SUBJECT: Resolution of Project Compliance for Funding from Regional Measure 2 for Phase 1 Bus Rapid Transit (BRT) Operations Along the International Blvd./E. 14th St. Corridor for Implementation in June 2005

RECOMMENDED ACTION:

☐ Information Only  ☐ Briefing Item  ☑ Recommended Motion

Approve Resolution 05-005, including all attachments thereto, authorizing the General Manager or his designee to execute and submit all documents pertaining to this request for Allocation of Regional Measure 2 Operation Assistance for BRT service in the Telegraph/International Boulevard/East 14th Street corridor.

Authorize the General Manager, or his designee, to make non-substantive changes or minor amendments to the Metropolitan Transportation Commission (MTC) Initial Project Report as he deems appropriate.

Fiscal Impact: Approximately $3,000,000.00 in revenue would be collected from MTC for operation of first year operations BRT on the International Blvd./E. 14th St. Corridor; an initial allocation of $300,000.00 would be made in FY ’04-’05 for start-up costs and a second allocation of $2,643,116.00 would be made in FY ’05-’06 for operating.

BOARD ACTION: Approved as Recommended [x] Other [ ]

MOTION: BISCHOFBERGER/JAQUEZ to adopt Resolution No. 05-005 as presented (7-0-0-0).

Ayes: Directors Bischofberger, Jaquez, Kaplan, Hayashi, Peeples, Vice President Harper, President Wallace - 7

Noes: None - 0

Abstain: None - 0

Absent: None - 0

The above order was passed on March 2, 2005.

Rose Martinez, District Secretary

By ________________________________
expenses; fully allocated costs were calculated in accordance with MTC policies regarding RM2 funds. The net effect should be cost-neutral.

Background/Discussion:
Staff has developed a Phasing Plan for early implementation of the 19-mile-long Bus Rapid Transit (BRT) service on Telegraph/International/E.14th, which combines portions of Route 82/82L on International Boulevard/East 14th Street and Route 40 on Telegraph Avenue into a single route. In order to implement these changes, AC Transit is seeking the release of $3 million in Regional Measure 2 operating funds from MTC for service in the International Blvd./E. 14th St. section of the larger corridor (Routes 82/82L only).

Phase 1 of the service plan involves installation and/or relocation of bus shelters on International Blvd and E. 14th St. in addition to making changes to routes 82/82L, as described below. Phase 1 incorporates travel-time savings associated with removing limited bus stops along the International Corridor to mimic the BRT stop spacing used on San Pablo Avenue. The District intends to implement this phase in June 2005. The target date for implementation of Phase 2 of the plan, which adds the Telegraph Ave. portion of the corridor, is June 2006. Phase 2 involves more extensive capital investments, including signal priority, passenger information systems, and street improvements.

Phase 1 BRT improvements include the following:

1. Restructure Line 82 and 82L into enhanced bus service:
   • Extending the 82 local from San Leandro BART to Hayward BART;
   • Shifting the 82L route on International Blvd., no longer diverting to serve San Leandro BART;
   • Shortening the route of the 82L from Hayward BART to BayFair BART;
   • Routing line 82L through BayFair Mall on the way to BayFair BART.

2. Establish 23 BRT Stops in each direction (Currently there are 43 eastbound and 44 westbound 82 Limited stops). Maintain underlying 82 local bus stops at locations where 82L is deleted.

3. Increase 82L service levels to conform with or exceed AC Transit Board policy regarding minimum levels of BRT service. This includes:
   • Extending 82L-weekday service to 7 p.m.;
   • Increasing 82L mid-day weekday service from 15-minute service to 10-minute service;
   • Increasing 82L peak-period weekday service from five buses per hour (12-minute service) to six buses per hour (10-minute service);
GM Memo No. 05-051
Subject: Resolution of Project Compliance for Funding from Regional Measure 2 for Phase 1 Bus Rapid Transit (BRT) Operations Along the International Blvd./E. 14th St. Corridor for Implementation in June 2005
Date: February 16, 2005
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- Shifting fleet makeup to all 60-foot Van Hool articulated buses on the 82L, and all 40-foot buses on the 82 local service.

4. Installation of bus shelters and relocating stops to conform to BRT standards.

First year costs include:
- Driver route training;
- Advanced and on-going marketing of the service;
- Enhanced supervision to assure the system is operating at the optimal level; and
- Increase in frequency from 15 to 10 minutes.

