

STAFF REPORT

SUBJECT: Coastal Express Limited Fare Change

MEETING DATE: July 11, 2012

AGENDA ITEM: 6

STAFF CONTACT: Scott Spaulding

RECOMMENDATION:

Recommend SBCAG board approval of fare reduction for the Coastal Express Limited commuter bus service.

SUMMARY:

In April 2011 the SBCAG board approved a Memorandum of Understanding with MTD to operate four commuter bus trips between Ventura and Santa Barbara/Goleta as part of the Traffic Management Plan (TMP) for the US 101 Mussel Shoals\Carpinteria HOV widening project using vehicles that became available following the reintegration of the Valley Express service into the Clean Air Express. The Coastal Express Limited began operating August 29, 2011, but for several reasons ridership for most Limited trips has been less than projected. SBCAG and MTD staff believe a lower fare will result in higher ridership that will more than offset the reduction in fare revenue from lower fares. Staff is recommending that the committee recommend that the SBCAG board approve lowering the fare from \$6 to \$4 (cash fare). Minor changes in the service schedule are also being planned.

DISCUSSION:

Caltrans, SBCAG and the Ventura County Transportation Commission (VCTC) were allocated \$150 million in Proposition 1B funding by the California Transportation Commission to improve a 6.2 mile segment of U.S. 101 between Mussel Shoals in Ventura County and Carpinteria in Santa Barbara County by adding HOV lanes in the median, closing median openings at various locations, and improving bicycle and pedestrian access along the coast in the corridor.

Caltrans requested SBCAG's assistance in implementing elements of a comprehensive Traffic Management Plan (TMP), including expanding interregional bus transit service in the corridor during construction. Caltrans and SBCAG executed a Cooperative Agreement, with SBCAG the lead agency, and in April 2011 the SBCAG board approved a Memorandum of Understanding with MTD to operate four commuter bus trips between Ventura and Santa Barbara/Goleta using surplus commuter buses purchased by MTD with CMAQ funds in 2004. Caltrans allocated \$100,000 in Proposition 1B funding from the construction budget to support expanded commuter bus service. An additional \$205,000 in SBCAG's STIP funds from the now completed Milpas to Hot Springs Operational Improvement project was reserved to offset construction impacts to transit services in the corridor. When impacts did not materialize during construction, the funding was repurposed to add new peak period service during the Mussel Shoals project. A total of \$305,000 in STIP and Proposition 1B funding is available to support the Coastal Express Limited to operate throughout the length of the Mussel Shoals freeway expansion project.

Ridership has averaged 8.2 passengers per trip over the last several months, significantly less than projected prior to initiating the service. Ridership is unevenly distributed among the eight trips, with a few averaging 3-5, several averaging 7-11, and one trip averaging nearly 17 riders per trip (resulting in an 85% farebox ratio). The ridership figures, as well as the surge in ridership during the free Rideshare Week promotion in October, indicate that while the Limited has not achieved the market traction expected, there is demonstrated customer demand for express service in the corridor. The low ridership on the Limited service is undoubtedly due in large part to the significant difference in fares (\$3 cash fare for VISTA vs. \$6 cash fare for Limited)

SBCAG and MTD staff have worked together to develop fare and schedule changes designed to boost ridership on the Limited. It is recommended that South Coast Subregional Committee consider a fare reduction that continues to include a small premium for express service to and from the Ventura Government Center. The existing and proposed fare structure for the Coastal Express Limited service is shown in the table below.

Recommended Coastal Express Limited Fare Options

Pass	VISTA	Coastal Express Limited (Proposed)	Coastal Express Limited (Current)
Single	\$3	\$4	\$6
10 Ride	\$27	\$35	\$40
Monthly	\$105	\$120	\$140
Monthly (Per Trip)	\$2.76	\$3.16	\$3.68

The fare reduction would be effective August 1, but the service changes (Attachment 2) would be effective August 27.

The new fare structure would substantially reduce the differential between VISTA and Limited services which will increase the attractiveness of the Limited service. The Limited will continue to provide fewer stops and shorter trip times. In addition, the Limited will likely be the only service in the corridor operating the charter-style coaches that VISTA passengers have grown accustomed to (the new operator for VISTA will likely be operating smaller urban transit buses with fewer seats and passenger amenities). SBCAG and MTD staff have also worked together to develop minor changes on two of the eight trips to fine tune the Limited schedule to better meet the heaviest demand for VISTA service. The combination of reduced fares, shorter trip times, revised schedules and more comfortable buses is expected to boost ridership on the Limited.

If service can be boosted to 25 riders at an average fare of \$3.50 under the new fare structure, the service can continue to operate using a combination of Traffic Management Plan funds and fare revenues into 2015, meeting the goals of the Mussel Shoals\Carpinteria Traffic Management Plan by providing an additional alternative mode of travel to driving alone in the corridor during construction. Without a boost in service under the current fare structure, the service would exhaust the Traffic Management Plan subsidy by the middle of next year.

It is recommended that the committee approve the proposed fare reduction. The committee's recommendation will be presented to the SBCAG board for approval at its July 19th meeting. A new marketing plan will be developed and implemented using the fare reduction as one of the key messages.

ATTACHMENTS:

1. Ridership Performance Measures
2. Proposed Schedule Changes

Attachment 1:

**Ridership Needed to Achieve an 80% Farebox Recovery and Maintain Service
During U.S. 101 Mussel Shoals\Carpinteria US 101 Construction Project**

Average Fare	Riders	Farebox Ratio	Depletion of Traffic Management Plan Funds
\$5.30 (current)	8.2	40%	mid 2013
\$3.50	25	80%	early 2015

Coastal Express Limited Proposed Schedule (August 27, 2012)

Service to Santa Barbara	Ventura Government Center	Cota & Garden	Santa Barbara & Ortega	Figueroa & Santa Barbara	Figueroa & Chapala	Bath & Pueblo
86 Current Service	6:45a	7:20a	7:23a	7:25a	7:26a	7:33a
Proposed Service	No Change					
87 Current Service	7:30a	8:10a	8:13a	8:15a	8:16a	8:23a
Proposed Service	No Change					

	Bath & Pueblo	Anacapa & Anapamu	Anacapa & De La Guerra	Haley & Garden	Ventura Government Center
88 Current Service	5:32p	5:40p	5:42p	5:44p	6:28p
Proposed Service	4:02p	4:10p	4:12p	4:14p	4:58p
89 Current Service	4:37p	4:45p	4:47p	4:49p	5:33p
Proposed Service	No Change				

Service to Goleta	Ventura Government Center	Hollister & Nectarine	Hollister & Aero Camino	Hollister & Cremona	Castillian & Cortona	Hollister & Palo Alto
88 Current Service	6:35a	7:24a	7:27a	7:30a	7:33a	7:37a
Proposed Service	6:25a	7:14a	7:17a	7:20a	7:23a	7:27a
89 Current Service	6:55a	7:44a	7:47a	7:50a	7:53a	7:57a
Proposed Service	No Change					

	Hollister & Palo Alto	Cortona & Castillian	Castilian Dr & Los Carneros Rd	Hollister & Adam	Hollister & Pine	Ventura Government Center
88 Current Service	5:30p	5:32p	5:34p	5:37p	5:38p	6:31p
Proposed Service	4:03p	4:05p	4:07p	4:10p	4:11p	5:04p
89 Current Service	4:35p	4:37p	4:39p	4:42p	4:43p	5:36p
Proposed Service	No Change					