts or omissions or willful misconduct of other parties hereto, their officers, board members, employees, agents or volunteers under or in connection with or arising out of any work, authority or jurisdiction delegated to an Indemnifying Party under the MOU. This Indemnification provision shall survive any expiration or termination of the MOU.

9. Equipment

VCTC shall provide and maintain the equipment necessary to support the COASTAL EXPRESS, including but not limited to buses\coaches, GPS systems, fareboxes, and WiFi service.

10. Marketing

VCTC will include the Coastal Express in its intercity bus system marketing activities, promotional materials, printed schedules, etc. Any marketing programs specific to the Coastal Express may be developed either cooperatively by SBCAG and VCTC, with the costs for all marketing activities and promotional materials included in the annual budget and shared equally, or by either agency as a part of its internal marketing program controlled and paid for by the sponsoring agency. The schedule and other service information shall be accessible on the VCTC website and the SBCAG Traffic Solutions website. VCTC's existing guaranteed-ride-home and SBCAG Traffic Solutions emergency-ride-home programs will be available to users of the service.

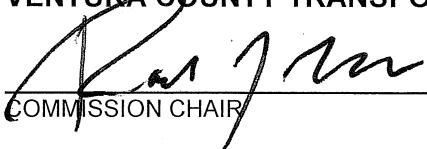
11. Amendment

This MOU can only be amended upon recommendation by the Policy Committee.

12. Term of the Memorandum of Understanding Agreement

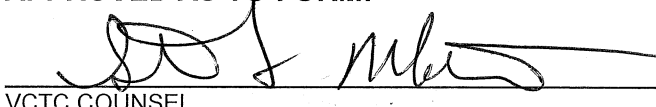
The term of this Memorandum of Understanding shall be from July 1, 2014 to June 30, 2017. This Agreement may be terminated by either party upon written notification to the other three months prior to the beginning of the next fiscal year. In that event, the Agreement will terminate at the end of the existing fiscal year.

VENTURA COUNTY TRANSPORTATION COMMISSION


COMMISSION CHAIR

7/25/14
Date

APPROVED AS TO FORM:


VCTC COUNSEL

7/25/14
Date

SANTA BARBARA ASSOCIATION OF GOVERNMENTS



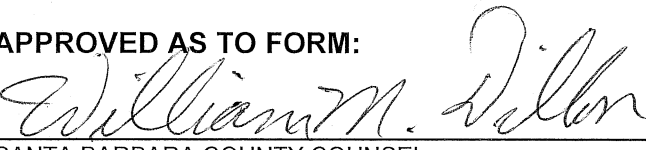
BOARD CHAIR 6/19/14
Date

ATTEST:



CLERK OF THE BOARD 6/19/14
Date

APPROVED AS TO FORM:



SANTA BARBARA COUNTY COUNSEL 6/10/14
Date

1. INSURANCE

A. LIABILITY INSURANCE. The CONTRACTOR, at its own cost and expense, will procure and maintain during the term of this Agreement liability insurance coverage of the following types, written on an "occurrence" form and with not less than the following limits of liability:

1. GENERAL PUBLIC LIABILITY AND PROPERTY DAMAGE - \$10 million per occurrence. This coverage will include, but not be limited to:

- i. Operations – Premises Liability;
- ii. Independent Contractors Liability – Broad Form;
- iii. Contractual Liability covering the CONTRACTOR's obligations herein;
- iv. Personal Injury Liability extending to claims arising from employees of the CONTRACTOR; and
- v. Completed Operations and Products Liability.

2. AUTOMOBILE LIABILITY INSURANCE FOR PROPERTY AND LIABILITY COVERAGE FOR OWNED AND NON-OWNER HIRED AUTOMOBILES - \$10 million per occurrence.

3. No later than 10 working days prior to the commencement of work, the CONTRACTOR must furnish the COMMISSION with a Certificate of Insurance evidencing satisfaction of the above coverage requirements.

