



BCT Line 109 Cost Sharing Proposal: Fiscal Year 2018-19

May 2018

Service Overview Beach Cities Transit operates the Line 109 route with agency partners, including Redondo Beach, Hermosa Beach, Manhattan Beach and El Segundo. The partner agencies share operating costs for Line 109.

Update The Redondo Beach Transit Center project construction will begin in FY2018-19. The new location on Kingsdale Avenue will provide improved regional transit facilities including parking, bike racks, passenger waiting areas, and a TAP ticket vending machine.

City staff is continuing efforts to implement real time information services on BCT buses to enable riders to get bus arrival times on their mobile phones or other computer systems. A real time information service RFP will be issued and the service implementation is planned for FY 2018-19.

Statistics: Ridership in FY 2017-18 continues to trend downward, consistent with regional and national transit agencies. BCT Line 109 passenger trips decreased in FY 2017-18 by 5.3%, with 10,925 fewer trips over the prior year. Fare revenues decreased by \$6,073.

Actual Service Statistics History of BCT Line 109

	FY 13-14	FY 14-15	FY 15-16	FY16-17
Service Hours	20,234	20,235	20,343	20,290
Operating Cost	\$1,174,214	\$1,173,517	\$1,172,600	\$1,195,038
Fare Revenues	\$154,801	\$149,765	\$150,103	\$144,030
Passenger Trips	212,584	206,198	200,993	190,068

Transit Funding As fare revenues continue to decrease, new fund sources alleviate the negative impact, covering costs related to BCT transportation services. Two new transportation funding sources provide additional transit program funding – the Los Angeles County Measure M transit sales tax, and Senate Bill 1 State Transit Assistance funds. The new Transit funding will be used towards BCT transit operations and facility improvements, and the transit center facility maintenance and operations. Metro’s annual transit formula funding allocations to municipal transit operators is based on sales tax revenue receipts. Regional funding estimates stayed relatively stable

Cost Estimates Fiscal Year 2019 The expenses included in the cost sharing estimates for BCT Line 109 are the operating expenses incurred by the transit contractor and fuel expenses. In addition, the City proposes to include the estimated cost to purchase and install real-time information capital equipment and systems, and related operation expenses.

The total cost is expected to be \$1,356,727 for the operation of 20,280 projected annual service hours. Cost increases are the result of increased fuel expenses, the transit contractor annual operating increases, and new real-time information system expenses.

Cost Sharing Allocation History The cost sharing allocations, based on the percent of average route miles, remains the same for all agencies. Redondo Beach will pay more than the other Cities' allocated percentage, in order to cover increased costs over the 10% increase based on the cap established in the two year agreement.

CITY	% INVESTMENT (avg route miles/ total route miles)	FY 2014-15 actual	FY2015-16 actual	FY2016-17 actual	FY2017-18 projected
Redondo Beach	34.95%	\$21,179	\$33,349	\$36,438	\$39,817
Hermosa Beach	10.89%	\$6,599	\$10,391	\$11,354	\$12,407
Manhattan Beach	16.05%	\$9,726	\$15,314	\$16,733	\$18,285
El Segundo	38.11%	\$23,094	\$36,363	\$39,732	\$43,417
TOTAL SHORTFALL	100%	\$60,598	\$95,417	\$104,258	\$113,926

Investment Estimates Based on the preliminary fund marks issued by Metro in April 2018, the estimated FY 2018-19 shortfall for the BCT Line 109 is \$119,318. The total shortfall factors in the real time information costs, and accounts for reduced fare revenues.

BCT Estimated Cost Sharing Contract Allocations

CITY	% INVESTMENT (avg route miles/total route miles)	FY 2017-2018 INVESTMENT ESTIMATE	FY 2018-19 INVESTMENT ESTIMATE
Redondo Beach	34.95%	\$39,817	\$41,701
Hermosa Beach	10.89%	\$12,406	\$12,994
Manhattan Beach	16.05%	\$18,285	\$19,151
El Segundo	38.11%	\$43,417	\$45,472
Total	100%	\$113,926	\$119,318

*FY 2019 contributions are based on a 10% increase over the FY 2018 agreement cap amounts for Hermosa Beach, Manhattan Beach, and El Segundo. The final Redondo Beach investment includes all expenses over 10%.

Proposal Assumptions:

- 20,280 annual service hours
- No change in route mile distribution to Cities



Estimated Expenditures BCT Line 109 Fiscal Year 2018-19

The expenses included in the cost sharing estimates for BCT Line 109 are the operating expenses incurred by the transit contractor, and fuel expenses. In addition, the City proposes to include the estimated cost to purchase and install Real-Time Information (RTI) capital equipment and systems, and related operation expenses.

The estimated cost of the RTI system will be distributed to both the Line 102 and 109 operations, with approximately 60% allocated to Line 109, which is 60% of the transit operations total service hours. The actual cost of the RTI service will not be final until after the RFP is issued and a vendor/system is determined. If the RTI costs by the selected vendor are lower than the estimated proposed costs, the City will review the budget to adjust the payment amounts. The RTI project will be billed to the Cities after the vendor agreement is awarded.

The total cost of the BCT Line 109 service inclusive of the RTI system is projected at approximately \$1,356,727 for the operation of 20,280 projected annual service hours.

Estimated Line 109 Costs		Estimated Transit Funding	
Operations	\$1,087,000	Operation Funding	\$1,112,409
Fuel	\$ 205,000	Fare Revenues	\$ 125,000
RTI Capital/Ops	\$ 60,000	Total Estimated Revenues	\$1,237,409
Total Estimate	\$1,356,727	Net Shortfall	\$119,318

Cost Sharing Cities	% Investment	Operations Contribution	RTI Contribution	Total Contribution
Redondo Beach	34.95%	\$20,731	\$20,970	\$41,701
Hermosa Beach	10.89%	\$ 6,460	\$ 6,534	\$12,994
Manhattan Beach	16.05%	\$ 9,521	\$ 9,630	\$19,151
El Segundo	38.11%	\$22,606	\$22,866	\$45,472
Total		\$59,318	\$60,000	\$119,318

The RTI Fact Sheet that follows on the next page provides an explanation of the benefits of real time information systems on transit buses.



Real Time Passenger Information Fact Sheet

What is Real Time Passenger Information?

Real Time Passenger information allows passengers to receive real-time, up to date transit information. It is provided by a [vehicle tracking system](#) which uses global positioning satellite information and a historical algorithm to predict when the next vehicle will arrive at any given transit stop, thereby reducing wait times and the reliance on schedules.

What are the benefits?

Benefits realized from deploying real-time bus arrival information systems include improved customer service, increased customer satisfaction, and improved visibility of transit in the community.

Transit agencies can also use the system as an oversight tool to monitor and control schedule adherence, customer inquiries and operations management.

How is the information received?

Real time passenger information is usually available through a variety of mediums depending on the vendor. Mediums include phone, website, smartphone applications and SMS text messaging.

In addition, transit staff will be requiring vendors to provide a solution for real-time transit updates to users of Google Maps (GTFS-RT). These updates include live arrival and departure times to bus stops and service alerts.

What is the cost?

Price varies among real time information vendors. The range is \$25,000-\$100,000 depending on system requirements and operational needs. The range provides a comprehensive estimate for the project:

1. Real Time Equipment
2. Passenger/Admin Interface
 - a. Visual tracking of bus and arrival/departure times.
3. Host GTFS-RT feed on Contractor Server
4. Launch and Manage GTFS-RT
 - a. Administrative data reports.