



Final Report  
June 2016

# **Los Angeles County Metropolitan Transportation Authority**

Performance Review of Los Angeles County Operators  
and Metro as the Regional Transportation Planning Entity

## **Long Beach Public Transportation Company**

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**MA and ASSOCIATES**  
Certified Public Accountants





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## Chapter 1

# Executive Summary

The Triennial Performance Review (TPR) of the Long Beach Public Transportation Company covers a three-year period ending June 30, 2015. The California Public Utilities Code requires all recipients of Transit Development Act (TDA) funding to complete an independent review on a three-year cycle in order to maintain funding eligibility.

### Description of Transit Program

The City of Long Beach is the sole shareholder in the Long Beach Public Transportation Company, which is marketed as Long Beach Transit. The City's transit program offers fixed-route bus service, demand-response for persons with disabilities, and a water taxi service linking downtown Long Beach with destinations around Queensway Bay including the Aquarium of the Pacific, Queen Mary, Shoreline Village, Pine Avenue Circle, and the Hotel Maya. Long Beach Transit serves Long Beach as well as other South Bay and Gateway communities including Artesia, Bellflower, Carson, Cerritos, Compton, Hawaiian Gardens, Lakewood, Norwalk, Paramount, Seal Beach, and Signal Hill.

In September 2015, the LACMTA selected the consultant team of Ma and Associates/Moore & Associates, Inc. to prepare Triennial Performance Reviews of itself as the RTPA and operator as well as the 16 municipal operators to which it allocates funding. Ma and Associates is a Certified Public Accounting firm, while Moore & Associates is a consulting firm specializing in public transportation. Selection of the consultant team followed a competitive procurement process.

This chapter summarizes key findings and recommendations developed during the Triennial Performance Review (TPR) of Long Beach Transit for the period:

- Fiscal Year 2012/13,
- Fiscal Year 2013/14, and
- Fiscal Year 2014/15.

This review was conducted in accordance with the processes established by the California Department of Transportation (Caltrans), as outlined in the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities*.

The Triennial Performance Review includes five elements:

- Compliance requirements,
- Follow-up of prior report recommendations,
- Analysis of program data reporting,
- Performance review, and
- Functional review.

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#### **Test of Compliance**

We conclude Long Beach Transit complies with Transportation Development Act (TDA) regulations in an efficient and effective manner.

#### **Status of Prior Recommendations**

The prior Triennial Performance Review – completed in 2013 by Moore & Associates, Inc./Ma and Associates for the three fiscal years ending June 30, 2012 –included no recommendations.

#### **Findings and Recommendations**

Based on discussions with Long Beach Transit staff, analysis of program performance, and a review of program compliance and function, the audit team presents no findings or recommendations for Long Beach Transit.

## Chapter 2

# Review Scope and Methodology

The Triennial Performance Review (TPR) of the Long Beach Public Transportation Company covers the three-year period ending June 30, 2015. The California Public Utilities Code requires all recipients of Transit Development Act (TDA) funding to complete an independent review on a three-year cycle in order to maintain funding eligibility.

In September 2015, the LACMTA selected the consultant team of Moore & Associates, Inc./Ma and Associates to prepare Triennial Performance Reviews of itself as the RTPA and operator as well as the 16 municipal operators to which it allocates funding. Moore & Associates is a consulting firm specializing in public transportation, while Ma and Associates is a Certified Public Accounting firm. Selection of the consultant team followed a competitive procurement process.

The Triennial Performance Review is designed to be an independent and objective evaluation of Long Beach Transit (LBT) as a public transit operator. Direct benefits of a triennial performance review include providing operator management with information on the economy, efficiency, and effectiveness of its programs across the prior three years; helpful insight for use in future planning; and assuring legislative and governing bodies (as well as the public) that resources are being economically and efficiently utilized. Finally, the Triennial Performance Review fulfills the requirement of PUC 99246(a) that the RTPA designate an entity other than itself to conduct a performance audit of the activities of each operator to whom it allocates funds.

The review was conducted in accordance with the processes established by the California Department of Transportation, as outlined in the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities*, as well as *Government Audit Standards* published by the U.S. Comptroller General.

### Objectives

The Triennial Performance Review has four primary objectives:

1. Assess compliance with TDA regulations,
2. Review improvements implemented subsequent to the prior TPR as well as progress toward adopted goals,
3. Evaluate the efficiency and effectiveness of the transit operator, and
4. Provide sound, constructive recommendations for improving the efficiency and functionality of the transit operator.

### Scope

The TPR is a systematic review of performance evaluating the efficiency, economy, and effectiveness of the transit operator. The review of Long Beach Transit included six tasks:

1. A review of compliance with the TDA requirements and regulations.
2. An assessment of the implementation of recommendations contained in prior performance reviews.

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3. A verification of the methodology for calculating performance indicators including:
  - Assessment of internal controls,
  - Test of data collection methods,
  - Calculation of performance indicators, and
  - Evaluation of performance.
4. Comparison of data reporting practices:
  - Transit Performance Measurement,
  - National Transit Database, and
  - Transit Operator Reports.
5. Examination of the following functions:
  - General management and organization,
  - Service planning,
  - Scheduling, dispatching, and operations,
  - Personnel management and training,
  - Administration,
  - Marketing and public information, and
  - Fleet maintenance.
6. Conclusions and recommendations to address opportunities for improvement based upon analysis of the information collected and the review of the transit operator's major functions.

### Methodology

The methodology for the Triennial Performance Review of Long Beach Transit included extensive review of documents relevant to the scope of the review, as well as information contained on the operator's website ([www.lbtransit.com](http://www.lbtransit.com)). The documents reviewed included the following (spanning the full three-year period):

- Triennial Performance Review reports for the prior review period;
- Monthly performance reports;
- Summary of fare and service changes during the review period;
- State Controller reports;
- Annual budgets;
- Comprehensive Annual Financial Reports (CAFRs);
- Transit marketing collateral;
- Fleet inventory;
- Preventive maintenance schedules and forms;
- California Highway Patrol Terminal Inspection reports;
- National Transit Database reports;
- LACMTA Transit Performance Measurement reports;
- Accident/road call logs;
- Customer complaint logs;
- Short Range Transit Plan; and
- Organizational chart.



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The methodology for this review included a site visit to the Long Beach Transit headquarters located at 1963 E. Anaheim Street on January 8, 2016. The audit team met with LBT staff, reviewed materials germane to the triennial review, and toured LBT's bus operations and maintenance facility.

Staff interviewed as part of the site visit include:

- Kenneth McDonald, Chief Executive Officer;
- Deborah Johnson, Deputy Chief Executive Officer;
- Lee Burner, Executive Director and Vice President, Transit Service Delivery and Planning;
- Rolando Cruz, Executive Director, and Vice President, Maintenance and Facilities;
- LaVerne David, Executive Director and Vice President, Employee and Labor Relations;
- Lisa Patton, Executive Director and Vice President, Financial Services;
- Ashley Liang, Accounting Manager;
- Kevin Lee, Marketing Manager;
- Ignacio Pimental, Transit Operations Supervisor; and
- Charles Santos, Grants Accountant.

A draft report was provided to Long Beach Transit for review and comment on March 3, 2016, at which time the operator was given the opportunity to address and comment on any issues. Discussions and/or details arising from that review were subsequently incorporated into this report, up to and including the elimination or revision of some recommendations based upon this discussion. Management responses to initial findings and recommendations are included in Section 8 of this report.

This report is comprised of eight chapters divided into three sections:

1. Executive Summary: A summary of the key findings and recommendations developed during the Triennial Performance Review process.
2. TPR Scope and Methodology: Methodology of the review and pertinent background information.
3. TPR Results: In-depth discussion of findings surrounding each of the subsequent elements of the review:
  - Compliance with statutory and regulatory requirements,
  - Progress in implementing prior recommendations,
  - Consistency between data reported to different agencies,
  - Performance measures and trends,
  - Functional review, and
  - Findings and recommendations.

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## Chapter 3

# Program Compliance

This section examines Long Beach Transit's compliance with the Transportation Development Act as well as relevant sections of the California Code of Regulations. An annual certified fiscal audit confirms TDA funds were apportioned in conformance with applicable laws, rules, and regulations. The Los Angeles County Metropolitan Transportation Authority (LACMTA) considers full use of funds under California Code of Regulations (CCR) 6754(a) as referring to operating funds but not capital funds. The Triennial Performance Review findings and related comments are delineated in Exhibit 3.1.

Compliance was determined through discussions with Long Beach Transit staff as well as a physical inspection of relevant documents including the fiscal audits for each year of the triennium, TDA claim forms, State Controller annual filings, California Highway Patrol terminal inspections, year-end performance reports, and other compliance-related documentation.

Long Beach Transit met the test of compliance with respect to Transportation Development Act (TDA) regulations.

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## Exhibit 3.1 Transit Development Act Compliance Requirements

REQUIREMENT	REFERENCE	COMPLIANCE	COMMENTS
The transit operator submits annual reports to the RTPA based upon the Uniform System of Accounts and records established by the State Controller.	PUC 99243	In compliance	FY 2012/13: October 18, 2013 FY 2013/14: October 17, 2014 FY 2014/15: October 19, 2015
The operator has submitted annual fiscal and compliance audits to its RTPA and to the State Controller within 180 days following the end of the fiscal year, or has received the appropriate 90-day extension allowed by law.	PUC 99245	In compliance	FY 2012/13: December 11, 2013 FY 2013/14: December 19, 2014 FY 2014/15: January 7, 2016 <sup>1</sup>
The CHP has, within the 13 months prior to each TDA claim submitted by an operator, certified the operator's compliance with Vehicle Code §1808.1 following a CHP inspection of the operator's terminal.	PUC 99251 B	In compliance	CHP reports with a satisfactory rating dated:  <i>68<sup>th</sup> Street:</i> December 5, 2012 December 11, 2013 December 10, 2014  <i>Anaheim Street:</i> February 7, 2013 February 27, 2014 February 25, 2015
The operator's claim for TDA funds is submitted in compliance with rules and regulations adopted by the RTPA for such claims.	PUC 99261	In compliance	
The operator's operating budget has not increased by more than 15% over the preceding year, nor is there a substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities unless the operator has reasonably supported and substantiated the change(s).	PUC 99266	In compliance	FY 2012/13: 4.3 percent FY 2013/14: 4.5 percent FY 2014/15: 4.0 percent

<sup>1</sup> Evidence of a 90-day extension was provided by LACMTA.

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REQUIREMENT	REFERENCE	COMPLIANCE	COMMENTS
The operator's definitions of performance measures are consistent with the Public Utilities Code Section 99247, including (a) operating cost, (b) operating cost per passenger, (c) operating cost per vehicle service hour, (d) passengers per vehicle service hour, (e) passengers per vehicle service miles, (f) total passengers, (g) transit vehicle, (h) vehicle service hours, (i) vehicle service miles, and (j) vehicle service hours per employee.	PUC 99247	In compliance	
If the operator serves an urbanized area, it has maintained a ratio of fare revenues to operating cost at least equal to one-fifth (20 percent).	PUC 99268.2, 99268.4, 99268.5	In compliance	FY 2012/13: 23.6 percent (31.5 percent with auxiliary revenue) FY 2013/14: 22.5 percent (30.0 percent with auxiliary revenue) FY 2014/15: 21.1 percent (28.8 percent with auxiliary revenue)
The current cost of the operator's retirement system is fully funded with respect to the officers and employees of its public transportation system, or the operator is implementing a plan approved by the RTPA, which will fully fund the retirement system for 40 years.	PUC 99271	In compliance	
If the operator receives State Transit Assistance funds, the operator makes full use of funds available to it under the Urban Mass Transportation Act of 1964 before TDA claims are granted.	CCR 6754 (a) (3)	In compliance	

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## Chapter 4

# Prior Recommendations

This section reviews and evaluates the implementation of prior Triennial Performance Review recommendations. This objective assessment provides assurance Long Beach Transit has made quantifiable progress toward improving both the efficiency and effectiveness of its operations.

The prior review – completed in 2013 by Moore & Associates, Inc./Ma and Associates for the three fiscal years ending June 30, 2012 – did not include any findings or recommendations.

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## Chapter 5

# Data Reporting Analysis

An important aspect of the Triennial Performance Review process is assessing how effectively and consistently the transit operator reports performance statistics to local, state, and federal agencies. Often as a condition of receipt of funding, an operator must collect, manage, and report data to different entities. Ensuring such data are consistent can often times be challenging given the varying definitions employed by different entities as well as the varying reporting timeframes. This chapter examines the consistency of performance data reported to the Los Angeles County Metropolitan Transportation Authority (LACMTA), State Controller, and Federal Transit Administration by Long Beach Transit during the audit period. Submissions to these entities were included within the Transit Performance Measurement (TPM) report, Transit Operators Financial Transactions Report (TOR), and the National Transit Database (NTD) report, respectively.

Exhibit 5.1 provides a comparison between performance data reported within the TPM, NTD, and TOR reports for the prior audit period (beginning in FY 2009/10) through the current audit period (ending in FY 2014/15). Entries for FY 2009/10 through FY 2011/12 reflect data reported during the prior audit completed by Moore & Associates/Ma and Associates.

Performance data reported to all three reporting entities is largely consistent for all performance measures. Some variation in reporting is normal, as reporting deadlines differ and not all information is finalized at the time of submittal.<sup>2</sup>

The greatest variance is in the amount of local subsidies and auxiliary revenue reported to each entity. This is most likely due to funds being identified differently in each report.

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<sup>2</sup> Note: Total Vehicle Hours and Total Vehicle Miles are not reported as part of the Transit Operators Financial Transaction Report.

