

**A MANAGEMENT  
PERFORMANCE REVIEW OF  
LORAIN COUNTY TRANSIT  
(LCT)**

**FOR THE LORAIN COUNTY  
COMMISSIONERS**

**DRAFT REPORT**

**JUNE 29, 2004**

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## **THE MANAGEMENT PERFORMANCE REVIEW PROCESS**

### **INTRODUCTION**

This report provides the draft results, findings, and recommendations of a Management Performance Review (MPR) of Lorain County Transit, a public transportation program in Lorain County, Ohio. The program is operated under the auspices of the Lorain County Commissioners. The Commissioners recently (March of 2004) assumed the operation of the program from the Lorain County Transit Board. LCT provides fixed route and demand-responsive general public transportation services for Lorain County residents.

The primary goal of the MPR process is to enhance the effectiveness and efficiency of the transportation system under review. The review should be used as a tool to comprehensively examine and evaluate a transit system's goals and objectives, the procedures employed to deliver community transit services, and compliance with all applicable Federal and state regulations and requirements.

### **REVIEW PROCEDURES**

Procedures for conducting this review follow the process described in the June 1998 Management Performance Review/Management Evaluations Handbook for Rural Transit Systems, developed by the Ohio Department of Transportation (ODOT) and modified for an urban transit system. These procedures include:

1. Establishment of MPR objectives with Lorain County staff and identification of any areas subject to special investigation;
2. Conduct a review of the data provided by LCT;
3. Conduct on-site interviews with the LCT staff and service provider;
4. Inspection of agency files and records;
5. Development of various system operating performance indicators based on the latest available operating and financial data and development of comparisons of LCT performance with several other similar systems; and
6. Preparation of draft findings and recommendations on each functional area addressed in this review.

The reviewers discussed the scope of the project by telephone and in person with the Lorain County Administrator and the Lorain County Community Development Director prior to conducting the on-site data collection.

Ms. Robbie Sarles and Ms. Carrie Long, of RLS & Associates, Inc., conducted on-site interviews on March 29<sup>th</sup>, 30<sup>th</sup> and 31<sup>st</sup>, 2004.

### **INTRODUCTION**

### **REVIEW PROCEDURES**

This draft report contains the reviewers' findings and recommendations and required changes. Recommendations are designed for implementation by system management to improve an existing process or procedure. Requirements are changes that must be implemented in order for the system to be in compliance with Federal and state regulatory requirements. Requirements are marked and distinguished from recommendations by **bold text** throughout the report.

Upon local review, this Management Performance Review will be issued in final form.

This Management Performance Review has been divided into two main sections, Administration and Operations. The Administration Section pertains to the duties of the LCT administrative staff who are County employees: the General Manager, the Fiscal Officer, the Mobility Manager, the Logistics Manager, the Administrative Assistant, the Safety/Customer Relations Officer, and the Office Receptionist. The Operations Section primarily discusses the responsibilities of LCT's contract service provider, First Transit.

#### **PERSONS INTERVIEWED DURING THE REVIEW PROCESS**

The primary interview participants were as follows:

- Debbie Mohr, LCT General Manager
- Tom Ferguson, LCT Chief Finance Officer
- James Williams, LCT Administration Specialist
- Charity Perkins, LCT Mobility Manager
- Jen Taylor, LCT Logistics Manager
- Pam Novak, LCT Financial Assistant/Bookkeeper
- Rob Hoffmann, Interim General Manager, First Transit
- Jorge Garcia, General Manager, First Transit
- Jenny Butsch, Drug & Alcohol Compliance, First Transit

The LCT staff were well prepared for the MPR interview. They compiled much of the documentation that would be reviewed as part of this MPR study process prior the reviewers' on-site visit (items were identified from an MPR checklist provided to LCT prior to the on-site visit).

#### **PREVIOUS MANAGEMENT PERFORMANCE REVIEW**

LCT had a Federal Transit Administration (FTA) Triennial Review conducted in 2002. The Letter of Findings (LOF) final report from FTA regarding the Triennial Review indicated that there were no deficiencies identified with Federal requirements in twenty-two (22) review areas. The one deficiency found in the drug and alcohol area was corrected and this finding was closed. There were some advisory comments in the area of safety and security.

#### **REVIEW PROCEDURES**

#### **PERSONS INTERVIEWED DURING THE REVIEWED PROCESS**

#### **PREVIOUS MANAGEMENT PERFORMANCE REVIEW**

**SYSTEM OVERVIEW**

**SERVICE AREA**

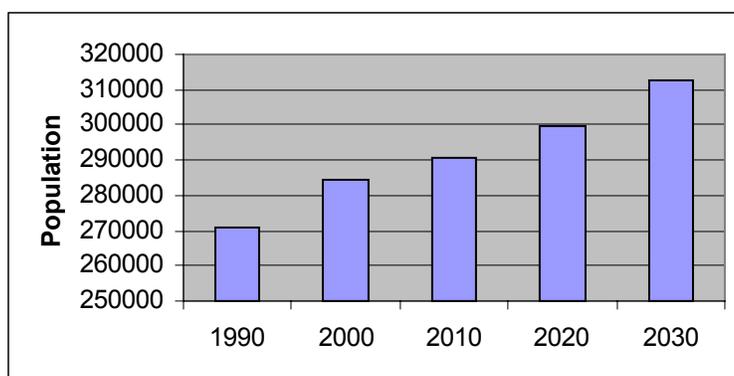
**SERVICE AREA**

Lorain County Transit (LCT) provides public transportation service throughout Lorain County. Lorain County is located 25 miles west of Cleveland; 87 miles east of Toledo and 110 miles north of Columbus. The City of Elyria is the county seat and has a population of 55,953. Other cities include Lorain (population of 68,652), North Ridgeville (22,338), Avon Lake (18,145), Amherst (11,797), Avon (11,446), Sheffield Lake (9,371), and Oberlin (8,195), according to the 2000 U.S. Census.

Lorain County is 492.6 square miles in area and has a total population of 284,664. Approximately 35,715 County residents are 65 years of age or older (12.5%), 45,224 are persons with disabilities (15.9%) and 24,809 are living below poverty level (8.7%). County boundaries, the City of Elyria and the other cities noted above are shown in Exhibit 1.

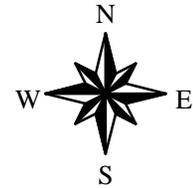
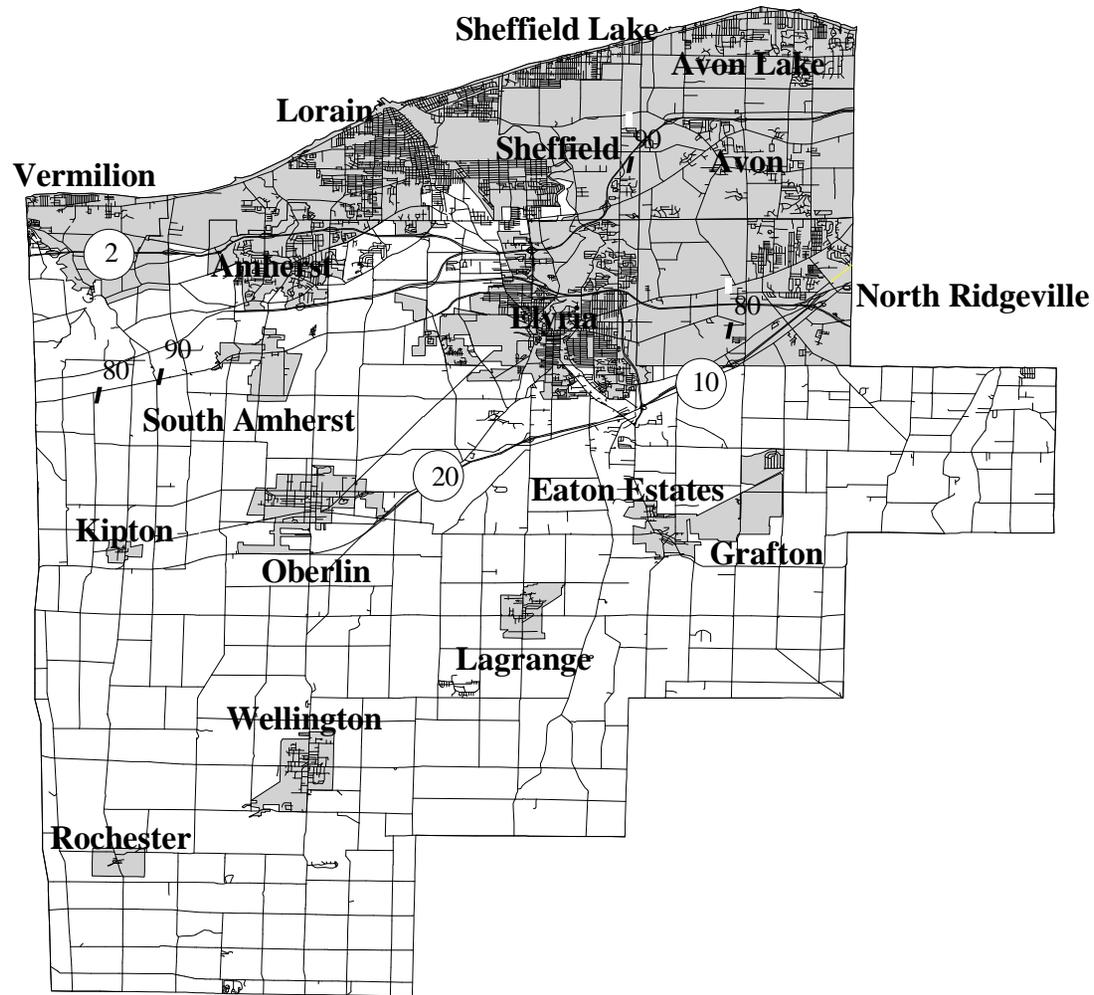
At the time of the 2000 census, only 20.7% of the County’s residents lived in rural township areas. As shown in Exhibit 2, the population increased slightly (5%) in the decade of 1990 to 2000. From the year 2000 through 2030, the Ohio Department of Development projects a modest increase (9.8%) in population.

**Exhibit 2: Projected Population Growth Trends, Lorain County**



Source: ODOD, 2004

In the year 2000, approximately 29.4% (or 83,636 residents) of the County’s population was between 25 and 44 years of age. The second largest age group was persons of 45 to 64 years of age (66,140 residents). Over twelve percent (12.5%) of the County’s population (35,715) were age 65 years or older.



**Legend**



State Route



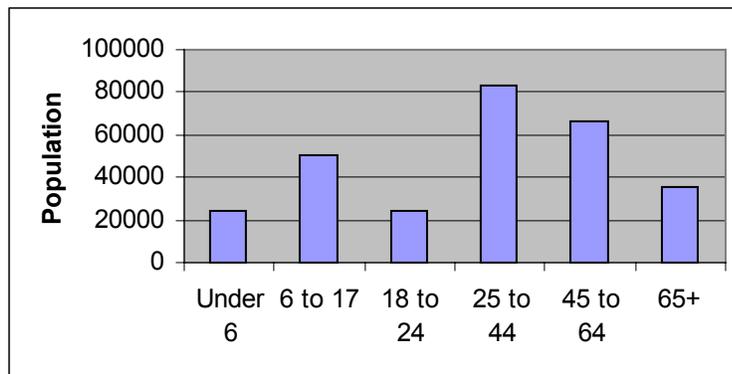
US Route



RLS & Associates, Inc.

**Exhibit 1:  
Lorain County Location Map**

**Lorain County Transit  
Operational Analysis**

**Exhibit 3: Population Age Characteristics, Lorain County**

Source: ODOD, 2004

## PUBLIC TRANSPORTATION SERVICES

### General Description

Lorain County Transit (LCT) is operated under the auspices of the Lorain County Commissioners. The County Commissioners recently assumed this role. LCT was previously operated under the Lorain County Transit Board which was dissolved by the County Commissioners in March of 2004. LCT is classified as a “small urban” transit system and the Commissioners receive Federal Section 5307 operating assistance funds in accordance with procedures established by the Federal Transit Administration (FTA).

The LCT administrative offices are located at One Park Landing, 6100 South Broadway, Suite 301, Lorain, Ohio. The operations facility (First Transit’s facility) is located at 120 Keep Court, Elyria, Ohio.

Lorain County Transit operates thirteen (13) fixed routes, three (3) “community connector” routes (Amherst/South Amherst, Avon/Avon Lake, and Oberlin), and demand response or “dial-a-ride” (ADA complementary paratransit) service within Lorain County.

### Fixed Route Service

It is noted that LCT’s fixed route service underwent a dramatic restructuring in August of 2000 in an effort to better serve County residents. The current thirteen (13) routes were instituted using a pulse system where ten (10) of the thirteen (13) routes converge at a transfer point between fourteen (14) and twenty-eight (28) minutes after each hour. At half past each hour, all ten (10) buses leave the transfer station. None of the routes is longer than sixty (60)

## PUBLIC TRANSPORTATION SERVICES

minutes. By December of 2000, fixed route ridership had increased fifty-two percent (52%) and overall ridership by twenty-eight percent (28%).

A map of LCT's fixed routes is found in Exhibit 4. These routes primarily serve the Lorain/Elyria/Sheffield area.

The hours for fixed route service are 5:00 a.m. to 10:00 p.m., Monday through Friday and approximately 8:00 a.m. to 5:00 p.m. on Saturdays and Sundays. Not all routes operate on Saturdays and Sundays and not all routes start at 5:00 a.m. or end at 10:00 p.m. on the weekdays.

### **Community Connectors/Point Deviation Service**

Lorain County Transit provides point deviation route service (vehicles follow a general route but will deviate from the route to pick up passengers at specific destinations) in Amherst and South Amherst, Avon and Avon Lake, and Oberlin. These three (3) programs are called "community connectors".

The hours of operation for these services are noted below:

#### **Amherst/South Amherst**

Monday through Friday: 7:00 a.m. to 6:00 p.m.  
Saturday: 8:00 a.m. to 5:00 p.m.

#### **Avon/Avon Lake**

Monday through Friday: 7:30 a.m. to 6:30 p.m.  
Saturday: 8:00 a.m. to 5:00 p.m.

#### **Oberlin/Russia Township**

Monday through Friday: 7:00 a.m. to 6:00 p.m.  
Saturday: 8:00 a.m. to 5:00 p.m.

### **Regular LCT Dial-A-Ride Service**

LCT provides demand response or "dial-a-ride" service in all of Lorain County with the exception of Avon, Avon Lake, Sheffield Lake, Oberlin, Russia Township, Vermilion and Brownhelm Township. This service is considered LCT's ADA complementary paratransit service. Its hours of operation are as follows:

Monday through Friday: 5:00 a.m. to 10:00 p.m.  
Saturday: 8:00 a.m. to 4:00 p.m.  
Sunday: 9:00 a.m. to 4:30 p.m.

The Avon Lake Dial-A-Bus Service serves Avon, Avon Lake and Sheffield Lake. Its hours of operation are 8:30 a.m. to 4:00 p.m., Monday through Friday. A 24-hour advance reservation is required for a trip.

The Oberlin Dial-A-Ride Service serves Oberlin, Russia Township and Lorain County JVS. Its hours of operation are 7:15 a.m. to 6:00 p.m., Monday through Friday. A 24-hour advance reservation is required for a trip. Trips may be scheduled up to two weeks in advance.

The Vermilion Dial-A-Ride Service, provided by Vermilion Community Services, serves Vermilion, Vermilion Township and Brownhelm Township. It only provides trips for senior citizens and persons with disabilities. Its hours of operation are 8:30 a.m. to 4:30 p.m. and it operates only four days per week. A 24-hour advance notice is required for a trip.

### **Ridership & Service Data**

Below are some characteristics of LCT ridership:

- In CY 2003, LCT transported 705,858 passengers.
- Of these 705,858 passengers, 642,532 (91%) of them were fixed route riders and 63,326 (9%) of them were dial-a-ride/demand response service riders.
- In 2003, LCT's passengers per vehicle operating hour was 8.49 for fixed route service and 2.6 for dial-a-ride demand response service.

General public transportation is available on a county-wide basis in Lorain County. In addition to services designed for the general public, LCT also provides contract service to the following agencies/political subdivisions:

- Lorain County Department of Job and Family Services
- Oberlin Hot Meals Program (nutrition program at Episcopal Church)
- Nord Center
- Lucy Idol Center (Lorain County Board of MR/DD)
- Vermilion
- Avon Lake
- Sheffield Lake

Service data is summarized in Exhibit 5. In 2003, unlinked (one-way trips without transfers) total passenger trips were 705,858, an increase of 18.1% over 2002 figures and a 65% increase over 2001 passengers. Vehicle hours and miles have also increased by 3.5% and 8.7%, respectively.

