OCTA’s Art Leahy Balances Buses, Rail and Freeways

From his seventh-story office, Art Leahy points out Disneyland’s Matterhorn, The Big A (home to the misnomered Los Angeles Angels of Anaheim) and several Southern California freeways.

Leahy points with pride at several large cranes that are helping to widen the SR-22 Freeway, one of the improvement projects handled by the Orange County Transportation Authority (OCTA).

But freeways are just one of Leahy’s responsibilities. He oversees a growing transportation network that includes bus and paratransit service, commuter rail service, freeway toll lanes, street and road improvements and regulation of taxi services.

Leahy, OCTA’s chief executive, has been at the helm of the 2,000-employee transportation agency since 2001. Although born and bred in Los Angeles (and spent 25 years at L.A.’s Metropolitan Transportation Authority), he has adapted well to life behind the “Orange Curtain,” as it’s somewhat disparagingly known.

The county made famous by the TV series The O.C. is a dense jigsaw puzzle of 34 cities that covers 948 square miles and embraces diverse socioeconomic strata, from tiny neighborhoods in Newport Beach, to gang-ridden sections of Santa Ana.

The challenge of administering transportation programs in this home to 3 million people has kept Leahy, who got his start in the transit industry as a bus operator, constantly pushing himself and his management staff to improve efficiency, curtail unnecessary costs and deliver high-quality customer service. That devotion to duty helped OCTA win the American Public Transportation Association’s “2005 Outstanding Public Transportation System Achievement Award.”

In addition to his past experience in Los Angeles, Leahy spent four years as general manager for Metro Transit in Minneapolis-St. Paul, where he was credited with increasing bus ridership by almost 20%.

Leahy recently set aside some time to sit down with METRO editors Steve Hirano and Janna Starcic to discuss the latest developments at OCTA.

When you arrived at OCTA five years ago, what was your mission?

On my first day on the job here I said to my staff, “I want OCTA to be the best transportation organization in the state and I want an outstanding management team. And I’m not kidding. I’m not just saying this because it sounds good, I mean it. Anybody can just go through the motions. The fact
is these people out here pay a lot of taxes. We owe it to them to break a sweat, to work hard and to accept risk to try to be outstanding because they are giving us their money.

As you might expect, we had some turnover in management, which is almost always for the good. But we also began to focus on the big picture — meeting the mobility challenge of population and job growth and being an economic asset to the community. We also focused on small things like one minute of a bus costs a dollar and a half. We run 800 buses a day. If each of them has a minute a day wasted, which would be amazingly small, at 800 minutes a day at a dollar and a half for 365 days a year, that’s a lot of money. If there is one minute wasted per trip, you could be hemorrhaging large sums of money through poor management.

Our focus now is to save the pennies, save the dollars, push the system with the idea of running the buses a few years longer to save money and run more service. What we really spend a lot of time on is getting our management staff to think in terms of how do we use the money as best we can to run as much service we can. We’ve implemented performance reports, budget reports, and performance by line, by bus operator, complaints by operator.

Tell us a little about Orange County and the challenges it presents. In the heart of Orange County, the population densities exceed Los Angeles County and are second only to San Francisco. And that, by the way, is what leads to increasing demand from the bus company. We’re seeing about 240,000 boardings a day now. That’s a very strong ridership base. Most of the trips are people going to work. Our next source of ridership are people going to school.

One of the indications that we are evolving from a suburban to an urbanized area is through the bus company. We raised the bus fare last January and suffered a minor ridership loss for the first six months of the year. By about the fourth quarter, we recovered the entire ridership. It was the first increase in 10 years, so it was a new experience.

So have you been seeing any ridership increases due to the rise in fuel costs? On Metrolink [the regional commuter rail line], the passengers are discretionary riders who have access to one or more automobiles, so they don’t have to ride the train. With that group, we’ve seen surges in ridership of 10% or more. On the fixed-route bus system, we have not seen ridership growth because of high fuel prices, which makes sense because many of the passengers are transit dependant.

