

PLEASE REPRODUCE AND DISTRIBUTE TO:

MTA COMMISSIONERS: R. ALATORRE, M. ANTONOVICH, E. BRAUDE, Y. BURKE, J. CRAGIN, D. DANA, E. EDELMAN, J. FASANA, G. MOLINA, R. RIORDAN, S. SANDERS, T. SAYLES, J. BAXTER, M. WILSON, L. ZARIAN.

MTA CEO: F. WHITE

MTA OPERATIONS: A. LEAHY

MTA PLANNING: S. PEARY

SAVE OUR FARES!

Or, How I Saved MTA At Least \$15 Million

Charles P. Hobbs
7055 Lennox #241
Van Nuys, CA 91405

(818) 901 7024

About this document

In the interest of keeping fares as low and as fair as possible, I have determined where at least an additional \$15 million in operating funds can be saved; mainly by transferring service to various municipal/private operators as well as by reducing unproductive Red Line service.

This is not meant to be a detailed, accurate analysis; but as a guide to where service cost reductions can be made without being too disruptive to the transit users. The MTA is encouraged to perform their own calculations.

Recommended fare structure

	Cash	Token
Base Fare:	\$1.25	\$1.00
Transfers	\$0.25	\$0.25
(preferably for first use only, free thereafter)		
Express steps	\$0.50	\$0.50

If fare must be higher than \$1.25, recommend one or more of the following:

- a. Transfer charge reduced to \$.10 for each use
- b. Transfer charge = \$.25 for first transfer; free for all subsequent transfers up to the time limit
- c. No charge made for first express step. (i.e. a one-step express fare same as base fare. LADOT Commuter Express did this in 1988 when fares were increased to \$1.10)

It has been noticed that certain passengers (who tend to be the the least affluent) pay cash for all of their bus trips and can spend upwards of \$30/month on transfers. Not transportation, but transfers.

Passes (Highly Recommended) No higher than \$55

Also, provide multi-ride tickets (in denominations of 10,20 and 40 rides) at the token rate (Especially if passes are discontinued).

Accellerate deployment of the debit card system on MTA buses; debit card base fares should be same as token fares

Sources:

MTA Bus Line rankings

Deloitte and Touche Cost Reduction Project report, Feb 9 1994

MTA Fare Restructuring Committee report FR#3, Jan 4 1994

1. Metro Red Line suggestions

1A. Eliminate early morning (5a-8a) weekend/holiday service. Ridership is very light at these times. Perhaps this service could be replaced by a re-route of selected Route #20/#320 trips via Hill/Broadway, Sunset to Union Station, when the Red Line is not operating.

As the Red Line is expanded, these service hours could be reinstated if demand warrants.

For FY 1994-95 (Rough approximation)

Red Line Operations = \$18.4 M / 365 = \$50,411 per day

Red Line Security = \$3.4 M / 365 = \$ 9,315 per day

Subtotal \$59,726 per day

Operating hours: 5a-9:30p (16.5 hours per day)

Hourly cost = \$59,726 / 16.5 = \$3620 per hour

Assume: 104 weekend days (per year) + 6 holidays = 110 days

For each weekend day/holiday, three hours (5a-8a) of service will be eliminated -- 330 hours per year

330 hours per year x \$3620 per hour = **\$1,194,600** per year saved.

(Note: \$398,200 per year would be saved for each additional early morning hour removed from weekend/holiday service)

1B. Increase Red Line demonstration fares to \$.50 each way, \$1.00 round trip.

Increasing this fare to \$.50 should bring in more revenue without affecting ridership that much. (Since it is such a short ride at this time, increasing the fare to \$1.10 is not recommended. However, this service does operate much faster than the downtown shuttle buses, so a "premium fare" seems to be in order here.)

