

**Act 361 of 2004 Boilerplate Report**  
**Section 734 – Revised July 1, 2005**

**Legislative Requirement**

Section 734 of enrolled House Bill 5528, Act 361 of 2004 states the following:

- Sec. 734. (1) The department will work to ensure that public transit agencies that receive funds under this act meet the following service performance measures:
- a) Transportation services are efficient, cost-effective, safe, well-maintained, reliable, customer-drive.
  - a) Agency provides a quality work environment that fulfills employee performance, productivity, and development standards.
  - b) Agency identifies and captures all available funding, creates cost-effective programs to eliminate debt, and maintains a balanced budget.
  - c) Agency maintains sufficient local and community funding.
  - d) Agency supports business development by providing transportation to areas of employment and commerce, emerging or established businesses, and health care facilities.
- (2) The department shall inform agencies of deficiencies in meeting these performance measures and shall inform agencies that failure to address deficiencies jeopardizes future state funding.
- (3) The department shall report deficiencies noted in meeting performance measures to the House and Senate appropriations subcommittees on transportation and the House and Senate fiscal agencies by April 1, 2005.

**Process**

The Michigan Department of Transportation (MDOT) requested transit agencies conduct a self-evaluation of their measurement methods and performance in each of the five areas identified by the legislature. To assist in this process, MDOT provided specific questions for transit agencies to respond. MDOT has received 77 out of the requested 77 self-evaluations.

**Overall Results**

The following is a summary of the information received in the 77 responses:

- 1) In terms of performance measurement methods used:
  - Seventy-one of the agencies that reported felt their current methods used to track and evaluate performance in all five performance measurement areas were adequate.
  - Six agencies felt that their current methods used to track and evaluate performance in four of the five performance measurement areas were adequate and in one of the five, they felt additional measurement efforts were needed.
- 2) In terms of actual performance:
  - All 77 of the agencies that responded, completed adequate self-evaluation and adequately described their performance. None of the transit agencies reported inadequate performance.
  - 45 transit agencies reported 80 process improvements or quality initiatives that will be undertaken in the next 12 months to strengthen/enhance performance. There were several common areas where transit agencies are focusing on performance:

- To make improvements in performance measurement area 734(1)(a), several agencies plan to implement computerized dispatching systems.
- To make improvements in performance measurement area 734(1)(b), several agencies plan to update their employee handbooks.
- To make improvements in performance measurement area 734(1)(c), some agencies plan to look at ways of generating increased revenue either by advertising or making changes in their service contracts.
- To make improvements in performance measurement area 734(1)(d), several agencies will be seeking a transit millage for the first time or an increase in their transit millage.
- To make improvements in performance measurement area 734(1)(e), several agencies will be identifying private providers or public transit agencies in surrounding counties to help provide expanded and/or more efficient service.

### **Agency Performance Highlights**

MDOT has identified the following as the most notable achievement or effort for each transit agency. The following are indicators of current performance (CP) or indicators of commitment to performance improvement (PI):

- Adrian/Lenawee: Plans to educate their passengers about the cost of a passenger not showing up for a demand response trip and the cost of waiting for passengers. (PI)
- Alger: Ridership exceeds comparable population sized systems. (CP)
- Alpena, City of: Plans to implement an improved dispatch system. (PI)
- Allegan: Plans to have public meetings on local transit needs and to keep local agencies and general public informed on services available. (PI)
- Alma: Plans to improve their on-time performance by having drivers consistently report their locations. (PI)
- Ann Arbor: Plans to update their strategic plan and to develop a funding source for countywide service. (PI)
- Antrim: Plans to update their employee handbook and to increase local support for transit. (PI)
- Arenac: Identify major capital projects for which federal earmarks should be sought. (PI)
- Barry: Plans to seek a local transit millage. (PI)
- Battle Creek: Have had a reduction in vehicle maintenance costs as a result of an aggressive maintenance program. (CP)
- Bay Area (Grand Traverse/Leelanau): Plans to explore having some fixed route service in the out-county areas to meet job access needs. (PI)
- Bay Metro (Bay County): Plans to complete a study to identify non-value added processes that may be modified or eliminated. (PI)
- Beaver Island: Plans to purchase ticketing kiosks that will streamline check in and movement of passengers. (PI)
- Belding: Plans to provide incentives to employees for good attendance. (PI)
- Berrien: Plans to initiate a formal process for receiving and processing complaints against individual drivers. (PI)
- Big Rapids: Plans to explore ways to increase revenues, such as bus advertising. (PI)

