

# SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

## 2018-2020 STRATEGIC BUSINESS PLAN

### Executive Summary

This RTA 2018-20 Strategic Business Plan is an update to the previous Plans adopted by the RTA Board of Directors in October 2008, October 2011 and July 2014. This updated three-year Plan incorporates both new and revised standards. It is anticipated that this Plan will be reviewed and revised again (as necessary) in mid-2020 to reflect changing conditions.

### Background

In October 2008, the RTA Board, RTA staff, SLOCOG staff and members of the public met in a daylong workshop to craft the elements of the first RTA Strategic Business Plan. The enduring major components of the Plan are the RTA Vision Statement, Mission Statement, Vision Elements, and Strategic Direction. Staff uses the measurable Standard of Excellence in the Plan to help guide the organization toward meeting long-term goals and objectives. The goals and objectives are premised on the following components:

### **Vision Statement**

The RTA of the future is an integral part of the “SLO lifestyle.” From the vineyards in North County, to the secluded beach towns on the North Coast, to the multi-faceted communities in the South County, residents and visitors will use public transportation rather than relying solely on their cars.

### **Mission Statement**

The Mission of RTA is to provide safe, reliable and efficient transportation services that improve and enhance the quality of life for the citizens of and visitors to San Luis Obispo County.

### **Vision Elements**

1. Continue successful partnerships with cities and the county, other public agencies, businesses and schools.
2. Provide excellent, reliable, sustainable and seamless service that is effective in getting residents and visitors where they want to travel.
3. Secure reliable funding.
4. Sustain and continue to improve the Intelligent Transportation Systems (ITS) program to improve service quality and provide efficiencies.
5. Develop a well-executed image-building campaign with a single face for public transportation.

## **Strategic Direction**

1. Stabilize and grow funding.
2. Continue to improve service quality: On-time performance, scheduling and routing, customer amenities on our vehicles and at our bus stops, and operating procedures.
3. Consolidate and streamline operations to improve efficiency and effectiveness of public transportation throughout the county.
4. Include public transportation as part of the lifestyle evolution needed to confront climate change.
5. Reduce Vehicle Miles Traveled in private automobiles.
6. Embrace technological improvements that will positively impact efficiency and quality of service.

## **Long-Term Goals**

1. Provide market-driven services that meet the needs of the communities that we serve but that will also attract and retain discretionary riders.
2. Provide transportation services that are safe, reliable, economical and accessible in an efficient manner with innovative management practices and technological advancements.
3. Lead and participate in the analysis of the integration of the various transit systems throughout the county to ensure that customers are provided seamless transit alternatives and services that attract discretionary riders from every community that RTA serves.
4. Promote the value of RTA and public transportation to the quality of life in San Luis Obispo County, the environmental rewards of utilizing public transportation and the reduction of vehicle miles traveled.

## Objectives to Meet Long-Term Goals

- 1.1 Link population centers and major traffic generators with destinations in the region.
- 1.2 Coordinate service with all public transportation operators and services.
  
- 2.1 Provide safe public transportation.
- 2.2 Provide reliable public transportation.
- 2.3 Provide effective public transportation.
- 2.4 Provide efficient public transportation.
- 2.5 Provide comfortable public transportation.
  
- 3.1 Achieve a high level of customer satisfaction.
- 3.3 Provide service that is supported by market demand.
- 3.3 Manage service in a cost-effective manner.
- 3.4 Deploy technology effectively and efficiently.
  
- 4.1 Provide accountability and transparency.
- 4.2 Increase use and support of public transportation in San Luis Obispo County.
- 4.3 Implement an annual marketing plan.
- 4.4 Use public funding efficiently in meeting public transportation needs of communities that RTA serves.
- 4.5 Educate community and business leaders and the public on the value of RTA services.

## Business Conditions and Opportunities

Similar to the experience of most other public transit agencies across the nation, the RTA and its partner agencies have experienced ridership declines since our peak in FY14-15. Some of this decline can be attributed to an improving economy that allows some riders to occasionally or even entirely replace transit usage with private automobile travel. Other factors include relatively low fuel prices over the past few years, as well as “disruptive” and high-technology alternatives such as Uber and Lyft that offer travelers real-time – albeit more costly – personalized transportation. Current RTA fixed-route ridership now equals that of FY11-12, while Runabout ridership has thankfully settled to more financially feasible levels after several years of unprecedented annual growth.

