

Transit Performance Audit Report Briefing, Part 2

King County Auditor's Office

Kymer Waltmunson, Principal Management Auditor

Rob McGowan, Principal Management Auditor

September 15, 2009

Government Accountability and Oversight Committee

Areas of Discussion

1. Access Paratransit
2. Vehicle Maintenance
3. Emergency Communication
4. Transit Police Staffing
5. Operator Staffing
6. Common Themes

General Findings and Estimated Fiscal Impacts (part 2)

We found many opportunities to increase Transit efficiency, generate revenues, and improve effectiveness.

Our recommendations will take time and resources to implement, and savings will be realized over time.

	Potential Annual Cost Savings	Potential Savings from Policy Options	Opportunities for Increased Annual Revenue	Examples of Potential Savings if Bargaining Agreement Were to Change
Access Paratransit	\$4.8 million	\$1 million +	Up to \$2.8 million	
Operator Staffing				\$3.7 million +

1. Access Paratransit

Access service is required by the Americans with Disabilities Act (ADA)

Access service costs about \$40 per trip

Key Findings:

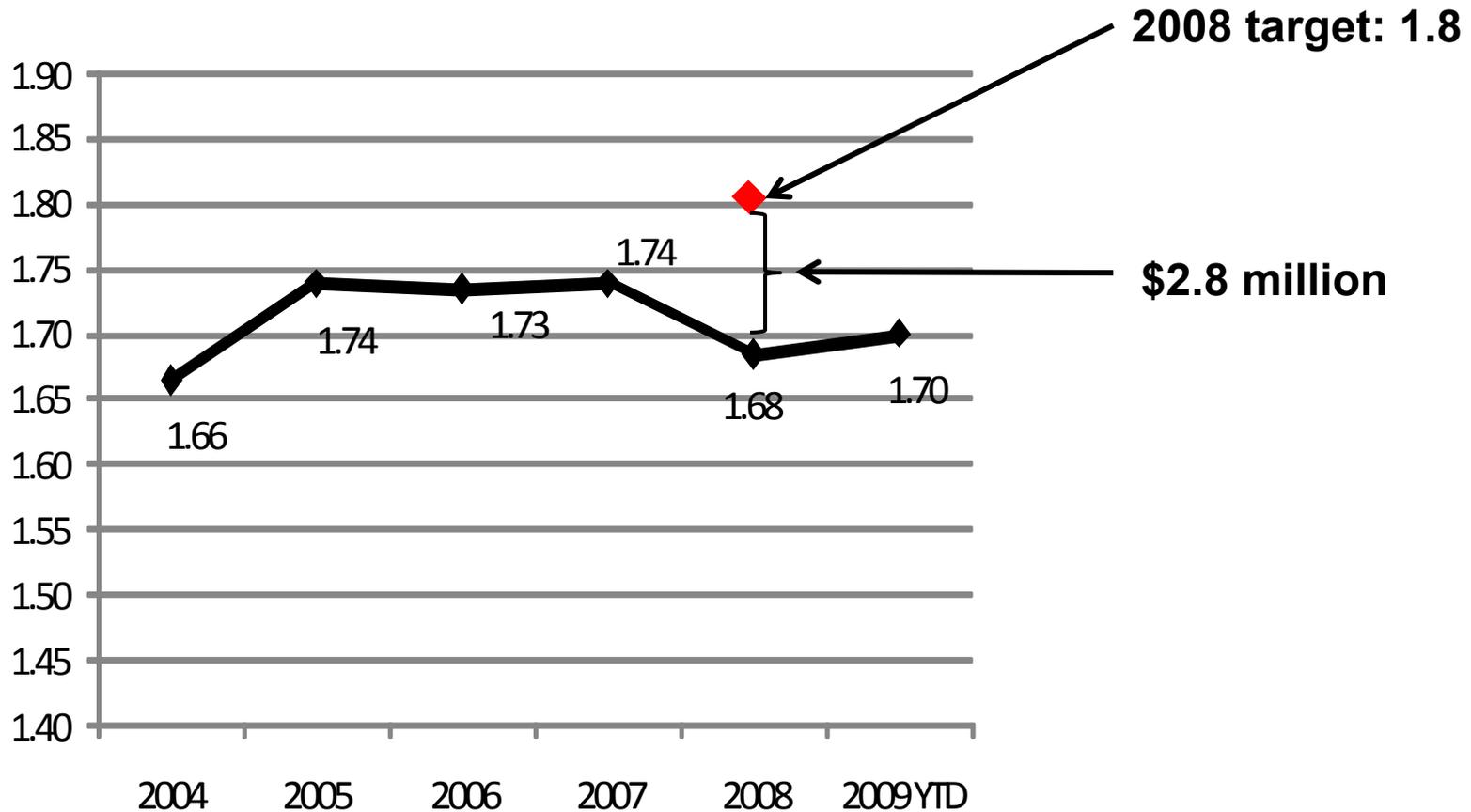
- Transit did not meet productivity targets
- Transit has created several successful cost containment programs and could expand efforts

