Metrolink Ridership and Revenue Quarterly Report

Staff Report
March 8, 2012

To: Transit Committee  
From: Will Kempton, Chief Executive Officer  
Subject: Metrolink Ridership and Revenue Quarterly Report

Overview

The Southern California Regional Rail Authority is a five-member joint powers authority that operates the 400-mile commuter rail system known as Metrolink. A report on Metrolink ridership and revenue for service in Orange County covering the second quarter of fiscal year 2011-12 is provided for Board of Directors' review.

Recommendation

Receive and file as an information item.

Background

Metrolink’s five-agency membership includes the Los Angeles County Metropolitan Transportation Authority, the Orange County Transportation Authority (OCTA), the Riverside County Transportation Commission (RCTC), the San Bernardino Associated Governments (SANBAG), and the Ventura County Transportation Commission. Metrolink operates 163 daily trains on seven lines, serving 55 stations, and carries more than 41,000 riders each weekday.

There are three lines that provide service to Orange County. The Orange County (OC) Line service began in 1994, followed by the Inland Empire – Orange County (IEOC) Line in 1995, and the 91 Line in 2002. The three lines serving Orange County provide a total of 48 trains (19 OC Line, 14 IEOC Line, nine 91 Line, and six Intracounty) each weekday, serving 11 Orange County stations, carrying an average of more than 14,000 daily passengers.

In 2006, the OC and IEOC lines began offering service on weekends, year-round. In February 2010, due to budget constraints, weekend service was scaled back by nearly 50 percent. Seasonal weekend service was implemented for July through October of 2010 and 2011, when demand and
ridership typically increase. Year-round expanded weekend service has been budgeted and is proposed to resume next fiscal year (FY). The OC Line weekend service is fully funded by OCTA. The IEOC Line weekend service is funded by OCTA, RCTC, and SANBAG.

The Rail 2 Rail Program, which began in 2003, allows Metrolink monthly pass holders the option of riding Amtrak Pacific Surfliner trains at no additional charge, provided the pass holder travels within the stations identified on the monthly pass. In Orange County, a valid Metrolink ticket or pass also permits free transfers to local OCTA bus routes that directly serve a Metrolink station, including StationLink.

**Discussion**

This report provides an update on weekday and weekend ridership, revenue, and on-time performance for the second quarter (October, November, December) of FY 2011-12. The analysis includes a quarter-to-quarter comparison, in addition to the year-over-year comparison.

**Ridership and Revenue**

**Total Ridership and Revenue**

Total FY 2011-12 second quarter ridership (weekday and weekend) for the three Metrolink lines serving Orange County, including Rail 2 Rail passengers, has increased by 7.1 percent compared to the same quarter last year, and decreased by 6.9 percent from the previous quarter. Second quarter passenger fare revenues of just over $6.5 million are 5.2 percent higher than the same quarter last year, and 6.8 percent lower than last quarter. Ridership and revenue are down from the first quarter of FY 2011-12 in part because Metrolink operated six additional seasonal weekend trains during the first quarter (July, August, September), and there were a number of weekend work windows during the second quarter that caused Metrolink weekend service to be suspended.

System-wide Metrolink ridership is higher than the second quarter of FY 2010-11 by 7.6 percent, and revenue has increased by 5.4 percent. Detailed ridership and revenue data by route is included in Attachment A.

**Weekday Ridership**

Combined average weekday ridership on the OC, IEOC, and 91 lines during this period was 14,832, including Rail 2 Rail. This represents an increase of 5.1 percent compared to the same quarter last year, and an increase of
1.2 percent compared to the previous quarter. The OC and 91 lines average weekday ridership is up 11.4 percent and 4.7 percent respectively, and the IEOC Line is down 2.1 percent, compared to the same quarter last year.

Average weekday ridership is shown in the table below.

<table>
<thead>
<tr>
<th>Quarter</th>
<th>OC Line</th>
<th>IEOC Line</th>
<th>91 Line</th>
<th>Rail 2 Rail</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2010-11/2nd Quarter (Q2)</td>
<td>6,529</td>
<td>3,809</td>
<td>2,215</td>
<td>1,562</td>
<td>14,115</td>
</tr>
<tr>
<td>FY 2011-12/1st Quarter (Q1)</td>
<td>7,172</td>
<td>3,670</td>
<td>2,267</td>
<td>1,542</td>
<td>14,651</td>
</tr>
<tr>
<td>FY 2011-12/Q2</td>
<td>7,271</td>
<td>3,729</td>
<td>2,320</td>
<td>1,512</td>
<td>14,832</td>
</tr>
</tbody>
</table>

FY 2011-12/Q2 vs FY 2010-11/Q2 | 11.4% | -2.1% | 4.7% | -3.2% | 5.1%
FY 2011-12/Q2 vs FY 2011-12/Q1 | 1.4% | 1.6% | 2.3% | -1.9% | 1.2%

According to the California Employment Development Department, the unemployment rates in the Inland Empire (Riverside and San Bernardino counties) remain at approximately 12 percent, though they improved by 2 percent compared to the same period last year. This is evident in the slow rebound of ridership on the IEOC Line.

