



Proposed Fiscal Year 2018-19  
Comprehensive Business  
Plan

OCTA

# Overview

- Purpose: To demonstrate the financial feasibility of OCTA's programs and services over a 20 year period.
- The plan is divided into six programs as follows:
  - Bus
  - Rail
  - Measure M2
  - 91 Express Lanes
  - Non - Program Specific Projects
  - Motorist Services

# Bus Program

- Major Assumptions

- Maintain existing service levels
- Continued sales tax growth, which is a critical source to fund operations
- Continued Federal and State funding
- Fare revenue
  - Assumes ridership losses stabilize and grow slowly over time
  - Assumes an average fare increase of 25 percent every 10 years
- Continued growth in cost to operate paratransit service is contained
- Useful life of large bus fleet of 18 years
- Potential to add service

# Bus Program

- Program Risks

- Voter approval of Proposition 6 (repeal of SB 1)
- Softening of sales tax growth
- Continued declines in bus ridership
- Continued growth in cost to operate paratransit service
- Unfunded mandates

# Rail Program

- Major Assumptions
  - Maintain existing service levels
  - Continued growth of M2 sales tax, which is the long term funding source for Metrolink operations
  - Continued Federal and State funding
  - Moderate annual growth in the Metrolink operating subsidy
  - OCTA's portion of Metrolink's capital rehabilitation requirements can be fulfilled using primarily Federal capital funds

# Rail Program

- Program Risks
  - Softening of sales tax growth
  - Unexpected growth in the operating subsidy provided to Metrolink
  - M2 funding exhausted in fiscal year 2041-42
  - Limited funding available for capital improvements outside of typical rehabilitation and refurbishment

# Measure M2 Program

- Major Assumptions

- M2 Program sales tax of \$13.1 billion
- Continued Federal and State funding
- Revenue and expense assumptions consistent with the Next 10 Plan

- Risks

- Softening of sales tax growth
- Voter approval of Proposition 6 (repeal of SB 1)
- Cost impacts due to competition for resources

# 91 Express Lanes

- Major Assumptions
  - Continued long-term growth in toll and non-toll revenue
  - Moderate long-term cost growth in toll operations based on the joint operation agreement with the Riverside County Transportation Commission
  - Excess toll revenue used to support two State-Route 91 Widening Projects
  - Debt fully repaid in fiscal year 2030-31
- Risks
  - Economic recession negatively impacting traffic volume
  - Additional capacity added to the 91 corridor negatively impacting traffic volume



# Motorist Services

- Major Assumptions

- Continued funding for the Motorist Services Program from DMV registration fee
- Continued State funding to support the Freeway Service Patrol (FSP) program
- Continued M2 sales tax growth to support FSP program
- Expanded service funded by SB 1

- Risks

- FSP program is reliant on State funding
- Voter approval of Proposition 6 (repeal of SB 1)