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**Exhibit 5: Service Statistics-3 Year Period**

	<b>2001</b>	<b>2002</b>	<b>2003</b>
<b>Annual Passenger Trips</b>	427,683	597,520	705,858
<b>Annual Fixed Route Trips</b>	374,883	534,596	642,532
<b>Annual Dial-A-Ride Trips</b>	52,800	64,980	63,326
<b>Annual Vehicle Miles</b>	1,708,490	1,709,134	1,857,586
<b>Annual Vehicle Hours</b>	87,914	96,615	100,024

Source: Status of Public Transit in Ohio 2002 (year 2001 data), 2003 (year 2002 data); 4<sup>th</sup> quarter 2003 LCT operating data report

**Fares and Contract Rates**

**Fare Policies** - There are two (2) fare structures for general public trips, all based on a one-way trip. For the fixed route service and the community connector services, the following fare schedule is utilized:

- **Adult Fare:** \$1.25
- **Elderly/Persons with Disabilities Fare:** \$.60
- **Children ages 3-12:** \$.60
- **Children under 3:** Free

For the LCT Dial-A-Ride Service, the following fare structure is used:

- **Adult Fare:** \$4.00
- **Elderly/Persons with Disabilities Fare:** \$2.00
- **Children ages 3-12:** \$2.00
- **Children under 3:** Free

The dial-a-ride services in Avon, Avon Lake, Sheffield Lake, Oberlin, Russia Township, Vermilion, Vermilion Township, and Brownhelm Township all have different fares from the LCT Dial-A-Ride Service. Fares range from \$.40 per one-way trip to \$4.00 per one-way trip.

LCT does have an elderly and disabled fare eligibility approval process in place. The elderly and disabled fare discount program is called the LCT “Fare Deal” Program. All passengers must complete an application to acquire an E & D discount identification card. This card must be obtained prior to receiving the elderly and disabled fare discount. The identification card is provided at no cost to the passenger. For elderly passengers (over age 60), a picture ID, Golden Buckeye Card or a birth certificate is required for proof of age. For disabled passengers, a Medicare card, a Golden Buckeye Card, or certification of disability by a health care professional is required.

Contract rates are currently not based on fully allocated costs. The system's current contracts all have different rates which are lower than the hourly rate charged by LCT's contract service provider, First Transit. Please see the discussion on contract rates in the administrative functions section of this report.

### **Vehicle Inventory**

LCT has fifty (50) vehicles in their fleet according to the most recent vehicle inventory available (PTMS 2004). However, eleven (11) of these vehicles are slated for disposition, leaving the fleet size at thirty-nine (39). Exhibit 6 provides more details on these thirty-nine (39) vehicles using the vehicle type designations adopted in the Ohio vehicle catalog.

**Exhibit 6: Fleet Information**

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Vehicle Number	Vehicle Type	Make & Model	Year	Capacity	Condition Rating	ADA Comply (Y/N)	Mileage
00-002	MMV	DTD Caravan	2000	7/1WC	85	Y	27495
97-131	CV	FRD S3V	1997	10/2	58	Y	257254
97-132	CV	FRD S3V	1997	10/2	63	Y	241108
97-133	CV	FRD S3V	1997	10/2	63	Y	271341
97-134	CV	FRD S3V	1997	10/2	52	Y	214420
98-136	CV	FRD S3V	1998	10/2	62	Y	248065
98-137	CV	FRD S3V	1998	10/2	61	Y	228529
98-138	CV	FRD S3V	1998	10/1	56	Y	218418
98-139	CV	FRD S3V	1998	10/2	62	Y	237182
98-140	CV	FRD S3V	1998	10/2	59	Y	222160
98-141	CV	FRD S3V	1998	10/2	66	Y	235322
98-142	CV	FRD S3V	1998	10/2	70	Y	208710
98-143	CV	FRD 350	1998	10/2	65	Y	241308
98-213	MD	INT 3400	1997	18/2	68	Y	109317
99-214	LTV	EBC AERO	1999	16/2	67	Y	257269
99-215	LTV	EBC AERO	1999	16/2	64	Y	258557
99-216	MD	INT 3400	1998	27/2	71	Y	222742
99-217	MD	INT 3400	1998	27/2	70	Y	227220
00-218	LTV	FRD Phoenix	2000	12/2	65	Y	228337
00-219	LTV	FRD Phoenix	2000	12/2	67	Y	184896
00-220	MD	NAV Condor	2000	30/2	67	Y	214818
00-221	MD	NAV Condor	2000	30/2	63	Y	232801
00-222	MD	NAV Condor	2000	30/2	66	Y	196328
00-223	MD	NAV Condor	2000	30/2	62	Y	212240
00-224	MD	NAV Condor	2000	30/2	64	Y	207145
00-225	MD	NAV Condor	2000	30/2	63	Y	232102
00-226	MD	NAV Condor	2000	30/2	65	Y	221429
00-227	MD	NAV Condor	2000	30/2	62	Y	201802
00-228	MD	NAV Condor	2000	30/2	62	Y	198374
01-229	LTV	CMD Pegasus	2000	10/2	69	Y	124083
01-230	LTV	CMD Pegasus	2000	10/2	67	Y	135654
01-231	LTV	CMD Pegasus	2000	10/2	67	Y	125244
02-232	LTV	FRD Phoenix	2002	8/2	67	Y	115240
02-233	LTV	FRD Phoenix	2002	8/2	65	Y	131877
02-234	LTV	FRD Phoenix	2002	8/2	66	Y	105183
02-235	LTV	FRD Phoenix	2002	8/2	67	Y	100326
02-236	LTV	FRD Phoenix	2002	8/2	69	Y	33871
9801	HD	TBB 141	1998	41/2	51	Y	150760
Trolley	MD	FRC Supreme	2000	27/2	80	Y	12551

Source: Inventory provided by LCT staff

CV – Converted Van  
 MD – Medium Duty Bus  
 LTV – Light Transit Vehicle  
 HD – Heavy-Duty Bus

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One hundred percent (100%) of the vehicles in the LCT fleet are ADA wheelchair accessible. In this regard, there is a sufficient number of back-up vehicles which are ADA compliant so that if a wheelchair accessible vehicle breaks down, a replacement vehicle is readily accessible from base. According to information provided by LCT’s contract service provider, the system’s peak hour number of vehicles is twenty-eight (28).

Of significant note is the number of vehicles in the LCT fleet which are beyond their “useful life”. ODOT has standards for the useful life of each type of vehicle used to provide public transportation. Using those standards, LCT’s fleet has 61.5% of its vehicles beyond useful life (24 out of 39 vehicles). There are also three (3) other vehicles which are very close to being beyond their useful life. If these are incorporated into the useful life calculation, 69.2% of the fleet is beyond useful life. The average vehicle condition rating is 65 on a scale of 0 to 100. The generally accepted standard is not to have more than 10-15% of a vehicle fleet beyond its useful life.

**Expenses and Revenues**

Exhibit 7 that follows displays operating expenses for a 3-year period.

**Exhibit 7: Operating Expenses-3 Year Period**

	2001	2002	2003
<b>Operating Costs</b>	\$3,253,393	\$3,927,694	\$4,225,857
<b>Administrative Costs</b>	\$1,068,711	\$708,946	\$424,246
<b>TOTAL SYSTEM COSTS</b>	<b>\$4,322,104</b>	<b>\$4,636,640</b>	<b>\$4,650,103</b>

Source: Status of Public Transit in Ohio 2002, 2003, 2003 4<sup>th</sup> quarter LCT operating data report

Expenditures for actual operations of the system increased by 7.6% due to an increase in vehicle hours (service provider is paid based on vehicle hours of service). Administrative costs decreased substantially by 40.2% from 2002. Administrative costs are 9.1% of the total system expenses.

Exhibit 8 shows revenues for a 3-year period.

**Exhibit 8: Operating and Capital Revenues-3 Year Period**

	2001	2002	2003
<b>Passenger Fares</b>	\$273,472	\$410,722	\$447,481
<b>Contract Revenue</b>	\$107,930	\$108,071	\$106,060
<b>State Assistance</b>	\$0	\$0	\$194,961
<b>State E&amp;D</b>	\$69,139	\$72,953	\$65,658
<b>Federal Assistance</b>	\$1,314,003	\$1,170,385	\$2,524,129
<b>Local Assistance</b>	\$2,173,324	\$2,471,296	\$1,153,728
<b>Other</b>	\$56,579	\$11,344	\$60,962

<b>TOTAL</b>	<b>\$3,994,447</b>	<b>\$4,244,771</b>	<b>\$4,552,979</b>
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Source: Status of Public Transit in Ohio, 2001, 2002, 2003 4<sup>th</sup> quarter ODOT Rural Transit Program operating data report

Passenger farebox revenue increased 63.6% between 2001 and 2003. The 2003 figures include state and federal capital assistance which is used to cover the system's maintenance and some equipment and facilities expenses. This makes it difficult to compare with 2001 and 2002. However, it is noted that State E&D funding (probably due to state budget cuts) and contract revenue decreased slightly between 2002 and 2003.

**Current Budget**

LCT administrative staff provided the following budget for 2004 operations:

<b>Expenses</b>	<b>Amount</b>
Salaries & Wages	\$200,000
Fringe Benefits	\$60,000
Ticket Sales Fee	\$1,000
Professional/Technical Services	\$50,000
Materials & Supplies	\$16,000
Utilities	\$19,000
Casualty/Liability Insurance	\$9,500
Purchased Transportation	\$2,440,000
Dues & Subscriptions	\$4,000
Travel & Meetings	\$5,000
Marketing	\$100,000
Admin. Equipment Rental	\$1,000
Other Contributed Services	\$20,000
Other Expenses	\$500
Capitalization of Maintenance	\$1,600,000
Capital - Replacement Vehicles	\$275,000
Capital - Tire Lease	\$48,000
Capital - Other	\$1,000
Computer Hardware/Software	\$2,000
Park-N-Ride Lot	\$1,500
Capital - Office Equipment	\$1,000
<b>TOTAL EXPENSES</b>	<b>\$4,854,500</b>
<b>Revenues</b>	
Federal Grants	\$2,500,000
State Grants	\$168,000
County Grants	\$1,040,000
City Grants	\$25,000
Local Reimbursement	\$80,000
Farebox Revenue	\$400,000
Special Transit Fares	\$95,000

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Advertising Revenue	\$32,000
Elderly & Disabled Fare Assistance	\$16,000
Investment Income	\$1,000
Contributed Services	\$20,000
<b>TOTAL REVENUE</b>	<b>\$4,377,000</b>
<b>Funding Shortfall</b>	
	<b>\$477,500</b>

It is noted that the system budget indicates a funding shortfall for 2004 of \$477,500. However, this includes capital funds for the replacement of vehicles in the amount of \$275,000. Without this capital expense, the shortfall is \$202,500. Vehicle replacement expenses are usually not considered part of the system’s operating budget and are placed in a separate capital budget. It is also noted that the line items, “Capitalization of Maintenance” and “Vehicle Tire Lease”, are actually operating expenses and should be included in LCT’s operating budget. However, they are denoted as capital expenses for the purposes of receiving federal transit grant funds.

In order to examine other funding shortfall scenarios, the reviewers attempted to construct a 2004 budget for the system which accurately reflected operating costs and which showed the total cost of First Transit’s operation under “Purchased Transportation”. It is also noted that “Purchased Transportation” also includes the costs of the Vermilion and Avon Lake Dial-A-Ride Services (\$18,950 for Vermilion and \$21,200 for Avon Lake). The following budget was developed for 2004:

<b>Expenses</b>	<b>Amount</b>
Salaries & Wages	\$190,000
Fringe Benefits	\$64,000
Ticket Sales Fee	\$1,500
Professional/Technical Services	\$10,000
Materials & Supplies	\$15,000
Utilities	\$17,000
Casualty/Liability Insurance	\$9,500
Purchased Transportation	\$4,086,077
Dues & Subscriptions	\$4,000
Travel & Meetings	\$3,000
Marketing	\$70,000
Other Contributed Services	\$20,000
Other Expenses	\$5,000
Capital - Tire Lease	\$52,000
Capital - Vehicle Replacement	\$275,000
<b>TOTAL EXPENSES</b>	<b>\$4,822,077</b>

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<b>Revenues</b>	
Federal Grants	\$2,500,000
State Grants	\$168,000
County Grants	\$1,040,000
City Grants	\$25,000
Local Reimbursement	\$89,000
Farebox Revenue	\$448,000
Special Transit Fares	\$106,000
Advertising Revenue	\$0
Elderly & Disabled Fare Assistance	\$16,000
Investment Income	\$8,000
Contributed Services	\$20,000
<b>TOTAL REVENUE</b>	<b>\$4,420,000</b>
<b>Funding Shortfall</b>	<b>\$402,077</b>

As noted above, the funding shortfall is still significant at \$402,077 (including vehicle replacement costs). Without vehicle replacement costs, the funding shortfall is \$127,077. No advertising revenue was programmed into the budget due to the uncertainty of the advertising revenue contract, however, some revenue may be realized in 2004. A majority of the changes to budget amounts were based on actual expenses and revenues for 2003. It is noted that the Elderly & Disabled Fare Assistance grant amount is significantly less than the amount reported for 2003 – the system received \$65,658 in E & D assistance in 2003. The system will only receive \$16,000 for 2004 because of figures which were incorrectly reported by LCT during the E & D allocation process according to ODOT Public Transit Office staff. Had they been reported correctly, the system budget shortfall would have been only \$62,077. The system should receive at least the amount for 2003 for 2005 if figures are reported correctly.

**Current Grants**

According to LCT administrative staff and information provided by the Ohio Department of Transportation, the following federal and state grants are currently “open” for the Lorain County Transit System:

- FY 2004 Federal Formula Grant - \$2,500,000 (\$275,000 for replacement vehicles is in grant budget).
- FY 2004 State Grant - \$168,000.
- FY 2001 Section 5309 Earmark - \$396,126 (originally for the purchase of two (2) trolleys).
- FY 1999 Federal Grant – amount not determined but LCT staff indicated it was sufficient to purchase one vehicle.

- FY 2004 Section 5309 Discretionary Grant (through Ohio Public Transit Association) – just approved; for the purchase of two (2) vehicles.

LCT administrative staff also indicated that there was additional grant funding coming from Greater Cleveland RTA but this application had not been finalized as of the date of this review. This could provide more funding for replacement vehicles according to Mr. Tom Ferguson. LCT staff also noted that a request was going to NOACA for possible CMAQ (Congestion Mitigation and Air Quality) funding in FY 2006 for eleven (11) replacement vehicles.

### ORGANIZATIONAL STRUCTURE

The organizational structure for LCT is depicted in Exhibit 9. LCT is operated under the Lorain County Commissioners. The administrative employees are County employees. Drivers, dispatchers, and maintenance personnel are employees of First Transit, LCT's contract service provider and First Student, LCT's maintenance provider.

The **LCT General Manager** (Deborah Mohr) reports directly to the Board of County Commissioners and is responsible for all financial and operational affairs of the transit system, including the development of policies that govern the transit system's day-to-day operations. She is also responsible for procurement, oversight of the contract service provider and ADA compliance issues. The essential job functions of this position are listed below:

- Ensures that County policies are carried out;
- Responsible for overall operations of Lorain County Transit;
- Manages all the business activities of the Lorain County Transit System;
- Keeps knowledge current on FTA and ODOT regulations and policies;
- Makes recommendations to the County Commissioners on all matters related to public transportation in the Lorain County area;
- Presents agency and project-related information to Transit Committees;
- Supervises staff, assigning them to project and task level activities;
- Oversees all personnel matters as defined in the by-laws;
- Evaluates performance of assigned personnel;
- Defines and communicates agency goals and objectives to assigned personnel;
- Manages preparation of RFP's and contracts;
- Collects/analyzes/inputs data;
- Reviews and approves all reports/documents/records;
- Prepares, reviews and approves study designs;
- Manages budget, projects and task levels;

### ORGANIZATIONAL STRUCTURE

ORGANIZATIONAL  
STRUCTURE

- Provides input for program budget;
- Maintains contact with outside organizations and media on LCT operations and projects;
- Monitors service contracts and service performance;
- Prepares and executes procurement solicitation materials;
- Reviews grant applications under IGR (inter-governmental review) process;
- Monitors all special projects as required;
- Oversees marketing strategies for agency;
- Conducts public hearings on grant applications and service program adjustments; and
- Performs other duties as deemed appropriate.

The non-essential job function listed for this position is assisting with staffing and participating in fairs, festivals and events.

The *Administration Specialist* (James Williams) reports directly to the General Manager and is charged primarily with oversight of the contract service provider with regard to safety and security issues and drug and alcohol program issues. He is also responsible for handling all of the complaints regarding LCT service. The job description for this position lists the essential job functions as:

- Keep knowledge current on FTA and ODOT regulations and policies;
- Supervise special projects as assigned;
- Prepare and update an operation and customer service manual;
- Maintain customer complaint resolution forms;
- Respond sensitively to all complaints;
- Keep in contact with, and make presentations to, social service agencies/organizations as assigned; and
- Other related duties as assigned.