On May 9, 2011, the OCTA Board of Directors approved a revised Metrolink Service Expansion Program service rollout schedule consisting of six weekday trips between the Fullerton Transportation Center and Laguna Niguel/Mission Viejo Metrolink Station beginning in mid-2011. OCTA implemented the six new trips on the OC Line on July 5, 2011, which span from approximately 2:30 p.m. to 11:30 p.m., and have averaged about 20 passengers per train.

While ridership on these new weekday trains is not very robust, staff continues to market the service in an effort to increase ridership and is considering schedule adjustments to maximize passenger use. In addition, as gas prices continue to rise, it is expected that Metrolink ridership throughout Orange County will increase as well.

Weekend Ridership

Combined average weekend ridership on the OC and IEOC lines during this period was 1,891. This represents an increase of 51.3 percent compared to the same period last year, and a 61.7 percent decrease over the previous quarter. Average daily weekend ridership year over year on the OC Line is up 78.2 percent on Saturday and up 60.8 percent on Sunday. Average Saturday ridership on the IEOC Line is up 7.3 percent over the same quarter last year, and the Sunday ridership on the IEOC Line is up 47 percent.
As stated in the background section of this report, OCTA and Metrolink have operated increased levels of weekend service on the OC and IEOC lines for the past two years from July 2009 to October 2011. Ridership in the second quarter of FY 2011-12 was lower than the first quarter due to the decreased level of weekend service starting in October 2011, and four weekend service closures as a result of planned track work in Orange and San Diego counties that took place in October, November, and December.

Average weekend ridership is shown in the table below.

<table>
<thead>
<tr>
<th>Quarter</th>
<th>OC Line (Saturday)</th>
<th>OC Line (Sunday)</th>
<th>IEOC Line (Saturday)</th>
<th>IEOC Line (Sunday)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2010-11/Q2</td>
<td>377</td>
<td>355</td>
<td>286</td>
<td>232</td>
<td>1,250</td>
</tr>
<tr>
<td>FY2011-12/Q1</td>
<td>1,152</td>
<td>1,027</td>
<td>1,664</td>
<td>1,098</td>
<td>4,941</td>
</tr>
<tr>
<td>FY2011-12/Q2</td>
<td>672</td>
<td>571</td>
<td>307</td>
<td>341</td>
<td>1,891</td>
</tr>
</tbody>
</table>

FY2011-12/Q2 vs FY2010-11/Q2 78.2% 60.8% 7.3% 47.0% 51.3%
FY2011-12/Q2 vs FY2011-12/Q1 -41.7% -44.4% -81.6% -68.9% -61.7%

Revenue

Passenger fare revenue covers roughly half of Metrolink operating expenses, with the remainder covered by member agency subsidies. Ridership and revenue do not necessarily follow the same trends during each reporting period. This is primarily attributed to two factors: 1) due to the sale of advance tickets and monthly passes, revenue can be recorded in the month preceding the actual ridership; and 2) while ridership may decrease, operating costs do not drop proportionately.

Second quarter revenue increased by 10.3 percent on the OC Line and 4.5 percent on the IEOC line compared to the same quarter last year, but decreased by 11.2 percent on the 91 Line. Total FY 2011-12 revenue for the three lines increased by 5.2 percent compared to FY 2010-11, and decreased by 6.3 percent compared to the previous quarter.
Revenue is displayed in the table below.

