



**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 03/03/2020

ITEM NO: 7

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DATE: February 26, 2020  
TO: Mayor and Town Council  
FROM: Laurel Prevetti, Town Manager  
SUBJECT: Staff Recommends that the Town Council Conclude the School Bus Pilot Program at the End of Fiscal Year 2019/20.

**RECOMMENDATION:**

Staff recommends that the Town Council conclude the School Bus Pilot Program at the end of Fiscal Year 2019/20.

**BACKGROUND:**

The Town identified a school bus program as one possible piece of a multi-faceted approach towards relieving vehicle congestion around schools. Upon completion of a Congestion Relief School Bus Feasibility Study, the Town Council, at its June 5, 2018 meeting, authorized staff to proceed with a school bus pilot program. At its September 18, 2018 meeting, the Town Council authorized funding to provide a pilot service consisting of two routes for 18 months of service. The sole purpose of the pilot was to reduce vehicle congestion around schools. To achieve measurable results in congestion relief, the pilot would need to be successful in its initial implementation and exhibit indications that expanded routes were viable.

The initial two-route pilot service started on January 7, 2019. Currently the Town is providing two routes of service in its second year, serving three schools, including Los Gatos High School, Fisher Middle School, and Blossom Hill Elementary School. Route A serves north neighborhoods with Blossom Hill School and Fisher Middle School as destinations. Route B serves the unincorporated mountain areas along Highway 17 with Los Gatos High School and Fisher Middle School as destinations. For the 2019 fall semester, an additional Route C was added to serve north Los Gatos from Los Gatos High School but was discontinued after one semester due to very poor ridership.

**PREPARED BY:** Ying Smith  
Transportation and Mobility Manager

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Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, Finance Director, and Parks and Public Works Director

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SUBJECT: Staff Recommends that the Town Council Conclude the School Bus Pilot Program at the End of Fiscal Year 2019/20

DATE: February 26, 2020

BACKGROUND (continued):

At the March 19, 2019 meeting, the Town Council approved the School Bus Program Business Plan. At the September 17, 2019 meeting, the Town Council adopted multi-year performance metrics that evaluated subscriptions, ridership, and funding. Table 1 shows the performance metrics and the target milestones established over three years. These performance metrics were identified for their applicability to the project goal of reducing vehicle congestion on local streets.

Table 1 - Performance Metrics and Target Milestones

	<b>Year ½ (FY18/19)</b>	<b>Year 2 (FY19/20)</b>	<b>Year 3 (FY20/21)</b>
	Baseline	Target	Target
<b>Subscriptions</b>	59	62	65
<b>Ridership</b>	47%	65%	75%
<b>Other Funding</b>	10%	35%	60%

DISCUSSION:

*Performance Reports*

Since the start of the School Year 2019/20 service, staff has provided quarterly performance reports to the Town Council and the community for regular monitoring. The first two quarterly performance reports are included as Attachment 1.

Table 2 includes performance data from the first two quarters of the 2019/20 School Year. Overall, the pilot program is on track to meet the targets in both the subscriptions and other contribution (funding) categories. However, the ridership metric has not met the target and continues to be a challenge in this program.

Table 2 - Performance Summary School Year 2019/20 - Q1 and Q2

	<b>Q1 8/15 – 9/27</b>			<b>Q2 9/30 – 11/8</b>		
	Route A	Route B	<b>Average</b>	Route A	Route B	<b>Average</b>
<b>Subscriptions</b>	47.5	69.5	<b>58.5</b>	48.5	70	<b>59.25</b>
<b>Ridership</b>	64%	41%	<b>53%</b>	59%	40%	<b>50%</b>
<b>Other contribution</b>	28%	63%	<b>45%</b>	28%	63%	<b>45%</b>

SUBJECT: Staff Recommends that the Town Council Conclude the School Bus Pilot Program at the End of Fiscal Year 2019/20