Non-essential job functions are assisting the General Manager in the development of marketing strategies; organizing and staffing fairs, festivals, and events; and supervise and assist in the development of an LCT Volunteer Program.

The *Chief Financial Officer* (Thomas Ferguson) reports directly to the General Manager and is responsible for all aspects of LCT's financial matters. The job description for this position lists the essential job functions as the following:

- Maintain daily communication with the General Manager in regards to all finance-related issues;

ORGANIZATIONAL  
STRUCTURE

- Responsible for all aspects of LCT's financial matters including but not limited to: payroll functions, accounts payable, accounts receivable, drawdowns, petty cash, bank statements, financial statements, general ledger, budgets and grant writing;
- Maintain current knowledge of all financial policies as they relate to LCT operations;
- Prepare financial reports;
- Act as financial advisor to the General Manager and the County Commissioners;
- Maintain current knowledge of all Federal Transit Administration and ODOT regulations and policies as they relate to LCT;
- Maintain necessary procedures to facilitate agency audits as required under state and federal regulations;
- Represent LCT in all audits;
- Prepares and submits the National Transit Database (NTD) Report;
- Assist the General Manager in preparing and submitting all grant applications, with periodic fiscal review and evaluation of transit services, in the preparation of securing quotes and public bids, and in developing and preparing an annual report;
- Prepare and administer all contracts;
- Complete and submit all Financial Status Reports (FSR);
- Process bank account transfers and sign accounting and payroll checks;
- Monitor all grant status and compliance issues;
- Complete, assess and discuss with the General Manager cost analysis of service program;
- Disseminate federal, state and local fiscal guidelines to staff;
- Meet goals and objectives as outlined in performance reviews; and
- Other financially-related duties as directed by the General Manager.

Non-essential job functions for this position include making presentations to agencies and organizations as assigned and assisting with staffing fairs, festivals and events.

The ***Financial Assistant/Bookkeeper*** (Pamela Novak) reports to the Chief Financial Officer. She is responsible for the following essential job functions:

- Maintain daily communication with Chief Financial Officer in regards to all finance-related issues;
- Assist the Chief Financial Officer with all financial matters;
- Maintain current knowledge of all FTA and ODOT regulations and policies as they relate to LCT operations;
- Complete and submit the Disadvantaged Business Enterprise (DBE), Title VI and Vehicle Inventory Reports;
- Prepare meeting minutes;
- Meet goals and objectives as outlined in performance reviews; and
- Other related duties as assigned.

Non-essential job functions include assisting with the development of marketing strategies and assisting with the staffing of fairs, festivals, and events.

The *Mobility Manager* (Charity Perkins) reports directly to the General Manager and is responsible for the oversight of the LCT Brokerage Program. The Brokerage Program is funded through NOACA, the Northeast Ohio Area Coordinating Agency, the metropolitan planning organization for the Lorain County Area. The job description for this position lists the following essential job functions:

- Maintains communication with the General Manager in regard to all service-related issues;
- Acts as the project manager and is responsible for the daily management of the brokerage program;
- Identifies short and long term planning needs and develops goals and strategies for the brokerage program;
- Promotes transportation access among businesses and organizations within the region;
- Markets the brokerage program throughout Lorain County;
- Develops brokerage agreements with all transportation providers in Lorain County with the purpose of transporting TANF (Temporary Assistance to Needy Families) and low-income clients to work, childcare and training sites;
- Negotiates all contracts and monitors contracts for compliance;
- Monitors budget expenditures and takes appropriate actions to modify services so budgets are not exceeded;
- Maintains a performance monitoring system sufficient to provide the statistics necessary to make quarterly assessments of all service provided;
- Verifies and authorizes payment for contract carrier invoices;
- Writes grants to secure additional funding for brokerage program support;
- Completes monthly Brokerage Program reports;
- Completes yearly Jobs Access/Reverse Commute reports;
- Determines needs and prepares all purchasing requests for the brokerage supplies; and
- Other duties as necessary.

Non-essential job functions include assisting with staffing fairs, festivals and events; acting as back-up to the Logistic Manager in his/her absence; and marketing LCT throughout Lorain County (editing LCT newsletter, media buying, developing public service announcements, issuing press releases).

The ***Logistics Manager*** (Jen Taylor) reports directly to the Mobility Manager and is responsible for the following essential job functions:

- Reports to the General Manager and maintains communication with the General Manager in regard to all service-related issues;
- Conducts one-on-one interviews to assess client transportation needs;
- Schedules client trips through public transit as well as through contracted transportation providers;
- Verifies trip completion information with contracted carriers;
- Enters client and trip data into Mobility Master computer program;
- Collects client and trip data necessary for completion of the monthly report;
- Maintains client file system and database;
- Maintains weekly timesheets and requests for time off work; and
- Any other duty or responsibility necessary.

Non-essential job functions include assisting with staffing at fairs, festivals and events; periodically monitoring fixed route, community connector and dial-a-ride drivers/buses; and assisting the Mobility Manager with various tasks or projects as needed.

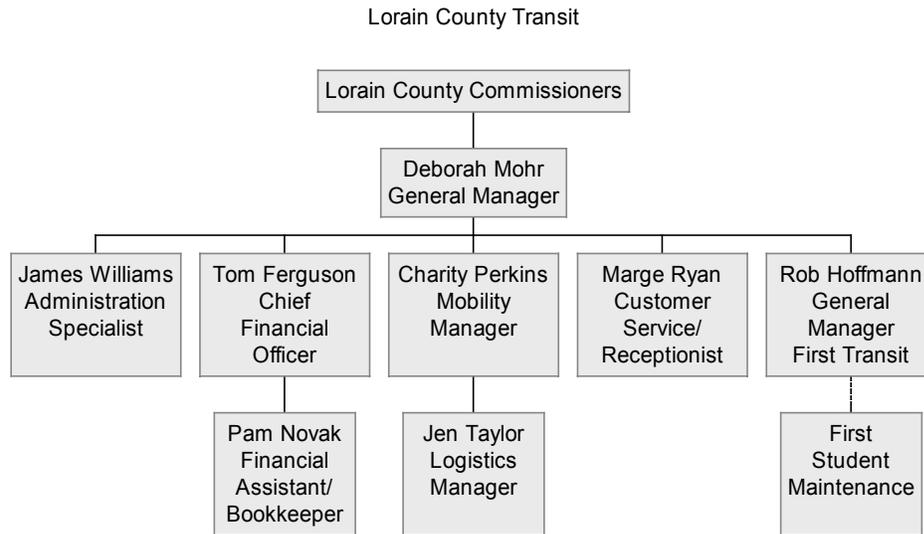
The ***Receptionist/Customer Service Representative*** (Marge Ryan) reports directly to the General Manager and is responsible for the following essential job functions:

- Maintain daily communication with General Manager in regards to all service-related issues;
- Maintain office filing system;
- Answer telephones politely and professionally;
- Acquire accurate knowledge of LCT routes, schedules and other related services;
- Refer telephone requests for information or complaints to appropriate staff;
- Respond sensitively to all customer complaints, delays, accidents, equipment breakdowns and other operating problems;
- Assist customers who walk in and buy tickets;
- Meet goals and objectives as outlined in performance reviews; and
- Other related duties as directed by General Manager.

Non-essential job functions include distributing appropriate information on LCT services as requested, keeping an inventory of schedules, tickets and office supplies, reorder office supplies when needed, assisting with organizing, copying and mailing monthly Commissioners' packets, typing letters and forms, making copies when requested, reviewing newspapers and periodicals for articles concerning LCT and transportation-related issues in

general, opening and distributing mail, and assisting with staffing and participating in fairs, festivals and events.

**Exhibit 9:  
Organizational Chart – Lorain County Transit**



**ORGANIZATIONAL  
STRUCTURE**

**PEER SYSTEM REVIEW**

Exhibits 10 through 12 provide the results of a peer group analysis contrasting Lorain County Transit with three (3) other Ohio small urban transit systems for the year 2002 (data was collected from the ODOT Status of Transit, 2003).

Peer sample selection was primarily based on similarities in operations and service area size. Other factors in selection included:

- Population
- Service type
- Ridership
- Number of vehicles
- Total system expenses
- Total vehicle miles

The peer group sample selected is as follows:

- Laketran
- Stark County
- Western Reserve Transit Authority (WRTA)

Exhibit 10 displays general data on each of the peer systems and LCT. All have similar service types and service area size.

**PEER SYSTEM  
REVIEW**

**Exhibit 10: Peer Comparison: General Data**

System Name	Pop. 2000	Service Area (sq. miles)	Service Type	No. Employees	No. Vehicles
LCT	284,664	495	FR/DR	87	39
Laketran	227,511	295	FR/DR	157	100
Stark County	378,098	567	FR/DR	201	87
WRTA	361,627	149	FR/DR	82	53

Source: Status of Transit in Ohio, 2003 (2002 data)

Exhibit 11 provides peer comparisons on operational data. This table shows the LCT cost recovery ratio as falling in the range of the cost recovery ratios of other peer systems. LCT's cost recovery ratio is slightly higher than the other peer systems.

In cost per vehicle mile and cost per passenger, LCT's figures are again comparable to its peers. LCT ranks last in number of passengers transported per vehicle mile for its fixed route service but ranks second for its demand response service.

**Exhibit 11: Peer Comparison: Operations Data**

System Name	Pass. Trips	Total System Expenses	Total System Revenues (Fares, Contracts, Other)	Total Veh. Miles	Oper. Cost Recovery Ratio	Cost/ Veh. Mile	Cost/ Pass.	Pass./ Veh. Mile
LCT	599,576	\$4,636,640	\$4,244,771	1,709,134	9.10% FR 17.14% DR	\$2.58 FR \$3.18 DR	\$6.42 FR \$18.55 DR	0.40 FR .17 DR
Laketran	926,804	\$9,415,861	\$1,774,682	3,244,168	12.0% FR 5.39% DR	\$4.34 FR \$2.46 DR	\$5.76 FR \$17.27 DR	0.75 FR .14 DR
Stark County	1,818,941	\$11,782,949	\$1,440,654	4,069,588	8.89% FR 6.00% DR	\$3.04 FR \$2.50 DR	\$5.26 FR \$26.20 DR	0.58 FR 0.10 DR
WRTA	1,361,051	\$6,117,858	\$5,965,127	1,356,176	12.35% FR 1.78% DR	\$4.54 FR \$4.25 DR	\$4.20 FR \$23.59 DR	1.08 FR 0.18 DR

Source: Status of Transit in Ohio, 2003 (2002 data)

The intent of the next table is to provide a closer examination of administrative costs vs. operating costs.

**Exhibit 12: Peer Comparison: Administrative Costs**

<b>System Name</b>	<b>Total Operating/Adm in Costs</b>	<b>Total Admin. Expenses</b>	<b>Admin. Costs as % of Operating Costs</b>
LCT	\$4,636,640	\$708,946	15.3%
Laketrans	\$9,415,861	\$1,762,038	18.7%
Stark County	\$11,782,949	\$1,544,105	13.1%
WRTA	\$6,117,858	\$1,025,350	16.7%

Source: Status of Transit, 2003 (2002 data)

Even though LCT overall expenditures are lower than its peers, its administrative costs as a percentage of operating costs is similar to its peers (the second lowest percentage).

## **ADMINISTRATIVE FUNCTIONS**

### **OVERVIEW**

The administrative functions of a transit system include:

- Management and Organization
- Service Planning
- Marketing and Public Relations
- Fares and Contract Rates
- Accounting and Finance
- Purchasing and Procurement
- Personnel and Labor Relations

All of these functions are required elements for a well-managed transit system that is in compliance with various Federal and state requirements. In this section, each of these functions is reviewed for LCT. For each function reviewed, a description of the function is provided. Recommendations for the transit system based on the findings generated from the review are documented.

### **MANAGEMENT AND ORGANIZATION**

Transit system management is responsible for ensuring the proper execution of all other functions of transit service delivery. Generally, the functional responsibilities of management are defined as:

- establishing system objectives to reach the goals set by the governing board;
- attaining these stated objectives;
- structuring the organization to attain objectives efficiently;
- monitoring the performance of the system; and
- establishing necessary communications linkages with the system and the general public.

### **Findings**

#### **Mission Statement and Transit Program Goals and Objectives**

Lorain County Transit's mission statement is as follows:

*To promote efficient and effective public transportation, which encourages economic development and increases opportunities to enhance independence and the quality of life in Lorain County.*

### **OVERVIEW**

### **MANAGEMENT AND ORGANIZATION**

The mission statement has not been evaluated for approximately seven (7) or eight (8) years according to the General Manager. It was developed by the LCT Board with the assistance of Lorain Community College staff during a “visioning” process exercise.

The system does not have measurable goals and objectives which could be utilized to evaluate system and staff performance and which could be reported on to the County Commissioners on a regular basis.

The system has a Transportation Development Plan (2003-2007), a five-year plan meant to guide the growth of the transit system. The following “vision”/mission statement is contained in this plan:

- To develop a network of mobility services designed to move residents throughout the County in the quickest, least expensive, most environmentally friendly way possible in order to improve the quality of life through meaningful employment, economic growth, educational advancement and civic participation;
- To be good stewards of taxpayer dollars by cost effectively managing financial resources through competitive contracting, performance benchmarking and the judicious investment in transit services.
- To invest in technology for the enhancement of service quality to customers and the improvement in cost efficiency to resident taxpayers.
- To actively participate in the economic growth of the community by increasing access to jobs for County residents and increasing the pool of available employees to area businesses.
- To improve the quality of life for those residents with mobility and economic limitations for whom public transportation is their only means of maintaining an independent lifestyle.

Goals for improving LCT’s fixed route service include the following:

- Provide more frequent service. The current frequency of operating trips every hour makes the LCT system only marginally convenient. Since a majority of passengers transfer to reach their final destination, the actual customer ready time versus arrival time can be excessively long.
- Improve transferring capabilities. The LCT has been very successful in implementing a timed transfer system resulting in dramatic increases in ridership. Since the LCT was forced to reduce service into Midway Mall, it has been without a permanent facility for buses and passengers to wait in safety and comfort.
- Improve service productivity. Service is designed under a fixed route concept because it has enough passenger volume to support a regular schedule along a regular route. The relatively low productivity means

the capacity exists on the fixed route system to accommodate more riders. Service which does not have the capacity to improve productivity due to a lack of density or demand within the route's service area should be examined to determine if another type of service delivery system such as Links is more appropriate. (The plan recommends many changes to the fixed route system.)

LCT's Links Service, or its Community Connector service, is designed to provide community-based services to increase mobility within a specified geographic area whose densities or physical layout prevent fixed route transit from productively serving the community. Most successful of these services is the Oberlin Community Connector Service. Links is intended to meet the following goals and objectives:

- Provide mobility within neighborhoods and to businesses within a community;
- Provide links to the fixed route network for travel across the County; and
- Focus on community-based mobility needs.

Recommended improvements include the introduction of Links Service to Amherst, Sheffield Lake, Wellington, Lorain and Elyria.

LCT's Access Service, its demand response service, is designed to provide curb-to-curb transportation to persons with disabilities who are unable to use traditional transit. While this is the most expensive service to provide, it is also the only mandated service required by the Americans with Disabilities Act. Unlike Links Service, passengers can use the service anywhere within the LCT service area. The goals/objectives for this service include:

- Complying with all aspects of the ADA legislation;
- Provide accessible alternatives through the Links and Fixed Route services; and
- Expand services as demand dictates.

Recommended improvements are incremental through the five-year period based on service requests and trip denials.

Lorain County Transit was also included in the County's Multi-Modal Transportation Plan (Poggemeyer Design Group, March 2002). The vision put forth for LCT in this plan was "Lorain County will strive to offer residents a safe, efficient and cost-effective public transportation system; and make public transit an antidote to sprawling development and a more viable alternative to automobile transportation, thereby reducing congestion and air pollution."

The plan mentions several challenges for LCT:

- Better inform the public of the benefits of public transit;
- Secure the financial sustainability of the transit system;
- Embrace transit-friendly and transit-oriented developments; and
- Make transit available for all persons.

The plan provides several recommendations to address these challenges. These should be included in any update to LCT's Transportation Development Plan or to its goals and objectives where appropriate.

### **Organizational Structure**

The organizational structure has been previously described and depicted above in the System Overview Section. The LCT organizational structure has similarities to other Ohio small urban and rural public transit systems operated by cities and counties.

It is noted that LCT is transitioning from operating under the Lorain County Transit Board to being a County department under the Lorain County Commissioners. In this regard, consideration should be given to fostering a sense of inclusion in County activities for LCT staff and to improve communication with and access to other County staff.

LCT does not have a Transit Advisory Committee (TAC) to advise staff on such issues as policy development and marketing strategies. Such a Committee could be another valuable resource to the transit system and would provide support for system changes that are considered by the Lorain County Board of Commissioners. This committee would be advisory only with the Commissioners actually setting policies for the system.