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## Exhibit 5.1 Data Reporting Consistency

Performance Measure	System-Wide					
	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15
Operating Cost (Actual \$)						
TPM	\$69,892,392	\$73,440,639	\$73,276,202	\$76,455,151	\$79,893,037	\$83,127,041
National Transit Database	\$69,948,064	\$73,679,266	\$73,254,821	\$76,301,991	\$79,769,268	\$82,992,378
State Controller Report	\$69,892,388	\$73,440,639	\$73,276,201	\$76,411,455	\$79,867,539	\$83,108,287
Fare Revenue (Actual \$)						
TPM	\$16,545,718	\$17,350,225	\$18,107,329	\$18,068,110	\$17,991,516	\$17,535,579
National Transit Database	\$17,387,194	\$18,075,367	\$18,798,989	\$17,849,426	\$17,772,383	\$17,331,149
State Controller Report	\$16,473,909	\$17,308,290	\$18,085,943	\$18,024,417	\$17,966,020	\$17,516,825
Local Subsidies & Auxiliary Revenue						
TPM	\$5,361,218	\$6,665,290	\$7,157,677	\$5,978,783	\$5,980,572	\$6,413,533
National Transit Database	\$0	\$0	\$0	\$542,382	\$936,319	\$1,031,698
State Controller Report	\$1,573,351	\$1,077,660	\$1,056,548	\$542,382	\$630,413	\$603,029
Vehicle Service Hours (VSH)						
TPM	690,521	674,323	678,076	679,573	694,083	715,121
National Transit Database	687,644	672,427	675,127	675,732	690,437	711,508
State Controller Report	687,644	672,427	675,127	679,573	694,083	715,121
Total Vehicle Hours						
TPM	725,082	707,489	710,330	712,702	728,684	750,611
National Transit Database	722,205	705,593	707,381	708,861	725,038	746,998
State Controller Report	Not reported	Not reported	Not reported	Not reported	Not reported	Not reported
Vehicle Service Miles (VSM)						
TPM	7,221,703	6,862,041	6,833,996	6,848,082	6,980,261	7,108,580
National Transit Database	7,210,798	6,855,569	6,819,979	6,832,384	6,966,184	7,097,123
State Controller Report	7,210,798	6,855,569	6,819,979	6,848,082	6,980,261	7,108,580
Total Vehicle Miles						
TPM	7,909,035	7,518,731	7,473,804	7,487,623	7,652,546	7,800,453
National Transit Database	7,898,130	7,512,259	7,459,787	7,471,925	7,638,470	7,788,996
State Controller Report	Not reported	Not reported	Not reported	Not reported	Not reported	Not reported
Passengers						
TPM	28,650,509	27,939,234	28,271,455	28,701,846	28,592,070	28,175,553
National Transit Database	28,605,571	27,912,518	28,230,703	28,648,284	28,532,560	28,117,340
State Controller Report	28,605,571	27,912,518	28,230,703	28,701,846	28,592,070	28,175,553
Employees						
TPM	779	772	759	739	699	687
National Transit Database	702.7	676.7	726.1	666.7	679.5	674.3
State Controller Report	703	677	726	688	699	687
Peak Vehicles						
TPM	204	201	201	199	202	206
National Transit Database	201	198	197	199	198	202
State Controller Report	201	198	197	199	202	206

## Chapter 6

# Performance Analysis

Performance indicators are typically employed to quantify and assess the efficiency of a transit operator's activities. Such indicators provide insight into current operations as well as trend analysis of operator performance. Through a review of indicators, relative performance as well as possible inter-relationships between key functions is revealed.

The Transportation Development Act (TDA) requires recipients of TDA funding to track and report five performance indicators:

- Operating Cost/Passenger,
- Operating Cost/Vehicle Service Hour,
- Passengers/Vehicle Service Hour,
- Passengers/Vehicle Service Mile, and
- Vehicle Service Hours/Employee.

To assess the use and accuracy of performance indicators, the audit team completed the following activities:

- Assessed internal controls in place for the collection of performance-related information,
- Validated collection methods of key data,
- Calculated performance indicators, and
- Evaluated performance indicators.

The procedures used to calculate TDA-required performance indicators for the current triennium were verified and compared with indicators included in similar reports to external entities (i.e., State Controller, Los Angeles County Metropolitan Transportation Authority, and Federal Transit Administration).

### Operating Cost

The Transportation Development Act requires an operator to track and report transit-related costs reflective of the Uniform System of Accounts and Records developed by the State Controller and the California Department of Transportation. The most common method for ensuring this occurs is through a compliance audit report prepared by an independent auditor in accordance with California Code of Regulations Section 6667.<sup>3</sup> The annual independent financial audit should confirm the use of the Uniform System of Accounts and Records. Operating cost – as defined by PUC Section 99247(a) – excludes the following:

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<sup>3</sup> CCR Section 6667 outlines the minimum tasks which must be performed by an independent auditor in conducting the annual fiscal and compliance audit of the transit operator.

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- Cost in the depreciation and amortization expense object class adopted by the State Controller pursuant to PUC Section 99243,
- Subsidies for commuter rail services operated under the jurisdiction of the Interstate Commerce Commission,
- Direct costs of providing charter service, and
- Vehicle lease costs.

### Vehicle Service Hours and Miles

*Vehicle Service Hours* (VSH) and *Miles* (VSM) are defined as the time/distance during which a revenue vehicle is available to carry fare-paying passengers, and which includes only those times/miles between the time or scheduled time of the first passenger pickup and the time or scheduled time of the last passenger drop-off during a period of the vehicle's continuous availability.<sup>4</sup> For example, demand-response service hours include those hours when a vehicle has dropped off a passenger and is traveling to pick up another passenger, but not those hours when the vehicle is unavailable for service due to driver breaks or lunch. For demand-response service, service hours exclude hours of "deadhead" travel to the first scheduled pick-up, and also exclude hours of "deadhead" travel from the last scheduled drop-off back to the terminal. For fixed-route service, a vehicle is considered to be in revenue service from first scheduled stop to last scheduled stop, whether or not passengers board or exit at those points (i.e., subtracting driver lunch and breaks but including scheduled layovers).

### Passenger Counts

According to the Transportation Development Act, *total passengers* is equal to the total number of unlinked trips (i.e., those trips that are made by a passenger that involve a single boarding and departure), whether revenue-producing or not.

### Employees or Full-Time Equivalent (FTE)

*Employee hours* is defined as the total number of hours (regular or overtime) which all employees have worked, and for which they have been paid a wage or salary. The hours must include transportation system-related hours worked by persons employed in connection with the system (whether or not the person is employed directly by the operator). Full-Time Equivalent (FTE) is calculated by dividing the number of person-hours by 2,000.

### Fare Revenue

*Fare revenue* is defined by California Codes of Regulations Section 6611.2 as revenue collected from the farebox plus sales of fare media.

### TDA Required Indicators

To calculate the TDA indicators for Long Beach Transit, the following sources were employed:

- Operating Cost was not independently calculated as part of this review. Operating Cost data were obtained via Transit Operator Reports (TORs) submitted to the State Controller for each fiscal year covered by this review. Operating Cost data included within the reports are consistent with TDA standards.

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<sup>4</sup> A vehicle is considered to be in revenue service despite a no-show or late cancellation if the vehicle remains available for passenger use.

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- Fare Revenue was not independently calculated as part of this review. Fare revenue data were obtained via Transit Operator Reports (TORs) submitted to the State Controller for each fiscal year covered by this review. Fare revenue from the reports is consistent with TDA guidelines.
- Vehicle Service Hours (VSH) data were obtained via Transit Operator Reports (TORs) submitted to the State Controller for each fiscal year covered by this review. Data from these reports was then compared to information included within monthly performance data summary reports. Long Beach Transit calculates VSH using schedule hours reconciled with driver trip sheets, and its calculation methodology is consistent with PUC guidelines.
- Vehicle Service Miles (VSM) data were obtained via Transit Operator Reports (TORs) submitted to the State Controller for each fiscal year covered by this review. Data from these reports was then compared to information included within monthly performance data summary reports. Long Beach Transit calculates VSM by subtracting deadhead and out-of-service miles subtracted from total vehicle mileage (as noted on each vehicle's odometer). This methodology is consistent with PUC guidelines.
- Unlinked trip data were obtained via Transit Operator Reports (TORs) submitted to the State Controller for each fiscal year covered by this review. Data from these reports was then compared to information included within monthly performance data summary reports. Long Beach Transit's calculation methodology is consistent with PUC guidelines.
- Full-Time Equivalent (FTE) data were obtained via Transit Operator Reports (TORs) submitted to the State Controller for each fiscal year covered by this review. Data from these reports were then compared to information included within monthly performance data summary reports as well as reports to other external agencies. Long Beach Transit's calculation methodology is consistent with PUC guidelines.

### Performance Trends

Performance trends were analyzed for Long Beach Transit for the three years covered by this Triennial Performance Review. Indicators were calculated using the methodologies described in the previous section. Additionally, performance data from the prior audit period were provided to illustrate trends since the last audit period.

### System Performance

System operating cost for Long Beach Transit increased steadily across the review period, ending a net 13.4 percent higher than FY 2011/12. The number of Vehicle Service Hours and Vehicle Service Miles both increased slightly across the review period. Ridership began declining in FY 2010/11, rebounding slightly in FY 2011/12 and FY 2012/13, before declining through the end of the review period. As a result, ridership dropped just 0.2 percent between FY 2011/12 and FY 2014/15. Fare revenue decreased steadily as well, for a net drop of 3.1 percent.

Efficiency of LBT's services declined slightly across the review period. The increase in VSM and VSH ultimately resulted in decreased Passengers/VSH and Passengers/VSM. Operating Cost/VSH had a net increase of 7.1 percent across the review period and Operating Cost/VSM saw a net increase of 8.8 percent during the same period. Operating Cost/Passenger also increased, up 13.5 percent between 2011/12 and FY 2014/15.

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## Exhibit 6.1 System Performance Indicators

Performance Measure	System-Wide					
	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15
<b>Operating Cost (Actual \$)</b>	\$69,892,388	\$73,440,639	\$73,276,201	\$76,411,455	\$79,867,539	\$83,108,287
<i>Annual Change</i>		5.1%	-0.2%	4.3%	4.5%	4.1%
<b>Fare Revenue (Actual \$)</b>	\$16,473,909	\$17,308,290	\$18,085,943	\$18,024,417	\$17,966,020	\$17,516,825
<i>Annual Change</i>		5.1%	4.5%	-0.3%	-0.3%	-2.5%
<b>Vehicle Service Hours (VSH)</b>	687,644	672,427	675,127	679,573	694,083	715,121
<i>Annual Change</i>		-2.2%	0.4%	0.7%	2.1%	3.0%
<b>Vehicle Service Miles (VSM)</b>	\$7,210,798	\$6,855,569	\$6,819,979	\$6,848,082	\$6,980,261	\$7,108,580
<i>Annual Change</i>		-4.9%	-0.5%	0.4%	1.9%	1.8%
<b>Passengers</b>	28,605,571	27,912,518	28,230,703	28,701,846	28,592,070	28,175,553
<i>Annual Change</i>		-2.4%	1.1%	1.7%	-0.4%	-1.5%
<b>Employees</b>	703.0	677.0	726.0	688.0	699.0	687.0
<i>Annual Change</i>		-3.7%	7.2%	-5.2%	1.6%	-1.7%
<b>Performance Indicators</b>						
<b>Operating Cost/VSH (Actual \$)</b>	\$101.64	\$109.22	\$108.54	\$112.44	\$115.07	\$116.22
<i>Annual Change</i>		7.5%	-0.6%	3.6%	2.3%	1.0%
<b>Operating Cost/Passenger (Actual \$)</b>	\$2.44	\$2.63	\$2.60	\$2.66	\$2.79	\$2.95
<i>Annual Change</i>		7.7%	-1.3%	2.6%	4.9%	5.6%
<b>Passengers/VSH</b>	41.60	41.51	41.82	42.24	41.19	39.40
<i>Annual Change</i>		-0.2%	0.7%	1.0%	-2.5%	-4.4%
<b>Passengers/VSM</b>	3.97	4.07	4.14	4.19	4.10	3.96
<i>Annual Change</i>		2.6%	1.7%	1.3%	-2.3%	-3.2%
<b>Farebox Recovery</b>	23.6%	23.6%	24.7%	23.6%	22.5%	21.1%
<i>Annual Change</i>		0.0%	4.7%	-4.4%	-4.6%	-6.3%
<b>Hours/Employee</b>	978.2	993.2	929.9	987.8	993.0	1,040.9
<i>Annual Change</i>		1.5%	-6.4%	6.2%	0.5%	4.8%
<b>TDA Non-Required Indicators</b>						
<b>Operating Cost/VSM</b>	\$9.69	\$10.71	\$10.74	\$11.16	\$11.44	\$11.69
<i>Annual Change</i>		10.5%	0.3%	3.9%	2.5%	2.2%
<b>VSM/VSH</b>	10.49	10.20	10.10	10.08	10.06	9.94
<i>Annual Change</i>		-2.8%	-0.9%	-0.2%	-0.2%	-1.2%
<b>Fare/Passenger</b>	\$0.58	\$0.62	\$0.64	\$0.63	\$0.63	\$0.62
<i>Annual Change</i>		7.7%	3.3%	-2.0%	0.1%	-1.1%

Data source: State Controller Reports.

