



KING COUNTY AUDITOR'S OFFICE

November 20, 2018

Follow Up: Transit Has Made Significant Progress on Past Recommendations, Yielding Positive Results

TO:

Metropolitan
King County
Councilmembers

FROM:

Kymber Waltmunson,
County Auditor

By implementing our recommendations, Transit is able to make more informed decisions and save taxpayer money.




In 2015, our office reported on the status of 34 recommendations for King County Metro Transit¹. Twenty of these recommendations stemmed from a review conducted by the American Public Transit Association (APTA), and our office made 14 recommendations in audits published between 2009 and 2013. In our last follow-up report, eight recommendations remained incomplete. Today, only three remain. See Appendix 1 for implementation status on all 34 recommendations.

We commend Transit for making these recommendations a priority and working to ensure successful implementation. Since our last report, Transit created a strategic approach for tracking vehicle maintenance and established performance metrics for the Community Connections program.

Addressing the final three recommendations will save money and lead to better Transit services.

Regional growth introduces several challenges to Transit, and adjusting to these realities will require changes to longstanding practices. The remaining recommendations provide a direction for Transit to make those changes, leading to more efficient spending and better services for the residents of King County.

Of the eight audit recommendations we followed up on for this report:

	5		3		0
DONE		PROGRESS		OPEN	
Fully implemented		Partially implemented		Remain unresolved	
Auditor will no longer monitor.		Auditor will continue to monitor.		Auditor will continue to monitor.	



King County

Please see below for details on the implementation status of these recommendations.

¹ [Follow-up on Implementation of Recommendations from Recent Auditor's Office and American Public Transportation Association Reviews of Transit, June 16, 2015](#)

Recommendation 1

PROGRESS



Transit should annually update and run a vehicle replacement model as Portland State University recommended.

[Source: KCAO, Bus Replacement Economic Analysis Follow Up, 2013]

STATUS UPDATE: Transit plans to request a Capital Asset Management module for the M5 fleet management system as part of the 2019 mid-biennial budget process. We will consider this recommendation complete once Transit has acquired such a system and demonstrates that it is using the model to make vehicle replacement decisions.

Recommendation 4

DONE



Transit should conduct and document annual retrospective processes to calculate and evaluate procurement performance measures and should develop action plans to improve outcomes; these processes should also consider the effectiveness of the measures and targets, and revisions that may make them more effective.

[Source: KCAO, Bus Replacement Economic Analysis Follow Up, 2013]

STATUS UPDATE: Transit told us it is using two performance metrics to evaluate fleet procurement: miles between trouble calls and cost per mile. Using this information, Transit can demonstrate improvements in the performance of its most recent purchases and has used this information to inform procurement decisions. For example, it now requires that hybrid buses have a stop-start mode, which will save fuel and wear and tear on the vehicle. Since it has metrics and is using them to inform procurement decisions, we consider this recommendation complete.

Recommendation 6

PROGRESS



In its 2010 update to the Transit Comprehensive Plan, Transit should ensure that it fully incorporates all elements of facility master planning. This is comparable to a recommendation made in 2005.

[Source: KCAO, Performance Audit of Transit, 2009]

STATUS UPDATE: In 2018, Transit commissioned a preliminary report to outline its approach to expand facilities in response to growing service needs. Transit expects to submit the final plan, focused on transit bases, in late 2018. We will continue to monitor this recommendation through our Capital Projects Oversight (CPO) program, and consider it complete when Transit has completed a final version of the plan, and is using it to guide capital project planning.

Recommendation 9 (APTA)


PROGRESS



Review staffing levels and functions of the Metro Design and Construction group for appropriate alignment to current and projected capital program requirements.

[Source: APTA, Peer Review Report, 2014]

STATUS UPDATE: Transit will become a standalone department in January 2019, and told us that it is in the process of a resource assessment. Even though the assessment is incomplete, Transit requested additional staff in the 2019-2020 budget to conduct capital projects. As a result, it is not



clear that Transit will have the right number of staff to complete the proposed projects. This means that some projects that are necessary for regional mobility will be delayed, impacting Transit customers and likely causing costs to rise. We will continue to monitor this recommendation through our CPO program, and will consider it complete when Transit has assessed the resources it needs to complete the projects in its capital program, and is using this information to guide requests for resources.

Recommendation 11

DONE 

Transit should track and monitor planned and unplanned vehicle maintenance work and formulate a strategic approach to manage unplanned work.

