ALAMEDA-CONTRA COSTA TRANSIT DISTRICT

STAFF REPORT

MEETING DATE: 9/28/2022 **Staff Report No.** 22-502

TO: **AC Transit Board of Directors**

FROM: **Michael A. Hursh, General Manager/Chief Executive Officer**

SUBJECT: **Network Redesign Timeline Update and Procurement Approval**

ACTION ITEM

AGENDA PLANNING REQUEST: ☐

RECOMMENDED ACTION(S):

Consider receiving an update on the District's plan for a system-wide network redesign and approving staff's request to waive the $500,000 per fiscal year maximum annual allocation limit for each on-call transportation planning contract in support of system-wide network redesign project.

Staff Contact:
Ramakrishna Pochiraju, Executive Director of Planning & Engineering

STRATEGIC IMPORTANCE:

Goal - Convenient and Reliable Service
Initiative - Service Quality

Since the onset of the pandemic and ensuing shelter-in-place order in March 2020, a multi-disciplinary team has been working on a plan for service recovery. Providing high-quality, reliable bus service with available resources is the District's core responsibility and focus.

BUDGETARY/FISCAL IMPACT:

The FY 2022-23 Operating Budget has $1 million for this project in line with the Board's action at the May 25, 2022 Board meeting. Other internal allocations from other relevant line items in the FY 2022-23 operating budget are anticipated to be utilized as necessary, but the total cost will vary based on the proposals received and negotiated through the planning on-call contract. The quickest path to move this project forward and leverage the additional $1 million budgeted by the Board in this fiscal year would be to use the on-call transportation planning contract. To do so, staff requests board authorization to exceed the $500,000 maximum per individual contract per fiscal year originally put in place by the board at the time of on-call planning contracts award in September 2020.

BACKGROUND/RATIONALE:

At the May 25, 2022 Board meeting, staff presented plans and the timeline associated with a system-wide network redesign that addresses changes in local and regional travel patterns in the wake of the COVID-19 pandemic. Staff emphasized that a redesign would likely take 24-30 months. A network redesign would pair

data analysis together with meaningful engagement with riders, members of the public, operators, the Board, and a wide variety of stakeholders in the communities we serve. In response, the Board directed staff to add an additional $1 million-line item into the FY 2022-23 budget to augment staff capacity for analysis and engagement, and redesign the network with the goal of implementing in August 2024. This staff report provides an updated timeline on staff's efforts to conduct a system-wide network redesign that accounts for changes in travel patterns and needs as the region exits the pandemic.

Since May, an inter-departmental team from the Service Planning, Legislative Affairs & Community Relations, Marketing & Communications, Title VI, and Procurement departments worked to develop a scope of work for consultant services to support a network redesign effort prioritizing equitable access to essential destinations and connections while carefully reviewing how the transit network aligns with today's travel patterns.

Staff is in the process of soliciting and negotiating with consulting firms within the District's on-call planning contracts, which provides the quickest means to get a full supporting consultant team on board and actively working towards an August 2024 implementation date.

Project Approach

As part of this effort, all aspects of how AC Transit delivers service, including bus routing, stop spacing type, frequency, and span of service will be under review in line with District policies and the District's Strategic Plan. Network changes will be focused around a set of guiding principles developed as part of the planning process and approved by the Board. These principles will be informed by key technical findings from an existing conditions analysis, a survey to assess community preferences across the District, and a robust public outreach and engagement strategy.

On the technical side, the project will leverage data from our automatic vehicle location (AVL) system and automatic passenger counters (APCs) as done in past AC Transit network redesigns. This effort will differ in that AC Transit will integrate location-based services data (i.e. cell phone data) to help staff understand both how well the existing transit network lines up with actual local and regional travel demand and to understand trade-offs associated with draft network scenarios as they are developed. In addition, staff now can take advantage of various open-source tools and subscription-based cloud software such as Remix to calculate employment and transit travel time competitiveness throughout the District and the region at large.