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Exhibit 6.2 System Ridership

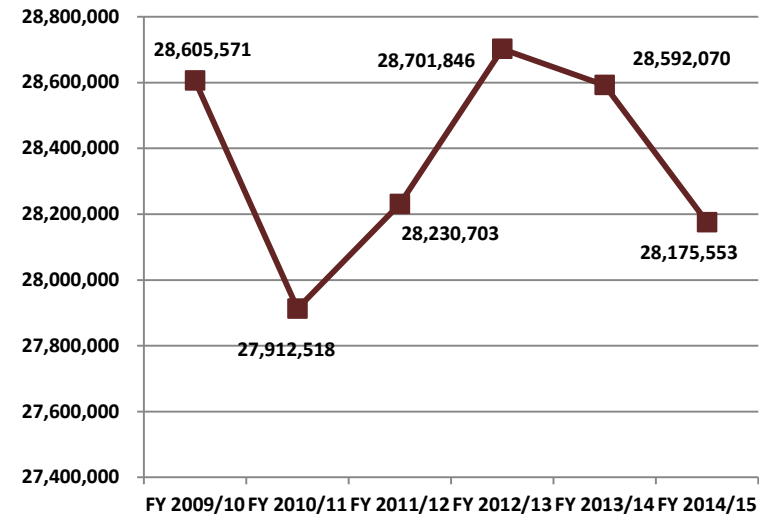


Exhibit 6.3 System Operating Cost/VSH

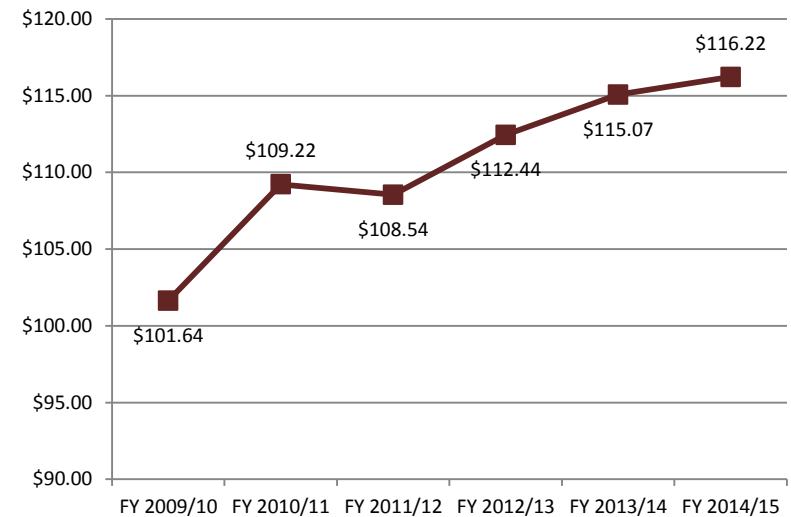


Exhibit 6.4 System Operating Cost/VSM

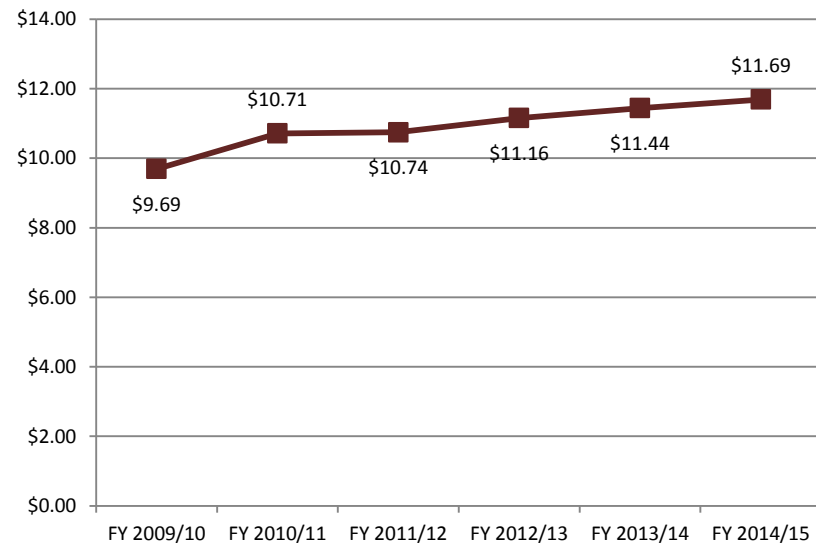
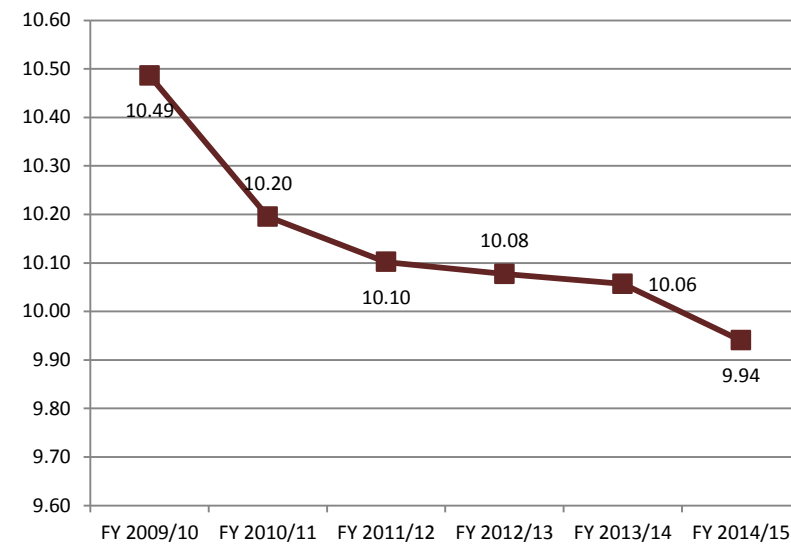


Exhibit 6.5 System VSM/VSH



# Long Beach Public Transportation Company

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Exhibit 6.6 System Operating Cost/Passenger

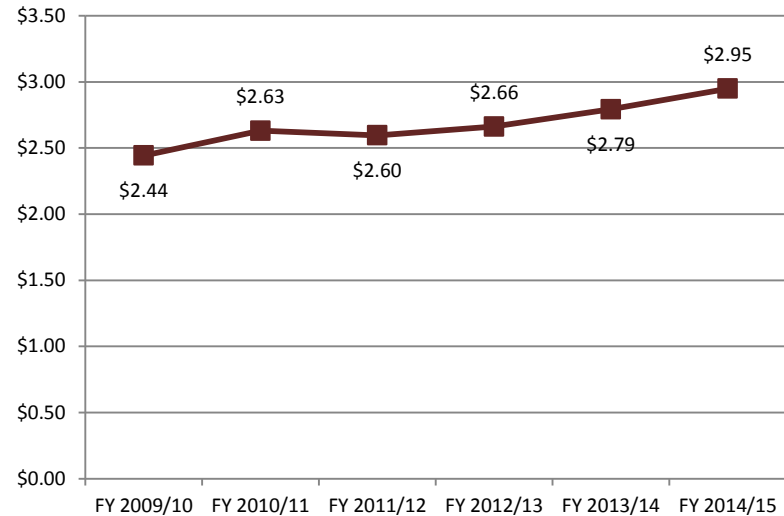


Exhibit 6.7 System Passengers/VSH

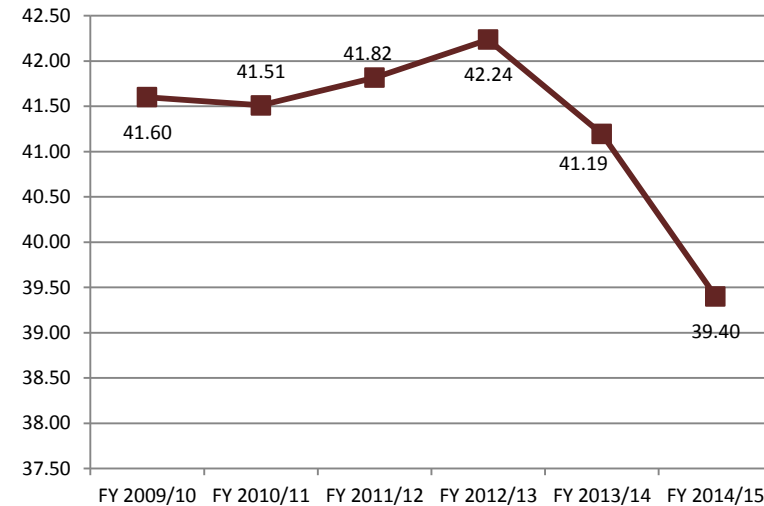


Exhibit 6.8 System Passengers/VSM

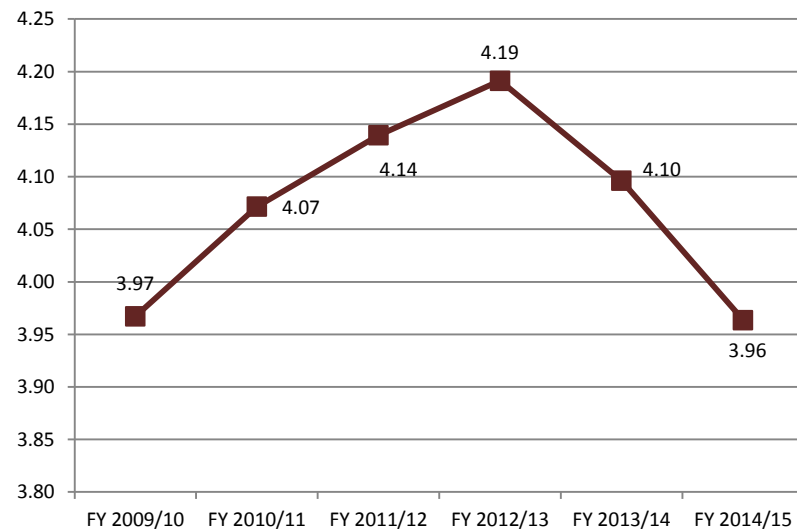
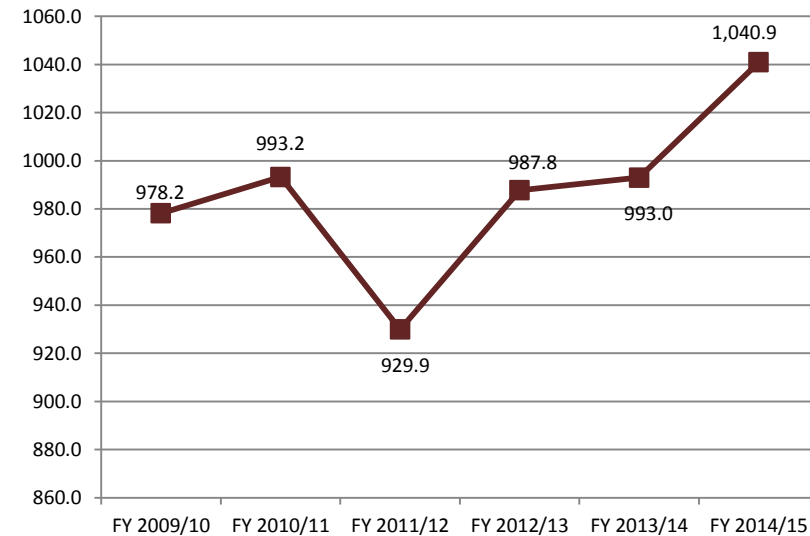


Exhibit 6.9 System VSH/FTE





# Long Beach Public Transportation Company

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Exhibit 6.10 System Farebox Recovery

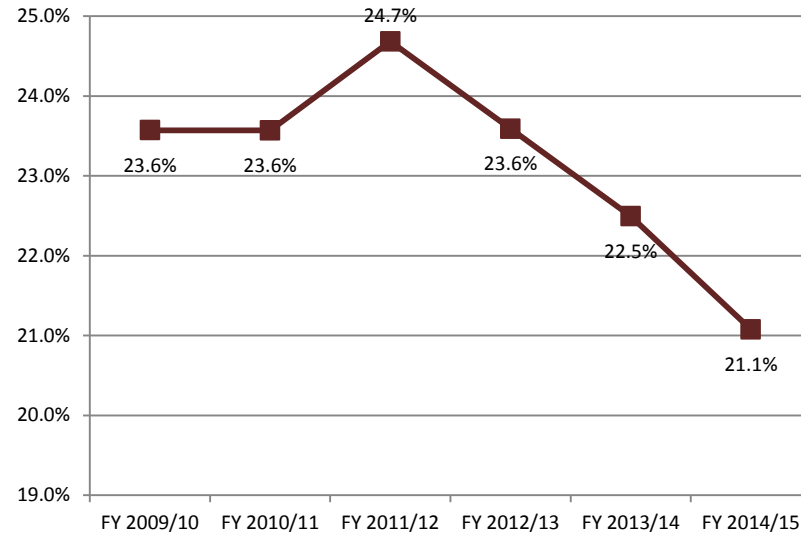
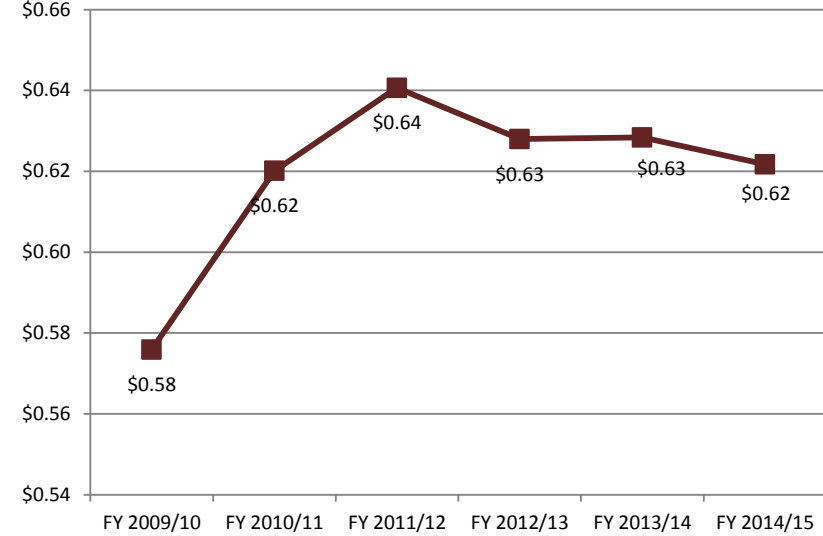


Exhibit 6.11 System Fare/Passenger



# Long Beach Public Transportation Company

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#### Fixed-Route Performance

Given Long Beach Transit's fixed-route transit service comprises the majority of system operating costs (e.g., \$82.0 million of a total system budget of \$83.1 million), fixed-route performance closely mirrors that of the system as a whole.

Operating Cost increased 8.7 percent across the review period. Vehicle Service Hours increased 5.4 percent, while Vehicle Service Miles increased 3.9 percent. Ridership was relatively stable across the period, but Operating Cost/Passenger increased 11.0 percent and Passenger/VSH decreased 6.9 percent. Farebox recovery also declined 10.9 percent.