Attachments:
Attachment A: AC Transit Board Resolution 05-005: A Resolution of Project Compliance for Funding from Regional Measure 2 for Telegraph Ave./International Blvd./E. 14th Street Enhanced Bus Operations
Attachment B: RM2 Initial Operating Proposal Telegraph/International/E. 14th St. Bus Rapid Transit, Phase 1 - Operating

Approved by: Rick Fernandez, General Manager
Deborah McClain, Chief Financial Officer

Prepared by: Joan Martin, Manager of Capital Planning and Grants Administration
Christina Verdin, Senior Grants Administrator

Date Prepared: February 9, 2005
ALAMEDA-CONTRA COSTA TRANSIT DISTRICT

RESOLUTION NO. 05-005

A Resolution of Project Compliance for funding from Regional Measure 2 for Telegraph Ave./International Blvd./E. 14th Street Bus Rapid Transit Operations

WHEREAS, SB 916 (Chapter 715, Statutes 2004), commonly referred to as Regional Measure 2, identified projects eligible to receive funding under the Regional Traffic Relief Plan; and

WHEREAS, the Metropolitan Transportation Commission (MTC) is responsible for funding projects eligible for Regional Measure 2 funds, pursuant to Streets and Highways Code Section 30914(c) and (d); and

WHEREAS, MTC has established a process whereby eligible transportation project sponsors may submit allocation requests for Regional Measure 2 funding; and

WHEREAS, allocations to MTC must be submitted consistent with procedures and conditions as outlined in Regional Measure 2 Policy and Procedures; and

WHEREAS, Alameda-Contra Costa Transit District (AC Transit) is the sponsor for the Telegraph Ave./International Blvd./E. 14th Street Bus Rapid Transit Project; and

WHEREAS, Alameda-Contra Costa Transit District (AC Transit) is an eligible sponsor of transportation project(s) in Regional Measure 2, Regional Traffic Relief Plan funds; and

WHEREAS, the Telegraph Ave./International Blvd./E. 14th St. Bus Rapid Transit Project is eligible for consideration in the Regional Traffic Relief Plan of Regional Measure 2, as identified in California Streets and Highways Code Section 30914(c) or (d); and

WHEREAS, the Regional Measure 2 allocation request, attached hereto in the Operating Assistance Proposal and incorporated herein as though set forth at length, demonstrates a fully funded operating plan that is consistent with the adopted performance measures, as applicable, for which Alameda Contra Costa Transit District (AC Transit) is requesting that MTC allocate Regional Measure 2 funds.

NOW THEREFORE, the Board of directors of the Alameda-Contra Costa Transit District does resolve as follows:

Section 1. Alameda-Contra Costa Transit District (AC Transit) and its agents shall comply with the provisions of the Metropolitan Transportation Commission’s Regional Measure 2 Policy Guidance (MTC Resolution No. 3636).
Section 2.  Alameda-Contra Costa Transit District (AC Transit) approves the updated Operating Assistance Proposal, attached to this Resolution.

Section 3.  Alameda-Contra Costa Transit District (AC Transit) approves the certification of assurances attached to this resolution.

Section 4.  Alameda-Contra Costa Transit District (AC Transit) is an eligible sponsor of projects in the Regional Measure 2 Regional Traffic Relief Plan, Operating Program in accordance with California Streets and Highways Code 30914(d).

Section 5.  Alameda-Contra Costa Transit District (AC Transit) is authorized to submit an application for Regional Measure 2 funds for the Telegraph Ave./International Blvd./E. 14th St. Bus Rapid Transit Project in accordance with California Streets and Highways Code 30914 (d).

Section 6.  Alameda-Contra Costa Transit District (AC Transit) certifies that the projects and purposes for which RM2 funds are being requested are in compliance with the requirements of the California Environmental Quality Act (Public Resources Code Section 21000 et seq.), and with the State Environmental Impact Report guidelines (14 California Code of Regulations Section 15000 et seq.) and, the National Environmental Policy Act (NEPA), 42 USC Section 4-1 et. seq. and the applicable regulations thereunder.

Section 7.  There is no legal impediment to Alameda-Contra Costa Transit District (AC Transit) making allocation requests for Regional Measure 2 funds.