You’ve got a lot of residential development in Orange County. Do you get involved when the planning commission starts to look at some proposals? We just spent about eight months talking with our member cities and our board members and looking at options and at issues like development. The board just approved a $1.2 billion investment in Metrolink. We’ve frontloaded $300 million of that; it’s going forward right now. We are looking at 18-hour-a-day service on Metrolink, seven days a week. We’ll be working with Los Angeles to run all day service into L.A. Part of the rationale for this is that within a 4-mile radius of the stations is about two-thirds of the population of Orange County. That’s about 2 million people. So the thought is, if Metrolink runs 20- to 30-minute frequencies all day long, we are treating it like a light rail line. So, we’re looking at some DMUs.

We’re in the early stages of planning for the enhancement of this service, but the idea is to run all-day service to these population job centers and we’re going to the next board meeting with a $30 million TOD [transit-oriented development] package for cities. So what we are going to do is ask the 34 cities in Orange County to submit competitive proposals to us for what you’d like to do for your city around your Metrorail station.

What would you say your greatest challenge is? The biggest is the
renewal of the Measure M transportation sales tax that expires in 2011. We have a few major projects that are the last to be funded under Measure M — the SR-22 Freeway improvement project and the Metrolink improvements that I’ve described.

Measure M has already paid for the SR-55 and I-5 freeway widenings, and it paid for the purchase of the Metrolink right-of-way. So, we’ve achieved the original objectives of the Measure M. But it expires in five years. We are proposing a 30-year tax, much like the current 20-year tax. It would generate $11.9 billion projected over 30 years. There’ll be a list of projects. It’s a contract, so the taxpayers give us a half cent and we give them a list of our projects.

You have more than 200 LNG buses in your fleet, but you are now procuring CNG buses. What’s your plan? The decision to go to LNG precedes my arrival here, so I have no investment in it. We bought 240 LNG buses, making us, I believe, the largest LNG fleet in the nation. We run about 800 buses every day. That’s a pretty good-sized transit system. We don’t have the engineering capacity of an L.A. or New York, so having a technology that has not caught on has disadvantages. We’ve experienced some troubles with LNG, but none of them are insurmountable. The buses are running. We’re putting a lot of mileage on them. The problem has been there are only a few suppliers of the fuel in the country. There’s been four or five times where there’s been a threat to the delivery of the fuel. Because they constitute a major portion of our 40-foot fleet, that would be devastating. So, as you would imagine, when we hear of a fuel threat, we park the LNGs. We’ve retained a fleet of around 75 older diesel buses, so that we can run them in such an event. The conclusion was that CNG has gained more currency and history than LNG. We were wiser to go with that technology, so it just made sense for us to go in that mainstream approach. The first CNG bus comes in May. We have a contract with Trillium to build a fueling facility. We are optimistic and are looking at perhaps buying several hundred of them.

In regards to hybrid buses, we are hopeful and are watching the technology. We are committed to buying all clean-air buses.

Of the achievements during your tenure, which brings the most satisfaction? One thing I’m most proud of is a customer service. While I was new here, I was in a meeting with a customer advocate. She was really bright and had really good comments. I noticed that there was some antipathy between her and some of our staff. I also noticed that she was a very good source of information. She knew what was going on with our system. When we issued the timetables, she knew what was wrong.

So we decided to bring her into OCTA and give her carte blanche, let her look at whatever she wanted to look at. We went to the board and told them that she was going to have access to them.

Her job was to write a report and submit it to the board. This looked like a pretty risky proposition, but it was a chance to listen to a customer who was knowledgeable and thoughtful. The objective was to get the information on how to improve the system. It wasn’t easy. There were some management butterflies.

The customer advocate came up with 100 recommendations. Seventy of them were things like, “Put Metrolink schedules in the bus book. You’re paying for the buses, you’re paying for the Metrolink, why not put the Metrolink schedules in the bus book?” Not a bad idea, right?

So, 70 ideas were easy and just good ideas. The other 30 — and I’m just speaking in round numbers here — were run more all-night service or more frequencies. Those are big-ticket items, so we don’t have the money to do those right away, but we are taking them on one at a time. But we got a bunch of good ideas, and we got them very inexpensively.

Did you pay her? We paid her to come in and criticize the system. It was
a small contract. In fact, she works with other bus advocates who come in and meet with our staff. They're a source of ideas, and, sometimes, they are things we don't want to hear. They want more service and better service, so sometimes we are a little uncomfortable, but we are a lot better off listening to them.

Whaddya Think?
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