Exhibit 6.12 Fixed-Route Performance Indicators

Performance Measure	Fixed-Route					
	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15
<b>Operating Cost (Actual \$)</b>	\$68,762,681	\$72,512,810	\$72,347,675	\$75,382,045	\$78,796,496	\$82,002,492
<i>Annual Change</i>	28.2%	8.0%	4.0%	4.2%	4.5%	4.1%
<b>Fare Revenue (Actual \$)</b>	\$16,388,078	\$17,223,998	\$18,004,465	\$17,935,471	\$17,876,787	\$17,420,979
<i>Annual Change</i>	34.6%	-12.3%	6.4%	-0.4%	-0.3%	-2.5%
<b>Vehicle Service Hours (VSH)</b>	677,353	662,899	665,854	668,940	683,851	705,027
<i>Annual Change</i>	8.8%	-1.2%	0.1%	0.5%	2.2%	3.1%
<b>Vehicle Service Miles (VSM)</b>	6,997,824	6,681,274	6,648,365	6,656,826	6,787,563	6,916,037
<i>Annual Change</i>	5.3%	0.9%	1.3%	0.1%	2.0%	1.9%
<b>Passengers</b>	28,556,522	27,865,454	28,183,414	28,651,432	28,540,070	28,118,425
<i>Annual Change</i>	-1.1%	-6.9%	7.2%	1.7%	-0.4%	-1.5%
<b>Employees</b>	687.0	661.0	711.0	671.0	683.0	678.0
<i>Annual Change</i>	-26.5%	-20.0%	10.0%	-5.6%	1.8%	-0.7%
<b>Performance Indicators</b>						
<b>Operating Cost/VSH (Actual \$)</b>	\$101.52	\$109.39	\$108.65	\$112.69	\$115.22	\$116.31
<i>Annual Change</i>		7.8%	-0.7%	3.7%	2.3%	0.9%
<b>Operating Cost/Passenger (Actual \$)</b>	\$2.41	\$2.60	\$2.57	\$2.63	\$2.76	\$2.92
<i>Annual Change</i>		8.1%	-1.4%	2.5%	4.9%	5.6%
<b>Passengers/VSH</b>	42.16	42.04	42.33	42.83	41.73	39.88
<i>Annual Change</i>		-0.3%	0.7%	1.2%	-2.6%	-4.4%
<b>Passengers/VSM</b>	4.08	4.17	4.24	4.30	4.20	4.07
<i>Annual Change</i>		2.2%	1.6%	1.5%	-2.3%	-3.3%
<b>Farebox Recovery</b>	23.8%	23.8%	24.9%	23.8%	22.7%	21.2%
<i>Annual Change</i>		-0.3%	4.8%	-4.4%	-4.6%	-6.4%
<b>Hours/Employee</b>	986.0	1,002.9	936.5	996.9	1,001.2	1,039.9
<i>Annual Change</i>		1.7%	-6.6%	6.5%	0.4%	3.9%
<b>TDA Non-Required Indicators</b>						
<b>Operating Cost/VSM</b>	\$9.83	\$10.85	\$10.88	\$11.32	\$11.61	\$11.86
<i>Annual Change</i>		10.4%	0.3%	4.1%	2.5%	2.1%
<b>VSM/VSH</b>	10.33	10.08	9.98	9.95	9.93	9.81
<i>Annual Change</i>		-2.4%	-0.9%	-0.3%	-0.3%	-1.2%
<b>Fare/Passenger</b>	\$0.57	\$0.62	\$0.64	\$0.63	\$0.63	\$0.62
<i>Annual Change</i>		7.7%	3.4%	-2.0%	0.1%	-1.1%

Data source: State Controller Reports.

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Exhibit 6.13 Fixed-Route Ridership

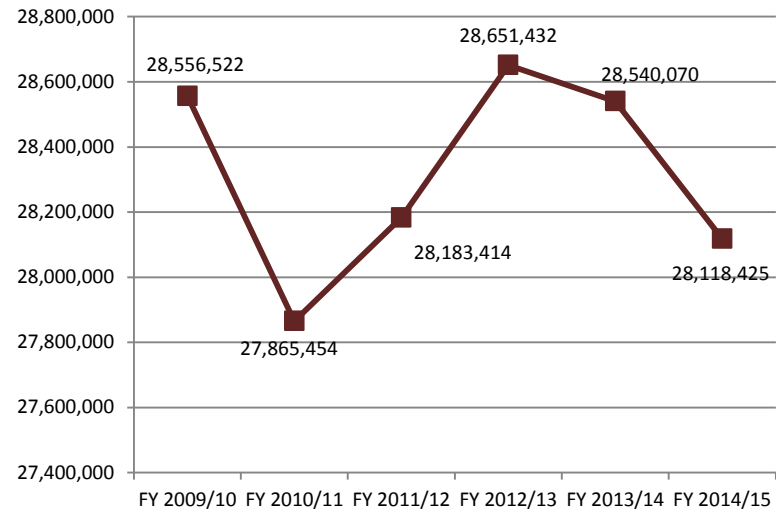


Exhibit 6.14 Fixed-Route Operating Cost/VSH

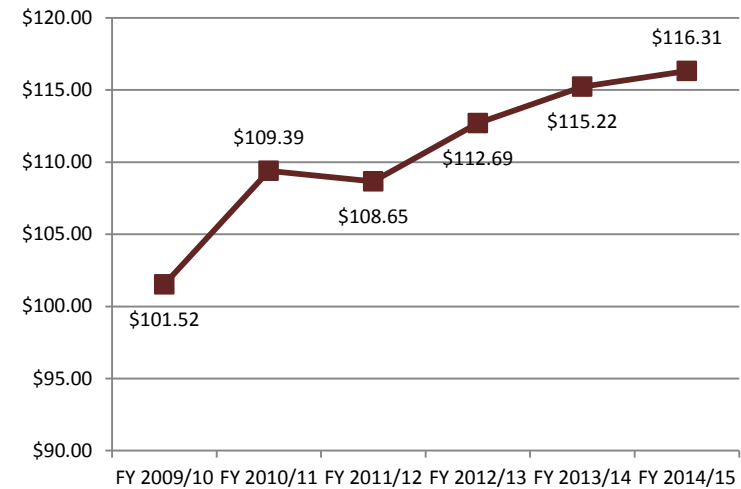


Exhibit 6.15 Fixed-Route Operating Cost/VSM

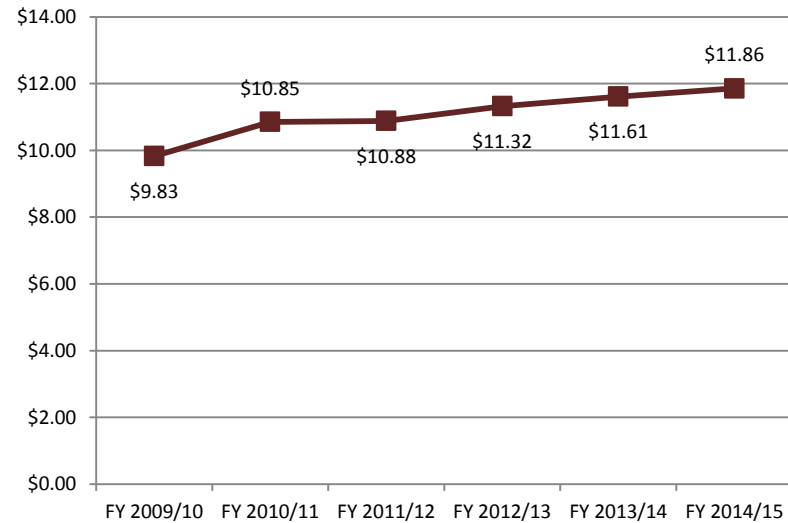
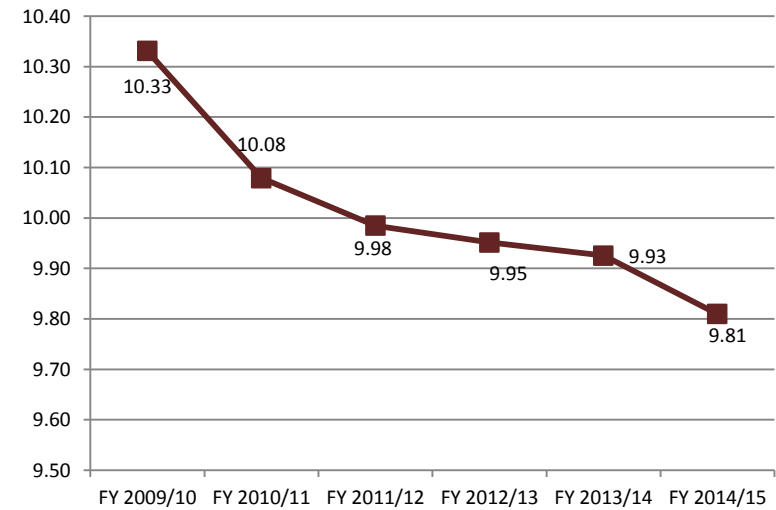


Exhibit 6.16 Fixed-Route VSM/VSH



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Exhibit 6.17 Fixed-Route Operating Cost/Passenger

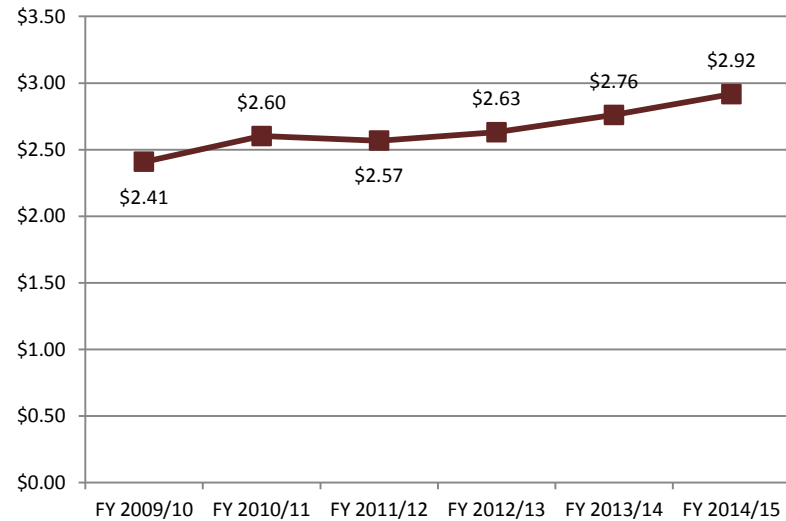


Exhibit 6.18 Fixed-Route Passengers/VSH

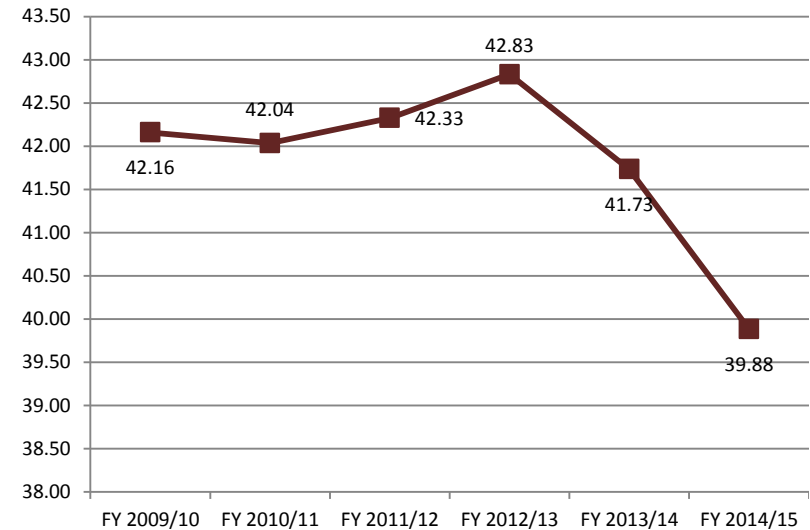


Exhibit 6.19 Fixed-Route Passengers/VSM

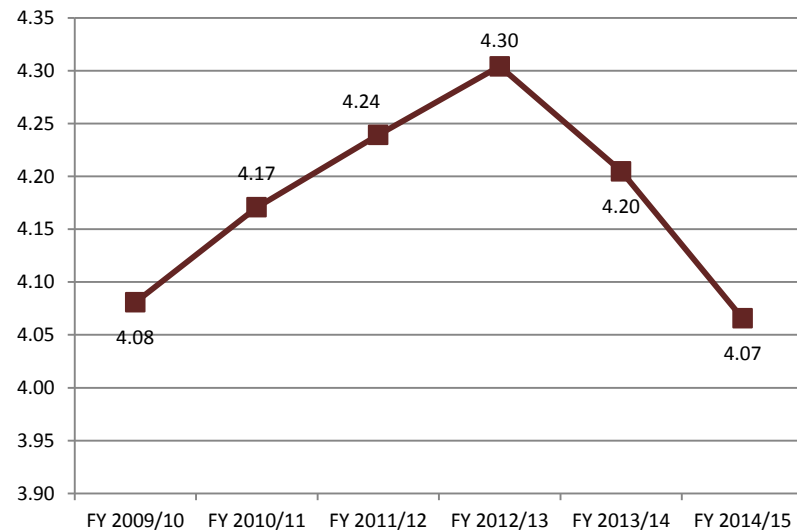
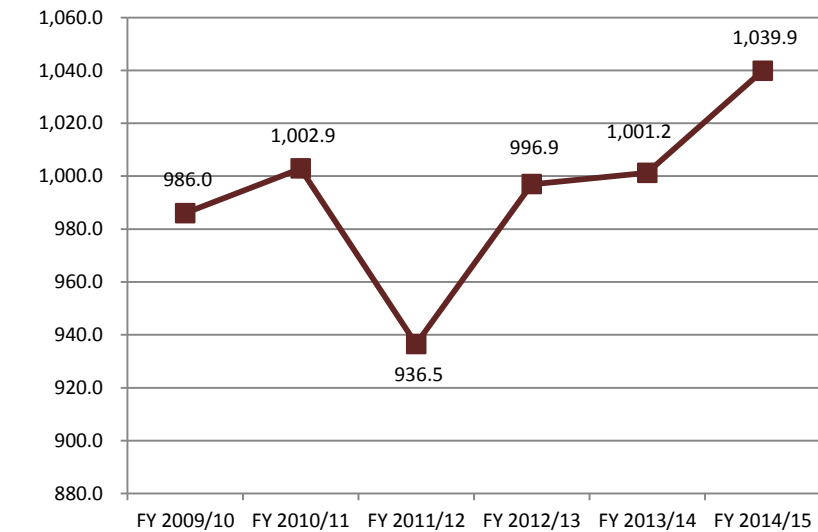