Current fare revenues = \$460,062. Doubling the fare to \$.50, assuming no effect on ridership, should bring in an additional **\$460,062**

1A Red Line Service reduction	\$1,194,600
1B Red Line Fare Increase	\$ 460,062
<hr/>	
Total Red Line Cost Savings	\$1,654,662

2. San Fernando Valley bus route suggestions

(Note: This area is also affected by a MTA/LADOT sponsored Restructuring study. The service suggestions made here are similar to those made in that study. The suggestions on this page are presented as an interim measure)

2A .Transfer the following routes to LADOT Commuter Express
(LADOT hourly operating cost = .62 x MTA hourly operating cost)

Line #	MTA Daily Op. Cost	LADOT Daily Op. Cost	Difference
#161	\$4551	\$2822	\$1729
#418	\$4176	\$2589	\$1587
#426	\$5686	\$3525	\$2161
#427	\$3714	\$2303	\$1411
Total daily difference:			\$6888

\$6888 x (5 x 52 weekdays - 6 holidays) =
\$6888 x 254 days = **\$1,749,552**

2B .Cancel Route #410

The SFV Restructuring Study has recommended that #410 be cancelled; passengers would use Metrolink or (if implemented as per SFV study) routes #394 or #411.

13.3 hours of #410 service per day
x \$91.68 (hourly cost of 92-93-410) = \$1219 per day

\$1219 x 254 days = yearly cost of **\$309,626**

2A .Transfer #161,#416,#426,#427 to LADOT	\$1,749,552
2B .Cancel Route #410	\$ 309,626

Total S.F.V Cost Savings	\$2,059,178

3. West Los Angeles bus route suggestions

3A. Transfer of peak hour only services to LADOT

(LADOT hourly operating cost = .62 x MTA hourly operating cost)

Line #	MTA Daily Op. Cost	LADOT Daily Op. Cost	Difference
#429	\$4277	\$2652	\$1625
#436	\$2138	\$1326	\$ 812
Total daily difference:			\$2437

\$2437 x (5 x 52 weekdays - 6 holidays) =

\$2437 x 254 days =

\$618,998

3B. Transfer of all-day services to Santa Monica Municipal Bus Lines

(SMMBL hourly operating cost = .57 x MTA hourly operating cost)

NOTE: These figures have not been properly adjusted to account for reduced weekend/holiday service, but assume the same level of service every day. Therefore, actual savings will be somewhat less. Also, these figures assume that SMMBL will run #434 as it is run currently by MTA; for further economy, consolidation of #434 with SMMBL #10 (i.e. extending #10 from Santa Monica to Malibu) is also suggested.

Line #	MTA Daily Op. Cost	SMMBL Daily Op. Cost	Difference
#220	\$ 4588	\$2615	\$1973
#434	\$10747	\$6126	\$4621
Total daily difference:			\$6594

\$6594 x 365 days =

\$2,406,810

3A .Transfer #429, #436 to LADOT \$ 618,998

3B .Transfer #220, #434 to SMMBL \$2,406,810

Total W.L.A Cost Savings \$3,025,808

4. South Bay/Mid Cities bus route suggestions

4A. Transfer of selected services to LADOT

(LADOT hourly operating cost = .62 x MTA hourly operating cost)

Line #	MTA Daily Op. Cost	LADOT Daily Op. Cost	Difference
#202*	\$ 5348	\$3316	\$2032
#205*	\$10579	\$6671	\$3908
#466	\$ 2983	\$1849	\$1134
#576	\$ 3370	\$2090	\$1280

Total daily difference: \$8354

* Weekday service only. (In actual practice, all #202-205 service would be transferred to LADOT for additional savings)

\$8354 x 254 days = **\$2,121,916**

4B. Transfer of selected services to Long Beach Transit

(LBT hourly operating cost = .63 x MTA hourly operating cost)

Line #	MTA Daily Op. Cost	LBT Daily Op. Cost	Difference
#127/128	\$3447	\$2172	\$1275

\$1275 x 254 days = **\$323,850**

4C. Transfer of selected services to Montebello Municipal Bus Lines

(MMBL hourly operating cost = .68 x MTA hourly operating cost)