California Transportation Develop Act (TDA) revenues have largely recovered after the steep declines encountered during the Great Recession, which has resulted in increased net revenues for jurisdictions for transit and non-transit uses. Once the newly enacted Senate Bill 1 (SB1) funds begin to flow, it will essentially replace the capital funds formerly provided under Proposition 1B. However, the SB1 funds could conceivably be eliminated through an initiative that could go before California voters in November 2018. If SB1 funds are eliminated, the RTA and other transit programs in the county would need to rely more heavily on TDA funds, which

would reduce the funds left over for use by jurisdictions to pay for roadway repairs. SB1 also provided an uptick in Cap and Trade funds, so that funding increase is also in jeopardy.

Discretionary Federal Transit Administration (FTA) capital funds that have previously been used to replace buses and construct needed facilities have dried up, and there is not a replacement funding source being seriously discussed at the national level. In short, the RTA's ability to rely upon large infusions of discretionary capital funds in the future is uncertain at best. This might result in the RTA needing to finance such large-ticket items as a long-term operations/maintenance facility and/or the replacement of buses.

## **Business Direction for 2018 and Beyond**

1. Focus on cost effectiveness and living with our resources, and by undertaking efforts to secure sustainable operating and capital revenues.
2. Seek and implement innovative opportunities to improve service for our customers within current resources.
3. Be a leader among transit systems in developing and implementing environmentally friendly transit service and sustainable business practices.
4. Work with South County Transit and the County to develop a Joint Short Range Transit Plan that covers both local fixed-route services in the Five Cities Area and demand response services in Nipomo.
5. Begin the engineering and design phase for a long-term operations/maintenance facility. Secure grant funding and other financing to construct the facility prior to the end of our lease for our current facility (February 2022).
6. Plan and prepare for the future growth of the system and respond to technological, social and other pressures to remain a competitive and highly valued transportation alternative.

## **Focused 2018-20 Strategic Business Plan Goals and Objectives**

**Goal 1: Increase Ridership** – Increase ridership through improved system design by attracting discretionary customers and improving sub-regional transit alternatives.

### **Objectives**

1. Implement sub-regional service alternatives recommendations from the 2016 RTA Short Range Transit Plan, the SLOCOG Regional Transportation Plan and other technical studies completed in each sub-region in the County.

2. Continue to analyze data to improve service efficiencies and effectiveness.
3. Complete a biannual Community Perception Survey to address current and potential customer needs.
4. Improve customer communications and information about RTA services.
5. Continue to explore alternative transit modes using emerging technologies to address underperforming and rural needs.
6. Achieve RTA Key Performance Indicators (KPIs) to improve existing service (On Time Performance, Customer Comments, Service Interruptions, Vehicle Collision Rate, etc.).
7. Evaluate route scheduling to maximize the convenience of transfers between the various transit systems in the region. In addition, consider consistent region-wide designation of routes and equivalent fares by service type.

**Goal 2: Key Performance Indicators** – Expand the development and use of our KPIs to enhance system performance, employee performance, and improve service quality to our customers.

#### **Objectives**

1. Meet or exceed KPIs that include the following Standards Categories: Service Quality and Efficiency, Resources and Revenue, Safety, Human Resources, Fleet and Facilities, Leadership.
2. With policy guidance from the RTA Board, the Executive Director with input from throughout the organization shall focus resources as necessary to meet the standards as detailed in this document. These efforts will be communicated to everyone in the organization who will have a lead role in achieving each standard, and these efforts will be reported as part of the bi-monthly updates to the RTA Board of Directors.

**Goal 3: Innovation** – Explore innovative opportunities to improve our service for our customers and potential customers.

#### **Objectives**

1. Continue to look for ways to enhance decision-making processes using RTA's Intelligent Transportation System (ITS) Program in conjunction with other jurisdictions.
2. Identify and secure funding to sustain and expand the ITS Program.
3. Ensure that persons with disabilities have adequate mobility.

## Focused 2018-20 Strategic Business Plan Standards of Excellence

**Standards of Excellence Section 1: Service Quality and Efficiency** – We will deliver dependable, customer focused and efficient transit services to the communities that we serve. Further, we will look for opportunities to deploy innovative new service within budgetary constraints.

**Standard 1:** The Productivity (passengers per vehicle service hour) standards are presented below for regularly-scheduled / year-round services:

- A. Regional intercity fixed-route (RTA Routes 9, 10, 12 & 14) services shall be 22 or greater.
- B. Local fixed-route (Paso Express Routes A & B, and SoCo Transit Routes 21, 24, 27 & 28) shall be 17 or greater.
- C. Runabout and other demand response services will be 2.0 or greater.
- D. Route deviation services (such as RTA Route 15) will be 8.0 or greater.