Exhibit 6.20 Fixed-Route VSH/FTE



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Exhibit 6.21 Fixed-Route Farebox Recovery

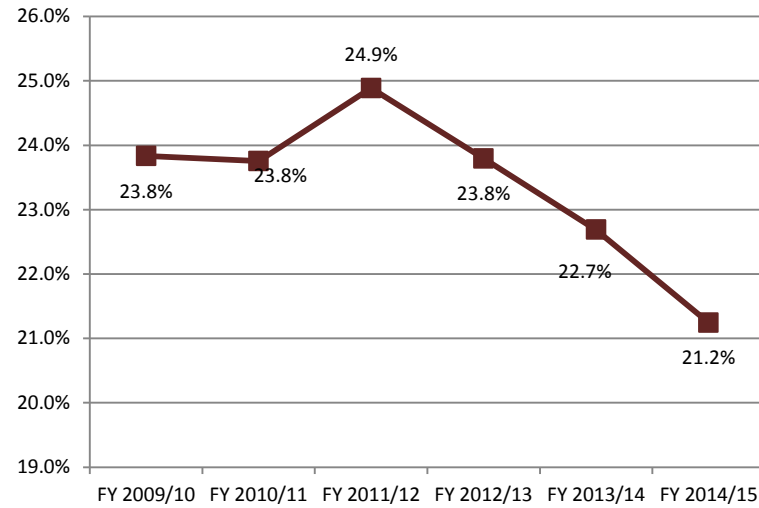
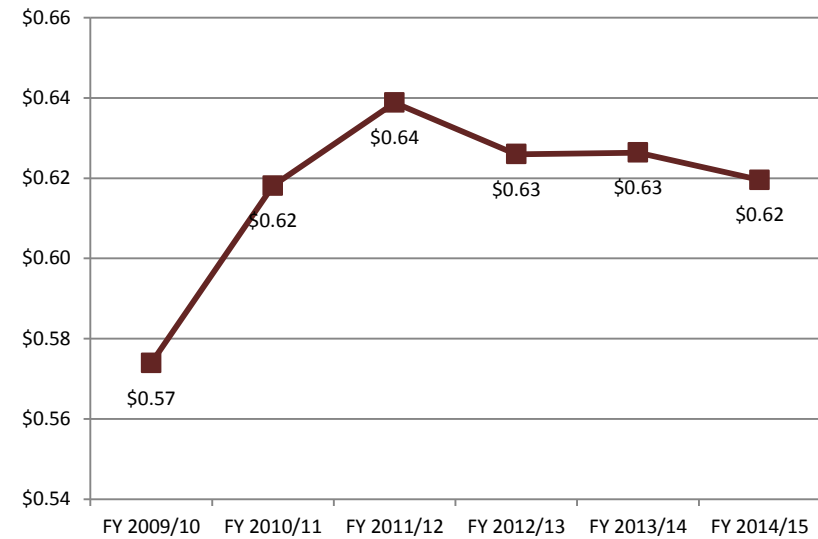


Exhibit 6.22 Fixed-Route Fare/Passenger



# Long Beach Public Transportation Company

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#### Demand-Response Performance

Operating Cost for Long Beach Transit's demand-response transit program increased significantly in FY 2012/13 (10.9 percent), reflective of increases in passengers (6.6 percent), VSH (14.7 percent), and VSM (11.4 percent) across the review period. Overall, the program became somewhat more cost-effective and efficient across the review period as Operating Cost/Passenger decreased while Passengers/VSH and Passengers/VSM increased. However, Operating Cost/VSH increased 9.4 percent across the review period.

Exhibit 6.23 Demand-Response Performance Indicators

Performance Measure	Demand-Response					
	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15
<b>Operating Cost (Actual \$)</b>	\$1,129,707	\$927,829	\$928,526	\$1,029,410	\$1,071,043	\$1,105,795
Annual Change		-17.9%	0.1%	10.9%	4.0%	3.2%
<b>Fare Revenue (Actual \$)</b>	\$85,831	\$84,292	\$81,478	\$88,946	\$89,233	\$95,846
Annual Change		-1.8%	-3.3%	9.2%	0.3%	7.4%
<b>Vehicle Service Hours (VSH)</b>	10,291	9,528	9,273	10,633	10,232	10,094
Annual Change		-7.4%	-2.7%	14.7%	-3.8%	-1.3%
<b>Vehicle Service Miles (VSM)</b>	212,974	174,295	171,614	191,256	192,698	192,543
Annual Change		-18.2%	-1.5%	11.4%	0.8%	-0.1%
<b>Passengers</b>	49,049	47,064	47,289	50,414	52,000	57,128
Annual Change		-4.0%	0.5%	6.6%	3.1%	9.9%
<b>Employees</b>	16.0	16.0	15.0	17.0	16.0	9.0
Annual Change		0.0%	-6.3%	13.3%	-5.9%	-43.8%
<b>Performance Indicators</b>						
<b>Operating Cost/VSH (Actual \$)</b>	\$109.78	\$97.38	\$100.13	\$96.81	\$104.68	\$109.55
Annual Change		-11.3%	2.8%	-3.3%	8.1%	4.7%
<b>Operating Cost/Passenger (Actual \$)</b>	\$23.03	\$19.71	\$19.64	\$20.42	\$20.60	\$19.36
Annual Change		-14.4%	-0.4%	4.0%	0.9%	-6.0%
<b>Passengers/VSH</b>	4.77	4.94	5.10	4.74	5.08	5.66
Annual Change		3.6%	3.2%	-7.0%	7.2%	11.4%
<b>Passengers/VSM</b>	0.23	0.27	0.28	0.26	0.27	0.30
Annual Change		17.2%	2.0%	-4.3%	2.4%	9.9%
<b>Farebox Recovery</b>	7.6%	9.1%	8.8%	8.6%	8.3%	8.7%
Annual Change		19.6%	-3.4%	-1.5%	-3.6%	4.0%
<b>Hours/Employee</b>	643.2	595.5	618.2	625.5	639.5	1,121.6
Annual Change		-7.4%	3.8%	1.2%	2.2%	75.4%
<b>TDA Non-Required Indicators</b>						
<b>Operating Cost/VSM</b>	\$5.30	\$5.32	\$5.41	\$5.38	\$5.56	\$5.74
Annual Change		0.4%	1.6%	-0.5%	3.3%	3.3%
<b>VSM/VSH</b>	20.70	18.29	18.51	17.99	18.83	19.07
Annual Change		-11.6%	1.2%	-2.8%	4.7%	1.3%
<b>Fare/Passenger</b>	\$1.75	\$1.79	\$1.72	\$1.76	\$1.72	\$1.68
Annual Change		2.3%	-3.8%	2.4%	-2.7%	-2.2%

Data source: State Controller Reports.

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Exhibit 6.24 Demand-Response Ridership

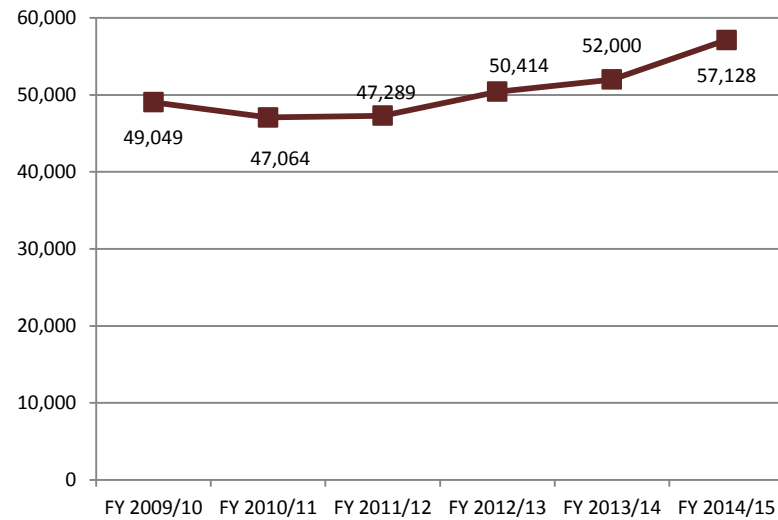


Exhibit 6.25 Demand-Response Operating Cost/VSH

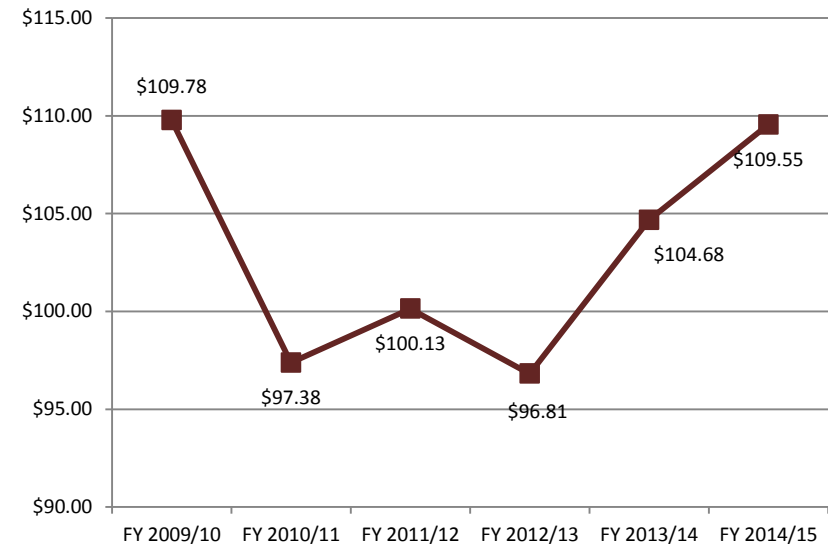


Exhibit 6.26 Demand-Response Operating Cost/VSM

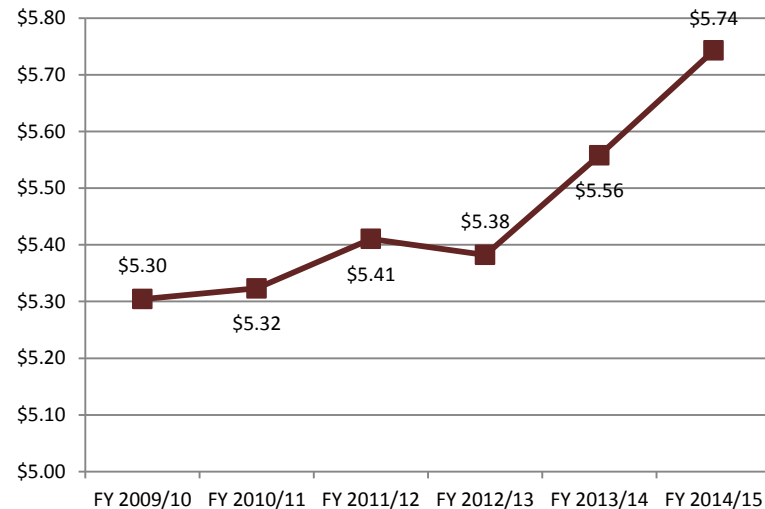
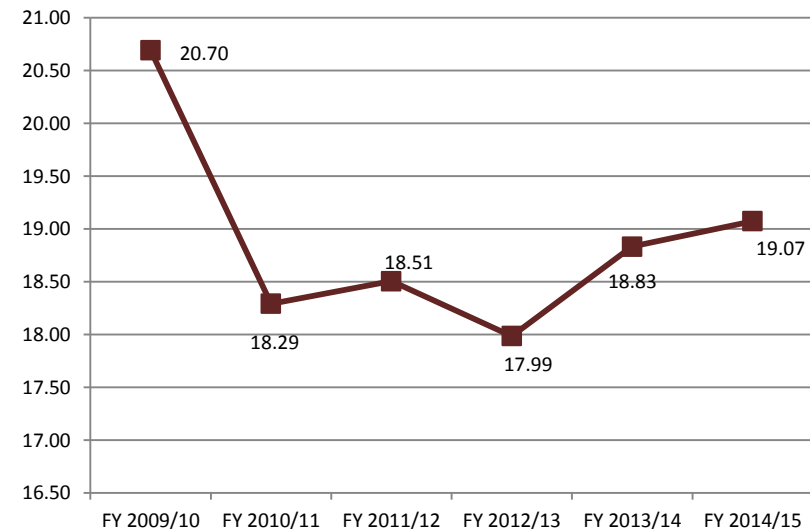


Exhibit 6.27 Demand-Response VSM/VSH



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Exhibit 6.28 Demand-Response Operating Cost/Passenger

