

ARIELI ASSOCIATES
MANAGEMENT, OPERATIONS AND ENGINEERING
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**“ STATE OF THE BUS” IN AN ENVIRONMENT OF
CHANGE**

INTRODUCTION

The MTA bus system has been plagued by neglect, customer dissatisfaction, and inefficiency to name a few. Several years ago the MTA's management embarked into a series of initiatives aimed to improve and correct the identified deficiencies in the bus system. Although most of those initiatives were successful (in varying degrees), they addressed only the problems of the past. This Report provides a window into the problems the MTA's bus system will face in the very near future.

SOURCE OF FUNDS

MTA is dangerously dependent of sales tax to fund its operations. The sales tax is the source of 53.38% of the adopted FY2002 budget. The sales tax funds are used primarily to fund the operations and the debt service. The slow down of the local economy will have a disproportioned effect on the MTA's ability to fund its operating costs since the debt service cannot be reduced.

MTA's costs of operating its buses are totally out of line (50% higher on the average) when compared with those of local municipal bus operators in the same market. The attempt by the management to obtain salaries and overtime concessions from the unions failed and the solutions to the funding shortfalls must be found inside the Agency.

There are three areas where management must focus its attention. First, management must maximize the utilization of existing assets, human and materiel. Taking a regional approach and working closely with the municipal operators, routes overlapping and inefficient asset utilization can be greatly reduced. Second, new technology vehicles must be introduced as speedily as possible to minimize the demand for labor, maintenance and spares. And last, but not least, vehicle procurement must change from "bus as a commodity, delivered my way" procurement to specific needs, performance-specified vehicle procurement.

CONSENT DECREE

Due to its neglect of the bus operations, the MTA management found itself in the unusual, and embarrassing, situation to be sued by its customers and owners. To avoid having the courts decide directly how its budget should be allocated, MTA management agreed to measures of performance as indicators of management's renewed focus on bus operations while retaining control over budget allocations. Later, when failing to meet the measures of performance, the MTA went back to courts challenging their authority to impose specific budgetary actions. But this is exactly what the consent decree is all about. Both the appellate and lower court rejected MTA's argument.

The MTA's Board of Directors supported the management's approach largely because they were told that the measures of performance, while agreed upon by MTA, were unachievable. This assessment is not necessarily true. MTA management assumed that the increased capacity, necessary to reduce the congestion on the buses, can only be achieved by procuring, and putting into service, more vehicles and the resulting financial burden is unsupportable. There are, at least, two other approaches worth taking.

First, the regional approach. Local municipal operators can shoulder some of the burden on overlapped routes, freeing MTA assets to be utilized on overcrowded lines. Secondly, capacity is not only vehicles and seats. It is the ability of the system to carry passengers. Any increase in the average speed (really, reduction in the delays at stops, traffic lights, etc.) results in a directly proportional increase in the system's capacity. Therefore, true low-floor vehicles, multiple doors vehicles, vehicles with internal seating arrangements that allow easy passenger flow, off-board fare collection, traffic light signal priority, etc. will increase the system capacity without the need for additional vehicles and the associated operating costs.

ENVIRONMENTAL REGULATIONS

Between now and 2007, MTA will have to meet a 20 times and 5 times reductions in the Nox and particulate matter (PM) emissions, respectively. The existing bus propulsion technology cannot meet these requirements now or, almost certainly, in the future.

MTA, in order to avoid another panic jump into new technology (remember methanol/ethanol), must start right now to procure hybrid propulsion buses that can meet the 2007 emission requirements.

PUBLIC'S DEMANDS

The traveling public, transit-dependent or not, demands more from the bus operators. The public requires comfortable, uncrowded vehicles; improved quality of ride; shorter trip times; reliable, on-time service; reduced air emissions and noise pollution; and, new look vehicles, free of visual pollution. Cities as diverse as New York, Chicago, Dallas, London(England), Barcelona(Spain), and Paris (France) have initiated special programs to meet those demands.

Los Angeles has the successful Metro Bus Rapid and plans two BRT corridors in San Fernando Valley and along Wilshire Blvd. Using the same vehicles as today's system will fail to meet most of the public's demands and lead to underutilization of hundreds of millions of dollars in capital investment.

CONCLUSION

MTA will face major challenges in the immediate future and management must rise to the occasion. It will be well advised to remember that the United States has reached the premier position in the world and weathered numerous crises because its people and leaders were not afraid to think “out-of-the-box” and make aggressive use of advanced technology.