### **Recommendations & Requirements**

1. LCT administrative staff should consider having a goal setting/strategic planning session with the Board of Commissioners to provide direction on what the Commissioners want LCT "to look like" in the future. Appropriate goals and objectives from the other plans mentioned above should be incorporated into the goals and objectives document generated by this session. This will help to guide decision-making and will provide accountability benchmarks for LCT management and staff.
2. LCT should re-visit its Transportation Development Plan and revise it based on changes already made and the existing financial environment.
3. LCT should establish a Transit Advisory Committee to provide a "sounding board" for staff on policies, marketing, operations, etc. and to provide an advisory board for the County Commissioners.

4. The current office space for LCT administrative staff should be moved to the new transfer/administrative facility in downtown Elyria after it is completed.
5. All policies and procedures and job descriptions should be revised to replace the LCT Board of Directors with the Lorain County Commissioners to reflect the change in operating structure and to be consistent with other County policies.
6. LCT staff needs to enhance financial and grants management skills with regard to budgeting, grant administration, and performance monitoring.

### **SERVICE PLANNING**

Service planning is essential to efficient transit operations, to meet new market opportunities, and to respond to changes in existing markets. The service planning function has four (4) primary tasks and these are to:

- collect and research data upon which conclusions can be drawn and service modifications can be justified;
- meet state recommendations for the preparation of four (4) year operating and capital plans;
- justify requests for funding and to comply with stipulations required as part of the grant application process; and
- evaluate and improve the system's performance.

### **Findings**

The General Manager is responsible for planning for the Lorain County Transit System. LCT has no planning staff with appropriate planning education and background and has historically relied on NOACA (Northeast Ohio Area Coordinating Agency), the region's metropolitan planning organization, and consultants for planning efforts.

Input from outreach efforts, service requests, and meetings with area social service agencies has been used in the past to guide service planning activities.

Lorain County Transit is located within the planning area of NOACA, a metropolitan planning organization (MPO).

### **Strategic Planning**

As mentioned above, LCT does have a Transportation Development Plan (TDP), five (5) year strategic plan for the future growth of the system. This plan was prepared by Alexander and Associates Consulting Services, Inc. in April of 2002. Its planning horizon is 2003 to 2007.

### **SERVICE PLANNING**

The information contained in the TDP has been used to make changes to the LCT system by LCT staff and the contract service provider, First Transit.

### **Operating Data and Performance Monitoring /Measures**

LCT collects operating data which includes vehicle miles, vehicle hours, passenger trips (linked and unlinked), number of elderly and disabled (E&D) passengers, on-time performance, staffing information, fleet information, and financial data. These data items are compiled from such sources as the driver manifests/counts and the computerized dispatching system.

This data could be analyzed to determine what service changes are necessary, the level of ridership productivity (passengers/mile, passengers/hour, etc.), the on-time performance of the service provider and progress toward meeting system goals and objectives.

Data has been compiled previously in monthly reports to the Lorain County Transit Board in order for the Board to track ridership levels, etc. However, it appeared that this process was discontinued when LCT was switched to a County department. Currently, it appears that this data is not effectively communicated to the County Administrator and that the implications and meanings of changes in the data are not understood by LCT staff. LCT does not produce an annual report for local distribution.

### **Public Participation Process**

Lorain County Transit has a written policy for public involvement which it uses when making service or fare changes:

At a minimum, the following procedures will be followed to ensure that LCT has a proactive public involvement process which provides complete information, timely public notice and full public access to key technical and policy decisions relative to fare and/or service changes.

1. The LCT Board of Directors (now the Lorain County Commissioners) will approve for publication all major fare or service changes.
2. LCT will advertise at least one month in advance and at least twice in the local newspaper of greatest circulation the intended major fare or service change. LCT's advertisement shall include a request that individuals requiring accommodations for speech, hearing, language or other forms of communication assistance, must notify LCT of such need at least five (5) calendar days prior to the date of the public hearing so that the needed assistance can be arranged.
3. LCT will hold a public hearing at least two (2) weeks prior to any major service or fare change. All public hearings shall be held in locations accessible to persons with disabilities. (LCT will advertise the public hearing based on the guidelines set forth above.)

4. Copies of the proposed major fare and/or service changes will be made available at the LCT office and at all LCT ticket sale sites. The following criteria shall constitute the basis for determining major fare or service changes:
  - a. Any service change to a fixed route that alters that route by one hour or more.
  - b. Any fare change that causes an increase or decrease in public fares.

The following procedures will constitute the process for reviewing and considering comments received regarding any fare or service change:

1. Minutes will be kept of the public hearing comments.
2. Letters will be compiled with the minutes.
3. The minutes and comments will be reviewed by the LCT Board of Directors (now the County Commissioners) at a board meeting prior to the approval of the fare or service change.

### **Transportation Coordination**

LCT administrative staff coordinate with local human service providers through LCT's Brokerage Program and attending meetings of several human service provider consortiums.

The Lorain County Transportation Brokerage Program is a cooperative effort between Lorain County Department of Job and Family Services, NOACA, the Lorain County Commissioners and Lorain County Transit designed to help people become self-sufficient. Lack of transportation is one of the biggest barriers individuals face when seeking employment, childcare and/or training. The Lorain County Brokerage Program is designed to break down those barriers by temporarily assisting individuals with their transportation needs. Through contracts with both public and private agencies, clients get safe and reliable transportation. The Logistics Manager is responsible for assessing a client's transportation needs and for arranging the most economical and reliable service for a client. The Logistics Manager will assign a client to public transit, taxi service or a van service, depending on the client's situation and location in Lorain County.

The Brokerage Program staff (Mobility Manager and Logistics Manager) are located at the Employment netWork, 42495 North Ridge Road, Elyria, immediately adjacent to the Lorain County Department of Job and Family Services building. The program is funded with Congestion Mitigation/Air Quality (CMAQ) funds from NOACA.

- The Mobility Manager has heavily marketed the LCT Brokerage Program through direct contact with numerous social service agencies, education facilities and local businesses.

The Brokerage Program assisted in providing 23,846 trips in 2003 for 1,365 clients.

LCT administrative staff also participate in meetings of the following groups/agencies, at which they distribute/disseminate information about LCT :

- Alzheimer’s Association
- Elyria Rotary Club
- Lorain County Task Force for the Homeless
- Elyria ADA Advisory Board and Task Force
- Lorain County ADA Coordinators Network
- Lorain County Department of Job and Family Services Transportation Sub-Committee
- Ohio Association of Railroad Passengers (Elyria/Lorain County Chapter)
- Lorain County Community Alliance
- NOACA Transportation Advisory Committee

**Future Capital and Operating Needs**

Exhibit 11 shows the capital, operating and planning expenditures projected by LCT in NOACA’s 2004-2007 Transportation Improvement Program.

**Exhibit 11: SFY 2004-2007 LCT Projected Expenditures**

SFY	Capital	Operating	Planning
2004	\$2,953,000	\$5,231,000	\$283,000
2005	\$2,318,000	\$5,501,000	\$289,000
2006	\$2,411,000	\$5,785,000	\$305,000
2007	\$2,548,000	\$6,100,000	\$311,000

Source: SFY 2004-2007 NOACA TIP, May 2003

Exhibit 12 shows the projected sources of revenue (federal, state, local) for 2004-2007.

**Exhibit 12: SFY 2004-2007 LCT Projected Revenues (in thousands)**

SFY	Federal			State			Local		
	Cap.	Oper.	Plan.	Cap.	Oper.	Plan.	Cap.	Oper.	Plan.
2004	2,362	1,530	226	210	60	0	381	2,961	57
2005	1,854	1,644	231	215	60	0	249	3,112	58
2006	1,929	1,727	244	215	60	0	267	3,298	61
2007	2,038	1,846	249	225	60	0	285	3,484	62

Source: SFY 2004-2007 NOACA TIP, May 2003

Exhibit 13 shows LCT’s proposed vehicle replacement/procurement schedule which is contained in NOACA’s Transportation Improvement Program:

**Exhibit 13: Vehicle Procurement Schedule**

<b>Year</b>	<b>Units Replaced</b>	<b>Description</b>
2004	2	2 30' medium duty buses
2005	4	2 30' medium duty buses and 2 30' light duty buses
2006	4	2 30' medium duty buses and 2 30' light duty buses
2007	4	2 30' medium duty buses and 2 30' light duty buses

Source: SFY 2004-2007 NOACA TIP, May 2003

Given the condition of LCT's fleet of thirty-nine (39) vehicles, this schedule was not followed and should be revisited to ensure that enough vehicles are being replaced each year to eliminate the large number of vehicles in the fleet which are past their useful life. It is recommended that at least seven (7) to nine (9) vehicles be replaced each year given the number of peak hour vehicles that the system requires and the amount of time it takes vehicles to reach useful life. Consideration should also be given to replacing converted vans on the demand response side with larger light transit vehicles in order to allow for more flexibility in assigning vehicles between the demand response side and the fixed route side in the event of vehicle breakdowns. The larger vehicles will also last longer than the converted vans given the demands of demand-response service.

The County is also in the process of developing an intermodal terminal facility in downtown Elyria. This terminal will be located in a former train station which will be renovated as part of the project. This facility will house the LCT administrative offices and a passenger waiting room for both trains and buses. This facility will be used as a transfer point for Lorain County Transit's vehicles. This facility's location and the routes which will transfer there will be discussed in greater detail in the Service Evaluation Report to be submitted to the County along with this Management Performance Review by RLS & Associates, Inc.

**Recommendations & Requirements**

7. Effectively utilize performance measures/operating data to assess the system's productivity and efficiency.
8. Continue monthly report generation and distribute copies to the County Commissioners. Have an information session to explain the data in the report.
9. Develop an annual report which will evaluate the system's progress toward meeting goals and objectives and give annual operating data which can be compared with previous years. This piece can be used as

a marketing tool as well as an educational tool as it can be sent to agencies, businesses, etc. all over the County.

10. Perform an evaluation of the system's vehicles and develop a realistic vehicle replacement schedule which replaces seven (7) to nine (9) vehicles per year and which provides replacement vehicles for the demand response service and the fixed route service. Consideration should be given to replacing converted vans with larger light transit vehicles for the demand response side.
11. NOACA's Transportation Improvement Program should also be amended to reflect the revised vehicle replacement schedule and current LCT financial operating environment.

## **MARKETING AND PUBLIC RELATIONS**

Rural public transit marketing is typically limited by lack of funding and/or staff time available to conduct marketing projects. Nevertheless, a public transportation system can benefit from a marketing program that raises community awareness of the system, educates the public on how to use the system, and generates community support. Further, rural transit systems are required to "adequately" market their service to ensure that the general public is aware of the service. Marketing entails three functions:

- conducting research;
- designing a marketing program; and
- promoting recognition of the service and its availability.

### **Findings**

The LCT General Manager is responsible for the oversight of marketing activities according to the job description for this position. Currently, the Mobility Manager also assists the General Manager with marketing activities as she has "a marketing background" according to the General Manager and she is responsible for marketing the Brokerage Program. All other LCT administrative staff appear to also have input into marketing activities and all appear to assist with staffing events, fairs and festivals.

The Administration Specialist and the Customer Service/Receptionist positions are responsible for customer service/complaints and deal with the public on a daily basis.

The General Manager and the Mobility Manager are responsible for securing advertising and developing promotions to market LCT's services.

LCT staff appear to be very customer-driven and always attempt to gain public input on service changes, etc. They seemed very focused on ensuring that Lorain County residents are being served in an adequate capacity.

## **MARKETING AND PUBLIC RELATIONS**

LCT staff have produced several brochures which highlight different aspects of the services that LCT offers to the community. Those brochures include:

- A system map outlining the fixed routes and community connector routes and their time schedules;
- The Lorain County Transit Brokerage Program brochure;
- The LCT Dial-A-Ride Program brochure;
- The LCT Community Connector Service brochure;
- The LCT Rack and Roll Program brochure; and the
- LCT Fare Deal Program brochure.

These brochures are available to the general public free of charge. They are distributed regularly to a list of almost five hundred (500) businesses, agencies and political subdivisions.

Lorain County Transit is listed in the white pages and yellow pages in County phone books (Verizon, Alltel Ohio, etc.).

LCT has a marketing plan which was completed by Burges and Burges Company. The plan addresses LCT's target audiences, marketing challenges, key messages, recommended marketing tactics, tactics for specific target audiences, and an estimated budget and timeline. As part of its research efforts prior to developing the marketing plan, Burges and Burges conducted fourteen (14) in-depth interviews with community leaders and a telephone survey of four hundred (400) likely registered voters in Lorain County.

The plan lists the following marketing challenges for LCT:

- LCT riders are not well-informed about the service they receive and display no real sense of "brand loyalty". However, they are absolutely critical to the success of any future levy efforts.
- A lack of awareness about who uses LCT, what they use it for, and the fact that their quality of life would be adversely affected if LCT did not provide the services they need.
- Although some awareness of LCT exists, there is no understanding of LCT's capacity (number of riders), or the kinds of trips riders use LCT for (medical, shopping, school and work).
- Concern over LCT's importance as a community service, particularly as it relates to providing dollars for LCT service. LCT needs to demonstrate cost-effectiveness and that riders pay their fair share – that those who use the service are not getting a free ride.

The general theme developed by Burges and Burges and based on market research is "Lorain County Transit is a valuable community resource that helps seniors, people with disabilities, students and workers without

transportation get where they need to go.” This theme is to be used throughout LCT’s advertising campaigns.

LCT has signed a contract with a vendor to produce bus benches with LCT’s name and logo on them and which would be placed along LCT bus routes. This vendor will sell sponsorships to businesses on the benches and also will sell advertising space on the exteriors of LCT vehicles. However, it appeared to the reviewers that the status of this contract was uncertain and needed to be determined with LCT, County and vendor representatives.

The Internet offers an excellent opportunity to provide an interactive medium targeting important audiences. A well-crafted website should work in harmony with other communication channels (print, broadcast, etc.) to reinforce important messages. The website can help build a progressive identity for Lorain County Transit, provide important information about services and routes, act as a resource for related topics, and provide a forum for people to interact with Lorain County Transit and with each other. LCT has a website, [www.loraincountytransit.com](http://www.loraincountytransit.com), which provides rider, fare and schedule information. This website could be expanded to include more information about LCT’s individual services and to emphasize the LCT’s advertising messages.

LCT’s marketing budget for 2004 is \$100,000. This is 3.4% of the system’s total budget which is a reasonable amount of funds for marketing. However, LCT staff indicated that the system will most likely not spend this amount. Expenditures will probably be between \$60,000 and \$70,000 for marketing.

The marketing budget is not separated into separate “pots” of money for LCT’s different services such as its complementary paratransit service. LCT does market all of its services using brochures and various media formats.

In 2003, LCT spent \$61,271.23 on the following advertising media/outlets:

*The Morning Journal* ads  
WJTB Radio Station ads  
Verizon Directory  
WEOL Radio Station ads  
Alltel Ohio Directory  
*The Elyria Chronicle* ads  
*The Times* ads  
Foxmark Media (ad on map kiosk at Midway Mall)  
Lorain County Fair  
WDLW Radio Station ads  
WOBL Radio Station ads  
Amherst Jamboree  
Panther Press (LCT coloring books & system maps)

North Ridgeville Corn Festival  
Second Baptist Church Taste of the South event  
D & D Advertising (phone book)  
Elyria Apple Festival  
W.G. Carter (plastic bags & crayons)  
South Lorain Pride Day  
*The Oberlin News* ads

A majority of advertising expenditures went to radio advertising. Radio advertising expenses accounted for approximately sixty-five percent (65%) of total advertising expenditures. Newspaper advertising accounted for a little over six percent (6.4%) of total advertising expenses. Advertising on the mall directory kiosk at the Midway Mall comprised more than seven percent (7.3%) of total advertising expenses. The printing of system coloring books and system maps was over ten percent (10.2%) of the total advertising costs.

It appeared to the reviewers that LCT did not run any specific promotions or advertising campaigns during the last year. Ads were general system awareness and information ads and were not targeted toward specific audiences based on media outlet or message/format, although many of the testimonial ads were passengers from demographic populations who are usually target audiences for transit.

LCT conducted a rider survey in September of 2003 to examine rider travel trends; to determine if its riders were satisfied with the services being provided; and to determine if ridership demographics have changed since its 1997 survey. LCT received 536 surveys which it could use to compile statistically significant survey results.

LCT staff also send out press releases when there are major system changes, announcements and events. Press releases are approved by the General Manager before they are sent to appropriate media outlets.

The General Manager is a member of a local speakers' bureau and regularly makes presentations to local civic groups on LCT services.

The transit system makes use of public service announcements on local radio stations.

The transit system maintains a separate telephone information number for the general public. LCT staff have a list of basic questions to ask callers and a list of general information to assist them in taking phone calls from the general public. This list should be updated regularly and should be as comprehensive as possible to ensure that LCT staff will have the answers to caller questions.

