

BUS TRANSFORMATION PROJECT

Project Overview
February 22, 2019



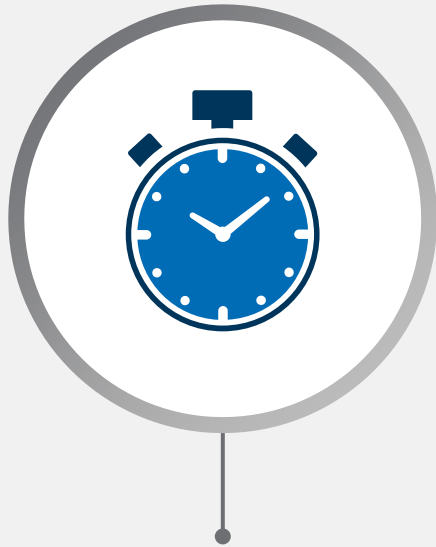
Objectives for today's session

- Share context & vision for Bus Transformation
- Provide overview of Project process
- Engage in Q&A and discussion



Context & Vision for Bus Transformation Project

Three problems driving need for bus transformation...



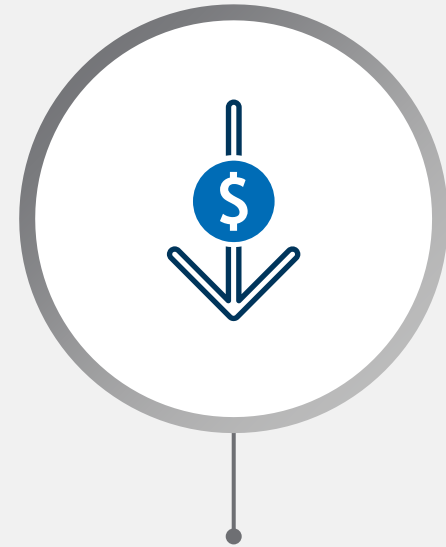
Bus speed declining

Bus traveling slower today than 10 years ago – causing \$30M increase in expenses



