

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director
Kevin Connolly, Manager, Planning & Development

SUBJECT: Adopt WETA System Performance Targets Policy

Recommendation

Adopt the WETA System Performance Targets Policy and associated evaluation measures.

Background

Recent ridership growth and upcoming planning and service scheduling activities will benefit from an established Board-level set of policies and standards that define WETA service and measures of productivity. As ridership continues to grow and WETA services experience crowding and capacity issues, adjustments or modifications to existing services will occur on a regular basis. The policy is intended to be used as a tool for WETA staff and a consistent set of reporting standards for the WETA Board, WETA partners and riders to gain a better understanding of WETA service performance.

The System Performance Targets Policy establishes minimum, target and maximum levels of performance. It introduces the idea of triggers that will justify new or enhanced service for routes that are experiencing an excess of demand. While service enhancements such as increased frequency or larger vessels will be popular with riders, they will also reduce the productivity of a service for a period of time as the service attracts new riders. Therefore, after an enhancement in service, the policy suggests a four year period to allow that service to return to minimum or target levels of productivity. The proposed policy also establishes minimum levels of performance to not only provide a goal for expansion projects but also a threshold of fiscal sustainability for existing services.

The System Performance Targets policy will be a supporting document in the future WETA Strategic Plan and Short Range Transit Plans. It will also be the basis for semi-annual reports to the Board.

Discussion

The proposed policy is organized into three components:

1. **Policy Statements.** *These are definitions that establish guidelines for minimum WETA ferry service. The policy statements are intended to be as a reference point for minimum service levels.*
2. **Service Performance Targets.** *These are a set of quantitative metrics that establish minimum, target and maximum levels in areas that measure productivity and fiscal sustainability. Expansion projects must reach minimum levels within 10 years of operation. Existing services that fall below the minimum or exceed the maximum will be the subject of corrective action and re-evaluation.*

Fiscal Impact

There is no fiscal impact associated with this policy item.

END

WETA System Performance Targets Policy

The proposed WETA performance targets policy is intended to provide a framework for evaluating existing ferry services. The framework consists of policy statements that define minimum elements such as landside and waterside facilities, vessels and service plans. A set of performance targets defines a range of productivity and efficiency metrics that inform the WETA Board of a service's quality and fiscal sustainability.

I. WETA Service Policy Statements

Ferry System Overview	WETA provides ferry service throughout San Francisco Bay, working with local and regional partners to increase ferry ridership and relieve traffic congestion and transit crowding. Ferry services will be financially sustainable, contribute to the ferry system and enhance WETA's emergency response capabilities.
Service Ongoing Evaluation	Ferry services will be evaluated on regular quarterly and yearly intervals to ensure performance is meeting expectations. Depending on performance, adjustments to the service plan, fare program or access conditions may be warranted.
Service Design	New ferry services typically begin as origin terminals offering commute-period service to San Francisco's Ferry Building. However, they can act as a destination terminal or offer non-commute period service, depending on local transportation goals and funding availability. WETA will work with project partners to develop a concept service design that meets travelling needs while offering a competitive, sustainable service. For commute-only origin terminals, a minimum level of service would be defined as three peak-direction trips in both the AM and PM commute periods.
Emergency Response	WETA services provide contribute to WETA's emergency response capabilities by providing terminals and vessels for use in the response and recovery phases after a natural event. The benefits of interoperable ferry assets such as vessels, floats and terminals mean that new projects must be compatible with WETA facilities. The deployment of WETA vessels and use of ferry terminals will be a decision of state and regional authorities and not necessarily WETA or its local partner.
Vessels, Infrastructure	WETA owns and operates a network of ferry vessels along with landside and waterside facilities that are economically and operationally efficient because they are interchangeable. WETA utilizes catamaran-style vessels powered by marine diesel engines and ranging in capacity from 149 to over 500 passengers.

II. System Performance Evaluation Measures

The following measures are intended to evaluate the competitiveness and fiscal sustainability of WETA ferry services. The measures are expressed in three ways: minimum, target and maximum (as applicable). Minimum levels are what will be required after the initial 10 years of operation. Target levels are consistent with expected performance of mature services such as Alameda/Oakland, Vallejo and Harbor Bay. When a project achieves maximum levels indicate that a service enhancement or increase may be justified. After a service enhancement has been introduced, there will be a four year recovery period, allowing the service to regain minimum and target levels of productivity.

Passengers per Revenue Hour (Commute-only service)

Passengers per revenue hour measures the number of boardings in a given hour of service. Services that have high two-way ridership along with a short travel time, enabling vessels to offer multiple runs in a given commute period will be strong performers. This measure provides an evaluation of ridership and the efficiency of operating resources.		
Minimum	Target	Maximum
100	150	250

Passengers per Revenue Hour (All-day service)

All-day services typically operate seven days per week and generally from 6 AM up to 8 PM. Today, only Alameda-Oakland and Vallejo are all day services. The target for Passengers per Revenue Hour is slightly lower, given lower volumes in the midday and off-peak periods.		
Minimum	Target	Maximum
100	125	250

Farebox Recovery

Farebox recovery is defined as the portion of operating expenses covered by fare revenues. Farebox recovery measures ridership, operating expense and financial sustainability.		
Minimum	Target	Maximum
40%	50% – 70%	100%

Peak Hour Occupancy

Peak hour occupancy – defined as the combined peak direction occupancy level during the highest ridership hour of a commute service – indicates ridership demand and provides guidance for vessel deployment and service planning. High levels of peak hour occupancy indicate the possibility of leave-behinds or standees and would require corrective action.

Minimum	Target	Maximum
50%	60% -- 75%	80%