There is a formal customer complaint and suggestion system. LCT administrative staff are responsible for taking complaints from LCT riders and the general public and there is a form to assist them with this process. Complaints are then either resolved by LCT administrative staff if possible or they are taken to a monthly operations committee meeting between LCT administrative staff and First Transit operations staff and resolved.

There is no emergency plan to provide extra personnel to answer telephones when there is a snow emergency or special event.

Employees are notified of route changes, marketing promotions, or other items of interest through flyers and through regular staff meetings.

### **Recommendations & Requirements**

12. LCT should conduct a rider media survey to determine which media outlets are being accessed by current riders in order to better target advertising dollars to appropriate media for many of demographic groups who ride LCT.
13. LCT should develop a new general information brochure which describes all of its services in one location and which reinforces its name, logo and color scheme and its key message of being a valuable community resource and its new organizational structure.
- 14. LCT should revise its brochures for content and compliance with federal regulations and guidelines (see ADA section under Regulatory Compliance for suggested brochure revisions).**
15. It is recommended that LCT disregard the recommendation to use network television as a primary vehicle for advertising due to the high cost.
16. LCT should explore the use of cable television as this medium is much less expensive and would allow LCT to target commercials to specific geographic locations (e.g. the City of Oberlin) and demographic populations (e.g. the Lifetime Channel is marketed toward women and female heads of household are a target population for LCT marketing).
17. LCT should use the media survey to determine which radio stations riders are listening to, what time of day they listen, and how often. In this regard, radio advertising dollars could be shifted to the most-listened to stations (there could be other stations that cover the Lorain County area).
18. LCT should also use the media survey to determine which newspapers riders read (or don't read) to determine how much newspaper advertising should be purchased. The target audience for newspaper advertising should also be considered – who reads the newspaper and what are the most appropriate sections in which to advertise?
19. LCT's website should be expanded to include more information about all of LCT's services and policies and why transit is valuable to the

community. It should also be a link on local agency, business and government websites.

20. LCT should strive to maintain good relationships with newspaper reporting and editorial staffs.
21. A formal presentation (Power Point format) should be developed which could be used for presentations to local groups and used in conjunction with LCT printed materials. Consideration should be given to purchasing the necessary equipment to present Power Point presentations.
22. Determine the status of the contract between LCT and the vendor who supplies bus benches and advertising on same.
23. Update information for customer calls. Provide a more comprehensive list of basic information to assist LCT call takers.
24. LCT should develop a plan for emergencies and special events to provide adequate telephone coverage for transit system phones.

### **FARES AND CONTRACT RATES**

The demand for transit service is directly influenced by the fares charged. Although the impact of fare changes is less significant in smaller urban and rural areas than in large urban areas, the general relationship between fares and ridership is the higher the fare, the lower the ridership. In general, for every 1% increase in fares, ridership will decrease 0.3% (Simpson-Curtis rule). In this regard, transit systems should establish fares that yield both the highest revenue and passenger ridership.

Additionally, the transit system must carefully analyze the cost of providing services under contract to various human service agencies. The goal of the rate setting process should be to recover, through contract revenues, the fully allocated cost of providing those services. The system should also allocate, as appropriate, any special subsidies made available to support contract system use.

### **Findings**

#### **Fare Collection**

Drivers do not handle cash, make change or sell tickets on the vehicles. Periodic ride checks on vehicles are done by LCT administrative staff to ensure that all fares are being dropped into fareboxes.

LCT/First Transit has the following cash handling procedure for its fixed routes. It is noted that a minimum of two (2) persons should be present while cash is being handled:

- Fares are collected in fareboxes on the LCT fixed route vehicles. Cash fares or tickets are collected when a passenger boards the vehicle. Fareboxes are equipped with removable vaults.
- Wash personnel pull vaults out of vehicles Sunday through Thursday between the hours of 10:45 p.m. and 11:30 p.m.
- At 10:45 p.m., wash personnel sign out vault keys from the dispatch office.
- Vaults will then be switched out with empty vaults, numbered by bus, and full vaults are secured in a vault cabinet.
- All vault keys are returned to the dispatch office lock box by 11:30 p.m.
- Damaged vaults, vaults appearing to be tampered with and damaged or broken keys are immediately reported to the Supervisor on duty.
- Monday through Friday at 10:00 a.m., two (2) Supervisors remove the locked vaults from the vault cabinet and transfer them to the Operations Manager's office.
- All boxes are numbered to route/vehicle. The vault key to open the vaults is signed out from the General Manager's office by the Operations Manager and all vaults are emptied.
- Tickets and transfers are removed and destroyed with the exception of Greater Cleveland RTA transfer tickets in the presence of two (2) employees (Operations Manager and dispatching personnel).
- Cash and coin are separated, bagged by route, sealed in Brinks bags and secured in the safe.
- On Monday, Wednesday and Friday, Brinks transports fares to the bank. The Supervisor-on-duty counts the bags to be transported and assures the Brinks log book is accurately completed.
- Broken vault keys should be turned over to the Operations Supervisor. Keys are hammered to prevent copying and disposed of off premises.

The following procedure is utilized when handling money from LCT's dial-a-ride or paratransit service:

- Two (2) personnel are present at each step of the process.
- Fares are collected by drivers and placed in a bag along with tickets, transfers and manifests. Bags are turned in to the Dispatch/Scheduling Office by drivers at the end of each shift. Dispatching personnel place the bags in a safe.
- Monday through Friday at 8:00 a.m., two (2) Supervisors will remove the bags from the safe and transfer them to the Dispatch/Scheduling Office. Tickets, money and transfers are all counted and reconciled with the driver manifests. Cash and coins are put in bank bags and put into the safe.

- On Monday, Wednesday and Friday, Brinks transports fares to the bank. The Supervisor on duty counts the bags to be transported and assures the Brinks log book is accurately completed.

It is noted that LCT’s tickets are made of white paper with green lettering. The reviewers are of the opinion that these tickets could be easily duplicated by riders due to the type and color of paper and single color scheme. The tickets are numbered but the numbers are not tracked during the sale process or used during fare reconciliation to ensure tickets are not being duplicated.

Tickets are sold at four (4) different locations in Lorain County: the LCT Administrative Offices, Lorain Community College, the LCT Brokerage Office at the Lorain County Department of Job and Family Services Offices, and the Oberlin Community Senior Office.

LCT uses transfers. A passenger is given one free transfer to transfer between LCT routes. The transfers are dated and time stamped by the driver and given to the passenger. Different colors of transfer tickets are used on different days to avoid transfers being used from a previous day.

**Fare Policies**

The LCT fare structure was documented in Section 2. There are two (2) fare structures for general public trips, all based on a one-way trip. For the fixed route service and the community connector services, the following fare schedule is utilized:

- **Adult Fare:** \$1.25
- **Elderly/Persons with Disabilities Fare:** \$.60
- **Children ages 3-12:** \$.60
- **Children under 3:** Free

For the LCT Dial-A-Ride Service, the following fare structure is used:

- **Adult Fare:** \$4.00
- **Elderly/Persons with Disabilities Fare:** \$2.00
- **Children ages 3-12:** \$2.00
- **Children under 3:** Free

The following table compares other systems in the State of Ohio, which are similar in operation to LCT, and their fares to Lorain County Transit’s fares.

<b>Transit System</b>	<b>Regular Fare Fixed Route</b>	<b>E &amp; D Fare Fixed Route</b>	<b>Regular Fare Demand Response</b>	<b>E &amp; D Fare Demand Response</b>
Lorain County	\$1.25	\$0.60	\$4.00	\$2.00

**ADMINISTRATIVE  
FUNCTIONS**

**FARES AND  
CONTRACT RATES**

Richland County	\$1.00	\$0.50	\$2.00	\$2.00
Allen County RTA	\$1.00	\$0.50	\$2.00	\$1.00
Butler County RTA	\$1.00	\$0.50	\$2.00	\$1.00
Eastern Ohio RTA	\$0.80	\$0.40	\$1.60	\$1.60
Laketran	\$0.75	\$0.35	\$3.00	\$1.00
Middletown	\$0.70	\$0.35	\$1.40	\$1.40
PARTA	\$1.00	\$0.50	\$4.00	\$2.00
Springfield	\$0.75	\$0.35	\$1.50	\$1.50
Steel Valley RTA	\$1.00	\$0.50	\$2.00	\$2.00
Western Reserve RTA	\$1.00	\$0.50	\$1.00	\$1.00

Compared to other small urban transit systems in Ohio, LCT’s fares are the highest among its peers, although LCT’s fares are very close in value to other systems. In this regard, careful consideration should be given to raising fares any higher as they are already high for the Ohio urban transit “market”.

**Contract Rates**

LCT has several agencies that contract with it for transportation services including Lorain County Department of Job and Family Services, Lorain County Board of MR/DD, the Nord Center, the Oberlin Hot Meals Program, and three (3) political subdivisions (City of Vermilion, City of Avon Lake, and the City of Sheffield Lake). All contracts are written and most have been in place for many years.

LCT charges the following contract rates for each of the above-noted contracts:

Lorain County DJFS: \$17.00 per trip; \$10.00 per no-show; \$36,000 maximum amount for contract

Lorain County MR/DD: \$25.00 per hour; \$25,000 maximum contract amount

Nord Center: \$36.36 per hour; maximum eight (8) hours a day

Oberlin Hot Meals Program: \$298.28 per month, \$149.14 for July

City of Vermilion: Split operating costs and farebox receipts 50/50

City of Avon Lake: Split operating costs and farebox receipts 50/50

City of Sheffield Lake: \$306.25 per month

It is recommended that LCT fully recover its costs to provide contract service from its contracting agencies. In this regard, federal and state public transit grant monies and local County general revenue funds are not being used to subsidize contract service trips.

In order to ensure that LCT is fully recovering its costs, it must calculate a contract rate (usually per vehicle hour or per vehicle mile or per trip) which incorporates all of its operating and administrative costs. The Ohio Department of Transportation has developed a fully allocated cost worksheet to assist transit systems in calculating contract rates. Using this worksheet and LCT’s 2003 expense data, it was determined that LCT has a fully

allocated cost of approximately \$27.36 per vehicle hour and \$1.03 per vehicle mile.

To calculate an actual rate for a specific contract, LCT would take the estimated number of annual vehicle hours for the contract service and multiply that by \$27.36. This would be the total cost associated with expenses based on vehicle hours (e.g. driver wages, fringes, etc.). Then, LCT would take the estimated number of annual vehicle miles for the contract service and multiply that by \$1.03. This would be the total cost associated with expenses relating to vehicle miles (e.g. tire use, gasoline, etc.). These two figures should then be added together to get a total cost for the contract service. This total cost can then be divided by the annual vehicle hours, miles or trips to get a single contract rate for an agency's contract.

It is noted that the above-noted fully allocated cost rates do not include vehicle replacement costs. These can be included in the worksheet's calculations once vehicles are designated for a contract service. In this regard, the per vehicle mile rate will increase when vehicle replacement costs are included.

LCT's contract rates do not represent its fully allocated cost to provide transportation service. For example, using the ODOT worksheet, LCT should charge the Lorain County DJFS approximately \$23.98 per trip (vehicle replacement not included) in order to fully recover its operating and administrative costs for that contract. It is currently only charging \$17.00 per trip for this contract.

### **Elderly & Disabled Ridership**

LCT has an elderly and disabled fare eligibility approval process in place. This process is called the "Fare Deal Program for Senior Citizens and People with Disabilities". According to the brochure for this program, all passengers must complete an application to acquire an E & D discount identification card. This card must be obtained prior to receiving the elderly and disabled fare discount. The identification card is provided at no cost to the passenger. For elderly passengers (over age 60), proof of age is required or a Medicare card or a Golden Buckeye Card. For disabled passengers who do not have a Medicare or Golden Buckeye Card, a certification of disability is required. Fare Deal identification cards are obtained from the LCT Administrative Offices on North Broadway in Lorain.

The system tracks elderly and disabled (E & D) ridership using driver counts and manifests. E & D passengers are recorded when drivers are shown fare deal discount identification cards.

LCT does not handle its elderly and disabled ridership in the same manner as most urban fixed route systems do. Most urban systems provide ADA

complementary paratransit service within  $\frac{3}{4}$  of a mile of their fixed routes for those who cannot ride a regular fixed route vehicle. This is what is required by the Americans with Disabilities Act (ADA). Urban systems qualify those who would be eligible to ride the ADA complementary paratransit service based on the definition of “disability” in the ADA regulations. Currently, the LCT elderly and disabled fare eligibility approval process (described above) is not consistent with the ADA eligibility requirements and could allow for many more persons to receive the elderly and disabled fare discount and to ride the “dial-a-ride” service if that service was the ADA complementary paratransit service. LCT presently lets any passenger ride the “dial-a-ride” service and does not restrict ridership to ADA eligible passengers.

### **Charter**

The basic requirement for transit systems under the federal charter service regulations is that grantees are prohibited from using federally funded equipment and facilities to provide charter service except on an incidental basis and when one or more of applicable exceptions for urban areas set forth in the charter service regulation at 49 CFR 604.9(b) applies. Charter service is defined as transportation using buses or vans, or facilities funded under the Acts of a group of persons pursuant to a common purpose, under a single contract, at a fixed charge for the vehicle or service, have acquired the exclusive use of the vehicle or service to travel together under an itinerary either specified in advance or modified after having left the place of origin. This definition includes the incidental use of FTA-funded equipment for the exclusive transportation of school students, personnel and equipment.

According to the General Manager, LCT does not provide incidental charter service. However, LCT’s existing contracts with human service agencies and political subdivisions should be reviewed to ensure that all of these contract services are “open door”; conducted during normal transit system hours and days of operation; and are for trips located within LCT’s normal service area. It did not appear to the reviewers that LCT was providing incidental charter service during the management performance review.

It is noted that LCT did not have any findings related to charter service regulations in its 2002 Triennial Review by the Federal Transit Administration.

### **Recommendations & Requirements**

25. LCT should develop a ticket which can be tracked and cannot be easily duplicated.
26. LCT should charge the fully allocated cost for its contract services.
27. LCT should amend its fare handling policy to include giving receipts to drivers for their fares when they turn them in – this is currently not being done. The policy should specify who receives the fares for the

paratransit service. It should also state who is responsible for fare reconciliation.

- 28. LCT must review its contracts with human service agencies and political subdivisions to ensure compliance with federal charter service regulations. LCT staff should also attend ODOT training regarding charter service to obtain clarification on federal charter service requirements.**

## ACCOUNTING AND FINANCE

Accounting and finance are support components that play an important role in the functioning of a transit system. Accounting and finance functions include:

- budgeting and financial planning;
- monitoring revenues and expenditures;
- accounting and payroll;
- compliance with Federal grant accounting requirements; and
- revenue security.

### Findings

LCT does not have a formal financial plan. However, the system's business plan and Transportation Improvement Program (TIP) could be utilized as the system's financial planning tool as this should be reviewed and updated on an annual basis.

According to LCT job descriptions, the LCT Chief Financial Officer is responsible for preparing the system's budget with input from the General Manager. The Lorain County Commissioners approve the budget. According to LCT staff, the budget is reviewed on a monthly basis at a minimum.

However, during the interviews with LCT staff as part of this management performance review, the reviewers developed several concerns regarding the financial management of the system. There were multiple budgets for the current year (some containing unrealistic numbers), there was confusion regarding capital budgeting for replacement vehicles and which grants were still "open" for the system, and the General Manager and the Chief Financial Officer did not appear to have a sense for the financial needs, both current and future, of the system. In general, the reviewers had a lack of confidence in all the financial information that we were given.

Funds can be transferred between line items in the budget with approval from the Lorain County Commissioners. Approval for a transfer would typically come during a regular Commissioners' meeting.

## ACCOUNTING AND FINANCE

Local funding sources for the LCT operation include County general revenue funds from the Lorain County Commissioners, local cash from various political subdivisions in the County, local cash reimbursements for service from Avon Lake, Vermilion and Oberlin, advertising revenue, contract revenue, general public fares and in-kind/contributed services. There are no other allowable sources of Federal funds used to fund the transit system.

Because the transit system is a County department, LCT has at least one to two months of advance operating funds in place.

The system currently has in-kind contributions from its radio advertising. The system receives free commercial spots on a regular basis when it purchases commercial air time. Other than radio advertising, LCT does not have any other significant sources of in-kind contributions.

The system uses the accrual method of accounting for its financial reporting. The most recent financial audit of the transit system was in 2003 for CY 2002. This audit was conducted in accordance with generally accepted accounting principles. There were no unresolved audit issues.

The Chief Financial Officer is responsible for recording general ledger transactions. Postings were current to the correct category.

According to the financial report given to the reviewers, the transit system utilizes a petty cash fund. The transit system should ensure that there are policies and procedures in place for the use of this fund.

As mentioned above, the transit system attempts to generate revenue through the sale of advertising space on its vehicles. However, this has not been a significant source of dollars in the last year – only \$7,131.54. The system also has a contract for bus bench advertising, however, this program has been discontinued until contract requirements/terms issues can be resolved.