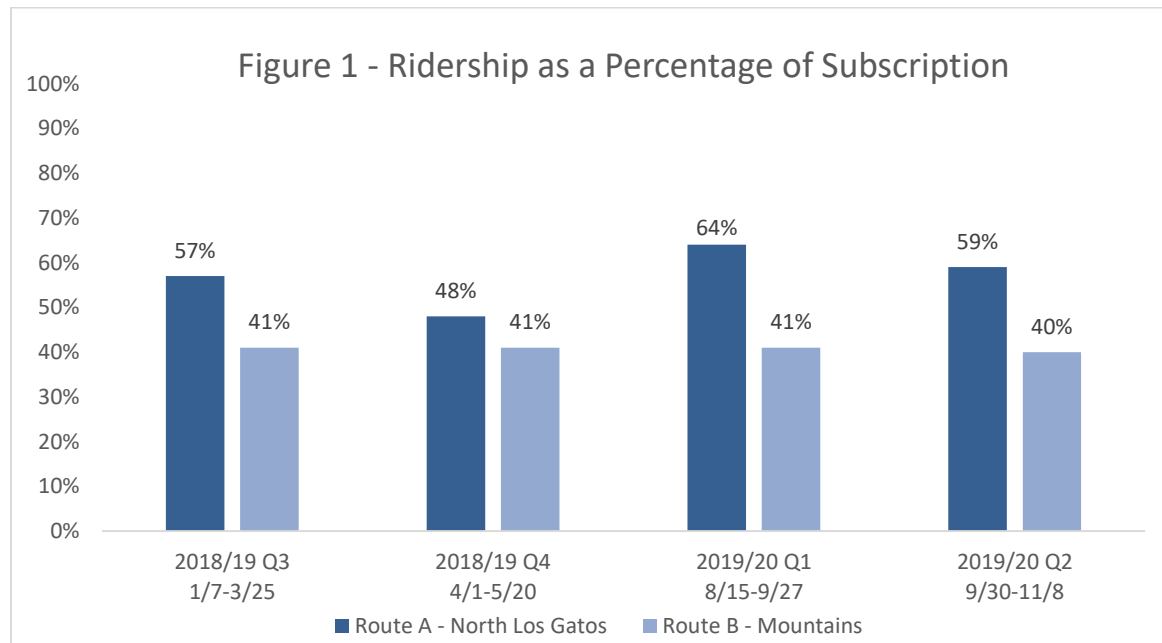
DATE: February 26, 2020

DISCUSSION (continued):

*Program's Success and Challenges*

Despite a few on-time performance and driver turnover challenges, the bus contractor has delivered high quality service. Town staff, together with the contractor, have also provided high quality customer service for signups and responsiveness. The program has generally received positive feedback and support from the customers and the larger community. Those families that utilize the service appreciate the convenience it allows them to avoid driving in traffic.

During the first year of the program, staff focused efforts on developing customer subscriptions. In the current year, staff has shifted the focus towards trying to increase ridership. However, the ridership numbers have shown little change over time. Figure 1 illustrates ridership data from January 2019 for a total of four quarters performance. The ridership data translates into 57.5 passengers on the two-route program on an average day in the current year.



A spring of 2019 customer survey asked what the primary reason was that students did not ride the bus on a particular day and more than 80% of the respondents cited reasons that were beyond the Town's control, including schedule conflicts (such as doctor's appointments) and before or after school activities. Only 16% of the respondents attributed the low ridership to service quality, such as bus schedule and travel time.

SUBJECT: Staff Recommends that the Town Council Conclude the School Bus Pilot Program at the End of Fiscal Year 2019/20

DATE: February 26, 2020

DISCUSSION (continued):

In addition to the quantitative feedback collected from the survey, qualitative customer feedback further explained that the top reason why students do not ride every trip is due to before or after school activities. Also contributing to low ridership are the longer bus route travel times in comparison to direct parental drop-off or pickup. Some parents opt to drive their students a few days to “give the students a break” so they can get more sleep. Anecdotal evidence also shows that some families who purchased the passes do not intend to use the bus service as a regular way to transport their children to school, but rather as a convenience option, which leads to an inherent low ridership outcome relative to subscriptions. Given the differing family approaches to utilizing the bus service there is not an obvious and practical solution available to address the low ridership problem.

*Cost and Funding*

Staff has explored external funding options to offset the costs of the program to help make it more viable. To date, funding through a Transportation Fund for Clean Air grant for two years has been the only external source of funding. Staff had also hoped that 2016 Measure B funds could provide a funding source, but funding has not materialized.

