



East Bay Transit Agencies

They Collaborate Consistently but Face Declining Reserves, Slow Ridership Recovery, and Barriers to Consolidation

Background

Lawmakers and advocates have cited a variety of concerns about the rider experience and the future of transit in the East Bay, such as difficult and time-consuming transfers across service areas and the financial strain agencies face. For example, some agencies have reduced bus service or are seeking additional funding to maintain their services. Advocates have claimed that the large number of transit agencies in the region is less beneficial to riders than if there were to be just one agency managing transit throughout the Bay Area. These concerns have led some to consider whether merging transit agencies in the region would produce fiscal benefits and improve rider experiences. Our audit reviewed six bus service agencies in the San Francisco Bay Area's East Bay: Alameda-Contra Costa Transit (AC Transit), Central Contra Costa Transit Authority (County Connection), Livermore-Amador Valley Transit Authority (LAVTA, commonly known as Wheels), Eastern Contra Costa Transit Authority (Tri Delta Transit), Union City Transit, and Western Contra Costa Transit Authority (WestCAT), and the Metropolitan Transportation Commission (MTC), which is responsible for regional transportation planning throughout the San Francisco Bay Area.

Key Findings

- We found that the East Bay transit agencies regularly coordinate, including directly with each other and as part of regional initiatives, and there are few barriers to their collaboration.
 - » As a result, when we rode 25 percent of East Bay transit agencies' bus routes that cross service areas, we did not identify significant obstacles for transit riders, such as difficulty transferring between the agencies.
- MTC has not yet completed many of its regional initiatives to improve the transit rider experience in the Bay Area, in part because it did not follow the timelines it initially established.
- Five of the six selected transit agencies may exhaust their reserves within the next one to five years and may need to reduce service without additional funding.
 - » All six agencies also anticipate challenges in meeting the States' requirements to purchase zero-emission buses because of their high cost and limited available reserves.
- Various combinations of the selected transit agencies did not resolve the financial challenges of the individual agencies.
 - » Other legal and financial impediments would also complicate mergers of the agencies, such as federal protections for private contractors and a likely increase in labor costs.

Key Recommendations

- MTC should establish realistic and attainable time frames for each of its transit action plan items by setting major milestones and subtasks for completion.
- To address the risk that transit agencies may have to reduce services due to rising operational costs, MTC should, by January 2027, begin identifying any additional funding sources, such as advertising revenue, that it could direct to the transit agencies at risk of reducing services, such as AC Transit, County Connection, LAVTA, Tri Delta Transit, and WestCAT.
- To ensure that agencies can comply with CARB's mandate to make all new bus purchases zero-emission starting in 2029, the Legislature should consider extending this deadline or allocating new funds to the transit agencies to purchase zero-emission buses.