Section 8.  There is no pending or threatened litigation which might in any way adversely affect the proposed project, or the ability of (Alameda-Contra Costa Transit District (AC Transit) to deliver such project.

Section 9.  Alameda-Contra Costa Transit District (AC Transit) indemnifies and holds harmless MTC, its Commissioners, representatives, agents, and employees from and against all claims, injury, suits, demands, liability, losses, damages, and expenses, whether direct or indirect (including any and all costs and expenses in connection therewith), incurred by reason of any act or failure to act of AC Transit, its officers, employees or agents, or subcontractors or any of them in connection with its performance of services under this allocation of RM2 funds. In addition to any other remedy authorized by law, so much of the funding due under this allocation of RM2 funds as shall reasonably be considered necessary by MTC may be retained until disposition has been made of any claim for damages.

Section 10.  If any revenues or profits arise from any non-governmental use of property (or project), said revenues or profits shall be used exclusively for the public transportation services for which the project was initially approved, either for capital improvements or maintenance and operational costs, otherwise the Metropolitan Transportation Commission is entitled to a proportionate share equal to MTC’s percentage participation in the projects(s).
Section 11. Alameda-Contra Costa Transit District (AC Transit) authorizes its General Manager, or his designee, to execute and submit allocation requests for operating or planning costs for fiscal years 2004-2005 and 2005-2006 with MTC for Regional Measure 2 funds for purposes and amounts included in the project application attached to this resolution. The General Manager, or his designee, would execute and submit an initial allocation request for $300,000.00 to be made in fiscal year 2004-2005 for start-up costs. The allocation request includes $2,643,116.00 in FY 2005-06 Funds for 2005-2006 for operating expenses.

Section 12. The General Manager, or his/her designee is hereby delegated the authority to make non-substantive changes or minor amendments to the IPR as he/she deems appropriate.

Section 13. A copy of this resolution shall be transmitted to MTC in conjunction with the filing of the Alameda-Contra Costa Transit District (AC Transit) application referenced herein.

Section 14. This resolution shall become effective immediately upon its passage by four affirmative votes of the Board of Directors.

PASSED AND ADOPTED This ____________, 2005

____________________________
Joe Wallace, President

Attest:

____________________________
Rose Martinez, District Secretary

I, Rose Martinez, District Secretary for the Alameda-Contra Costa Transit District, do hereby certify that the foregoing Resolution was passed and adopted at a Regular Meeting of the Board of Directors held on March 2, 2005, by the following roll call vote:

AYES: DIRECTORS:

NOES: DIRECTORS:

ABSENT: DIRECTORS:

ABSTAIN: DIRECTORS:
Approved as to Form:

Kenneth C. Scheidig
General Counsel
RM-2 Operating Assistance Proposal

Project Sponsor: ALAMEDA CONTA COSTA TRANSIT DISTRICT (AC Transit)
Project Name: TELEGRAPH/INTERNATIONAL/E. 14th ST. BUS RAPID TRANSIT, FIRST YEAR OPERATING PLAN

Description of Proposed Service

AC Transit has developed a First Year BRT Operating Plan for implementing the 19-mile-long Rapid Bus service on Telegraph/International/E.14th, which combines portions of Route 82 on International Boulevard/East 14th Street and Route 40 on Telegraph Avenue into a single route. This plan allows passengers to reap immediate benefits while the District completes the signalization and other Bus Rapid Transit (BRT) elements in the rest of the corridor. In order to implement these changes, AC Transit is seeking the release of $3 million in operating funds authorized through Regional Measure 2 for service in this corridor.

The First Year BRT Operating Plan has been developed to take advantage of travel-time savings associated with removing limited bus stops along the International Corridor to mimic the Rapid stop spacing used on San Pablo Avenue. The service plan involves the changes to routes 82/82L, described below, along with the installation and/or relocation of bus shelters on International Boulevard. The District intends to implement this plan in June 2005. The target date for implementation of the Telegraph Avenue portion of the corridor is June 2006. Work subsequent to the First Year BRT Operating Plan involves more extensive capital investments, including signal priority, passenger information systems, and street improvements as described below.