Bus ridership decreasing

13% decline in bus ridership across the region over the past five years

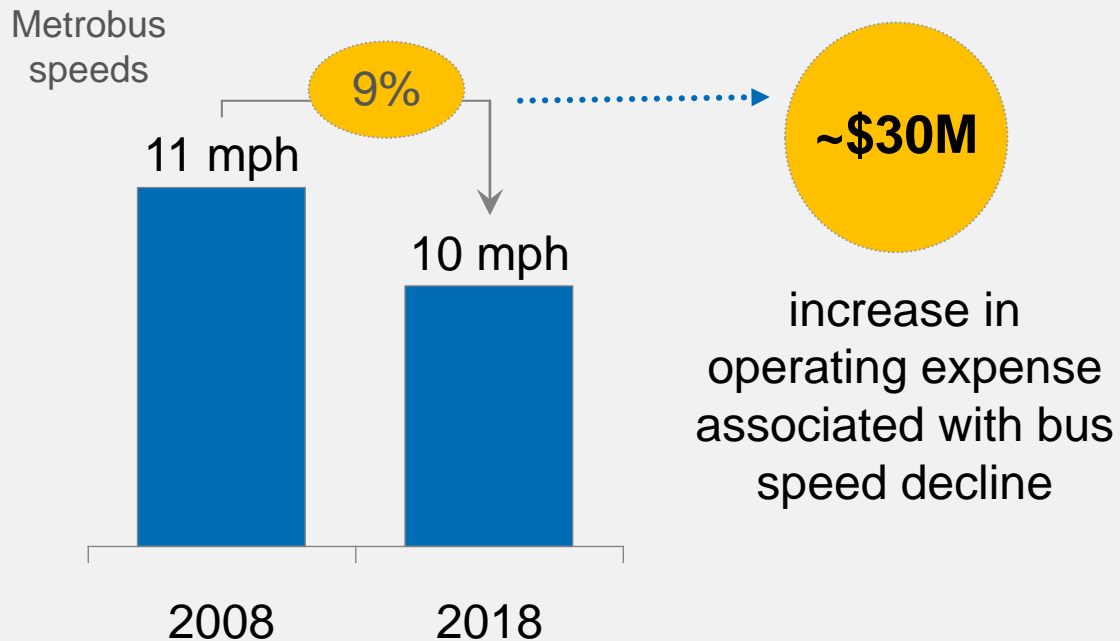


Business model pressures

Rising operating costs + declining ridership revenues = operating loss increases

The Problem: Bus is not as fast as it used to be

Buses traveling slower today than 10 years ago...



...as a result of several landscape changes

Increased **congestion**

On-street **parking**

Proliferation of **bus stops**

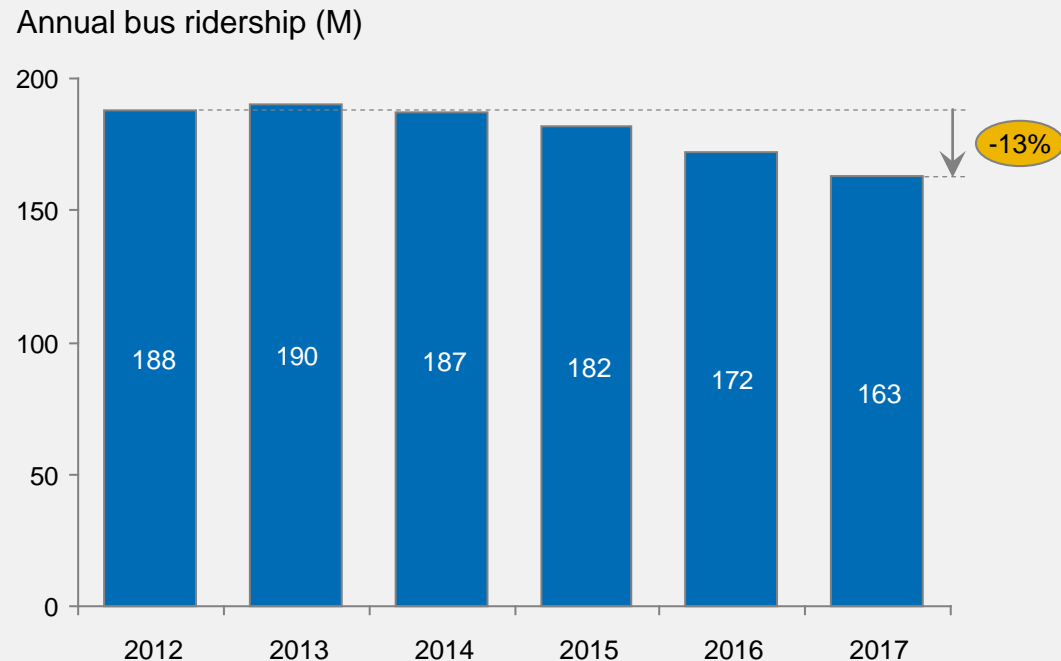
Curbside developments

Lack of **enforcement** for deliveries, taxis, etc. in bus lanes and at stops

Elimination of historical **bus lanes**

The Problem: fewer people are riding bus

Bus ridership in the region declined by 13% over the last five years



Key reasons riders are switching from bus to other modes

Increased **customer expectations**

Underlying **mobility trends** and **trip patterns**

Rise of **new mobility** options

Intensifying **competition** for smaller pool of riders

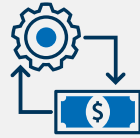
The Problem: Mounting pressure on bus operating model



3% subsidy growth cap for Metrobus

Metrobus operations funded by fares and an operating subsidy (contributions from jurisdictions)

As of FY2019 WMATA must comply with a 3% cap on operating subsidy growth for bus and rail



Difficult to achieve at current service levels

Metrobus operating losses continue to increase, driven by rising costs and declining revenues

Meeting subsidy cap will require substantial changes to the operating model in place today, and the process and procedures that support that model