Any recommended changes to seasonal or lifeline services (i.e., Shandon Dial-A-Ride) will include target productivity standards that must be met in order to qualify for continued funding.

*Measurement:* Objective.

- Reviewed monthly by Operations, and reported by Executive Director at each Board meeting.

**Standard 2:** The Service Delivery rate for all regularly-scheduled / year-round services shall be 99% or greater.

*Measurement:* Objective.

- Reviewed quarterly by Operations, and reported by Executive Director bi-annually to the Board.

**Standard 3:** “On-time” is defined as no later than six minutes from any timepoint in the published schedule. We recognize that making scheduled transfers between buses is vitally important to riders, and staff will explore methods of regularly measuring missed transfers. The following On-Time Performance standards shall apply to regularly-scheduled / year-round services:

- A. Regional intercity fixed-route and Express runs shall be 85% or greater.
- B. Local fixed-route shall be 90% or greater.
- C. Route deviation services shall be 70% or greater.

*Measurement:* Objective.

- Reviewed quarterly by Operations, and reported by Executive Director bi-annually to the Board.

**Standard 4:** The On-Time Performance for Runabout and other demand response services shall be 95% or greater.

*Measurement:* Objective.

- Reviewed quarterly by Operations, and reported by Executive Director bi-annually to the Board.

**Standard 5:** The RTA will make consistent efforts to explore new service and service delivery options as well as work with regional efficiencies in the delivery of transportation to the jurisdictions

*Measurement:* Subjective.

- Reported by the Executive Director and Division Heads annually.

**Standard 6:** The RTA will measure Overcrowding as the frequency of instances that the number of passengers on a bus exceeds the number of seats (i.e., 34 passengers on a 34-seat bus equates to a Load Factor of 1.00), as well as the duration of exceedances. The Overcrowding standards are as follows:

- A. The standard for regular fixed-route services is no more than 10% of the monthly total number of bus trips that exceed a Load Factor of 1.25 for greater than 20 minutes.
- B. The standard for Express services is no more than 10% of the monthly total number of bus trips exceeds a Load Factor of 1.00 for greater than 20 minutes.

If the Load Factor standards are exceeded, staff will assign a larger vehicle (if possible); otherwise, the Board will direct staff to evaluate adding scheduled bus trips to spread out the passenger loads. *Measurement:* Objective.

- Reviewed quarterly by Operations, and reported by the Executive Director biannually to the Board.

**Standards of Excellence Section 2: Revenue and Resources** – While providing excellent service to our customers and communities, we will do so within the financial resources available to us. The financial health of the organization will not be compromised, and we will work to deliver good value for the taxpayers’ investment in the RTA.

**Standard 1:** The annual operating budget will be based upon projected revenue and the total operating cost will not exceed the budget adopted by the Board.

*Measurement:* Objective.

- Tracked monthly in financial statements and reported bimonthly to the RTA Board.

**Standard 2:** The Farebox Recovery Ratio for all regularly scheduled / year-round services shall be 20% greater than the minimum standard required by SLOCOG to meet TDA requirements.

*Measurement:* Objective.

- Tracked monthly and reported bimonthly to the RTA Board.

**Standard 3:** No significant annual fiscal and compliance audit findings.

*Measurement:* Objective.

- Finance and Administration will report any negative audit findings to the RTA Board.

**Standard 4:** Ensure that all capital procurements provide good value to our customers and our employees.

*Measurement:* Subjective.

- Evaluated through the Marketing Department’s biannual Community Perception Survey, feedback from communities and review of the annual 5-year capital program by the RTA Board.

**Standards of Excellence Section 3: Safety** – We recognize the tremendous importance of safety in the operation of RTA service to our customers and communities. Therefore, the safety of our customers and employees will be an organizational priority and we will be proactive in promoting system safety.

**Standard 1:** Rate of preventable vehicle collisions will not exceed 1.0 per 100,000 miles.

*Measurement:* Objective.

- Rate shall be tracked by the Safety and Training Manager, and reported annually to the RTA Board.

**Standard 2:** Address all safety hazards identified by the Safety Resource Committee.

*Measurement:* Objective.

- List shall be compiled with action items and timelines by the Safety and Training Manager.

**Standard 3:** Preventable workers compensation lost-time claims will not exceed 6 annually, and preventable medical-only claims will not exceed 5 annually.

*Measurement:* Objective.

- All work comp claims shall be duly investigated and immediately reported by Finance and Administration to our carrier.

**Standard 4:** Customer and community perception of system safety will be at least 90%.

*Measurement:* Objective.