Line #	MTA Daily Op. Cost	MMBL Daily Op. Cost	Difference
#104	\$ 4591	\$3122	\$1469

\$1469 x 254 days = **\$373,126**

4A. Transfer #202,205,466,576 to LADOT \$2,121,916

4B. Transfer #127,128 to LBT \$ 323,850

4C. Transfer #104 to MMBL \$ 373,126

Total SB/MC Cost Savings \$2,818,892

5. San Gabriel Valley bus route suggestions

Route #497: On the surface, it may seem appropriate to save costs by reducing service on #497, cancelling service east of Pomona, or transferring operations to Foothill or some other carrier. However:

- Metrolink costs more and has fewer departures.
 - Foothill may not have the equipment at this time to satisfactorily operate #497. In particular, they may not have enough "suburban" type buses (generally preferred by #497 passengers)
 - The double deck buses currently used by MTA on #497 carry twice the number of passengers as a regular bus, reducing the operating costs by some extent.
- Therefore, it is not recommended that #497 be modified or transferred at this time. However, a study of all services operating in this corridor (Foothill, MTA, Metrolink and Omnitrans/RTA) should be undertaken in the near future to determine how these different operations can be co-ordinated.

Routes #484 and #490

5A. Eliminate off-peak through service to LA on #490

An inspection of the #484 and #490 timetables shows that, at least for most off peak trips, the #484 and #490 runs are only a few minutes apart.

Eliminating the off peak #490 trips to LA would save many service hours per year.

5B. Transfer of #484 and #490 to Foothill Transit (no other service modifications)

(FTZ hourly operating cost = .59 x MTA hourly operating cost)

Line #	MTA Daily Op. Cost	FTZ Daily Op. Cost	Difference
#484*	\$23417	\$2652	\$13816
#490*	\$14136	\$1326	\$ 8340

Total daily difference: \$22156

* Weekday service only. (In actual practice, all service would be transferred to FTZ for additional savings)

$$22156 * 254 = \$5,627,624$$

5C. (Combination of 5A and 5B)

Total Red Line Cost Savings	\$1,654,662
Total S.F.V Cost Savings	\$2,059,178
Total W.L.A Cost Savings	\$3,025,808
Total SB/MC Cost Savings	\$2,818,892
Total S.G.V Cost Savings	\$5,627,624

Grand Total	\$15,186,164
-------------	--------------

Other suggestions

- Retain #445 (transfer to LADOT), as the upcoming opening of the Harbor Freeway Transitway will require this service.
- On #445 and #466, reduce the number of runs by 20-25%, in accordance with actual passenger demand.
- Replace #635 with an extension/reroute of every other #33 trip, during baseball games. Instead of serving Union Station, these trips would travel via Sunset to Dodger Stadium. Perhaps, two additional buses would be needed on #33 for this service, and if necessary, an additional fare (one express step?) could be charged for trips to/from Dodger Stadium
- All other special event service (racetrack), with the possible exception of #379, could be operated on a cost recovery basis, and/or by private operators.

ESTABLISHED 1911

TOWER MEDIA INC**Jack Kent Cooke***Chairman of the Board***Robert W. Burdick**
*Editor***Robert W. Lund**
*Managing Editor***Thomas S. Gray**
*Editorial Pages Editor***David J. Auger**
*Publisher***Pamela D. Hanson**
*Advertising Director***Thomas F. Pounds**
*Circulation Director***John Webb**
Production Director

Does the MTA need to increase bus fares?

In order to save money, the Metropolitan Transportation Authority should seriously consider turning over several of its

express routes (and some infrequent local runs) to other operators (such as Commuter Express, DASH, Foothill Transit, Long Beach Transit and Santa Monica Bus Lines). It would cost these operators about half as much as MTA to run these lines. And MTA can then concentrate on the very important, heavily used bus lines.

Back to the drawing board, MTA. Leave the fares alone and operate more efficiently.

— **Charles P. Hobbs**
Van Nuys