4. THE CERTIFICATE MUST ALSO CONTAIN THE FOLLOWING LANGUAGE:

i. "The Agencies as specified by the VISTA Agreements including the Ventura County Transportation Commission, the City of Camarillo, the City of Fillmore, the City of Moorpark, the City of Oxnard, the City of San Buenaventura, the City of Santa Paula, the City of Simi Valley, the City of Thousand Oaks, the City of Carpinteria, the City of Santa Barbara, the City of Goleta, the County of Santa Barbara, the Santa Barbara County Association of Governments; the State of California, the Trustees of California State University and the employees, officers and agents of each of them; and the County of Ventura are additional insureds."

ii. "The liability assumed by the CONTRACTOR under the provisions of the Hold Harmless and Indemnity clause contained in the Agreement is covered by the terms of this policy."

iii. "The policy will not be canceled or materially changed without thirty (30) days prior written notice to the COMMISSION."

B. WORKERS COMPENSATION INSURANCE. As required by Section 1860 of the California Labor Code (Chapter 1000, Statutes of 1965), the CONTRACTOR will secure the payment of Worker's Compensation to its employees in accordance with the provisions of Section 3700 of the California Labor Code and will furnish the COMMISSION with a certificate evidencing such coverage.

Attachments

Attachment D

Quick Response Survey

Coastal Express Commuter Bus Service Survey

SBCAG Traffic Solutions and the Ventura County Transportation Commission are gathering information that will be included in a plan to enhance and expand VISTA Coastal Express commuter bus service from Ventura County to Santa Barbara and Goleta. Information collected as part of this survey is extremely important to the planning effort. To be included in the \$25 Amazon Raffle you must complete this survey by August 16th, 2013.

Thank you for participating in this survey. If you have questions about the survey, please contact Kent Epperson at 961-8917.

1. I commute from:

	Oxnard	Camarillo	Ojai	Ventura	Carpinteria
Origin:	☐	☐	☐	☐	☐

Other (please specify)

2. I commute to:

	Carpinteria	Santa Barbara (Downtown)	Goleta (Hollister Corridor)	UCSB
Workplace:	☐	☐	☐	☐

Other (please specify)

Coastal Express Commuter Bus Service Survey

3. What is your commute routine?

	Most of the time	Some of the time	Very occasionally	Never	I used to
Drive alone	☐	☐	☐	☐	☐
Ride the VISTA Coastal Express	☐	☐	☐	☐	☐
Ride the Coastal Express Limited	☐	☐	☐	☐	☐
Ride MTD service from Carpinteria	☐	☐	☐	☐	☐
Vanpool	☐	☐	☐	☐	☐
Carpool	☐	☐	☐	☐	☐
Telecommute	☐	☐	☐	☐	☐

4. Please rank how important the factors below are in your decision about whether to commute on the VISTA Coastal Express.

	Extremely Important	Very Important	Somewhat Important	Not Very Important	Not Important
Travel time	☐	☐	☐	☐	☐
Frequency of service	☐	☐	☐	☐	☐
Ease of park and ride	☐	☐	☐	☐	☐
Comfort of vehicle	☐	☐	☐	☐	☐
Proximity of stop to workplace	☐	☐	☐	☐	☐
Proximity of stop to home	☐	☐	☐	☐	☐
WiFi availability	☐	☐	☐	☐	☐
Bike carrying capacity	☐	☐	☐	☐	☐
Convenience of purchasing a bus pass	☐	☐	☐	☐	☐
Cost of bus pass (after any commuter benefit)	☐	☐	☐	☐	☐
Stress reduction	☐	☐	☐	☐	☐
Environmental concerns	☐	☐	☐	☐	☐

Other (please specify)

Coastal Express Commuter Bus Service Survey

5. When you consider commuting on the VISTA Coastal Express service, what do you think is a reasonable monthly or one-way fare for express commuter service on charter-style coaches from Ventura County to Santa Barbara/Goleta? (Fares below based on 20 commute days/40 one-way trips per month, and are before any employer commuter benefits are applied that reduce the cost to the customer)

6. If you think there are any unserved or underserved transit markets between Ventura and Santa Barbara counties, please indicate from the options below.

- ☐ Carpinteria to Goleta
- ☐ Ventura to UCSB
- ☐ Oxnard to UCSB
- ☐ Camarillo to Goleta
- ☐ Camarillo to Santa Barbara
- ☐ Ventura/Oxnard to Montecito
- ☐ Ventura/Oxnard to Goleta - Midday

Other (please use space below)

7. Please provide any comments you have that would help SBCAG and VCTC offer attractive commuter bus service between Ventura and Santa Barbara Counties. Your comments on issues like fares, schedules, park and ride lots, vehicle type, etc., are extremely valuable to the process of providing a service that will be appealing to commuters.