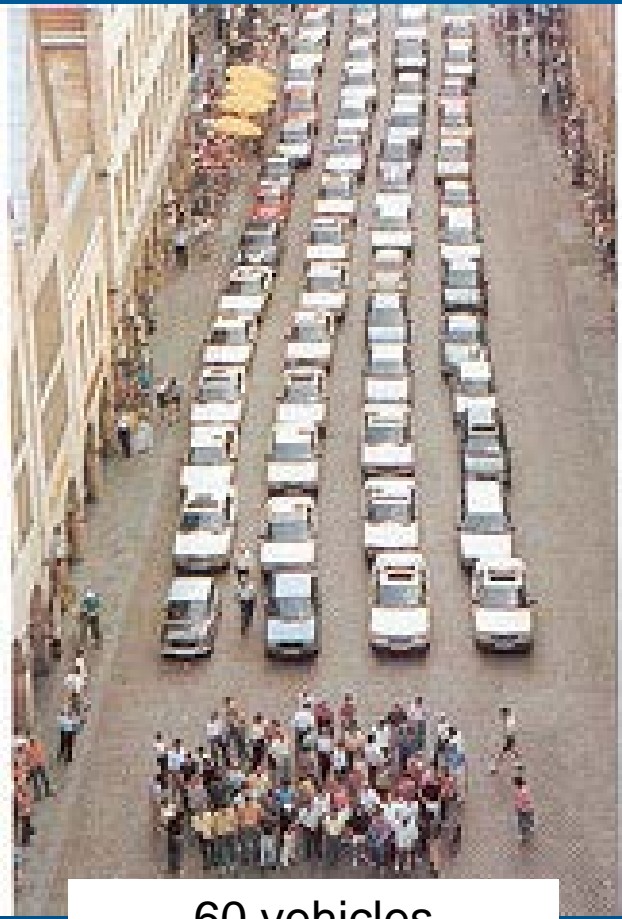
Will have implications for regional bus system

Not clear that local bus operators can fill service gaps that could be left by Metrobus in the absence of regional plan

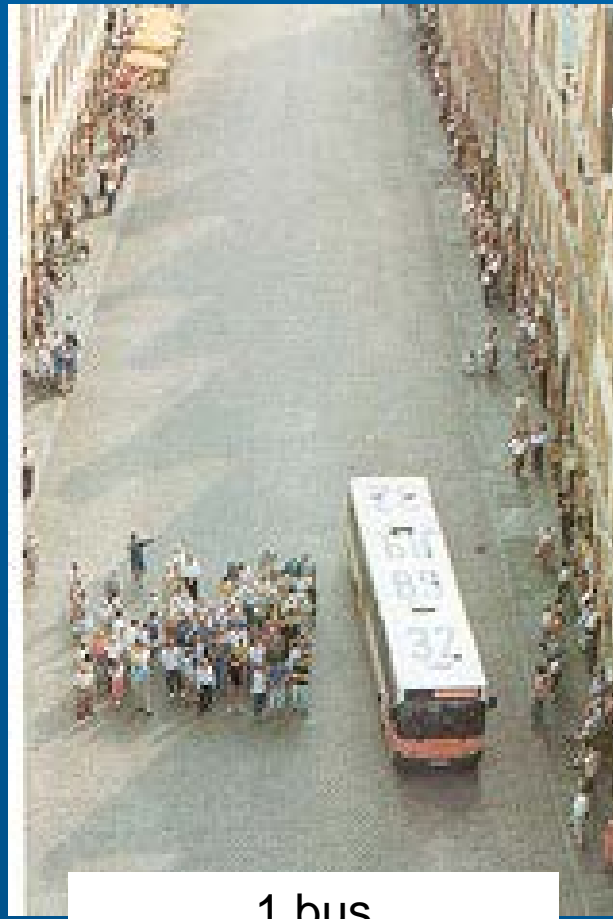
Challenges are not for WMATA alone to solve, but for the region as a whole to solve together