Fuel is purchased by First Transit on a charge account basis from local gas stations.

Fares, driver manifests and dispatcher sheets are reconciled on a daily basis by Dispatch/Scheduling Office personnel according to the system's fare handling policy. Fares are stored in a locked safe prior to a deposit being made. Brinks personnel make the deposit of farebox money for the system three (3) times a week.

LCT is insured through the Lorain County Commissioners.

**Recommendations & Requirements**

29. LCT should ensure that there are policies and procedures in place which regulate any petty cash fund.
30. The vehicle advertising and bus bench advertising programs should be evaluated to determine if they are cost effective (cost of staff time required vs. actual collected revenue) and feasible (e.g. bus benches may not be allowed by cities in rights-of-way, etc.).
31. A definitive budget for CY 2004 should be developed. This should be utilized by LCT staff and the County to monitor the financial needs of the system on a regular basis.
32. All grants which are still “open” for the system should be expended and closed out. Grants should not remain open for several years – some grants open for the system date back to 1999.
33. A financial plan for the next three to four years should be developed in order to determine the future financial needs of the system for grant funds and local sources of revenue.

**ACCOUNTING AND  
FINANCE**

**PURCHASING AND PROCUREMENT**

Public transportation systems must have formalized purchasing and procurement procedures to ensure proper use of public monies. The purchasing and procurement function include:

- making routine and major purchases; and
- compliance with competitive procurement procedures.

**PURCHASING AND  
PROCUREMENT**

**Findings**

LCT has a written procurement policy specifically for the transit system. However, the LCT General Manager was not clear if it is compatible with the County’s procurement policy.

LCT’s procurement policy requires that major purchases (anything over \$25,000) must be put out for bid. LCT’s major purchases are usually vehicles that are purchased through ODOT State Term Contracts. Other major purchases have been made after the bidding or request for proposals (RFP) process has been completed. These major purchases included consultants for marketing and planning services and the LCT service provider.

The Financial Assistant/Bookkeeper and the Chief Financial Officer are responsible for conducting small purchases. Section 13.0 of LCT’s procurement policy describes the procedures for small purchases:

“Small purchases are those costing \$24,999 and below. This does not mean competitive procedures do not need to be followed, only that formal bidding is not required. Department heads must obtain a minimum of three (3) competitive quotes and document them, or document why they did not get three (3) quotes, for purchases between \$2,500 and \$24,999. The quotes must be attached to each purchase order. For purchases \$2,499 and below, a single quote is sufficient provided the price is determined to be fair and reasonable.

New quotes need not be obtained if the same item was competitively purchased within the past year and the then-lowest vendor is willing to honor the price again or the current price is the old price plus an acceptable inflation adjustment of less than 3% per year.”

LCT maintains quotes and purchase orders for all small purchases. Pam Novak keeps this documentation in files in the LCT Administrative Offices. This documentation will be kept for at least ten (10) years.

There are also written procurement procedures for purchases of \$25,000 or more. These procedures do provide a protest procedure for bidders/proposers (see Section 10.0 of the procurement policy).

LCT has purchased vehicles which are over \$25,000 in price in the last few years. However, these were purchased through ODOT state term contracts.

The procurement policy also includes advertising requirements (Section 12.3).

The policy does not have specific evaluation criteria or a methodology for evaluation of bids and/or proposals.

LCT currently contracts with First Transit for the provision of LCT transportation services. First Transit provides drivers, dispatchers and maintenance services for \$37.12 per vehicle hour. This contract is six (6) years old (it was originally signed in 1998) and has been amended several times. Rates have been changed without the benefit of a competitive process to ensure the rates are reasonable throughout the last three (3) years of the contract. It also appeared to the reviewers that the contract was not amended properly - formal approvals of amendments were not obtained from the LCT Board.

### **Recommendations & Requirements**

34. LCT should ensure that its procurement policy is compatible with County purchasing and procurement procedures.
35. LCT’s policy should include more specific evaluation criteria or evaluation methodology for procurements.

36. LCT should re-bid its contract for a service provider to ensure that it is paying a competitive and reasonable price for its transportation services.
37. LCT should follow proper contract amendment procedures to obtain formal approval from the County Commissioners if a contract amendment with First Transit is necessary.

#### **PERSONNEL AND LABOR RELATIONS**

#### **PERSONNEL AND LABOR RELATIONS**

Transit systems must ensure that transit personnel meet the human resource requirements for the system and that they have the necessary skills to perform their duties. This function includes:

- employee policy and procedures handbook;
- planning personnel needs;
- recruiting screening, hiring, training, and cross-training employees;
- employee performance reviews;
- compensating employees; and
- participating in overall labor relations.

#### **Findings**

LCT utilizes Lorain County's written personnel policies and procedures. The County's employee handbook and new employee package contain the following policies:

- Leave, absenteeism and tardiness policies;
- Accident, injury, incident and breakdown procedures;
- Personal use of vehicles policy;
- Dress code/appearance policy;
- Drug-free workplace policy;
- Sexual harassment policy; and
- Workers compensation, fringe benefits, and overtime policies.

Policies relating to drivers, dispatchers and mechanics will be found in First Transit's personnel policies. These will be reviewed under the operations portion of this management performance review.

There is no policy which addresses nepotism for employees of the County or transit system.

There are job descriptions for every position. These job descriptions address essential and non-essential job functions as required by the Americans with Disabilities Act.

**Recommendations & Requirements**

38. The County/LCT should develop a policy addressing nepotism for employees and governing board members.
39. The employee handbook appears to have been adopted in 1992 with some updates in the “new employee package”. It is recommended that the handbook be reviewed on a periodic basis to determine if updates/revisions are necessary. LCT staff should also ensure that all employees sign off that they have received and read the employee handbook.

**INVENTORY**

All grantees must submit and maintain a complete inventory including disposition of all Federal and state purchased equipment, facilities, and vehicles. Maintenance of project inventory is a Federal requirement.

**Findings**

There were no inventory findings in LCT’s last triennial review by FTA in the fall of 2002.

The inventory of equipment, vehicles and real property is updated by LCT administrative staff on an annual basis. This was last done on February 29, 2004 when PTMS data for 2003 was submitted to the ODOT Office of Transit.

Inventory records contain all of the information required on the ODOT PTMS inventory records. These records are kept in the LCT Administrative Offices, Lorain, Ohio.

LCT does not have a written disposition policy for vehicles, equipment or real property.

All property is being used for transit purposes. The system does not have any lease agreements for property or vehicle use. Property is insured through the Lorain County Commissioners.

As mentioned above, of greatest concern with regard to inventory is the system’s fleet of vehicles. The system has 61.5% of its vehicles over their useful life and the average condition rating is 65 on a scale of 0 to 100. An aggressive and realistic vehicle replacement schedule should be developed to replace vehicles beyond their useful life as soon as possible. It is recommended that at least seven (7) to nine (9) vehicles be replaced each year given the number of peak hour vehicles that the system requires and the amount of time it takes vehicles to reach useful life. The split of the number

**INVENTORY**

of replacement vehicles for the demand response and fixed route services should be approximately 50/50 each year (i.e. 3 to 4 demand response vehicles and 3 to 4 fixed route vehicles each year). Consideration should also be given to replacing converted vans on the demand response side with larger light transit vehicles in order to allow for more flexibility in assigning vehicles between the demand response side and the fixed route side in the event of vehicle breakdowns. The larger vehicles will also last longer than the converted vans given the demands of demand-response service.

According to the General Manager and the Chief Financial Officer, there is a potential vehicle replacement plan which would enable LCT to purchase up to twenty-eight (28) new vehicles within the next one to two (2) years, provided a local cash match of \$400,000 is available. This plan includes the purchase of one vehicle through a FY '99 federal formula transit grant, two (2) vehicles through a recent Section 5309 grant (program administered through the Ohio Public Transit Association), five (5) vehicles through the FY '04 federal formula transit grant, nine (9) vehicles through an FY '01 federal transit grant previously earmarked for the purchase of two (2) trolleys, and eleven (11) vehicles through an FY'06 request to NOACA for approximately \$600,000 of Congestion Mitigation and Air Quality funds (CMAQ). Replacing this many vehicles all at the same time, however, is not recommended as this will produce a very large "bubble" in LCT's vehicle replacement schedule and will place a large financial burden on the system every four (4) to five (5) years.

**Recommendations & Requirements**

40. LCT should develop a written vehicle and equipment disposition policy.
41. LCT should develop a new vehicle replacement schedule and adhere to it to remedy its fleet's 61.5% over useful life situation.

## **REGULATORY COMPLIANCE**

Regulatory compliance is very important for all transit agencies. Non-compliance can, in many cases, lead to the cessation of all Federal funding. Compliance with regulations also allows transit agencies to be protected from legal claims or suits where the regulations were followed.

### **AMERICANS WITH DISABILITIES ACT**

The Americans with Disabilities Act of 1990 (ADA) is civil rights legislation which created a requirement for complementary paratransit service for all public transit agencies that provide fixed route service. Complementary paratransit service is intended to complement the fixed route service and serve individuals who, because of their disabilities, are unable to use the fixed route transit system.

ADA complementary paratransit service must meet the following service criteria in order to be in compliance:

#### Service Area

- The entity shall provide complementary paratransit service to origins and destinations within corridors with a width of three-fourths of a mile on each side of each fixed route. The corridor shall include an area with a three-fourths of a mile radius at the ends of each fixed route.
- Within the core service area, the entity also shall provide service to small areas not inside any of the corridors but which are surrounded by corridors.
- Outside the core service area, the entity may designate corridors with widths from three fourths of a mile up to one and one half miles on each side of a fixed route, based on local circumstances.
- For purposes of this paragraph, the core service area is that area in which corridors with a width of three-fourths of a mile on each side of each fixed route merge together such that, with few and small exceptions, all origins and destinations within the area would be served.

#### Jurisdictional Boundaries

- An entity is not required to provide paratransit service in an area outside the boundaries of the jurisdiction(s) in which it operates, if the entity does not have legal authority to operate in that area. The entity shall take all practicable steps to provide paratransit service to any part of its service area.

### **AMERICANS WITH DISABILITIES ACT**

### Response Time & Scheduling

- The entity shall schedule and provide paratransit service to any ADA paratransit eligible person at any requested time on a particular day in response to a request for service made the previous day. Reservations may be taken by reservation agents or by mechanical means.
- The entity shall make reservation service available during at least all normal business hours of the entity's administrative offices, as well as during times, comparable to normal business hours, on a day when the entity's offices are not open before a service day.
- The entity may negotiate pickup times with the individual, but the entity shall not require an ADA paratransit eligible individual to schedule a trip to begin more than one hour before or after the individual's desired departure time.
- The entity may use real-time scheduling in providing complementary paratransit service.
- The entity shall permit advance reservations to be made up to 14 days in advance of an ADA paratransit eligible individual's desired trip.

### Fares

- The fare for a trip charged to an ADA paratransit eligible user of the complementary paratransit service shall not exceed twice the fare that would be charged to an individual paying full fare (i.e., without regard to discounts) for a trip of similar length, at a similar time of day, on the entity's fixed route system.
- In calculating the full fare that would be paid by an individual using the fixed route system, the entity may include transfer and premium charges applicable to a trip of similar length, at a similar time of day, on the fixed route system.
- The fares for individuals accompanying ADA paratransit eligible individuals, who are provided service under §37.123 (f) of this part, shall be the same as for the ADA paratransit eligible individuals they are accompanying.
- A personal care attendant shall not be charged for complementary paratransit service.
- The entity may charge a fare higher than otherwise permitted by this paragraph to a social service agency or other organization for agency trips (i.e., trips guaranteed to the organization).

### Trip Purpose Restrictions

- The entity shall not impose restrictions or priorities based on trip purpose.

### Hours and Days of Service

- The complementary paratransit service shall be available throughout the same hours and days as the entity's fixed route service.

### Capacity Constraints

- The entity shall not limit the availability of complementary paratransit service to ADA paratransit eligible individuals by any of the following:
  - Restrictions on the number of trips an individual will be provided;
  - Waiting lists for access to the service; or
  - Any operational pattern or practice that significantly limits the availability of service to ADA paratransit eligible persons.

### Additional Service

- Public entities may provide complementary paratransit service to ADA paratransit eligible individuals exceeding that provided for in the ADA regulations.

Based on these requirements, it was found that LCT must address the following compliance issues:

#### Service Area

LCT provides its “dial-a-ride” service in all of Lorain County with the exception of Oberlin, Avon, Avon Lake and Vermilion and Brownhelm Township. This dial-a-ride service is considered its ADA complementary paratransit service. A detailed evaluation should be conducted to determine if dial-a-ride services are available within  $\frac{3}{4}$  of a mile of every fixed route.

#### Response Time and Scheduling

LCT appears to be in compliance with these requirements.

#### Fares

LCT’s fares for the elderly and disabled to ride the dial-a-ride service are \$2.00 or less per one-way trip. This is less than twice the normal fixed route fare of \$1.25 per one-way trip, which would be \$2.50.

LCT’s brochure for the dial-a-ride service does not state that personal care attendants may ride for free, although they are permitted to ride for free in practice. The brochure also does not state that persons accompanying an ADA-eligible individual receive the same fare as the person with which they are riding.

### Trip Purpose Restrictions

The LCT dial-a-ride service does not impose any trip purpose restrictions on passengers. However, it appears from the dial-a-ride brochure that the Avon Lake, Oberlin and Vermilion services may impose trip purpose restrictions. The brochure contains language such as “services provided for medical, shopping, recreational and personal” reasons and “medical/shopping” or “Westfield Mall” trips only are provided on certain days of the week.

### Hours and Days of Service

The LCT dial-a-ride service is provided during the same hours and days of the week as the LCT fixed route service.

However, the dial-a-ride services for Oberlin, Avon, Avon Lake, Sheffield Lake and Vermilion do not operate the same hours and days as the LCT fixed route service. These services are also only open Monday through Friday with the exception of Vermilion which is only open four days a week). A more detailed evaluation of these services is required to determine if these areas are within  $\frac{3}{4}$  mile of an LCT fixed route and thus require the same operating hours and days of service as the fixed route service.

### Capacity Constraints

LCT appears to be in compliance with the ADA capacity constraint requirements.

### Eligibility for ADA Complementary Paratransit Service

In addition to defining the type of service to be provided, the ADA regulations identify individuals who have a right to complementary paratransit services. Individuals with disabilities are to be considered eligible for service if they meet one or more of the criteria stated in the regulations.

LCT’s eligibility approval process is known as the “Fare Deal Program” for senior citizens and people with disabilities. Under this program, seniors who are age 60 and over qualify for a fare discount with proof of age. Persons with disabilities qualify for a fare discount with a Medicare or Golden Buckeye Card or with an application form signed by a physician, health care professional or rehabilitation professional stating that they are disabled.

LCT’s eligibility approval process is not as strict as it could be given the definition of disability under the ADA regulations. The eligibility approval also only qualifies a person for the fare discount and not for ADA complementary paratransit service. LCT’s dial-a-ride or complementary

paratransit service is open to anyone to ride, not just ADA-eligible individuals. This could mean that if only ADA-eligible individuals were permitted to ride the ADA complementary paratransit service (all dial-a-ride service provided within  $\frac{3}{4}$  of a mile of a fixed route), there would be significantly less ridership and possibly expense to provide the service. A detailed evaluation of the ridership, the service area, and which passengers would be ADA-eligible using the ADA definition of disability should be conducted to determine the impact changes (restricting dial-a-ride service to ADA-eligible persons and to within  $\frac{3}{4}$  of a mile of fixed routes) to ADA complementary paratransit service would have.

The ADA requires that LCT make available to individuals with disabilities adequate information concerning transportation services (49 CFR part 37.176(f)). This obligation includes making adequate communications capacity available, through accessible formats and technology, to enable users to obtain information and schedule service. Riders may communicate with LCT using the Ohio Relay Service. The Ohio Relay Service telephone number is advertised in LCT's brochures.

Some of the system's brochures indicate that system information can be made available in alternative formats upon request. LCT should ensure that all of the brochures state this.

As reported earlier, all of LCT's vehicles are wheelchair accessible. In the event a vehicle is found to have an inoperable wheelchair lift, the vehicle is removed from revenue service and fixed immediately.

### **Recommendations & Requirements**

- 42. A detailed evaluation should be conducted of the LCT service to ensure that ADA complementary paratransit service is provided within  $\frac{3}{4}$  of a mile of each fixed route during the same hours and days of service as the fixed route service. This evaluation should also address the eligibility requirements for riding the complementary paratransit service.**
43. LCT should revise all of its brochures to state that brochure information is available in alternative formats.
- 44. LCT must revise its Dial-A-Ride brochure to delete the trip purpose language under the Avon Lake, Oberlin and Vermilion services.**

### **OTHER FEDERAL REGULATORY COMPLIANCE AREAS**

Recipients of funding under 49 U.S.C. §5311 must comply with various Federal regulations that apply to service delivery, employment, business opportunities, and business operations that include: (1) Civil Rights; (2) Title VI; (3) DBE; (4) EEO; (5) ADA; (6) 13c; (7) Pre-award and Post Delivery;

### **OTHER FEDERAL REGULATORY COMPLIANCE AREAS**

(8) Debarment and Suspension (Integrity Clauses); and (9) Restrictions on Lobbying.