8. Does your organization offer a commuter benefit for employees who commute using transit service?

- ☐ Yes
- ☐ No

Coastal Express Commuter Bus Service Survey

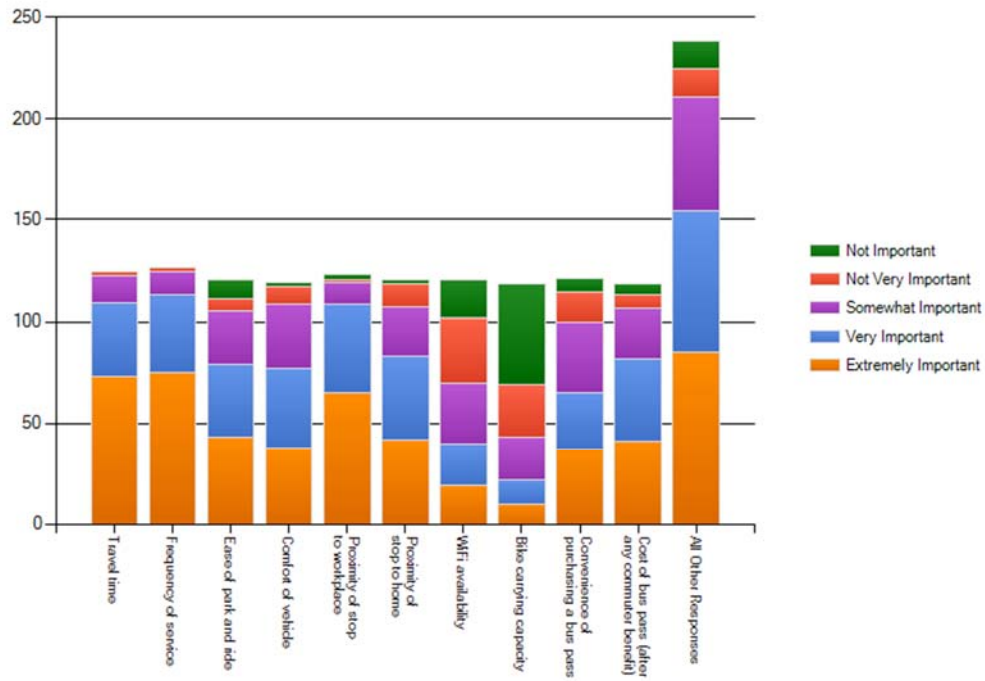
9. If so, please describe the level of commuter transit benefit. For example, \$20 per month, or \$4 per day, gift cards, additional vacation, etc.

10. If you would like to be included in the \$25 Amazon raffle, please provide your email here. Your email will only be used to contact you in case you are the winner.

