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OPINIONS

Fixing our transit systems

Decentralized contract operations might serve the customer better

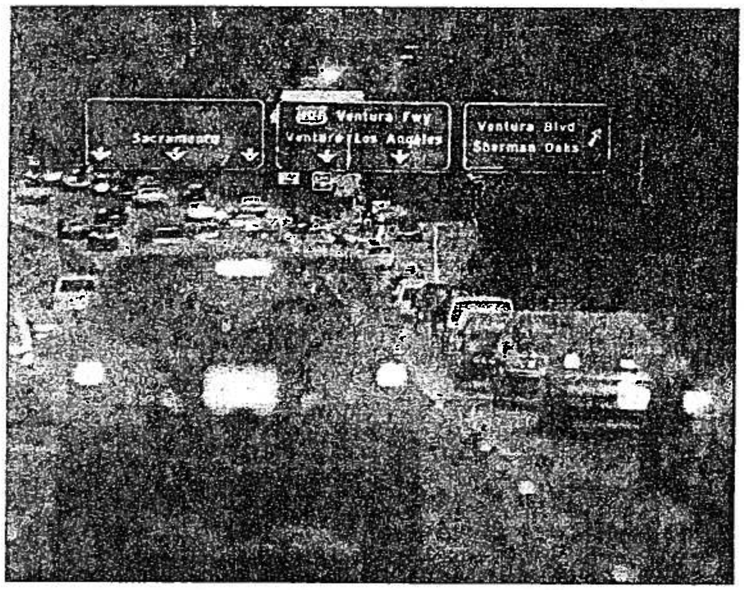
By James E. Moore II

THERE can be little doubt that the MTA has provided inadequate transit services in the San Fernando Valley.

As we have seen with the failed Los Angeles subway system (and rail lines across the nation, for that matter) expensive rail service does not contribute to the solution, it is a drain upon resources. In Los Angeles, population has grown by 12 percent over the past decade but transit ridership has declined by one third over that same period.

In fact, not a single, post-World War II rail system has been shown to increase transit use. Clearly, the solutions rest outside the current fixation on rail. It is now a matter of bringing the MTA along to that conclusion.

Once local leaders are brought to this point, the Valley can address restructuring transit service in a variety of ways, weighing the different advantages and liabilities of each.



The first approach might be establishing a San Fernando Valley Transit Authority independent of the MTA. A 1998 report by the California state auditor suggests that such a Valley Authority is economically feasible, assuming the transfer of 20 percent of the MTA's debt and sales-tax revenues.

On more than one occasion, legislation has been pushed to create such authority, but in each case, San Fernando Valley representatives either failed to vote or voted against the measure. This lack of unanimity, even among Valley voices, suggests that this effort is at best a long-term goal.

The second approach to transit restructuring is less contentious. MTA and Public Utility Commission rules make it possible to create transit zones that balance the MTA's fiscal control with local planning authority. A transit zone, unlike a separate transit authority, would avoid the substantial MTA debt load. In Los Angeles, the zone model is known as the "Foothill Model," after the Foothill Transit District operating in the San Gabriel Valley.

The district's performance has been impressive. Foothill reports a lower systemwide operating cost per service hour than the MTA ($54 vs. $100), lower fares than the MTA, higher systemwide cost recovery from fares and a subsidy per service hour less than half that of the MTA.

Numerous local officials, including Assemblyman Tony Cardenas, D-Panorama City, and former L.A. councilman and now state Sen. Richard Alarcon, D-Van Nuys, have called for creation of a Valley Transit Zone. City Councilman Joel Wachs has also expressed support, and Los Angeles County Supervisor Michael D. Antonovich supports the concept of a public-private transportation system that would include the cities of the Valley.

With Alarcon's recent transition to the state legislature, Antonovich, an MTA board member, is now providing leadership essential for the creation of a new zone.

Earlier this year, the MTA's Planning and Programming Committee unanimously voted to change the rules defining the conditions under which a Valley Transit Zone can be established. These changes would most likely simplify the process for creating a Valley zone, but the action is even more important in terms of what it prevents.

It prevents MTA staff efforts to stymie formation of a new transit zone as they have done in the past.

Unfortunately, even with generous new guidelines, the success of the Foothill model will be difficult to replicate in the Valley. Federal law stipulates that, as a condition of federal financing, mass-transit employee rights obtained under collective bargaining agreements must be preserved, requiring a transit agency to pay, for a period of up to six years, the difference between an employee's wage prior to restructuring and the wage obtained afterward.

Foothill Transit did not receive any federal funds as part of its creation, and was able to avoid this requirement.

However, unless the MTA was in the unlikely mood to redirect internal funding flows, plans for the San Fernando Valley could almost certainly include funds from Washington.

Worse, any transit restructuring plan will have to include commitments to labor currently in place at the MTA. The United Transportation Union/MTA agreement requires that an acquiring agency assume all existing MTA labor contracts with no loss of worker rights or benefits. The two other MTA unions have similar provisions in their contracts.

If not for a monumental legal blunder on the part of the unions during the creation of the Foothill zone, these restrictions would have likely prevented its creation too. It is unlikely the unions would make the same mistake again should the Valley pursue a similar path.

So what options are left?

Fortunately, the MTA has a great deal of flexibility when it creates new service. Its union agreements permit service through private-sector providers at much lower labor costs. Unfortunately, the MTA has blunted the impact of this clause through ineffective bargaining. Nonetheless, the authority exists and should be used to rapidly expand Valley bus service.

Competitive contracting has a long history of reducing costs and improving service. Los Angeles city-run services like the Downtown Area Shuttle and Commuter Express have demonstrated that decentralized, contract services can exist in partnership with a regionwide transit backbone.

LADOT and private firms could compete with the MTA for service on Valley routes. And if the MTA learns to be more competitive in its bargaining and overall operation, the Valley would benefit from these improvements too.

Most importantly, contracting, when properly monitored, can be very responsive to local needs. Local planning ensures more effective oversight and customer service. Planning should start with the needs of the customer in mind, and contractors understand this better than do most public providers.

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