Subsidy growth cap creates greater urgency around regional action

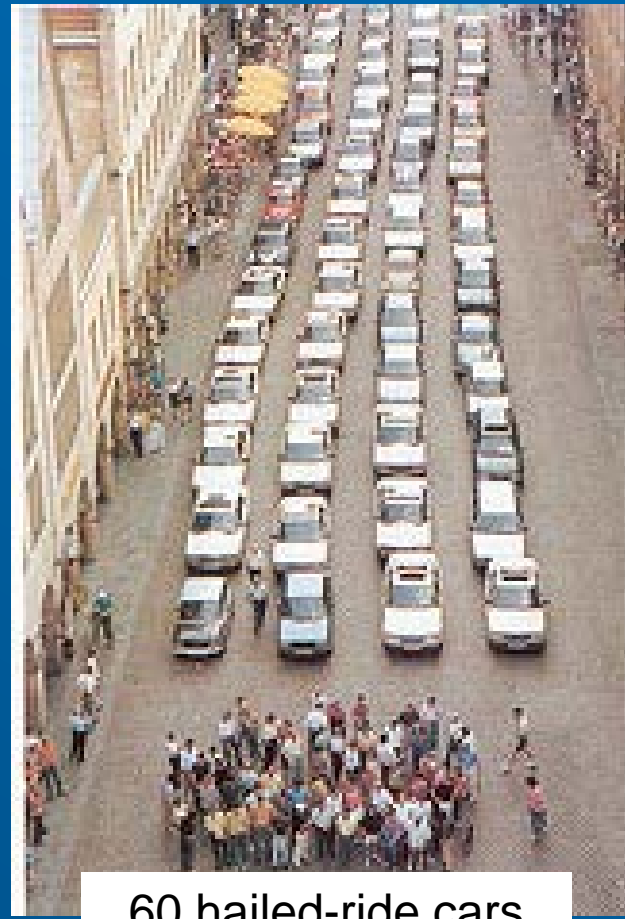
Bus is the most efficient way of moving large numbers of people...now and in the future



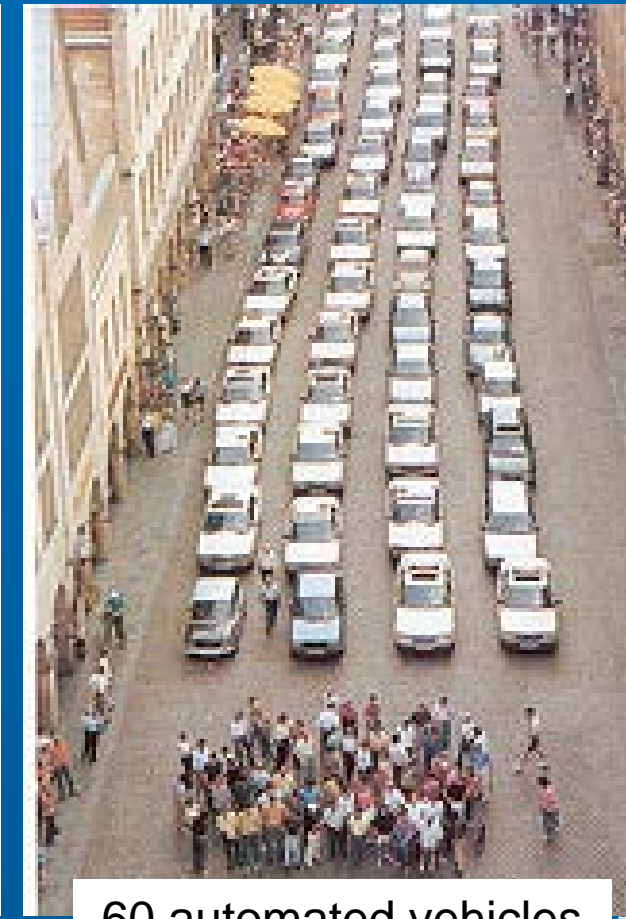
60 vehicles



1 bus



60 hailed-ride cars



60 automated vehicles



The Bus Transformation Project will create a **bold, new vision** and a **collaborative action plan** for the future of buses in the region

Project Vision:

Bus will be the **mode of choice** on the region's roads by 2030, serving as the backbone of a **strong and inclusive** regional mobility system.



