



October 10, 2019

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: OC Bus 360° Update

Overview

The Orange County Transportation Authority is implementing a comprehensive effort to reconfigure transit services in response to changing market conditions. The goals are to address ridership declines by improving passenger travel times and designing services to retain existing customers and attract new customers. A six-month status report on major OC Bus 360° elements is presented for review.

Recommendation

Receive and file as an information item.

Background

To address declining bus ridership, in 2015, the Board of Directors (Board) endorsed a comprehensive action plan (Plan) known as OC Bus 360°. This effort included a comprehensive review of current and former rider perceptions, a peer review panel that reviewed the Orange County Transportation Authority's (OCTA) performance and plans, new branding and marketing tactics tied to rider needs, upgraded bus routes and services to better match demand and capacity, technology solutions to improve passenger experience, fare adjustments, as well as other revenue changes to stimulate ridership and provide new funding.

Extensive work was invested by OCTA divisions to implement the Plan. These efforts included:

- Implementation of new and faster bus routes,
- Redeployment of bus service to improve efficiency and build ridership in 2016, 2017, 2018, and during the upcoming October 2019 and February 2020 service changes,
- Competitively-awarded Measure M grants to local agencies through Project V for transit services tailored to community needs,

- Implementation of a promotional fare and college pass program,
- Rollout of new technologies, such as mobile ticketing, real-time bus arrival information, and a microtransit service,
- Extensive marketing, public outreach, and promotional campaigns.

Discussion**Local, Regional, and National Ridership Trends**

Nationwide, bus ridership was down 1.70 percent, comparing the first quarter of calendar year 2019 to 2018. Regionally, ridership was down for most transit operators across modes. OCTA had the highest ridership decrease at 7.13 percent of local bus agencies except for Foothill Transit (down 7.49 percent). All adjacent transit agencies saw some ridership decrease during this period. A summary of ridership changes is shown in Attachment A.

OC Bus 360° Ridership Changes

In the first quarter of calendar year 2019, ridership and productivity were down in comparison to 2018. Higher than average rainfall and missed service operated by the contractor were key factors. Ridership on route changes under the OC Bus 360° Plan were also down, consistent with the systemwide trend. OCTA is working with adjacent transit operators through Southern California Association of Government's Regional Transit Technical Advisory Committee (RTTAC) to identify key external factors impacting regional bus ridership. The RTTAC includes representatives from California Department of Transportation, the region's county transportation commissions, and transit operators. More detailed ridership and productivity information is reported to the Board in the quarterly Transit Division Performance Measurements Report.

Fiscal Year 2019-20 Bus Service Plan

In July 2019, following an extensive outreach effort and public hearing, the Board approved changes to 18 bus routes and the addition of two new routes for the upcoming October 2019 and February 2020 service changes. The goal of the changes is to grow ridership, increase productivity, and implement routing changes during the OC Streetcar construction. The plan reallocates about 1.9 percent of the bus service, equivalent to 30,000 annual revenue hours, and is expected to grow ridership by 107,000 annual boardings.

Seasonal and Special Event Bus Service

Summer 2019 saw the return of Project V seasonal services in the cities of Dana Point, Laguna Beach, Newport Beach, San Clemente, and San Juan Capistrano. Special event services were also provided in the cities of Huntington Beach and La Habra. Ridership for these summer services will be presented to the Board in early 2020.

OCTA operated the OC Fair Express again this summer from nine locations throughout Orange County. This summer there were 83,010 boardings on the non-stop bus service to the OC Fair, which was up more than four percent compared to last year's 79,684 boardings. The last weekend of the fair set a record for a single weekend of the OC Fair Express, with 18,341 boardings. The service is funded in part by a grant from the Mobile Source Air Pollution Reduction Review Committee (MSRC).

College Pass Program Update

In fall 2019, the College Pass Program was expanded to include Golden West and Fullerton colleges. The program allows full-time and part-time students enrolled at the colleges to ride free via the OC Bus app or use their student identification card to ride free on OC Bus fixed-routes. Working closely with colleges to identify funding opportunities, the program is supported by a combination of student fees, college funds, and grants from the state Low Carbon Transit Operations Program and the MSRC.

The new schools join Santa Ana College, Santiago Canyon College and the Continuing Education Program of Rancho Santiago Community College District in partnering with OCTA to provide a sustainable transportation option for their students. Since the start of the College Pass Program, in 2017 through August 2019, more than 2.34 million boardings have been counted and more than 14,600 unique students have ridden the bus.

Summer Fare Promotion

Based on feedback received from customers, OCTA offered a promotional 30-day Sun & Fun Bus Pass for adults during the months of June, July, and August. This was a similar seasonal promotion as the existing "Youth Summer Pass". The "Sun & Fun" passes were offered at a discounted price of \$49, which is 30 percent less than the regular 30-day pass price. The goals of the promotion included customer appreciation, mobile app and 30-day pass conversion, and new customer acquisition. More than 10,000 Sun & Fun passes were sold

(5,332 via mobile app and 4,993 through a physical pass), contributing to a seven percent increase in passes compared to the same period last year. As a result of this promotion, more than 1,000 new mobile ticketing accounts were opened. In addition, nearly 500 existing customers purchased a 30-day pass for the first time.

OC Bus Ridership Marketing

In June, to continue to increase awareness and ridership of OC Bus, the “Your City, Your Ride” campaign was developed to introduce OC Bus service to Orange County households that have higher propensity for transit ridership. Utilizing current market, service, and ridership data, 131,906 households were identified in 36 zip codes from 19 cities to receive a direct mail piece, which included how-to-ride information, a customized bus route map, and an offer for two free day passes. The direct mail piece was translated into Spanish, Vietnamese, and Korean. Online digital advertisements were also placed in the targeted areas to supplement the direct mail campaign. Through mid-September, a total of 5,659 individuals had responded to the campaign’s call to action by visiting the campaign website and completing a survey. The majority (4,078) of respondents indicated they had not used OC Bus in the past six months and were eligible to receive two free passes via the mobile ticketing app. As a result, 2,327 individuals opened a new OC Bus mobile app account.

Technology Integration

OCTA introduced real-time passenger information in early 2016. The Text4Next messaging service was updated with real-time arrival predictions and this information was also provided to third-party providers, such as Google Maps and the Transit App. Recently, OCTA upgraded the real-time passenger information by contracting with a technology company which provides more accurate predictions. As part of the upgrade, the real-time bus location updates have been improved from every 60 seconds to every ten seconds. The more accurate arrival predictions are being integrated into the Text4Next system and applications provided by third-party providers. OCTA recently worked with Lyft to add real-time OC Bus information into their application, providing their customers with another travel option when booking a ride.

Summary

Staff continues the OC Bus 360° effort to grow ridership and improve the productivity of the bus service. This report outlines several initiatives during the previous six months including fare promotions, targeting marketing, seasonal and special event services, and expansion of the College Pass Program. Upcoming OC Bus 360° efforts will include implementation of the Fiscal Year 2019-20 Bus Service Plan, evaluation of the OC Flex service, and additional marketing promotions.

Attachments

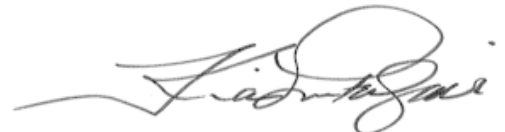
- A. National, State, and Regional Transit Operator Ridership Trends
- B. OC Bus 360° Update

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