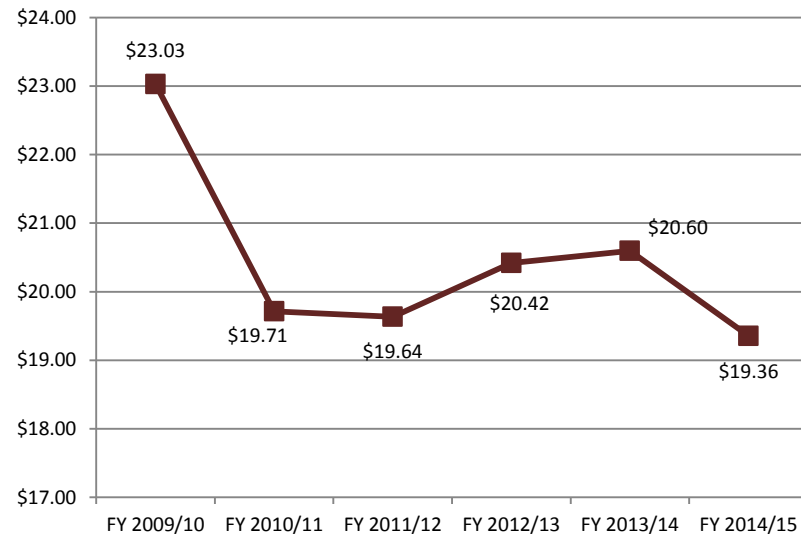


Exhibit 6.29 Demand-Response Passengers/VSH

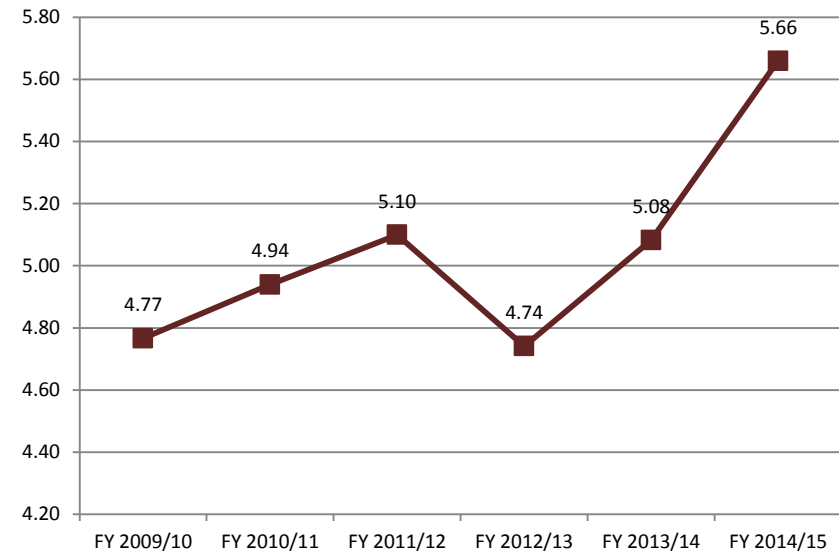


Exhibit 6.30 Demand-Response Passengers/VSM

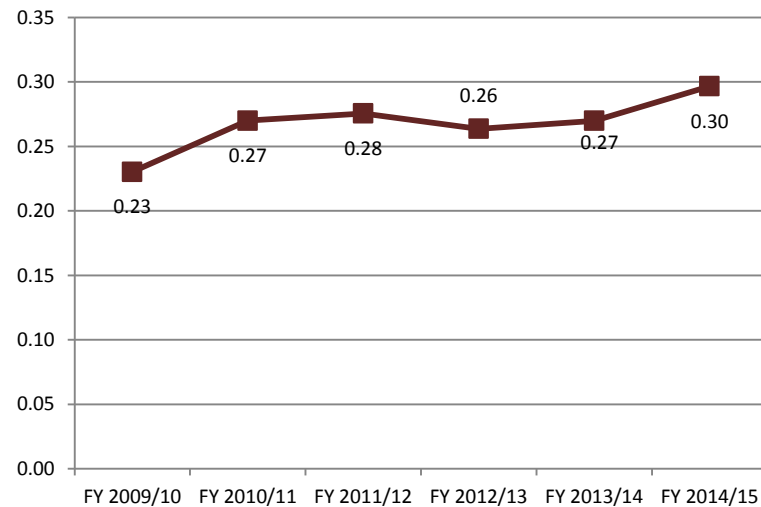
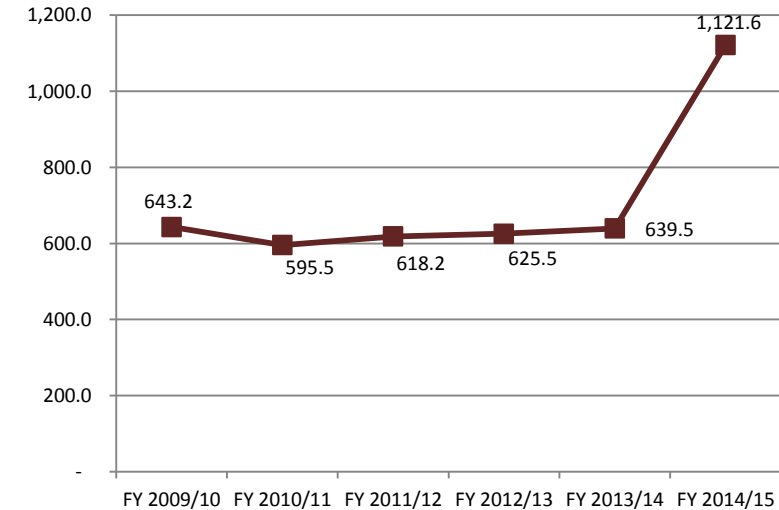


Exhibit 6.31 Demand-Response VSH/FTE





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Exhibit 6.31 Demand-Response Farebox Recovery

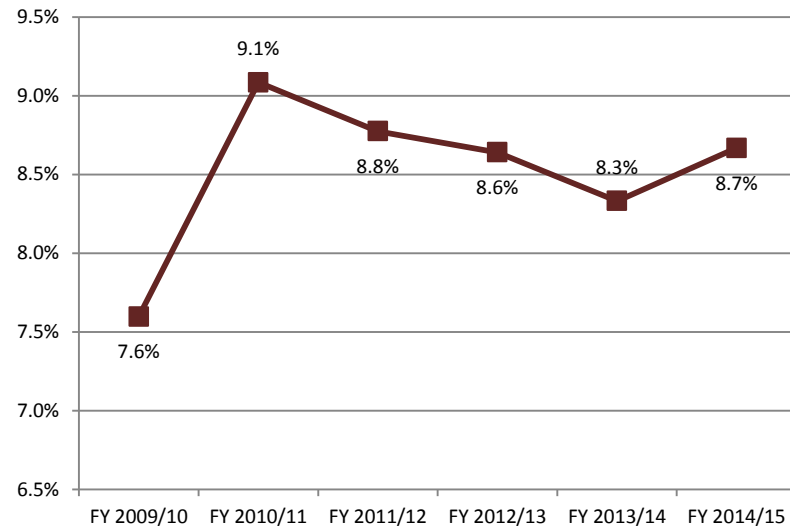
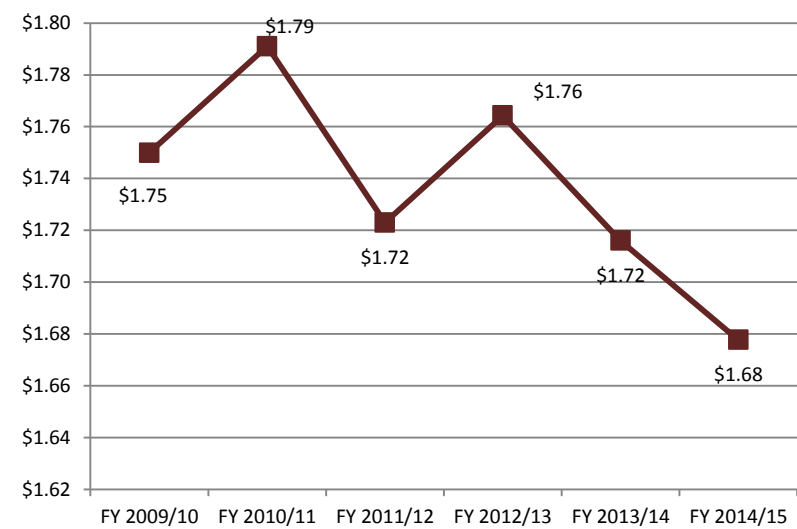


Exhibit 6.32 Demand-Response Fare/Passenger



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## Chapter 7

# Functional Review

The functional review of Long Beach Transit is intended to assess the effectiveness and efficiency of the operator. Following a general summary of Long Beach Transit's service offerings, this chapter addresses seven functional areas. The list, taken from Section III of the *Performance Audit Guidebook* published by Caltrans, includes:

- General management and organization;
- Service planning;
- Scheduling, dispatch, and operations;
- Personnel management and training;
- Administration;
- Marketing and public information; and
- Fleet maintenance.

### Service Overview

The City of Long Beach began operating public transit service in 1963 when the City became the sole shareholder in the newly formed Long Beach Public Transportation Company. Marketed as Long Beach Transit, the City's transit program serves Long Beach as well as several other South Bay and Gateway communities including Artesia, Bellflower, Carson, Cerritos, Compton, Hawaiian Gardens, Lakewood, Norwalk, Paramount, Seal Beach, and Signal Hill.

Long Beach Transit's service offerings have evolved significantly since 1963, expanding beyond traditional fixed-route bus service to include limited-stop routes, a shuttle serving downtown businesses and tourist destinations, demand-response service, and two water taxis.

Long Beach Transit operates 35 fixed routes, most of which operate seven days a week, from as early as 4:10 a.m. to as late as 1:20 a.m. These routes form the backbone of the agency's service offerings and generally operate along major arterials (i.e., Cherry Avenue, Anaheim Street, Pacific Coast Highway, Long Beach Boulevard). Long Beach Transit also operates two ZAP routes (Route 96 along Seventh Street and Bellflower Blvd and Route 176 along Pacific Coast Highway and North Lakewood) which operate during peak hours and are targeted toward specific populations (i.e., students or commuters). The ZAP PCH-Lakewood Route was introduced in February 2013.

The fare structure for fixed-route service is presented in Exhibit 7.1.

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Exhibit 7.1 Long Beach Transit Fixed-Route Fare Structure

Fare Category	Fare Cost
<b>Single-Ride/Cash Fares</b>	
Base fare	\$1.25
Inter-agency transfer	\$0.50
Medicare	\$0.60
Senior (62 years and older)	\$0.60
Disabled cash	\$0.60
Legally blind	Free
Wheelchair passenger	Free
Children (age 4 and under)	Free
<b>Multi-Ride Fare Media</b>	
25-ride ticket book	\$31.25
Regular day pass	\$4.00
Reducedfare day pass	\$2.50
Regular 5-day pass	\$18.00
Reducedfare 5-day pass	\$9.00
Regular 30-day pass	\$65.00
Student 30-day pass	\$40.00
Reducedfare 30-day pass	\$24.00
EZ Transit pass	\$110.00
Reducedfare EZ transit pass	\$42.00

Long Beach Transit introduced the Runabout service in 1991 to alleviate congestion during the Long Beach Grand Prix. Now called Passport, the service is provided fare-free within downtown Long Beach and, during the review period, consisted of four routes serving popular tourist destinations, major employers, and the Blue Line station/Transit Mall. In August 2012, three of the Passport routes were converted to regular fixed routes. The remaining Passport route – which remains fare-free– serves the Queen Mary, Aquarium of the Pacific, and other tourist destinations. Due to rehabilitation work on Pine Avenue, the *Passport* operated on a detour basis on Pacific Avenue from May 2014 through the end of the review period.



In 1998, Long Beach Transit introduced the AquaBus, a 40-foot water taxi linking downtown Long Beach with destinations around Queensway Bay including the Aquarium of the Pacific, Queen Mary, Shoreline Village, Pine Avenue Circle, and the Hotel Maya. The AquaLink service was introduced in 2001 using a 68-foot, 75-passenger catamaran. The AquaLink connects Long Beach Harbor with the Queen Mary, Aquarium of the Pacific, Belmont Pier, and Alamitos Bay Landing. The AquaLink Express service provides faster service between Alamitos Bay Landing and the Aquarium of the Pacific. Base fare is five dollars for the AquaLink/AquaLink Express and one dollar for the

# Long Beach Public Transportation Company

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AquaBus. The services operate seven days a week during summer months. AquaLink and AquaBus are operated under contract by Catalina Express.

Long Beach Transit also operates its Dial-A-Lift (DAL) service for persons with disabilities residing in Long Beach, Signal Hill, and Lakewood who are at least 18 years of age. The shared-ride, curb-to-curb service is operated via contract with Taxi Systems, Inc. (TSI) operating as Long Beach Yellow Cab. (Note: All fixed-route services are operated by Long Beach Transit employees.) Base fare is two dollars for the Dial-A-Lift service, with 10-ride ticket books available (membership cards are an extra charge). A Personal Care Attendant may ride free, while a companion is subject to a two dollar- fare. DAL service is available Sunday through Thursday, and as well as holidays, from 7:00 a.m. to 10:30 p.m. On Friday and Saturday, the hours are 7:00 a.m. to 11:30 p.m. The service operates in the cities of Long Beach, Lakewood and Signal Hill, which covers about 80 percent of Long Beach Transit's fixed-route service area.

### General Management and Organization

Long Beach Transit is a non-profit corporation wholly owned by the City of Long Beach. The President/Chief Executive Officer is responsible for day-to-day management and reports directly to the Board of Directors, which establishes the overall direction, goals, and policies for the company. The Board is composed of seven members appointed by the Long Beach mayor with the approval of the city council as well as two *ex-officio* members appointed by the City Manager. Each member is appointed to a four-year term, and may serve up to two consecutive terms. Board of Directors meetings are held on the fourth Monday of each month in the Long Beach city council chambers located at 333 W. Ocean Boulevard.