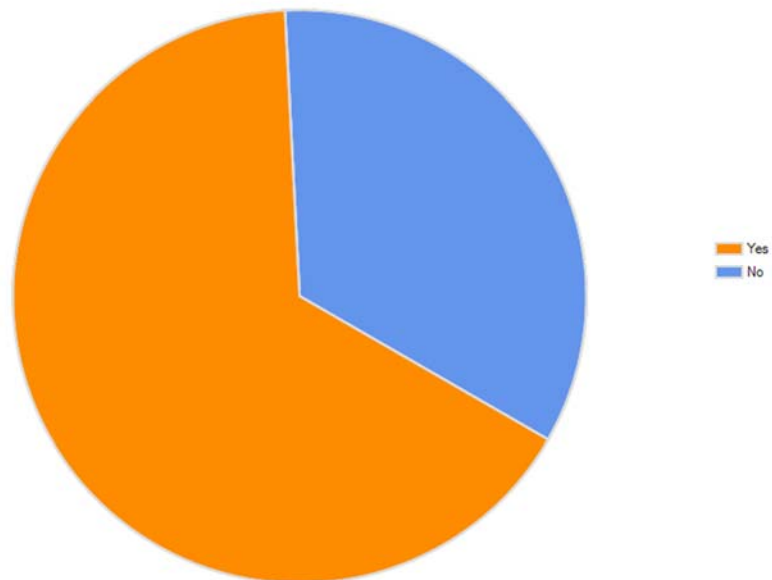
Attachment E

Responses to Survey

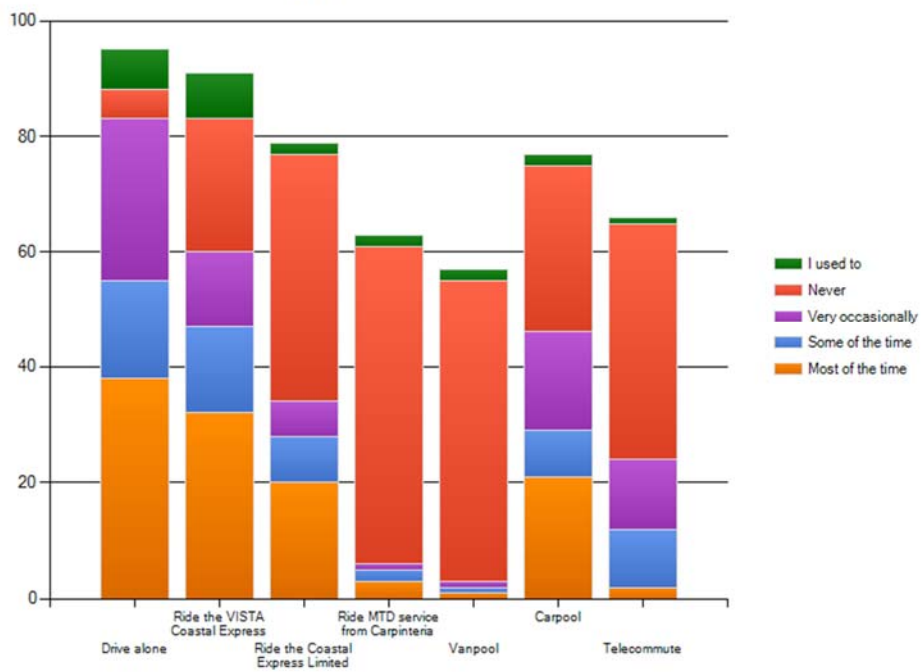
Please rank how important the factors below are in your decision about whether to commute on the VISTA Coastal Express.



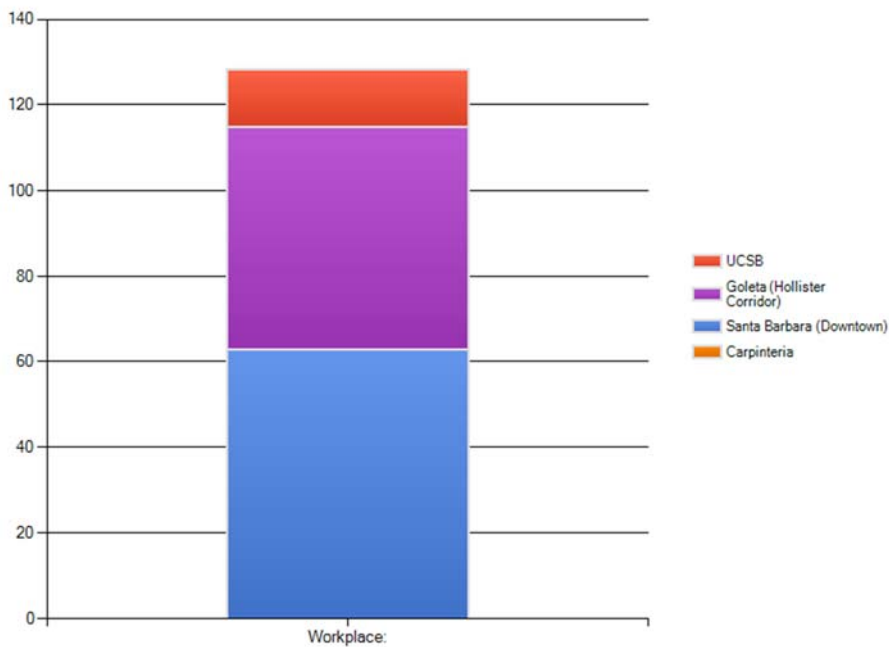
Does your organization offer a commuter benefit for employees who commute using transit service?



What is your commute routine?



I commute to:



If you think there are any unserved or underserved transit markets between Ventura and Santa Barbara counties, please indicate from the options below.