Recommendations:

- Develop a strategic plan to improve paratransit productivity
- Continue cost-containment efforts

1. Access Paratransit (continued)

Access Boardings per Hour, 2004 – April 2009



1. Access Paratransit (continued)

Key Findings:

- Transit exceeds ADA requirements for service area, hours, and level of service, adding more than \$1 million in costs
- Transit charges less than the allowable fare for Access
 - Charging a fare allowable by the ADA could bring up to \$2.8 million in additional revenue

Recommendation:

- Provide King County Council with policy options to deliver more efficient service, including the option to meet ADA, rather than exceed it, and the impacts this would have on riders

2. Vehicle Maintenance

Key Findings:

- Transit has an outstanding record of on-time preventive maintenance inspections; this increases costs
- Although Transit employs some productivity metrics, it does not have a comprehensive, systemwide maintenance productivity program

Recommendations:

- Pilot project shifting the preventive maintenance performance interval
- Establish a systemwide productivity program

3. Emergency Communication

Key Findings:

- Transit's plan for emergency communication solutions needs further analysis
- Key emergency communication improvements are not in place

Recommendations:

- Analyze communication options and develop a prioritized plan
- Redesign various emergency communication methods

4. Transit Police Staffing

Key Findings:

- Costs more than doubled with new permanent transit police force and operational changes; productivity and safety measures have improved
- Current staffing methods:
 - Limit ability to accurately plan coverage
 - Police not reaching some outlying areas as planned

Recommendations:

- Use lower cost staffing options when possible
- Employ statistical tools to plan and meet staffing needs

5. Operator Staffing

Key Findings:

- Transit does not fully use key data to identify and quantify potential efficiencies
- More deliberate management of absences could control costs
- Overtime and part-time staff could be utilized more cost effectively

Recommendations:

- Capture additional data and modify current data sources to assist in operator staffing analysis
- Identify opportunities to bargain for more cost-effective staffing practices related to:
 - Moderating unplanned leave and making planned leave more predictable
 - Cost-effective use of overtime and part-time operators to provide coverage for absences, and use of part-time operators on weekend assignments (e.g., \$2.5 M)

6. Common Themes: Planning

Key Finding:

- Costs can be reduced and revenues generated through improved planning

Recommendation:

- Enhance and expand the use of planning across the organization

Impact:

- Improved planning will help Transit achieve their goals, especially those related to cost savings

Examples of audited areas where enhanced planning is needed.

Bus Service Efficiency and Standards

Facility Master Planning

Fare Policy

Transit Police

Paratransit Productivity

Ridership Data Integration

Emergency Customer Communication

6. Common Themes: Analysis

Key Finding:

- Costs can be reduced and revenues generated through systematic and effective data analysis

Recommendation:

- Systematically and effectively use data analysis to drive organizational choices

Impact:

- Analysis would ensure that the decisions that Transit makes or recommends are the most cost effective, or meet other objectives

Examples of audited areas where systematic analysis is needed.

Bus Service Development

Vehicle Replacement

Capital Decisions

Downtown Ride Free Area

Operator Staffing

Transit Police Staffing

Vehicle Maintenance

Summary

Key Findings:

- We found many opportunities to increase Transit's efficiency, generate revenues, and improve effectiveness

Key Recommendations:

- Transit should expand Access cost containment efforts
- The costs of exceeding ADA requirements should be weighed
- Transit should enhance vehicle maintenance practices
- Transit should improve emergency communications with customers
- Transit should improve staffing approach and data analysis
- Expand the use of enhanced planning and systematic data analysis across the organization

Full Performance Audit Fiscal Impacts

	Annual Cost Savings (includes policy choices)	Opportunities for Increased Annual Revenue	One Time Fund Balance Available	Examples of Potential Annual Savings if Bargaining Agreement Changed
Service Development	\$16 to \$23 million			
Trolley Replacement	\$8.7 million			
Fare Strategies		Up to \$51 million		
Capital Planning	Unquantified			
Financial Planning	Unquantified		\$105 million	
Access Paratransit	\$5.8 million +	Up to \$2.8 million		
Vehicle Maintenance	Unquantified			
Em. Communication	Unquantified			
Staffing	Partially quantified			\$3.7 million +
SUMMARY	\$30.5 - \$37.5 million	Up to \$53.8 million	\$105 million	\$3.7 million

Auditor's Office

Larry Brubaker

Liz DuBois

Brian Estes

Rob McGowan

Ron Perry

Bob Thomas

KyMBER Waltmunson

Consultants

Booz Allen Hamilton

Nelson Nygaard

Courval Scheduling

Matt and Associates

MicroKinetics

Thank You

We appreciate the assistance and cooperation of Transit leadership, management, and staff.

Transit committed a great deal of time and effort to this project and were very professional and responsive.