**TITLE VI, CIVIL RIGHTS**

FTA, pursuant to Title VI of the Civil Rights Act of 1964, requires that no person in the United States shall on the grounds of race, color, creed, national origin, sex, age, or disability be excluded from participating in, or denied the benefits of, or be subject to discrimination under any project, program, or activity funded in whole or part through financial assistance under 49 U.S.C. Section 5311.

**Findings**

There have been no civil rights complaints filed against the transit system. Postings are current. There were no Title VI findings in FTA's 2002 Triennial Review.

**Recommendations & Requirements**

None. Based on this review, LCT is in compliance with ODOT and/or FTA requirements for civil rights.

**EQUAL OPPORTUNITY EMPLOYER (EEO)**

All local recipients must be in compliance with FTA's Equal Employment Opportunity objective, as detailed in FTA Circular 4704.1. If the recipient meets the threshold specified in that circular (receipt of \$1,000,000 or more in the previous Federal Fiscal Year, and 50 or more mass transit related employees), it must submit an EEO program to the State.

**Findings**

Based on this review, LCT is in compliance with FTA requirements for Equal Employment Opportunity.

It is noted that there were no findings in the FTA Triennial Review in late 2002 with regard to Equal Employment Opportunity requirements.

**Recommendations & Requirements**

None at this time.

**TITLE VI, CIVIL  
RIGHTS**

**EQUAL OPPORTUNITY  
EMPLOYER (EEO)**

**DISADVANTAGED BUSINESS ENTERPRISE (DBE) ISSUES**

The grantee must comply with the policy of the U.S. Department of Transportation that DBE's, as defined in 49 CFR Part 26, are ensured nondiscrimination in the award and administration of USDOT-assisted contracts. Grantees also must create a level playing field on which DBE's can compete fairly for USDOT-assisted contracts; ensure that only firms that fully meet eligibility standards are permitted to participate as DBE's; help remove barriers to the participation of DBE's; and assist the development of firms that can compete successfully in the marketplace outside the DBE program.

**Recommendations & Requirements**

None. Based on this review, LCT is in compliance with FTA requirements.

**SECTION 504**

Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. 794, prohibits discrimination on the basis of handicap by recipients of Federal financial assistance. Formal complaints will be handled by the DOT through the established complaint process. In addition, the Americans with Disabilities Act of 1990 imposed specific requirements on public and private providers of transportation.

**Findings**

No complaints have been filed concerning discrimination on the basis of disability.

**Recommendations & Requirements**

Based on this review, LCT is in compliance with FTA requirements for Section 504.

**PRE-AWARD/POST DELIVERY AUDIT AND BUY AMERICA ISSUES**

Section 165 of the Surface Transportation Assistance Act of 1982 provides that with exceptions Federal Funds may not be obligated for mass transportation projects unless steel and manufactured products used in such projects are produced in the United States. The ISTEA of 1991 adds iron to the commodities covered. Section 5307 recipients must conform to the FTA regulations, 49 CFR Parts 660 and 661, and any amendments thereto. Buy America requirements apply to all purchases, including materials or supplies funded as operating costs, if the purchase exceeds the threshold for small purchase (currently \$100,000). Requests for Buy America waivers must be

**DISADVANTAGED  
BUSINESS  
ENTERPRISE  
(DBE) ISSUES**

**SECTION 504**

**PRE-AWARD/POST  
DELIVERY AUDIT AND  
BUY AMERICA ISSUES**

submitted to FTA for approval. There are four exceptions to this basic requirement, which are outlined in the FTA Circular 9040.1E.

In addition, under regulations issued September 24, 1991, any grantee purchasing revenue service rolling stock with FTA funds obligated on or after October 24, 1991, must certify to FTA that it will conduct or cause to be conducted pre-award and post-delivery audits verifying compliance with Buy America Provisions. In addition to the certification, which is part of the annual Certifications and Assurances, a grantee is required to keep records that show that the regulations have been followed. A pre-award purchaser's requirement certification documents that the rolling stock to be procured will be what was detailed in the solicitation specifications and that the proposed manufacturer is responsible and capable of producing the product. The post-award purchaser's requirement certification must include certification that an in-plant inspector was present throughout the manufacture period (for more than ten buses).

**Findings**

All vehicle acquisitions have occurred under ODOT term contracts.

**Recommendations & Requirements**

Based on this review, LCT is in compliance with FTA requirements for pre-award/post delivery audit and Buy America issues.

**LABOR ISSUES**

49 U.S.C. §5333(b) (formerly known as Section 13(c)) requires that as a condition of assistance from FTA, fair and equitable arrangements must be made to protect the interests of employees affected by such assistance. Each local recipient of Section 5307 funding must agree in writing to the standard labor protection warranty for Section 5307. The state must certify to the U.S. Department of Labor that for each recipient of funds under a project in the Program of Projects, the recipient has agreed in writing to the warranty. The warranty also requires that the state provide to the Department of Labor and maintain at all times, an accurate, up-to-date listing of all existing providers that are eligible recipients of transportation assistance funded by the project, in the transportation service area of the project, and any labor organizations representing the employees of such employees of such providers.

**Findings**

There have been no complaints filed in the last three (3) years pursuant to Section 5333(b).

**LABOR ISSUES**

FTA Circular 9040.1E requires that each recipient must also post the Special Warranty where affected employees may see it. LCT must ensure that this Warranty is posted.

**Recommendations & Requirements**

- 45. The 5333(b) special warranty must be posted where affected LCT employees may see it.**

**RESTRICTIONS ON LOBBYING**

FTA recipients are prohibited from using Federal financial assistance to influence any member of Congress or an officer or employee of any agency in connection with the making of any Federal grant or contract. The state, subrecipients, and contracts of grants or contracts exceeding \$100,000 must sign a certification so stating and must disclose the expenditure of non-Federal funds for such purposes (49 CFR Part 20).

**Findings**

LCT has not used Federal financial assistance to influence any members of Congress or anyone else in connection with the making of a Federal grant or contract. LCT does not engage in any lobbying activities.

**Recommendations & Requirements**

Based on this review, LCT is in compliance with FTA requirements for lobbying issues.

**DEBARMENT AND SUSPENSION (INTEGRITY CLAUSES)**

The purpose of the so-called “integrity” certification required of states, subrecipients and contractors is to ensure that Section 5311 funds are not given to anyone who has been debarred, suspended, ineligible, or voluntarily excluded from participation in federally-assisted transportation. The U.S. General Services Administration (GSA) regularly publishes a document titled “List of Parties Excluded from Federal Procurement or Nonprocurement Programs.” The burden of disclosure is on those debarred or suspended. If at any time the grantee or other covered entity learns that a certification it made or received was erroneous when submitted or if circumstances have changed, disclosure to FTA is required.

**Findings**

LCT does not have any third party contractors which have been excluded from Federal procurement or non-procurement programs.

**LABOR ISSUES**

**RESTRICTIONS ON  
LOBBYING**

**DEBARMENT AND  
SUSPENSION  
(INTEGRITY CLAUSES)**

**Recommendations & Requirements**

Based on this review, LCT is in compliance with FTA requirements for debarment and suspension.

**NEW MODEL BUS TESTING**

Any new bus models must be tested at the FTA sponsored test facility in Altoona, Pennsylvania before Federal funds can be expended to purchase them. This provision applies to all vehicles, except unmodified vans (including vans with raised roofs or lifts installed strictly to Original Equipment Manufacturer guidelines).

**Findings**

No vehicles qualified for new model bus testing.

**Recommendations & Requirements**

Based on this review, LCT is in compliance with FTA requirements for new model bus testing.

**PRIVATE SECTOR PARTICIPATION**

Section 5323(a)(1) requires that FTA funded projects “to the maximum extent feasible” provide for the participation of private mass transportation companies.” While the FTA no longer prescribes a particular private sector participation process, the basic requirement still stands. The statewide and metropolitan planning process is assumed to adequately address private sector concerns. If, however, the state process would not adequately address these concerns, a supplemental process for the local grantee is required.

**Findings**

LCT operates within the planning jurisdiction of a Metropolitan Planning Organization (MPO), the Northeast Ohio Area Coordinating Agency (NOACA). LCT actively participates in NOACA planning efforts and private sector participation exercises. It contracts with the private sector for the provision of transportation services through a competitive bid process.

**Recommendations & Requirements**

Based on this review, LCT is in compliance with FTA requirements for private sector participation.

**NEW MODEL BUS  
TESTING**

**PRIVATE SECTOR  
PARTICIPATION**

## **SCHOOL BUS**

Section 3(g) of the Federal Transit Act, as amended, prohibits the use of FTA funds for exclusive school bus transportation for school students and school personnel. The regulation does permit, however, service to be modified to accommodate school students along with the general public. For the purpose of FTA's school bus rule, Head Start is a social service agency, not a school. FTA recipients may operate vehicles that meet the requirements for school transportation, but may not provide exclusive school service.

### **Findings**

LCT does not provide exclusive school bus service. None of the vehicles in the LCT fleet meet the requirements to be classified as a school bus.

### **Recommendations & Requirements**

Based on this review, LCT is in compliance with school bus transportation requirements.

## **SCHOOL BUS**

**IMPLEMENTATION  
AND PRIORITY  
SCHEDULE**

## **IMPLEMENTATION AND PRIORITY SCHEDULE**

All administrative recommendations described in this Management Performance Review (MPR) have been summarized in Exhibit 13.

For each item, the recommendation is restated and the reviewer's recommended priority for implementation is given. Priorities have been established based on a subjective scale of high priority (1), moderate priority (2), and lower priority (3). Generally, items in the high priority category represent mandatory compliance items (e.g., those items indicated in bold text) or recommendations that are most immediate. Items in the lowest priority category are not unimportant, but in relation to other recommendations, are less so.

**Exhibit 13:**

**Proposed Implementation and Priority Schedule**

No.	Recommendation	Priority	Page #
<b>Management and Organization</b>			
1.	LCT administrative staff should consider having a goal setting/strategic planning session with the Board of Commissioners to provide direction on what the Commissioners want LCT “to look like” in the future. Appropriate goals and objectives from the other plans mentioned above should be incorporated into the goals and objectives document generated by this session.	1	
2.	LCT should re-visit its Transportation Development Plan and revise it based on changes already made and current operating conditions.	2	
3.	LCT should establish a Transit Advisory Committee to provide a “sounding board” for staff on policies, marketing, operations, etc. and to provide an advisory board for the County Commissioners.	2	
4.	The current office space for LCT administrative staff should be evaluated by the County to see if LCT staff could be relocated to a County facility and if dollars could be saved by selling this office condominium facility.	1	
5.	All policies and procedures should be revised to replace the LCT Board of Directors with the Lorain County Commissioners to reflect the change in operating structure.	2	
<b>Service Planning</b>			
6.	Develop performance measures using operating data to assess the system’s productivity and efficiency.	2	
7.	Continue monthly report generation and distribute copies to the County Commissioners. Have an information session to explain the data in the report.	3	
8.	Develop an annual report which will evaluate the system’s progress toward meeting goals and objectives and give annual operating data which can be compared with previous years. This piece can be used as a marketing tool as well as an educational tool as it can be sent to agencies, businesses, etc. all over the County.	2	
9.	Perform an evaluation of the system’s vehicles and develop a realistic vehicle replacement schedule which replaces seven (7) to nine (9) vehicles per year and which provides replacement vehicles for the demand response service and the fixed route service. Converted vans should be replaced with larger light transit vehicles. NOACA’s Transportation Improvement Program should also be amended to reflect the revised vehicle replacement schedule.	1	
<b>Marketing</b>			
10.	LCT should conduct a rider media survey to determine which media outlets are being accessed by current riders in order to better target advertising dollars to appropriate media for many of demographic groups who ride LCT.	3	
11.	LCT should develop a new general information brochure which describes all of its services in one location and which reinforces its name, logo and color scheme and its key message of being a valuable community resource.	2	
12.	<b>LCT should have ODOT staff review its brochures for content and compliance with federal and state regulations and guidelines.</b>	1	

**IMPLEMENTATION  
AND PRIORITY  
SCHEDULE**

13.	It is recommended that LCT disregard the recommendation to use network television as a primary vehicle for advertising due to the high cost.	3	
14.	LCT should explore the use of cable television as this medium is much less expensive and would allow LCT to target commercials to specific geographic locations (e.g. the City of Oberlin) and demographic populations (e.g. the Lifetime Channel is marketed toward women and female heads of household are a target population for LCT marketing).	3	
15.	LCT should use the media survey to determine which radio stations riders are listening to, what time of day they listen, and how often. In this regard, radio advertising dollars could be shifted to the most-listened to stations (there could be other stations that cover the Lorain County area).	3	
16.	LCT should also use the media survey to determine which newspapers riders read (or don't read) to determine how much newspaper advertising should be purchased. The target audience for newspaper advertising should also be considered – who reads the newspaper and what are the most appropriate sections in which to advertise?	3	
17.	LCT's website should be expanded to include more information about all of LCT's services and policies and why transit is valuable to the community. It should also be a link on local agency, business and government websites.	2	
18.	LCT should strive to maintain good relationships with newspaper reporting and editorial staffs.	2	
19.	A formal presentation (Power Point format) should be developed which could be used for presentations to local groups and used in conjunction with LCT printed materials. Consideration should be given to purchasing the necessary equipment to present Power Point presentations.	3	
20.	Determine the status of the contract between LCT and the vendor who supplies bus benches and advertising on same.	2	
21.	Update information for customer calls. Provide a more comprehensive list of basic information to assist LCT call takers.	3	
22.	LCT should develop a plan for emergencies and special events to provide adequate telephone coverage for transit system phones.	3	
<b>Fares and Contract Rates</b>			
23.	LCT should develop a ticket which cannot be easily duplicated.	3	
24.	LCT should charge the fully allocated cost for its contract services.	1	
25.	LCT should amend its fare handling policy to include giving receipts to drivers for their fares when they turn them in. The policy should specify who receives the fares for the paratransit service. It should also state who is responsible for fare reconciliation.	2	
26.	<b>LCT should review its contracts with human service agencies and political subdivisions to ensure compliance with federal charter service regulations.</b>	1	
<b>Accounting and Finance</b>			
27.	LCT should ensure that there are policies and procedures in place which regulate any petty cash fund.	3	
28.	The vehicle advertising and bus bench advertising programs should be evaluated to determine if they are cost effective (cost of staff time required vs. actual collected revenue) and feasible (e.g. bus benches may not be allowed by cities in rights-of-way).	2	

<b>Purchasing and Procurement</b>			
29.	LCT should ensure that its procurement policy is compatible with County purchasing and procurement procedures.	2	
30.	LCT's policy should include more specific evaluation criteria or evaluation methodology for procurements.	2	
31.	LCT should re-bid its contract for a service provider to ensure that it is paying a competitive and reasonable price for its transportation services.	1	
<b>Personnel and Labor Relations</b>			
32.	The County/LCT should develop a policy addressing nepotism for employees and governing board members.	3	
33.	The employee handbook appears to have been adopted in 1992 with some updates in the "new employee package". It is recommended that the handbook be reviewed on a periodic basis to determine if updates/revisions are necessary.		
<b>Inventory</b>			
34.	LCT should develop a written vehicle and equipment disposition policy.	2	
35.	LCT should develop a new vehicle replacement schedule to remedy its fleet's 61.5% over useful life situation.	1	
<b>Regulatory Compliance</b>			
36.	<b>LCT must revise all of its brochures to state that brochure information is available in alternative formats.</b>	1	
37.	<b>LCT must revise its Dial-A-Ride brochure to delete the trip purpose language under the Avon Lake, Oberlin and Vermilion services.</b>	1	

## **OPERATIONS FUNCTIONS**

### **OVERVIEW**

This portion of Lorain County Transit's Management Performance Review pertains to the operations side of the transit service. Lorain County Transit contracts with First Transit, Inc. to provide driving, dispatching and maintenance functions. Ms. Carrie Long, of RLS & Associates, Inc., conducted on-site interviews with First Transit personnel on May 25, 2004.

### **PERSONS INTERVIEWED DURING THE REVIEW PROCESS**

The primary interview participants were as follows:

- Jorge Garcia, General Manager, First Transit
- Rob Hoffmann, Interim General Manager, First Transit
- Jenny Butsch, First Transit Substance Abuse Program Manager

### **OVERVIEW**

## **PERSONNEL AND LABOR RELATIONS – SERVICE PROVIDER**

Transit systems must ensure that transit personnel meet the human resource requirements for the system and that they have the necessary skills to perform their duties. This function includes:

- employee policy and procedures handbook;
- planning personnel needs;
- recruiting screening, hiring, training, and cross-training employees;
- employee performance reviews;
- compensating employees; and
- participating in overall labor relations.