<table>
<thead>
<tr>
<th>Quarter</th>
<th>OC Line</th>
<th>IEOC Line</th>
<th>91 Line</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2010-11/Q2</td>
<td>$ 3,752,116</td>
<td>$ 1,406,646</td>
<td>$ 1,098,530</td>
<td>$ 6,257,292</td>
</tr>
<tr>
<td>FY 2011-12/Q1</td>
<td>$ 4,401,875</td>
<td>$ 1,611,269</td>
<td>$ 1,017,561</td>
<td>$ 7,030,705</td>
</tr>
<tr>
<td>FY 2011-12/Q2</td>
<td>$ 4,139,314</td>
<td>$ 1,470,464</td>
<td>$ 975,043</td>
<td>$ 6,584,821</td>
</tr>
</tbody>
</table>

FY 2011-12/Q2 vs FY 2010-11/Q2 10.3% 4.5% -11.2% 5.2%
FY 2011-12/Q2 vs FY 2011-12/Q1 -6.0% -8.7% -4.2% -6.3%

One of the single largest operating expenses is diesel fuel, which was budgeted at a rate of $3.40 per gallon for FY 2011-12 (through June 2012), up from $2.40 per gallon budgeted for FY 2010-11. Metrolink has locked in fuel prices at just under the budgeted rate for the remainder of the current FY and is exploring options to lock in fuel prices for FY 2012-13 as well. Though rising fuel prices increase Metrolink’s operating costs, they also have the potential to significantly increase fare revenue as higher gas prices push more commuters out of their cars and onto Metrolink.

**On-Time Performance**

On-time performance is an integral component of providing quality service. A Metrolink train is considered to be on time if it arrives within five minutes of the scheduled arrival at its end point. Metrolink’s on-time performance goal is 95 percent.

Trains can be delayed for a variety of reasons, including equipment issues, unscheduled delays (or “meets”) with other trains, delays from other operators utilizing the same tracks, construction or track maintenance, and incidents.

**Weekday On-Time Performance**

<table>
<thead>
<tr>
<th>Month</th>
<th>OC Line</th>
<th>IEOC Line</th>
<th>91 Line</th>
</tr>
</thead>
<tbody>
<tr>
<td>October</td>
<td>89.8 %</td>
<td>94.6 %</td>
<td>94.7 %</td>
</tr>
<tr>
<td>November</td>
<td>94.5 %</td>
<td>93.9 %</td>
<td>98.4 %</td>
</tr>
<tr>
<td>December</td>
<td>93.2 %</td>
<td>90.9 %</td>
<td>92.6 %</td>
</tr>
</tbody>
</table>

Total Average Orange County On-Time Performance 93.6 percent

* System total is 93.2 percent, including the Antelope Valley, IEOC, OC, Riverside, San Bernardino, Ventura County, and 91 lines.
Weekend On-Time Performance

<table>
<thead>
<tr>
<th>Month</th>
<th>OC Line</th>
<th>IEOC Line</th>
<th>91 Line</th>
</tr>
</thead>
<tbody>
<tr>
<td>October</td>
<td>71.9 %</td>
<td>75.0 %</td>
<td>N/A</td>
</tr>
<tr>
<td>November</td>
<td>67.9 %</td>
<td>67.9 %</td>
<td>N/A</td>
</tr>
<tr>
<td>December</td>
<td>68.8 %</td>
<td>68.8 %</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td><strong>Total Average Orange County On-Time Performance 70.0 percent</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* System total is 83.1 percent, including the Antelope Valley, IEOC, OC, and San Bernardino lines.

Ducks Express Service

Last calendar year, OCTA began marketing existing Metrolink trains between south Orange County and Anaheim to serve the 25 Anaheim Ducks (Ducks) hockey home games. On October 14, 2011, OCTA began the operation of a bus connection for Metrolink passengers between the Anaheim Station and the Honda Center for Ducks fans on regular weekday game nights.

OCTA and Metrolink are also offering a Ducks Express train ticket for use on game nights, which costs $7 round trip ($6 senior/disabled, $4 youth ages six to 18), and includes a free transfer to the OCTA shuttle to the Honda Center. The buses have served 18 games so far, totaling over 1,300 boardings, and an average of 40 passengers per bus. OCTA is also running special trains from Laguna Niguel/Mission Viejo and Los Angeles Union Station to Anaheim and back for three weekday games when the Ducks play the Los Angeles Kings on November 17 and December 6, 2011, and March 16, 2012.

Summary

This report provides an update on Orange County commuter rail ridership, revenue, and on-time performance for the second quarter of FY 2011-12. Total average weekday ridership in Orange County is up 5.1 percent versus last year, while average weekend ridership is up 51.3 percent. Second quarter revenue is up on the OC and IEOC lines, compared to last year, and has decreased on the 91 Line. Average weekday on-time performance was 93.6 percent, slightly below the 95 percent goal.
Attachment

A. Metrolink Ridership and Revenue

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ORANGE COUNTY TRANSPORTATION AUTHORITY

Metrolink Ridership and Revenue Quarterly Report

Attachment A
Metrolink Ridership and Revenue
Three Lines Serving Orange County

Ridership

Revenue

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