The 2016 Measure B transportation measure has several potential program categories for funding the Town’s bus program, including:

- Local Streets and Roads – Having achieved a Pavement Condition Index (PCI) greater than 70, the Town could redirect some of these funds for “congestion management.” Staff does not recommend this as a reduction in pavement maintenance activities would cause the PCI to drop below 70 within a couple of years.
- Innovative Transit – The criterion identified for this category severely limits the Town’s competitiveness and it is likely that the school bus program does not qualify.
- Highways Program – The Highways program has a specific call out for Los Gatos projects, including reduction of congestion along the corridor. This makes award of funds possible for this purpose; however, these would be one-time funds and therefore, would not achieve a sustainable program. In addition, using funding for bussing would likely reduce the available funds for the Highway 9 Interchange upgrade project.

Staff has explored partnership opportunities with both school districts and with the County to share funding for the program. The school districts have specifically declined to participate citing a lack of available funding. The County District 1 Supervisor put forward the program for partial funding in the current fiscal year, but the funding was not added to the budget.

SUBJECT: Staff Recommends that the Town Council Conclude the School Bus Pilot Program at the End of Fiscal Year 2019/20

DATE: February 26, 2020

DISCUSSION (continued):

The ongoing cost of \$375,000 per year (service contract of \$285,000 and staff cost of \$90,000) is a significant financial commitment for the Town to carry on its own given the initial intent of the pilot.

*Other Transportation Options*

Staff has preliminarily explored several other options towards managing congestion through transit type alternatives. With adjustments to the Valley Transportation Agency (VTA) bus service consolidating to one route and with greater frequency, there may be an opportunity to leverage that service through the current route or working with VTA on school time route adjustments. VTA has expressed a willingness to hear the Town's ideas but would like to prioritize discussions for the fall timeframe. Staff has been asked for comparative data between the Town service and VTA service. Although this data is not part of the Council approved metrics for this program, staff is working to get the information from VTA prior to the March 3, 2020 Council Meeting.

The Council has also identified the notion of a community shuttle in the 2020 – 2022 Strategic Priorities. This may be a further opportunity to meet school route needs. Town staff has been negotiating with the developer for the currently active portion of the North 40 for contribution to a Town-wide shuttle as part of their Transportation Demand Management (TDM) program. Although a North 40 contribution will not likely fully fund a community shuttle effort, it may be a way to begin assembling funding for this priority. Staff will bring the TDM plan to the Council for review and approval prior to finalizing it.

CONCLUSION:

The concept of the School Bus Program has been well received and the program has provided a level of convenience for the families that use it. Unfortunately, the data demonstrate that the School Bus Pilot Program as it is currently designed has not achieved the congestion relief goal, the key measure of success. Furthermore, the low ridership numbers and the high cost challenge the viability of the program.

In the context of balancing the many transportation and mobility priorities of the Town, staff recommends concluding the School Bus Pilot Program at the end of the current fiscal year. In the future, the Town may explore other options to relieve congestion around schools, such as a partnership with the Santa Clara Valley Transportation Authority, combined service with a community shuttle and/or carpool or vanpool options. Staff will continue to address the school related transportation service as a part of a multi-faceted TDM approach.

PAGE 6 OF 6

SUBJECT: Staff Recommends that the Town Council Conclude the School Bus Pilot Program  
at the End of Fiscal Year 2019/20

DATE: February 26, 2020

ALTERNATIVES:

The Town Council may direct staff to extend the pilot program in Fiscal Year 2020/21, with substantial changes in the program to increase ridership to maximize the congestion relief benefits. Staff has no recommendations on which changes would result in higher ridership.

Alternatively, the Council could provide direction on the prioritization of the other transportation options identified above.

These alternatives would have costs associated with them and if directed, staff would determine the costs as part of future Council consideration.

COORDINATION:

Staff presented two options for the Complete Streets and Transportation Commission's consideration at its February 13, 2020 meeting. The Commission voted 5-0-1 (5 yes, 1 abstain) to recommend the option of discontinuing the School Bus Pilot Program in Fiscal Year 2020/21.

In addition, an email was provided to each program subscriber informing them of the recommendation and Council meeting date and time.

FISCAL IMPACT:

The recommended direction would result in redistributing any residual project balance into the FY 2020-21 capital projects program.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachment:

1. Quarterly Performance Reports