The First Year BRT Operating Plan improvements will be implemented in June 2005, and include the following:

1. Restructure Line 82 and 82L into Bus Rapid Transit service:
   • Extending the 82 local from San Leandro BART to Hayward BART;
   • Shifting the 82L route on International Blvd., no longer diverting to serve San Leandro BART;
   • Shortening the route of the 82L from Hayward BART to BayFair BART;
   • Routing line 82L through BayFair Mall on the way to BayFair BART.

2. Establish 23 Rapid Stops in each direction (Currently there are 43 eastbound and 44 westbound 82 Limited stops). Maintain underlying 82 local bus stops at locations where 82L is deleted.

3. Increase 82L service levels to conform with or exceed AC Transit Board policy regarding minimum levels of Rapid service. This includes:
   • Extending 82L weekday service to 7 p.m.;
   • Increasing 82L mid-day weekday service from 15-minute service to 10-minute service;
• Increasing 82L peak-period weekday service from five buses per hour (12-minute service) to six buses per hour (10-minute service);
• Shifting fleet makeup to all 60-foot Van Hool articulated buses on the 82L, and all 40-foot buses on the 82 local service.

4. Installation of bus shelters and relocating stops to conform to Rapid Bus standards.

First year costs include:
• Driver route training;
• Advanced and on-going marketing of the service;
• Enhanced supervision to assure the system is operating at the optimal level; and
• Increase in frequency from 15 to 10 minutes.

Map to be provided when service plan is completed.

• Description of markets being served
  Based on Automatic Passenger Counter data collected September through December of 2004, there are approximately 13,000 weekday, 3,000 Saturday and 5,000 Sunday boardings along the 82/82L corridor. The objective of this project is to better serve key employment and education markets in the East Bay. Downtown Oakland, at the end of the corridor, currently has a work force of about 70,000. Major employment centers also include Downtown San Leandro and the Bay Fair Mall. There are over 40,000 students enrolled at the Laney College and in the public high Schools, junior high and middle schools in the areas along the corridor. East Oakland, where about one-half of the corridor is located, has a population density greater than 25,000 persons per square mile. The remainder of the corridor contains approximately 11,000 to 18,000 persons per square mile. Redevelopment efforts along the corridor will be further enhanced with the service and will allow better access to regional jobs, education and service markets. The Bus Rapid Transit services provided in Phase 1 are expected to modestly increase ridership.

• Description of methodology used to estimate ridership
  Ridership is projected to increase through marketing efforts and growth in public awareness. As such, when completed, the restructured service is expected to have maximum loads of more than 60 passengers and minimum loads of more than 10 passengers per trip for the first year. Total first year patronage is expected to increase due to the increased frequency of the service. As Phase 2 is implemented, including signalization and capital bus stop improvements, ridership is expected to increase commensurate with the San Pablo Rapid.
Service Parameters:

<table>
<thead>
<tr>
<th></th>
<th>Weekday</th>
<th>Weekend</th>
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</thead>
<tbody>
<tr>
<td>Service Start/End times</td>
<td>6:00 a.m. to 7:00 p.m.</td>
<td>7:30 a.m. to 5:00 p.m.</td>
</tr>
<tr>
<td>Headways Peak/Off-peak</td>
<td>10-minute frequencies</td>
<td>15-minute frequencies</td>
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<tr>
<td>Vehicles in service Peak/Off-Peak</td>
<td>14 Peak/Off-Peak</td>
<td>9</td>
</tr>
<tr>
<td>Daily revenue vehicle hours</td>
<td>71</td>
<td>22</td>
</tr>
</tbody>
</table>

Budget

- **Description of Cost Model.**
  Due to the current economic situation, the District cannot use any of its existing subsidies to cover any of the costs for new or added service. Therefore, the costs assumed for this proposal are fully loaded costs. The model used the actual numbers from March 2004, which reflects the service cuts and staff reductions that took place in December 2003. A targeted marketing component for these services was added together with one-time start-up costs for driver training, signal priority testing, and planning and engineering direct labor costs. The on-going costs of signal priority maintenance are also included in the projected budget and will start during Phase 2 in FY 2006. These costs are shown as separate line items in the project budget. The service hours increase each year as ridership increases to cover the additional costs. Also included in the hourly rate, is a richer supervisory component than that used for the rest of the service. Costs assume a 1.5% inflation adjustment for each of the five years shown.