On the outreach and engagement front, the survey and public engagement campaign in line with project milestones will help staff understand how people's needs and preferences may have changed, and as network plan drafts are developed, get feedback to incorporate into a final plan to submit to the AC Transit Board for consideration. As part of this process, staff will solicit feedback through a variety of channels and venues informed by AC Transit's Public Participation Plan. Tactics being considered include close collaboration with community-based organizations, and strategies that remove barriers to participation (i.e. childcare, financial incentives) so that all communities, especially those with limited means, individuals with mobility impairments, people of color, and other perspectives and voices are fully represented in the planning process. The project will also include in-reach opportunities with AC Transit departments, including soliciting feedback from bus operators and the District's union partners, who provide a unique and valuable perspective on the service we operate in our communities.

Staff also aims for the network redesign to culminate in a renewed focus around service quality and reliability through a review and revamp of AC Transit's service policies and standards. Updated service policies and standards in line with industry best practices and post-pandemic conditions will ensure that the network redesign guiding principles continue to shape how AC Transit plans and prioritizes service improvements and help the agency more systematically identify, measure, and address service quality and reliability issues. In doing so, AC Transit will be better positioned to equitably plan and deliver a high-quality and reliable customer experience for riders now and in the future.

Key Project Challenges

On-Call Proposal Responsiveness: Staff has initiated a procurement utilizing its existing planning on-call bench to expedite this project, which includes three pre-qualified consultant teams. If staff receives responsive proposals and successfully comes to an agreement with one of the teams on the on-call bench, staff anticipates a task order to be finalized with a project kick-off in Fall/Winter 2022-23. If staff does not receive responsive proposals from the on-call bench, staff will need to retool its approach and issue a request for proposals (RFP) as part of an open solicitation, which would push implementation of the project to 2025.

Ridership Levels and Patterns: Ridership is at approximately 55% of pre-pandemic levels and while the pandemic continues, it is increasingly clear that remote work will continue in some form. Many pre-pandemic riders have continued to ride AC Transit, but a significant number of people have changed their patterns since the onset of the pandemic. Additionally, with a large number of people continuing to work from home and limiting their in-person activities, the District is faced with the increased challenge of obtaining viable data about rider preferences from a representative population-including hard-to-reach and historically under-represented populations.

Finances: With the infusion of federal aid, AC Transit has the funds to return to full pre-pandemic service levels on the current network, at least until FY 2023-24. AC Transit's current financial projections show significant deficits starting in FY 2024-25 assuming additional financial aid does not materialize. This could mean the redesigned network may need to include a scenario with service levels that are lower than those that existed before the pandemic.

Operator Availability: AC Transit continues to be short of the operators needed to reach pre-pandemic service levels due to challenges with recruiting, certifying, and retaining operators fast enough to overcome attrition. This situation reflects national trends affecting many transit operators and other industries. In response, AC Transit has restructured to augment training capacity and throughput and redoubled its efforts to hire applicants. Despite an aging workforce, the agency needs to meet aggressive hiring and retention goals to continue increasing service beyond current levels.

Tentative Timeline (subject to change based on procurement outcomes)

Date	Activity
Summer 2022	**Preparation** for Network Redesign (i.e., confirm consultant structure, internal team, etc.)
Fall 2022	**Award Contract** for a Planning, Outreach, Communications, and Public Engagement Project