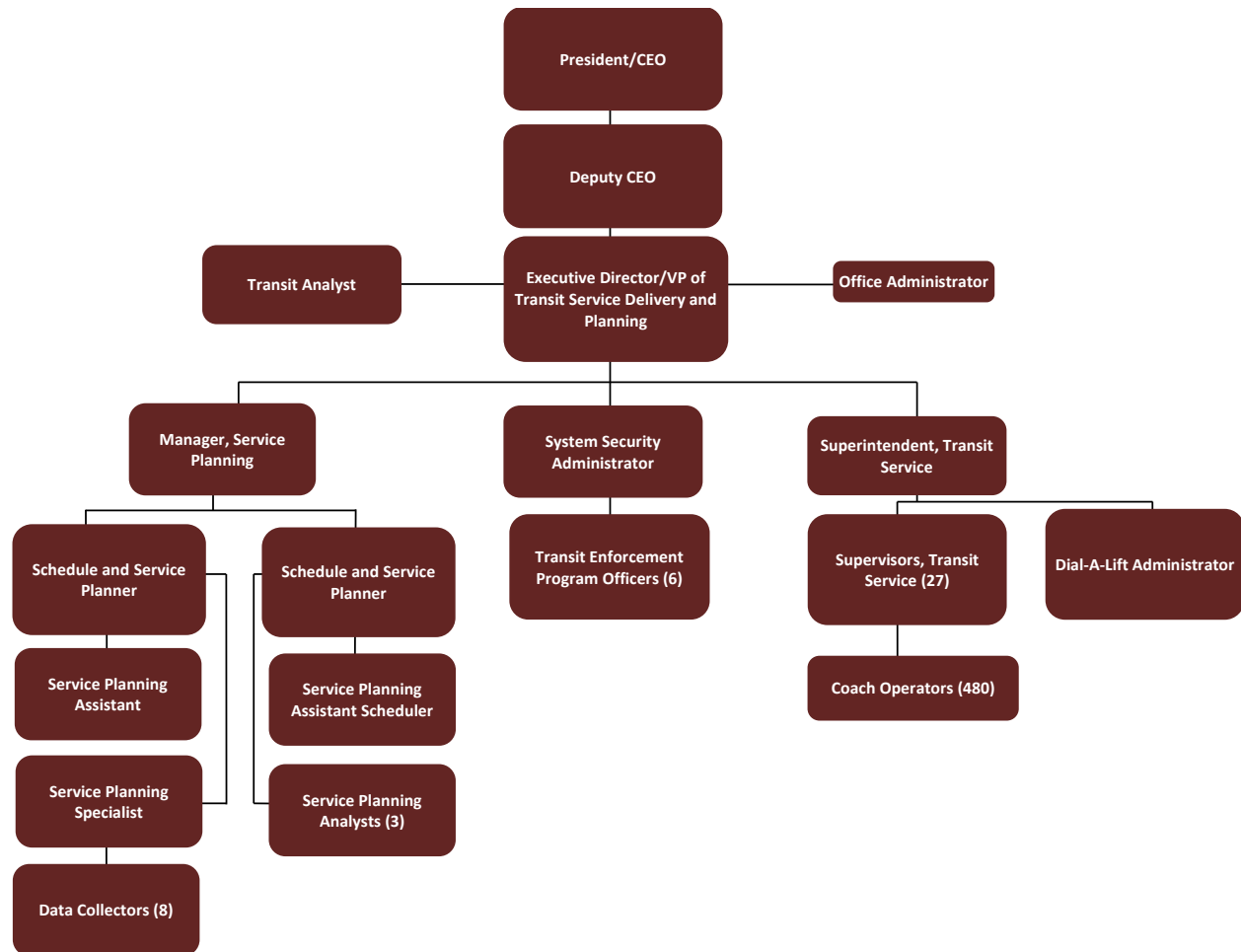
In June 2013, the Long Beach Transit Board of Directors hired a new President/CEO, who assumed responsibility in August 2013. The Executive Team consists of the Deputy Chief Executive Officer, General Counsel, and the Executive Directors/VPs of Information Technology, Employee and Labor Relations, Finance and Budget, Transit Service Planning and Delivery, and Maintenance and Infrastructure. Organizational charts for Long Beach Transit (representing Transit Service Planning and Delivery as well as Maintenance and Infrastructure) are presented in Exhibits 7.2 and 7.3.

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Exhibit 7.2 Organizational Chart – Transit Service Delivery and Planning



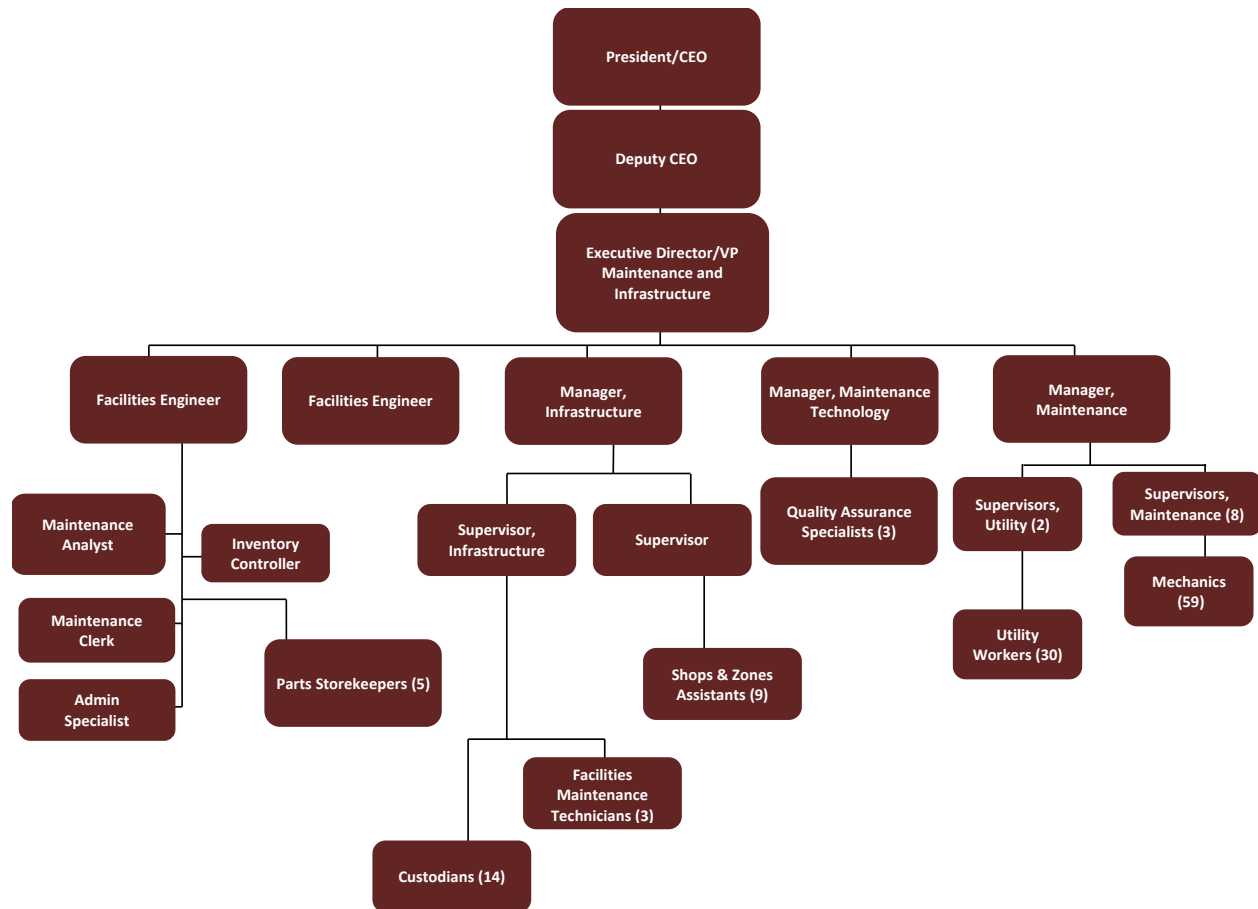
Source: Long Beach Transit.

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Exhibit 7.3 Organizational Chart – Maintenance and Infrastructure



Source: Long Beach Transit.

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The mission of Long Beach Transit is “to provide public transit services that enhance and improve the quality of life for the residents of our community.” Management develops a Business Plan/Short Range Transit Plan every three years. The Business Plan includes internal goals and objectives as well as program/staff strengths and weaknesses. It is updated in off-years as necessary. Program and staff performance is compared to its goals and objectives included within the Plan on a quarterly basis.

During the review period, Long Beach Transit leadership identified five strategic corporate priorities considered to be the driving force of the organization. These five pillars are:

- Improve safety and service quality,
- Exercise financial accountability,
- Foster employee engagement,
- Enhance customer experience, and
- Promote community and industry focus.

To measure progress toward these pillars, LBT utilizes a Key Performance Indicators (KPI) team which focuses on data to quantify its approach to goals. These measures were developed with input from staff and front-line employees. Monitoring these KPIs helps ensure customers receive the best service.

For example, approximately 1.5 years ago, on-time percentage stood in the mid-70s yet now is above 80 percent. The goal is to improve this measure to 85 percent during FY 2016.

Long Beach Transit cooperates regularly with other local and regional transit entities. It regularly participates in joint ventures for equipment purchases and maintenance training programs, and by sharing its procurement experience with other agencies. Long Beach Transit is also a member of the Regional Integration of Intelligent Transportation Systems (RIITS) project sponsored by the LACMTA to exchange ITS information and improve transportation systems.



Long Beach Transit management also participate in other regional activities, including LACMTA Gateway Sector Council, Bus Operators Subcommittee, and Board and Committee meetings; the Gateway Council of Governments Transportation Committee; and OCTA service development meetings.

### Service Planning

Long Beach Transit implements service adjustments three times a year (February, June, and August). Given the impact of students and/or tourists on LBT ridership, several routes regularly change between a fall/winter schedule and a summer schedule. The changes to its service during the review period are outlined below.

Schedule changes must be approved by the CEO. Each change must be justified and supported by data indicating how it will improve on-time performance.



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#### FY 2012/13:

- August 2012
  - Three of the Passport routes converted to regular fixed routes. The remaining Passport route – which is fare-free– serves the Queen Mary, Aquarium of the Pacific, and tourist destinations.
  - Minor schedule changes on Lines 1, 21, 46, 51, 60, and 180.
  - Minor route modification to Lines 70, 100, 131, and 180.
  - Fall/winter service changes reintroduced for ZAP Lines 90 and 96, Line 110, and 171.
  - Regular school day trippers added to June schedule to close out the school year to mitigate overcrowding on Route 191 continued into the fall. Additional trippers introduced to mitigate reductions in LBUSD bus service.
  - Routes 45 and 171 added to the special holiday schedule operated on Thanksgiving, Christmas, and New Year's Day. Weekend service on said routes had been added to these routes following creation of the special holiday schedule.
- February 2013
  - Minor schedule changes to Lines 20, 40, 70, and 90; as well as Routes 37, 51, 61, and 70.
  - Peak service period frequency increased on Line 90 and Route 96.
- June 2013
  - Summer schedule restored on Lines 30, 90, 96, 110, 121, and 171.
  - Schedule adjustments to Lines 50, 60, 80, 100, 172, 173, and 174.
  - Reduced Saturday and Sunday service on Line 151.

#### FY 2013/14:

- August 2013
  - Adjusted weekend late evening trips leaving Transit Gallery D on Route 71.
  - Minor weekend schedule reblocking on Lines 20, 151, and 90.
  - Fall/winter service restored on Passport.
  - Modified alignment of Line 80.
- February 2014
  - Changes to all routes, including adjusting outbound trip times at 11:30 p.m. and 12:30 a.m., eliminating biddable trippers in February, and revising runcut rules to spread straight runs more evenly throughout the day.
  - Line 171 service interlined with Route 176 to improve layover time.
  - Reblocking and adjustments to running times and schedules on Lines 1, 20, 40, 70, 80, 90, 100, 121, 131, 172, 173, 174, 180, and 190.
- June 2014
  - Introduced Route 52. Every third trip on Route 51 on weekdays will proceed via Victoria and Santa Fe to provide more direct service to Los Angeles County social service centers so as to provide better service to Long Beach residents needing access to such locations. This change did not affect existing passengers or increase service hours.
  - Shifted to summer schedule on Routes 90, 91, 93, 94, 96, 111, 112, 121, and 131.

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- Enhanced service on Routes 1, 21, 22, 37, 51, 52, 61, 71, 72, 101, 102, 103, 104, 151, 172, 173, 174, 176, 181, 182, 191, 192, 91, 94, 111, 112, 121, and 131.
- To improve on-time performance, adjusted Routes 1, 21, 22, 37, 71, 72, 91, 92, 93, 94, 111, 112, 121, 131, 172, 173, 174, 176, 181, 182, 191, and 192.
- Returned to Seal Beach on Lines 131 and 171.
- Eliminated Line 70 morning tripper due to low ridership.
- Adopted Route 111/112 stop removal pilot project to improve on-time performance. Add trippers as necessary until the end of the school year.
- Interlined 131 with 182 on weekends. De-coupled Routes 131/181/182 interline weekdays and reduced weekday service on Route 131 from 40 to 45 minutes. Operated Route 131 from the 6860 Cherry Avenue maintenance facility (LBT2) on weekdays and assigned CNG vehicles.
- Converted some Line 170 trippers to regular service and increased a.m. peak service on Route 172 from 30 to 20 minutes.

### FY 2014/15:

- August 2014
  - Added new weekend service to Routes 101, 103, and 104.
  - Extended New Year's Eve service on Routes 21, 37, 46, 61, 94, 111, 121, 151, 174, 181, and 191.
  - Made various service enhancements on Routes 45, 46, 51, 52, 61, 81, 91, 92, 93, 94, 101, 102, 103, 104, 111, 112, 121, 131, 151, 171, 172, 173, 174, 191, and 192.
  - Implemented the June service change two weeks later, on the third Sunday in June rather than the first Sunday, to improve scheduling efficiency.
  - Converted trippers to regular runs. Thereby converted paid show time to paid driving time.
- February 2015
  - Made running time adjustments to Routes 1, 51, 52, 61, 71, 72, 81, 91, 92, 93, 94, 111, 112, 121, 131, 151, 171, 172, 173, 174, 176, 181, 182, 191, and 192.
  - To alleviate overcrowding, additional trips added to Routes 1, 92, 101, 102, 171, 173, and 191.
  - To enhance efficiency, increased the number of blocks operated from the 6860 Cherry Avenue maintenance facility (LBT2) on Saturday and Sunday from 12 each day to 24 each day. Added one a.m. tripper to provide additional service on overcrowded routes.
- June 2015
  - Enacted service enhancements on Routes 37, 173, and 192.
  - Routine seasonal service reductions on Routes 61, 91, 92, 93, 94, 101, 102, 103, 104, 111, 112, 171, 172, 173, 191, and 192.
  - Permanent reduced service on Routes 45 and 46.
  - Route 96 suspended for summer due to low ridership.

System performance is monitored regularly and frequently. Long Beach Transit staff generates weekly and monthly reports to management with critical performance information such as ridership, fare revenue, road calls, preventative maintenance schedule adherence, etc. Each quarter, management

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reviews performance versus adopted goals and objectives and takes a proactive approach toward addressing performance issues.