Goals for bus in the region as voiced by stakeholders

Theme	Goals
1 Regional connectivity	Provide high-quality on-street transit options that efficiently and reliably connect people to places and improve mobility
2 Rider experience	Ensure that bus is a convenient, safe, easy-to-use, user-centered mobility option
3 Financial stewardship	Maintain a transit mode that is financially responsible in the long-term
4 Sustainable economic health & access to opportunity	Encourage vibrant, economically-thriving and sustainable communities through investments in bus
5 Equity	Create a transit system that is affordable and equitable to users

In light of these goals, the strategy will aim to answer five key questions



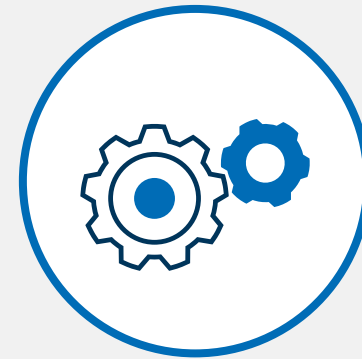
1. Role of buses in the region?



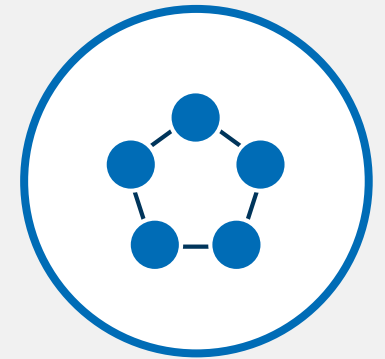
2. What services should Metrobus operate?



3. Regional commitment to bus?



4. What business functions should Metrobus provide?



5. Regional governance model?

Together, we will define the future of bus in the region, and develop a roadmap to get there





Overview of Project **process**

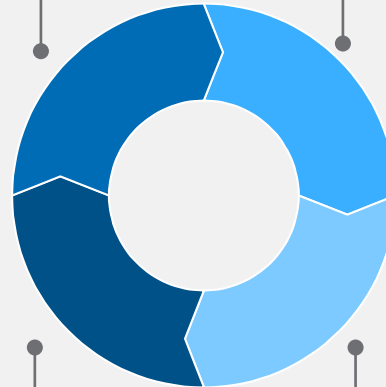
Four-part team leading the Bus Transformation effort

Executive Steering Committee

Recognized leaders that are closely involved with strategy development and manage political risks and benefits to the region

WMATA Leadership Team

Decision-makers within Metro that manage and evaluate actions that affect the organization and its operations



Strategic Advisory Panel

Senior staff and appointed members that review major work products and advise consultant team

Technical Team

Recognized discipline leaders within Metro and senior jurisdiction transit staff that review technical and financial analyses

Public stakeholder engagement will inform regional strategy

- 5,679 responses to **survey**
- 20 regional **pop-up events**
- 1 **summit** (140+ participants)
- 14 committee **meetings**
- 13 operator **listening sessions**
- 35+ **stakeholder interviews**
- 11 project **briefings**
- Over 696,000 social media **impressions** and 2,450 clicks

Engagement to date



Plan to complete Bus Transformation strategy by Summer

We are here

Set **strategic direction**

November

Define core strategic considerations for bus in the region and understand stakeholder perspectives on where region should land

Develop **draft strategy**

Nov. to Spring

Conduct focused analysis to develop draft strategy, including high-level understanding of key costs and benefits

Align on **final strategy**

Spring-Summer

Refine strategy and define expected outcomes

Develop **roadmap**

Summer - Fall

Identify specific actions required to achieve strategy vision in a 1, 3, 5, and 10-year action plan



Q&A and discussion

www.bustransformationproject.com