- Blue Water (St. Clair): Seeks customer feedback through Local Advisory Committee, surveys, citizen groups, board meetings, and customer complaint/suggestion process. (CP)
- Branch: Plans to incorporate employees' input on staff meeting agendas and to complete performance reviews in a timely manner. (PI)
- Cadillac/Wexford: Plans to implement a senior volunteer transportation aide program. (PI)
- Capital Area (Ingham): Launching three new electronic tools to gather more data. (CP)
- Caro: Budget and cost report is reviewed monthly by the authority board. (CP)
- Cass: Plans to work closely with mental health care providers to adjust services. (PI)
- Charlevoix: Plans to install a new computer dispatch system. (PI)
- Cheboygan: Plans to update dispatching system. (PI)
- Clare: Has met target goal of cost per passenger for the last ten years. (CP)
- Clinton: Plans to have millage question on the August 2005 ballot. (PI)
- Crawford: Prepares monthly reports for their board of directors that are designed to address issues associated with program "efficiency" and "cost effectiveness" plans to access local training programs. (CP)
- Delta: Forty percent of destinations are work related and 30 percent are healthcare related. (CP)
- Detroit Department of Transportation: Plans to implement a new information system that will improve accuracy and timeliness of maintenance, inventory, purchasing and financial information. (PI)
- Detroit Transportation Corporation: Plans to implement process to track and evaluate maintenance costs. (PI)
- Dowagiac: Continue to monitor the passenger demographics and will adjust service to better serve clients. (PI)
- Eaton: Routes are re-evaluated based on data collected. (CP)
- EUPTA (Chippewa/Luce): Employee turnover is very low. (CP)
- MTA (Genesee): MTA's cost per mile and cost per passenger are among the lowest in the nation. (CP)
- Gladwin: Has had a local millage for 20 years. (CP)
- Gogebic: Honored by Ironwood Chamber of Commerce as a key player in the area's economic health. (CP)
- Greenville: Plans to complete a schedule realignment to reduce cost per passenger. (PI)
- Grand Haven: Assists senior housing, nursing facilities and senior centers with their transportation needs. (CP)
- Hancock: Plans to implement processes to receive employee and customer complaints and suggestions for improvements. (PI)
- Hillsdale: Plans to purchase appropriate equipment and software to enhance collection and transfer of available data more efficiently. (PI)
- Holland: Survey found 90 percent of passengers are satisfied with transit service. (CP)
- Houghton: Plans to update employee handbook. (PI)
- Huron: When new transit services are proposed, they are evaluated by their impact on performance factors. (CP)
- Interurban (Saugatuck): Local millage renewed by high margin every five years. (CP)

- Ionia: Plans to use Automatic Vehicle Locator technology to decrease response times. (PI)
- Iosco: Employee recognition for cleanest bus and for giving extra effort. (CP)
- Isabella: Plans on focusing on increasing non-peak ridership to increase efficiency. (PI)
- ITP (Kent): Plans to conduct a comprehensive operational analysis to evaluate route service offerings and make recommendations for changes. (PI)
- Jackson: Automation of the fuel system has allowed for a reduction of staff. (CP)
- Kalamazoo: Plans to revise coach operator selection process using psychological testing upgrades to ensure competency and longevity in drivers. (PI)
- Kalkaska: Excellent safety record and few service complaints. (CP)
- Lapeer: Tracks and evaluates farebox revenue and non transportation revenues. (CP)
- Livingston: Have instituted driver “shadowing” where the training supervisor follows a driver for a period of time and completes an evaluation of the driver.
- Ludington: Employee turnover is very low. (CP)
- Manistee: Plans to start having evening board meetings to encourage more public involvement. (PI)
- Marquette: Voters approved millage increase. (CP)
- Marshall: An operations handbook detailing the operations of the transit department is currently being developed. (CP)
- Mecosta/Osceola: Plans to work with both counties to secure a millage for transit. (PI)
- Midland, City of: Teamed with Midland-Gladwin Community Mental Health to provide emergency pickups. (CP)
- Midland: Have now implemented a computerized dispatch system which will allow more efficient scheduling of trips and better data collection.(CI)
- Milan: Plans to improve routing to continue to meet an ever-growing demand for transportation to businesses, hospitals and work places. (PI)
- Muskegon: Plans to develop format for communicating performance measures to outside interests. (PI)
- Niles/Buchanan: Excellent safety record. (CP)
- Ogemaw: Plans to track and evaluate on-time performance. (PI)
- Ontonagon: Despite a 24 percent decrease in population since service began, ridership remains steady. (CP)
- Otsego: Plans to update dispatch system. (PI)
- Roscommon: Plans to update dispatch system. (PI)
- Saginaw: Plans to approach surrounding townships to explore expanding service. (PI)
- Sanilac: Plans to complete a study to identify the transit needs of businesses. (PI)
- Sault Ste. Marie: Plans to explore funding options for a computer dispatch system. (PI)
- Schoolcraft: Plans to review major service contracts and work to make more cost effective. (PI)
- Shiawassee: Plans to establish committee to study available funding sources. (PI)
- SMART (Wayne, Oakland, Macomb, Monroe): Plans to promote new web site and toll free number. (PI)
- St. Joseph: Plans to look at alternative sources of local funding and review the method for charging for agency contract rides. (PI)

- TCATA (Benton Harbor): Have special line haul routes that serve most retail shopping centers and businesses. (CP)
- Yates (Lake County): Plans to expand volunteer services for seniors. (PI)

### **Conclusions/Next Steps**

Based on the transit agencies' self-evaluations, MDOT has concluded the following:

- Section 734 did not set standards by which individual transit agency performance is to be judged by MDOT. Therefore, local standards and judgments must drive the evaluation process.
- Adequate local self-evaluations were completed by 77 of the transit agencies.
- All transit agencies that responded have adequate methods in place to track and evaluate their performance.

To further the local self-evaluation process, MDOT will send a written response to each transit agency that will:

- Provide a copy of this report.
- Provide comments on the agency's self-evaluation, if appropriate.
- Request each transit agency to submit an update to MDOT by March 2006 on the progress or results of any planned improvements in measurement methods or process improvements/quality initiatives.
- Offer MDOT assistance in enhancing or expanding their performance management systems or in implementing performance improvement initiatives.

*Passenger Transportation Division  
Multi-Modal Transportation Services Bureau  
Michigan Department of Transportation  
July 1, 2005*