- As measured in biannual Community Perception Survey.

**Standard 5:** Total risk management costs shall not exceed industry norms. Staff will undertake alternating market surveys every four years for vehicle liability / physical damage coverage and for workers compensation coverage.

*Measurement:* Objective.

- Tracked monthly by Finance and Administration and reported bimonthly to the RTA Board.

**Standards of Excellence Section 4: Human Resources** – Our employees are the foundation of the organization. We will support our employees in achieving excellence through training and development, teamwork, and continuous efforts at effective communication while treating each with integrity and dignity.

**Standard 1:** Recruit, promote and retain highly qualified employees to achieve our service standards.

*Measurement:* Subjective.

- Annual assessment by Executive Director and Department Heads.

**Standard 2:** Provide continuous development of skills and capabilities through ongoing training and development programs that foster personal and professional growth. Department Heads develop training plans as part of annual budget-making process, according the following minimum standards:

- A. Maintenance: 30 Hours per technician annually.
- B. Operations Supervisors: 24 Hours annually.
- C. Bus Operators: 8 Hours Annually.
- D. Finance and Administration: 16 Hours per employee annually.

*Measurement:* Objective.

- Department Heads evaluated annually for achievement of training objectives.

**Standard 3:** Enable our employees to achieve excellence in serving our customers by building teamwork and understanding effective communication within the organization.

*Measurement:* Subjective.

- Employees provided opportunity to provide feedback on organizational communication as part of the Executive Director's annual evaluation.

**Standard 4:** Employees will be evaluated annually in a fair and equitable way to judge performance and be provided a developmental plan for the next fiscal year.

*Measurement:* Objective.

- Employee merit evaluations will be provided to each employee annually with the evaluation grading measurement of attainment of department objectives developed during the budget process and achievement of RTA's Standards and RTA's KPIs.

**Standards of Excellence Section 5: Fleet and Facility** – We will operate and maintain a modern and clean fleet and facilities that will be pleasing to our customers and a source of pride for our employees and our communities.

**Standard 1:** If funding permits, the RTA will match SLO Transit's standard of replacing revenue vehicles when they reach the FTA-defined useful life minimums in terms of service years or miles. If funding remains constrained, negotiate with SLO Transit to ensure neither agency's buses surpass 40% beyond the FTA standards.

*Measurement:* Objective.

- As tracked by Finance and Administration as part of grant-making efforts.

**Standard 2:** Road calls will not exceed 5 per 100,000 vehicle service miles. A road call is defined as all mechanical or other vehicle-related failures that affect the completion of a scheduled revenue trip or the start of the next scheduled revenue trip, including failures during

deadheading and layover.

*Measurement:* Objective.

- As tracked and reported by the Maintenance Department, and reported biannually to the RTA Board.

**Standard 3:** Maintain a clean, attractive fleet. Maintain our facilities so that they are safe and appealing to customers and employees.

*Measurement:* Subjective.

- As measured by employee and customer feedback.

**Standard 4:** Achieve an 80% favorable rating of bus stop appearance by customers and the communities that we serve.

*Measurement:* Objective.

- As measured in the biannual Community Perception Survey.

**Standard 5:** Achieve all federal- and state-mandated maintenance minimums, as well as vendor recommended maintenance schedules, for our fleet and facilities. The following standards apply:

- A. No negative CHP Annual Terminal Inspection, FTA Triennial Review or TDA Triennial Performance Audit findings.
- B. Preventative maintenance schedules for all equipment shall be done on a timely basis (3,000 mile intervals or as mandated by equipment OEM vendor).

*Measurement:* Objective.

- As tracked by the Maintenance Department, and reported annually to the RTA Board.

**Standards of Excellence Section 6: Leadership** – We will strive to be one of the nation’s leading small transit operators. We will work to maintain collaborative relationships within the industry, within our community, and with our stakeholders. We will develop future leaders from within our organization.

**Standard 1:** Maintain cooperative relationships with federal, state and local funding agencies.

*Measurement:* Subjective.

- Will be reviewed by staff and RTA Board.

**Standard 2:** Develop partnerships with stakeholders, community leaders and decision makers, while keeping them well informed of the integral role of RTA and contributions to the communities that we serve.

*Measurement:* Subjective.

- To be evaluated and monitored by RTA Board.

**Standard 3:** Promote effective internal communications and promote the values of the organization.

*Measure:* Subjective.

- To be evaluated by Executive Director.

**Standard 4:** Provide effective leadership for public transportation within the County.

*Measurement:* Subjective.

- To be evaluated by Executive Director and RTA Board.