- **Basis of fare revenue projections**
  Fare revenue projections are based on the current average local fare, $.75 and passenger increases to achieve a farebox recovery ratio of 10.5% in year one and 20.1% by the fifth year of service. The farebox recovery ratio presented in the table below, assumes the impact of the new Rapid service on existing ridership.

- **Description of other revenues**
  No additional subsidies are assumed for this proposal.
### Five-year projections

#### Budget

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<tr>
<td>Operating Expense</td>
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<tr>
<td>(annualized)</td>
<td>2,455,919</td>
<td>2,740,500</td>
<td>2,966,400</td>
<td>3,137,500</td>
<td>3,184,563</td>
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<td>Targeted Marketing</td>
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<td>150,000</td>
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<td>Training costs</td>
<td>150,000</td>
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<td>Direct Labor</td>
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<td>200,000</td>
<td>100,000</td>
<td>50,000</td>
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<tr>
<td>Communications/Signal</td>
<td>250,000</td>
<td>200,000</td>
<td>250,000</td>
<td>250,000</td>
<td>275,000</td>
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<tr>
<td>Specialist</td>
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<tr>
<td>TOTAL EXPENSE</td>
<td>3,230,919</td>
<td>3,290,500</td>
<td>3,416,400</td>
<td>3,537,500</td>
<td>3,609,563</td>
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<tr>
<td>Operating Revenue</td>
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<td>Fares</td>
<td>297,803</td>
<td>452,287</td>
<td>677,080</td>
<td>706,680</td>
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<td>RM-2</td>
<td>2,933,116</td>
<td>2,838,213</td>
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<td>Other (list)</td>
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<tr>
<td>Total Revenues</td>
<td>3,230,919</td>
<td>3,290,500</td>
<td>3,416,400</td>
<td>3,537,500</td>
<td>3,609,563</td>
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#### Projected Operating Data and Performance Measures:

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<td>Total annual passengers</td>
<td>397,071</td>
<td>603,049</td>
<td>846,350</td>
<td>883,350</td>
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<td>Average weekday riders</td>
<td>1,419</td>
<td>2,210</td>
<td>3,139</td>
<td>3,285</td>
<td>3,373</td>
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<td>Revenue vehicle hours</td>
<td>20,466</td>
<td>22,500</td>
<td>24,000</td>
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<td>Revenue vehicle miles</td>
<td>409,320</td>
<td>450,000</td>
<td>480,000</td>
<td>500,000</td>
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<tr>
<td>Fare ratio</td>
<td>10.5%</td>
<td>13.7%</td>
<td>19.8%</td>
<td>20.0%</td>
<td>20.1%</td>
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<tr>
<td>Cost per passenger</td>
<td>$ 7.13</td>
<td>$ 5.46</td>
<td>$ 4.04</td>
<td>$ 4.00</td>
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<tr>
<td>Subsidy per passenger</td>
<td>$ 6.38</td>
<td>$ 4.71</td>
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<td>$ 3.20</td>
<td>$ 3.18</td>
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<tr>
<td>Cost per vehicle hour</td>
<td>$120.00</td>
<td>$121.80</td>
<td>$123.60</td>
<td>$125.50</td>
<td>$127.38</td>
</tr>
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Implementation Schedule

• **Proposed start date** –
  June 2005

• **Environmental clearance** –
  A Categorical Exemption document was completed in the Fall of 2003. This document clears signal upgrades, shelter installation and minor civil works.

• **Vehicles/other capital** –
  Have purchased 20 new Van Hool Artic (60ft) using funds provided by Measure B and the CMA TIP for this service. Will purchase approximately 15 additional artic coaches using the Capital portion of the RM2 funding for this project. Will use vehicles that are currently used to operate local service in this corridor until the new vehicles have been received.

• **If partnering with other agencies, provide letters of support from partners**
  Not applicable

• **Description of potential implementation issues** –
  Federal restriction on use of Bridge tolls for operations.

**CONTACTS:**

Joan P. Martin, Manager-Capital Planning & Grant Administration
Phone: (510) 891-7253   Fax: (510) 891-7139
Email: JMartin@actransit.org

Jon Twichell, Manager-Transportation Planning
Phone: (510) 891-4801   Fax: (510) 891-4874
Email: JTwichel@actransit.org