Fall/Winter 2022-23	**Planning - Redesign Development Phase 1:** Existing Conditions, Market Research, Guiding Principles **Engagement Phase 1**: Early Communications w/riders/community (Heads-up) engagement and need-finding (concerns/priorities) that supports the development of draft guiding principles responsive to community needs. **Project Update/Workshop for AC Transit Board of Directors**
Winter/Spring 2023	**Engagement Phase 2**: Solicitation of public feedback on the draft guiding principles (on what's important, destinations/connections, trade-offs/priorities) after they are developed in order to incorporate that feedback into a final guiding principles document; **Project Update/Workshop for AC Transit Board of Directors**
Summer/Fall 2023	**Engagement Phase 3**: Solicitation of public feedback on draft network proposal scenarios to incorporate in the development of a final plan; **Project Update/Workshop for AC Transit Board of Directors**
Fall/Winter 2023	**Engagement Phase 4**: Share new network final draft proposal with community/stakeholders and seek an additional round of feedback to help finalize a plan that will go through a formal review process toward Board decision making and implementation.
Fall/Winter 2023-24	**Workshop with AC Transit Board of Directors**
February 2024	**Public Hearing(s)**
February 2024	**Implementation: Schedulers begin developing draft timetables**
March/April 2024	**Board Decision-making/Approval on Redesigned Network with Title VI/California Environmental Quality Act (CEQA) Analysis**
March/April 2024	**Subject to the Board's decision, may hold a Workshop with AC Transit Board of Directors to discuss implementation**
Spring 2024	**Implementation: Development of Marketing and Training Materials, Final Outreach to Cities about New/Relocated Bus Stop Installations**
Summer 2024	**Implementation/Engagement Phase 5: Rider Education and Communications** on new Service Network
July 2024	**Implementation: Operator Training (if necessary)**
July/August 2024	**Implementation: Installation of New Bus Stop Flags/Decals/At-Stop Marketing Materials**
August 2024	**First Day of Service on New Network**

ADVANTAGES/DISADVANTAGES:

This approach has the advantage of allowing time for regional recovery and operator hiring and certification, while giving the planning process an opportunity to gauge the needs and preferences of the community and riders as they settle into their new routines. It also considers the timeline for procurement of the resources needed to support this effort.

The primary disadvantage of this timeline is its length. It will be just under two years before the new network is

in place, which is common for a planning effort of this magnitude. In the meantime, as reported to the Board in November 2021, staff will continue to restore existing service and can evaluate whether emerging needs can be met with smaller interim service changes and pilot programs that are being implemented as part of the recovery plan; the results can then inform the system-wide network redesign process.

A possible second disadvantage of this project approach is that for a timely project start it depends fully on there being responsive bidding teams through the planning on-call contract with the capacity to take on a large multi-faceted project scope. If staff receives non-responsive bids, then the next option would be to pursue an open solicitation.

ALTERNATIVES ANALYSIS:

Staff evaluated two alternatives: A) Continuing the current recovery process without a system-wide network redesign, and B) Forgoing the use of the existing planning on-call contract and initiating an RFP process to plan a system-wide network redesign with a 2025 start date.

For Alternative A, staff believes the pre-pandemic network may not be able to effectively respond to the new ways people are moving around the region (such as more weekend and night use) and ridership growth may suffer as a result.

For Alternative B, while releasing an RFP would provide the District with proposed teams and project approaches tailored specifically around a network redesign, pursuing an RFP process would require a longer lead time, meaning plan implementation would have to be pushed to August 2025. Doing so would mean that the District would operate its current network for another year even though today's network may not best serve people's needs amid changing travel patterns. A successful procurement through the on-call planning contract would allow for implementation of a new network in August 2024 and for the District to be more responsive to people's needs. However, if a procurement through the District's on-call planning contract is unsuccessful, Alternative B would be staff's next recommended course of action.

PRIOR RELEVANT BOARD ACTION/POLICIES:

Staff Report 19-157a On-Call Transportation Planning Contracts
Staff Report 20-180 COVID Service Plans
Staff Report 20-262 Post COVID Network Redesign Preview
Staff Report 21-129 ReNew Service Plan Update
Staff Report 21-311 District's plan to prioritize lines for service recovery
Staff Report 21-385 Staff's methodology and priorities for Transbay service recovery
Staff Report 21-508 Network Redesign Timeline Update
Staff Report 22-226 Network Redesign Timeline Update

ATTACHMENTS:

1. Network Design - Planning and Engagement Scope

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