Key performance indicators are reported to the Board twice annually. Long Beach Transit also conducts physical passenger counts using random staff (“mystery rider” program). Dozens of vehicles are equipped with automatic passenger counters (APCs). Ridership data is also generated by the GFI fareboxes. All vehicles feature an Automatic Vehicle Locator (AVL) technology which is used to monitor running time and operating speed. New software provided by Urban Transportation Associates (UTA) expands the ways APC data can be used.



Long Beach Transit conducts a comprehensive (i.e., 100 percent) line-by-line analysis every three years, which includes on-time performance/productivity checks as well as customer surveys. The line-by-line analysis assists staff in evaluating current performance and provides information upon which to base service planning decisions. A line-by-line analysis also supports service planning staff through a detailed analysis of travel patterns at the route, route segment, day-part, and operating day levels; intra- and inter-system

transfer patterns analysis; and customer preference/satisfaction results. An annual Customer Satisfaction Survey and additional market research are conducted by an outside contractor. In 2016, LBT will conduct a Comprehensive Operational Analysis (COA) for an in-depth look at the fixed-route system.

ADA complementary paratransit service and certification is provided by Access Services Inc (ASI). Long Beach Transit also provides special service with Dial-A-Lift for persons with disabilities as a supplement to its fixed-route service. Dial-A-Lift (operated by Taxi Systems, Inc.) is a curb-to-curb service offered for mobility impaired adults not physically able to use the fixed route system. It supplements Access Services by providing additional services to Long Beach, Lakewood, and Signal Hill. The hours of operation are Sunday through Thursday and holidays, 7:00 a.m. to 10:30 p.m.; Friday and Saturday, 7:00 a.m. to 11:30 p.m.

Reduced fares on the fixed-route service are available for seniors, persons with disabilities, and Medicare cardholders. The legally blind and wheelchair passengers ride the fixed-route service for free with appropriate identification. All vehicles are accessible; however, a small number of stop locations are not accessible. These locations are identified on Long Beach Transit’s website.

In late 2012, Long Beach Transit implemented a program enabling clients of Access Services to ride LBT fixed-route services for free with their Access-issued TAP ID card. Access reimburses LBT for the foregone fares.

## Scheduling, Dispatch, and Operations

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Long Beach Transit performs its own run-cutting, scheduling, and dispatch in-house using HASTUS software along with Transit Watch (Fleet Watch for the marine service). Drivers bid assignments three times annually based on seniority. Included within the pieces of work being bid upon are 151 full-time extra board assignments. Work is assigned to the extra board drivers based on seniority. Long Beach Transit has not used part-time operators since 1996. All operators are trained to operate all rolling stock, including the over-the-road coaches utilized for charter service.<sup>5</sup>

Road supervisors and operations assistants are responsible for day-to-day supervision of fixed-route operations. Vehicles are assigned to routes based on whether they can operate on that specific route alignment. Dispatchers have a list indicating which vehicles can be assigned to specific routes. Dispatch and operations for the Dial-A-Lift service is provided by the operations contractor, Taxi Systems, Inc. Dispatching and operations of the AquaLink and AquaBus services are provided by Catalina Express.

### Personnel Management and Training

The Administrative Services Department is responsible for all recruitment, administering employee benefits, and labor negotiations. The recruitment of sufficient qualified drivers is not an issue. In fact, there is relatively low turnover. Operations and maintenance personnel are represented by the Amalgamated Transit Union (ATU). The contract stipulates represented full-time employees are entitled to medical, dental, and vision coverage (available to dependents as well), retirement benefits, life insurance, and paid timeoff.

Long Beach Transit has a stringent eight-week training program for all bus operators as well as state-mandated annual remedial training. The Administrative Services Department is responsible for all training (administrative staff, operators, maintenance personnel). The Department has a staff of seven trainers under the supervision of a Training Manager.



Long Beach Transit is a founding member of the Southern California Regional Transit Training Consortium (SCRTTC), a partnership of public and private transportation service operators and community colleges focused on developing instructional curriculum and training in bus technology and equipment maintenance. Maintenance staff and mechanics are required to participate in an eight-week training program through Long Beach City College.

During the review period, LBT utilized a consultant to conduct an organizational assessment of management and employee relations, and of management and employee relations and issues. The new CEO also requested a SWOT analysis from the American Public Transportation Association (APTA), which commissioned peer public transit professionals to assess LBT's operations. After receiving input from LBT's Executive Team, managers, and front-line employees, recommendations from the two assessments were implemented, including new policies and procedures. Among the changes was new formal employee review process whereby performance is measured against established goals. In January 2016, LBT launched an employee survey to gain further information.

### Administration

Purchasing for Long Beach Transit is the responsibility of the Finance and Budget Department. Any procurement exceeding \$2,500 triggers a competitive-bid process wherein Long Beach staff advertises

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<sup>5</sup> Note: Long Beach Transit received an exemption from the Federal Transit Administration for its charter service.

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the bid in the local print publication. The operator has an annual Disadvantaged Business (DBE) goal and DBE participation program which is administered by a DBE Officer who reports directly to the Chief Executive Officer. Long Beach Transit applies Federal Transit Administration standards to all grants and procurements.

A one-year operating budget is crafted on an annual basis. The Finance Manager leads the budget process, while the Controller is in charge of the capital aspect of the budget. Long Beach Transit does not operate on a “line-item” basis, meaning individual budget items can exceed their budgeted expenditures, as long as overall budget figures are met. The budget process begins in February of each year and is presented to the Board of Directors for adoption in May. Long Beach Transit has a mechanism for mid-year revisions in January as warranted. Staff regularly monitors the budget to ensure expenses and revenues are on target. Finance reports to the Board on a monthly basis and the ledger is reviewed quarterly to identify problems associated with individual accounts. The Controller position provides Long Beach Transit with an internal audit function.

The Controller oversees both a grants accountant and a Grants Administrator. Compliance reporting is supported by Ellipse software which helps track key performance indicators. Risk Management is under the Employee and Labor Relations Department.

Long Beach Transit uses fareboxes that segregate cash and non-cash fare media as well as record individual boardings by type (via driver key-in). Each operations facility has a secure, limited-access cash room wherein all coins and cash are counted. Money is collected at both facilities daily via an armored car service.

In April 2014, LBT implemented the regional Universal Fare System (TAP) on all of its buses. LBT’s strategy was a gradual transition to the new fare payment system, with no large marketing effort at launch and the continued use of paper magnetic passes. Early marketing targeted two main groups: Long Beach Access customers and EZ Pass customers. After several months of analyzing TAP data and receiving input from LBT staff and bus operators, LBT transitioned fully to TAP on February 8, 2015. One-day and five-day magnetic paper passes are still available for purchase onboard LBT buses.

In FY 2014/15, LACMTA conducted a Fare Equity Analysis on behalf of LBT and other regional transit operators and set forth a regional Policy of Use of Interagency Transfers. The LBT Board approved the Fare Equity Analysis at its August 2015 meeting.

The Dial-A-Lift program is operated under contract by Taxi Systems, Inc. (operating as Long Beach Yellow Cab). Long Beach Transit owns 10 Dial-A-Lift vans, while dispatch, operations, and maintenance are handled by the contractor. The vehicles are used for normal taxi service while Dial-A-Lift customers are not on-board. A Dial-A-Lift Administrator in the Operations and System Security Department is responsible for managing customer eligibility and program administration.

### Marketing and Public Information

The Marketing and Customer Services Department reports to the Deputy CEO. Marketing staff develop and update the Long Beach Transit marketing strategy which is provided to one of two advertising agencies under contract (one traditional and one specializing in Spanish-language advertising). The advertising agencies are responsible for all media planning, creative, and production. The current

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Marketing and Customer Services Manager also has advertising agency experience. Marketing staff regularly reviews program performance and compares it to program goals and objectives. Staff also reviews ridership patterns to determine the efficacy of marketing and advertising efforts.

LBT recently doubled its community outreach efforts. Current efforts target current riders and prospective riders. A “How to Ride” campaign targeted youth. The focus of outreach also shifted beyond Long Beach—LBT serves 13 cities in two neighboring counties.

Long Beach Transit has a real-time “next bus” system on its website as well as electronic signage at 72 high-volume bus stops. Every stop is marked with a four-digit code allowing customers to call in to track the arrival of the next bus. The system also provides real-time vehicle monitoring capabilities for operations/dispatch personnel as well as on-time performance data for planning purposes. LBT also recently implemented SMS texting for service information.

Long Beach Transit utilizes an Interactive Voice Recording (IVR) system on its customer service phone lines to assist customers with questions and trip planning when live staff is not available to answer customer calls. A smartphone version of the website was launched in August 2012.

Long Beach Transit has a long history of working collaboratively with local businesses and education institutions to encourage the use of public transit among students, faculty, and staff. LBT has an agreement with California State University – Long Beach (CSULB) to allow all part- and full-time students and staff to ride any Long Beach Transit fixed route free of charge.

## Maintenance

Long Beach Transit performance all vehicle maintenance at two facilities – 1963 E. Anaheim Street (“LBT 1”) and the Jackson Transit Center at 6860 Cherry Avenue (“LBT 2”). The James A. Ditch Maintenance Facility and Learning Center is located within the Jackson Transit Center. In September 2012, a CNG fueling station opened at the Jackson Transit Center, in concert with the delivery of the first CNG coaches. Ultimately, Long Beach Transit’s goal is to maintain all CNG coaches at the Jackson Transit Center, and all gasoline-electric hybrid and future electric buses at the Anaheim Street facility. LBT is working toward phasing out its “clean diesel” buses in order to have a 100percent “clean fleet” by 2016.



All paint and body work is done onsite, with separate bays for alignment and paint. The bus wash system uses 90percent reclaimed water.

All vehicles are inspected every 6,000 miles (+/- 5 days), this cycle is a combination of major and minor inspections based on the CHP’s A-B-C maintenance program. Specifics of Preventative Maintenance Inspections (PMI) vary by vehicle series. Ellipse computer software identifies repairs covered by warranty; all warranty work is performed on-site by the respective manufacturer. All tire work is performed under contract. (Note: the contract was held by Goodyear through October 1, 2013, after



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which it transitioned for Michelin North America.) The new tire contract is valid for five years, plus three one-year options.

All PMI scheduling/monitoring and parts management is handled by the Ventyx Ellipse EAM and EAP software platforms. Computer terminals are placed throughout each Maintenance facility, allowing maintenance personnel to review work orders and update the status of maintenance being performed on each vehicle. Preventive maintenance performance is monitored monthly (on-time, percent on-time, and average). Access to the parts room is controlled via a Storeroom Supervisor and Parts Storekeepers and inventory is monitored through the Ellipse system.

Maintenance and Facilities personnel also are responsible for cleaning and maintenance of all bus shelters within the system. Long Beach Transit reviews all bus stops on an annual basis, analyzing ridership and usage patterns to determine which can be improved with new/enhanced amenities and artwork given available funding. Maintenance and upgrades of all shelters are now included within the regular preventative maintenance program and maintenance personnel regularly switch shelters out and rehab them (fresh coats of paint, deep cleaning, etc.).

LBT strives to maintain its fleet in a “like new” condition, providing a cosmetic upgrade halfway through each vehicle’s lifespan. LBT’s fleet includes gasoline-electric hybrid and CNG coaches, as well as Dial-A-Lift vans. In 2016, LBT will add battery-electric buses. Exhibit 7.4 summarizes the fleet.

Exhibit 7.4 Long Beach Transit Fleet

Model Year	Manufacturer/Model	Fuel Type	Number of Vehicles
1997*	New Flyer D40LF	Diesel	6
1998*	New Flyer D40LF	Diesel	12
2000	New Flyer D40LF	Diesel	18
2002	New Flyer D40LF6	Diesel	39
2003	New Flyer D60LF6	Diesel	13
2005	New Flyer GE40LF	Hybrid	49
2007	New Flyer GE40LF	Hybrid	15
2009	New Flyer GE40LFA	Hybrid	25
2012	Gillig G27B102N4	CNG	33
2013	Gillig G27B102N4	CNG	31
2014	Braun Entervan	Gasoline	10
2015	Gillig G27D102N4	CNG	8

\*1997 and 1998 New Flyer coaches are contingency fleet.

Source: Long Beach Transit.

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## Chapter 8

# Findings and Recommendations

### Conclusions

We find the Long Beach Public Transportation Company to be in compliance with the requirements of the Transportation Development Act. In addition, the entity generally functions in an efficient, effective, and economical manner.

### Preliminary Findings and Recommendations

Based on discussions with Long Beach Transit staff, analysis of program performance, and a review of program compliance and function, the audit team presented the following preliminary compliance finding:

1. The annual fiscal audit for FY 2014/15 was submitted beyond the 180-day deadline set forth by the TDA, and no evidence of an extension was provided.

### Preliminary Recommendations

In completing this Triennial Performance Review, we submitted the following preliminary recommendations for Long Beach Transit. They have been divided into two categories: TDA program compliance recommendations and functional recommendations. TDA program compliance recommendations are intended to assist the operator achieve compliance with requirements and standards of the TDA, while functional recommendations address issues identified during the TPR that are not specific to TDA compliance.

Given no functional findings were presented, only compliance recommendations are provided.

### Preliminary TDA Program Compliance Recommendations

**Recommendation 1:** Submit all fiscal audits within the 180-day deadline set forth by the TDA, or provide evidence of an extension.

**Discussion:** While fiscal audits for FY 2012/13 and FY 2013/14 were submitted prior to the December 31 deadline, the fiscal audit for FY 2014/15 was not submitted until January 7, 2016. While this is only one week late, it still lies outside the TDA-defined submittal period. Given LBT's history of submitting fiscal audits on time, we do not see this as a significant issue, but rather a one-time lapse.

**Recommended Action(s):** Ensure that the December 31 deadline is included within the independent auditor's contract for future fiscal audits.

**Timeline:** FY 2015/16.

**Anticipated Cost:** Negligible.

**Management Response:** LACMTA subsequently provided evidence that a 90-day extension was requested and granted. As such, this finding is no longer valid.

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## Final Findings and Recommendations

Following discussions with Long Beach Transit staff, analysis of program performance, and a review of program compliance and function, and reflective of management response received subsequent to its review of the administrative draft report, the audit team identified no compliance or functional findings.