[Source: KCAO, Performance Audit of Transit, 2009]

STATUS UPDATE: Transit has responded to our recommendation by tracking vehicle maintenance work and establishing a strategic approach to manage unplanned work. Transit told us that it created a standard time for completing planned maintenance work, and it is forecasting the parts that mechanics will need to address those needs. As a result, Transit has metrics in place to monitor and improve performance, and can achieve efficiencies by predicting what parts it needs to have on hand. For unplanned work, Transit is tracking incidents, analyzing trends, and making changes to address unexpected mechanical issues. By shifting to a proactive approach to vehicle maintenance, Transit will be able to identify and address repeat failures before they cause significant problems for the transit system.

Recommendation 14 (APTA)

DONE 

...[conduct] an independent review by experienced transit maintenance professionals focusing on the overall Metro vehicle maintenance functions. Within this review...also evaluate potential opportunities to contract for basic services and in support of highly technical systems.

[Source: APTA, Peer Review Report, 2014]

STATUS UPDATE: APTA conducted an independent review of vehicle maintenance in 2014 with 39 recommendations. Since then, Transit has completed or closed most of those recommendations, improving data collection, developing standard policies and procedures, and reviewing organizational structures for efficiencies. At the same time, the remaining recommendations have been superseded by events, including new recommendations made by consultants in 2018, and progress on our recommendations related to the Component Supply Center. Therefore, we will no longer monitor these APTA recommendations and consider them complete.


Recommendation 24 (APTA)

DONE 

...strongly recommends that Metro staff continue to place a high priority on exploring new performance measures for alternative services.

[Source: APTA, Peer Review Report, 2014]

STATUS UPDATE: Transit published an evaluation of its alternative services program in 2016 (now called the Community Connections program). The evaluation report included performance



measures including average daily ridership, the cost per boarding, and the percent of vehicle capacity used. This information was important for policymakers to assess the program and make decisions about its expansion and continuation. In 2017, Transit included performance measures for the program in its system evaluation report, including a new performance measure for customer satisfaction. We consider this recommendation complete and may be conducting a separate audit of the Community Connections program in 2019-2020.

Recommendation 30 (APTA)

DONE



...encourages Metro to continue its efforts to work with labor to explore opportunities to further reduce and control health care costs.

[Source: APTA, Peer Review Report, 2014]

STATUS UPDATE: Transit has demonstrated its interest in working with labor to address issues related to rising health care costs. As evidence of this, in the 2019-2020 budget, Transit proposed funding for four wellness center sites that will provide on-site support to its employees.

Sean DeBlieck, Principal Management Auditor, conducted this review. Please contact Sean at 206-477-6486 if you have any questions about the issues discussed in this letter.

cc: Dow Constantine, King County Executive
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Appendix 1

Status and Origin of 34 Transit Recommendations

Current Rec. No.	Source of Rec.	Year of Rec.	Original Rec. No.	2018 Status
1	KCAO	2013	1	Progress
2	KCAO	2013	2	Closed
3	KCAO	2013	3	Done
4	KCAO	2010	3	Done
5	KCAO	2009	A6	Closed
6	KCAO	2009	A10	Progress
7	KCAO	2009	B1c	Done
8	APTA	2014	OP1	Done
9	APTA	2014	OP3	Progress
10	APTA	2014	OP4	Closed
11	KCAO	2009	E2	Done
12	KCAO	2009	E3a	Done
13	KCAO	2009	E3c	Done
14	APTA	2014	OP2	Done
15	KCAO	2009	A12c	Done
16	APTA	2014	FA1	Done
17	APTA	2014	FA2	Done
18	APTA	2014	FA3	Closed
19	KCAO	2009	F2a	Done
20	APTA	2014	PM1	Done
21	APTA	2014	PM2	Done
22	KCAO	2009	C8	Done
23	APTA	2014	PO1	Closed
24	APTA	2014	PO2	Done
25	APTA	2014	PO3	Closed
26	APTA	2014	PO4	Done
27	APTA	2014	PO5	Closed
28	APTA	2014	LA1	Done
29	APTA	2014	LA2	Closed
30	APTA	2014	LA3	Done
31	APTA	2014	F11	Done
32	APTA	2014	F12	Done
33	KCAO	2009	D4	Closed
34	APTA	2014	PT1	Closed