



### **Delivering Transportation Solutions in a Changing Market**

Since 2013, financial and market forces have combined to present numerous challenges to the Orange County Transportation Authority in successfully delivering on the agency's mission, including the core functions of implementing the Measure M2 Program and operating an effective, efficient, and affordable bus system. Bus ridership has steadily declined and the public's transit needs have shifted, while sales tax receipts continue to come in lower than expected. Despite these factors, the Orange County Transportation Authority has been able to realign the Measure M2 Program so that all promises will be kept, and steps have been taken to reduce costs and realign bus service with demand to better meet the needs of customers, avoid service reductions, and fare increases. This report details the major actions undertaken to keep all Orange County Transportation Authority programs on track in a financially constrained environment and changing market and identifies several upcoming challenges. These issues will need to be addressed in the development of the Long-Range Transportation Plan this year and will need to be incorporated into the annual budget and 20-year Comprehensive Business Plan.

- A. Direct staff to continue delivery of the Measure M2 Next 10 Plan.
- B. Direct staff to expand OC Bus 360° initiatives, focusing on the benefits and implementation of alternative transit service delivery models.
- C. Direct staff to evaluate paratransit growth and cost-management strategies, and return to the Board of Directors with recommendations.