### **Findings**

First Transit has written personnel policies and procedures in place. There are job descriptions for every position. These job descriptions address essential job functions as required by the Americans with Disabilities Act.

First Transit has a policy regarding nepotism for employees. First Transit personnel are not permitted to directly supervise relatives.

The employee handbook contains the following policies:

- Elderly and disabled identification;
- Leave, absenteeism and tardiness policies;
- Accident, injury, incident and breakdown procedures;
- Personal use of vehicles policy;
- Dress code/appearance policy;
- On-vehicle conduct;
- Drug and alcohol policy;
- Sexual harassment policy; and
- Workers compensation, fringe benefits, and overtime policies.

### **Recommendations & Requirements**

None at this time.

## **OPERATIONS AND MAINTENANCE FUNCTIONS**

Operations and maintenance functions include

- Scheduling
- Transportation
- Safety and training
- Vehicle and equipment maintenance

These functions are vital to the day-to-day provision of transit service.

### **SCHEDULING**

Transit system scheduling includes taking calls for service, incorporating those calls into a service schedule and/or dispatching as appropriate to the drivers and vehicles, defining work/vehicle assignments, and conducting research to continually monitor and evaluate the scheduling process. Scheduling can be conducted manually, via computer, or a combination of the two. At a minimum, the system must include and/or maintain:

- the time needed to travel safely from point to point;
- adherence to schedules;
- service policies that take into consideration personnel and vehicle availability; and
- that scheduling is being conducted in conformance with established system policies as well as State and Federal requirements.

### **Findings**

For the fixed route service:

The Lorain County Transit administrative staff (County employees) have the overall responsibility for the creation, planning and scheduling of fixed route service. First Transit provides input, however, into this process.

A third party contractor to First Transit, with over thirty (30) years of experience, is used as the run-cutter for the transit system. First Transit is responsible for runcutting and bids routes every six (6) months. First Transit's labor contract does not affect scheduling and runcutting.

Running times between timepoints are reviewed and updated by First Transit supervisors. Supervisors will run a route many times in some instances to determine where routes need changes to make them run on-time. After a route is changed, it is also monitored during general public service to evaluate the changes.

### **SCHEDULING**

The pay to platform hour ratio is 1.13. This is the ratio of the number of hours that drivers are paid for vs. the number of hours drivers are “on the street” driving vehicles. This ratio gives an indication of how much time is paid for drivers to do pre-trip inspections, for paid lunches and breaks, and for possible time to complete paperwork after a shift, etc. According to Mr. Hoffmann, this is the lowest ratio of all of First Transit’s properties. This ratio is acceptable based on industry standards.

For complementary/ADA paratransit service:

There are five (5) direct phone lines to the scheduler/dispatcher. There is the capability of adding at least three (3) more to the system. These phone lines are answered using a recorded greeting which presents the caller with several options including an option for the dispatching/scheduling office. A line will not ring busy unless all five (5) lines are in use. Calls are answered in the order in which they were received.

Scheduling hours are 8:00 a.m. to 4:30 p.m., Monday through Friday.  
Dispatching hours are the same hours as the system operating hours.

Customers are required to call by 4:30 p.m. on the day before a trip is to be made. Same day trip requests are accepted if a vehicle is available.

No-shows and cancellations are documented in the system’s dispatching software program. However, while these are tracked, there are no real penalties for passengers for accumulating no-shows or cancellations. Mr. Hoffmann stated that no-shows and cancellations have not been a real problem for the system. A monthly report of no-shows and cancellations is provided to the LCT administrative staff by First Transit.

The system’s trip denial rate is very low. According to Mr. Hoffmann, in 2003, the system had twenty (20) trip denials for the whole year. These are ADA-definition trip denials which means that the system could not accommodate a trip request within one hour of the requested trip time.

There are currently no trips scheduled outside the service area for the system. The service area is Lorain County and the Vermilion Dial-A-Ride service area (City of Vermilion, Vermilion Township and Brownhelm Township). It is noted that First Transit schedules trips for the Lorain County Dial-A-Ride Service and not for the Vermilion Dial-A-Ride and the Avon Lake Dial-A-Bus service. These two (2) services schedule their own trips.

Trips are provided primarily on a first come, first served basis. However, some scheduling is permitted by fax from social service agencies. These social service agencies schedule for multiple clients on a daily basis. The

LCT staff may want to review this policy to determine if this is truly providing trips on a first come, first served basis. Trips are not prioritized for scheduling purposes.

The average ride time for a passenger is 26.6 minutes according to Mr. Hoffmann. The system's policy for the maximum allowable ride time for the demand response service is between one to 1.5 times the amount of time it would take to do the same trip on the fixed route service.

### **Recommendations & Requirements**

1. LCT's no-show and cancellation policies should be tightened to include a definition of excessive no-shows and/or cancellations and specific penalties for same.

### **TRANSPORTATION**

Transportation is among the most important of the functional areas of a transit system, since it deals with the actual operation of the vehicles. Should a transit agency perform these functions well, it becomes a vital part of the transportation system of the community. This activity entails three primary tasks:

- assigning vehicles and drivers;
- monitoring daily operations; and
- handling emergencies.

Development of work schedules is a critical task to transit operations. Labor typically represents more than 60 percent of total operation costs. Evidence of the efficient use of labor is shown by the productivity of the transit system's labor force.

Proper response in the event of an emergency can save lives, facilitate immediate response of police and rescue services, and limit the liability of the transit system.

### **Findings**

#### ***Monitoring of Drivers –***

The LCT administrative staff conducts on-board monitoring of drivers using the brokerage service staff as monitors. This is done on a regular basis (at least monthly) and set checklist of items to look for is utilized. First Transit administrative staff also do road supervision, however, there is no set schedule for on-street monitoring and road supervision is not available during all

### **SCHEDULING**

### **TRANSPORTATION**

operating hours. LCT staff and First Transit staff should coordinate monitoring of drivers to ensure that all drivers are being checked.

The results of these driver checks were not being given to the County at the time of this report. The County should receive a report of these results so that the Commissioners know the system is being monitored on a regular basis and what problems may be occurring.

***Complaint Process –***

If a passenger wishes to complain about a driver or any other issue, the following complaint procedure is utilized:

All complaints are referred to the LCT administrative staff, primarily to James Williams. Complaints are recorded on a complaint form which requires the following information: name, address, date and time of incident, route or bus number, bus driver's name, nature of the complaint, whether someone spoke to anyone else about their complaint in an attempt to get it resolved, and how the complaint was finally resolved. The form also provides a section to note if a free ticket for a ride was issued to the complainant.

The LCT administrative staff and the First Transit supervisory staff meet on a monthly basis to resolve complaints. Appropriate investigations by either LCT or First Transit staff are conducted into the details of a complaint and actions are then taken to resolve the complaint. These actions are then noted on the complaint form.

Passenger complaints have decreased overall over the last three (3) years according to data provided by the LCT General Manager. Total complaints for 2002 were 126, whereas the total number of complaints in 2000 was 152.

***Accidents and Incidents –***

According to First Transit's System Safety Program Manual, the following accident/incident reporting and investigation procedures are utilized by First Transit staff operating Lorain County Transit service:

**Accident and Incident Reporting and Investigation**

This program, its specific activities and tasks provide for a systematic method of identifying, analyzing, assessing and resolving the causes of accidents. This methodology gives First Transit awareness of the likely causes and effects of potential accidents. By close examination of the combination of causes and the remedies available, informed management decisions can be made.

Every accident and incident requires a formal report and investigation. All accidents and Workers' Compensation injury reports are faxed to the Region Safety Manager as soon as possible. This information is compiled into a weekly report and reported to the Vice President/General Manager.

In addition to the weekly report, the Region Safety office develops monthly statistics that compare safety performance to service consumption.

Each location receives a safety scorecard every month. This is a rating of how effective the safety efforts have been. The rating is placed in the context of systems of a similar operating profile. In addition to the summary reports, detailed claim information is also provided. This information contains information on claims, payouts and reserves.

The criteria that has been set regarding accident reporting is as follows:

#### Notice Only

- Contact with another vehicle or fixed object resulting in physical damage of less than \$500;
- Event in which there is no potential for liability.

#### Accident

- Fatality;
- Bodily injury to a person who receives immediate medical treatment away from the scene of the accident;
- One or more vehicles require towing from the accident scene;
- Potential for liability exposure;
- Physical damage to a company vehicle exceeding \$500.

Accidents involving the operation of a company insured vehicle must be investigated by a supervisor or manager trained in accident investigation.

The procedure for investigating an accident is as follows:

#### 1. Notification of Accident

The supervisor or dispatcher will be notified of an accident by phone as soon as possible after it occurs. This notification may come from the driver or other party (police, passerby, another driver, etc.).

#### 2. Gather Information and Determine Status

Be sure driver has secured accident scene, set warning devices, etc.

Be sure authorities have been notified (police, ambulance).

Is a replacement vehicle needed? If so, prepare to dispatch replacement vehicle.

3. Did the Accident Result in a Hazardous Material Spill?

This includes spilled or leaking fuel from the bus. If so, notify the appropriate Region Safety Manager.

4. Determine if Adjuster is needed.

Did the accident result in a fatality (including death of First Transit driver)?

If yes:

- a. Notify Region Safety Manager, National Safety Director and Vice President.
- b. Notify by phone insurance claim office responsible for geographic area where the accident occurred.

Did the accident result in an injury requiring treatment, or property damage in excess of \$500?

If yes:

- a. Follow normal accident reporting procedures with proper notification to insurance claim office for guidelines to determine the need for an adjustor.

5. Complete Accident Report

Conduct an interview with the driver as soon as possible to gather the facts of the accident in detail.

Complete an Accident Form, in detail, and distribute to proper personnel.

The transit system has a formal Safety Committee which is comprised of First Transit employees selected by the union and management and LCT administrative staff. This committee meets on a regular basis to discuss accidents and incidents. Monthly safety meetings are also held for employees on various topics.

### ***Wheelchair Assistance –***

All First Transit drivers complete wheelchair securement training prior to driving an LCT vehicle. Wheelchair securement and passenger assistance training are part of the “Start” Program training First Transit gives new drivers. Refresher training on Start Program topics is given during monthly safety meetings.

LCT does not address wheelchair assistance, common wheelchairs, the transport of electric scooters, or securement procedures in its brochures or on its website.

### ***Personal Care Attendants (PCA’s) –***

LCT’s brochures and website do not address personal care attendants (PCA’s). According to the Americans with Disabilities Act, PCA’s are permitted to ride for free with the person they are assisting. They are counted as regular riders with a “no charge” status.

### ***Service Animals –***

LCT’s website states that “All animals must be kept in appropriate containers with absorbent material on the carrier floor, except for certified aid animals accompanying persons with disabilities.”

### ***Disruptive/Abusive Passengers –***

LCT’s website offers the following information regarding disruptive/abusive behaviors on LCT vehicles:

“To make the trip more enjoyable for you and other passengers, refrain from raising your voice, eating or drinking on the bus, or playing music without using earphones; note also that you may not smoke, spit, use obscenities or litter on the bus, and that vandals will be prosecuted to the full extent of the law. No gasoline and flammable liquids are allowed on the bus. No firearms or weapons of any type are allowed on the bus. We ask that you follow the directions of the driver - he or she is authorized to ask you to leave LCT buses for misbehavior.”

### **Recommendations & Requirements**

2. LCT and First Transit should coordinate driver monitoring activities to ensure that all drivers are being monitored on a regular basis.
3. LCT staff should report results of on-board and on-street monitoring of drivers to the County Commissioners.

4. Accident procedure should mention drug and alcohol testing procedures in order to ensure supervisors remember when to send drivers or other safety-sensitive personnel for post-accident testing.
5. **LCT must include a personal care attendant policy in its brochures. PCA's must ride for free with the person they are assisting.**
6. **LCT must develop a written policy for wheelchair assistance which complies with the Americans with Disabilities Act and addresses common wheelchairs, the transport of electric scooters, and securement procedures.**
7. The disruptive/abusive passenger policy should be revised to include more specific behaviors which are disruptive (such as threatening bodily harm to drivers or dispatchers) and the exact penalties for such behaviors. Certain behaviors may warrant suspension of service temporarily or permanently. A specific policy will ensure that everyone is treated in the same manner for the same type of behavior. This policy should also be mindful of behaviors which may be upsetting to employees or other passengers but which are a result of a person's disability.

TRANSPORTATION

SAFETY AND TRAINING

SAFETY AND  
TRAINING

Transportation systems must protect the welfare of their employees and passengers through comprehensive training and retraining of all employees. The safety and training function should include a program of employee training and must promote safety and security in all aspects of the system's operations.

**Findings**

***Commercial Driver Licenses (CDL's) –***

According to First Transit's Rob Hoffmann, all First Transit employees associated with the Lorain County Transit service have a Commercial Driver License (CDL) with the exception of the Administrative Assistant.

First Transit's maintenance contractor, First Student also maintains mechanics with CDL's in order to drive vehicles which require a CDL driver.

***Insurance Kits/Witness Cards –***

Vehicles are equipped with insurance kits and witness cards for accident and incident situations. Vehicles are also equipped with current insurance cards.

### *Vehicle Safety Equipment –*

All vehicles are equipped with first-aid kits, bloodborne pathogens kits and fire extinguishers (all had current inspection tags). Drivers are required to check fire extinguishers during their pre-trip inspections. First Transit retains a contractor to check all fire extinguishers on an annual basis.

### *Driver Training –*

First Transit provides a minimum of 120 hours of training to drivers prior to them operating vehicles. This training includes at least 40 hours of classroom time spent on the following topics: First Transit company policies and procedures, defensive driving/the Smith system, Start Program training, First Aid, CPR, and OSHA bloodborne pathogens. Drivers also must complete “behind the wheel” training and pass a driving test given by a third party contractor prior to driving an LCT vehicle.

For LCT’s demand response services:

### *Seatbelts –*

LCT’s seatbelt policy does **not** require that passengers wear seatbelts at all times in LCT vehicles when seatbelts are provided. First Transit would like to make seatbelts a requirement for passengers in order to reduce injuries in the event of an accident.

### *Child Safety Seats –*

LCT does not provide portable child safety restraint seats for its passengers, passengers must supply their own. Passengers must install and remove their own child safety seats on the vehicles. Drivers are not responsible for this, except in extreme cases where a passenger’s disabilities may prevent them from handling a child safety seat safely. Drivers do not receive formal training on child safety seat procedures.

For demand response and fixed route services:

### *Exposure Control Plan –*

First Transit has a bloodborne pathogens exposure control plan and it conducts annual refresher training on this subject for employees. First Transit’s exposure control plan is reviewed and updated annually by its corporate office in Cincinnati, Ohio.

All vehicles are equipped with bloodborne pathogens kits.

Training for employees is conducted on an annual basis as required by OSHA. Training is conducted by Jorge Garcia, who is responsible for safety and training issues. Records of all training are kept in each employee's training file.

Employees have not been offered the hepatitis B vaccine which is required by the OSHA bloodborne pathogens regulations.

***OSHA Notice –***

The OSHA Job Safety and Health Protection Notice was posted in the First Transit facility on a bulletin board which could be seen by all employees.

**Recommendations & Requirements**

8. **LCT must ensure that First Transit is offering the hepatitis B vaccine to all employees under the OSHA bloodborne pathogens regulations.**
9. LCT staff should ensure that drivers are trained in installing and removing child safety seats in the event that a passenger may not be able to do this on his or her own.

**MAINTENANCE**

The maintenance function involves the following:

- maintenance of equipment and facilities;
- responding to vehicle breakdowns;
- performing preventive maintenance (PM); and
- managing maintenance employees.

The grantee must ensure that Federal and State funded equipment, facilities, and vehicles are maintained in good operating order.

**SAFETY AND  
TRAINING**

**MAINTENANCE**

### **Findings**

First Transit contracts all of its maintenance work to First Student, Inc., another company under First Group America. Maintenance is provided at the same facility where First Transit's operation is housed: 120 Keep Court, Elyria, Ohio. Vehicles are owned and provided by Lorain County.

Some of First Transit's maintenance policies are included in its System Safety Program Manual. This manual contains procedures and forms for maintenance audits and inspections (preventive maintenance program). The system has a written maintenance plan but First Transit was not willing to share it with the reviewer. LCT staff or the County should ask for it to review.

Preventive maintenance is done according to First Transit's maintenance plan. Preventive maintenance activities are performed every 4,000 or every 6,000 miles, depending on the type of vehicle. The First Student maintenance staff schedules preventive and corrective maintenance activities. The First Transit General Manager tracks the mileage of each vehicle on a daily basis in order to alert maintenance staff to vehicles which need preventive maintenance. The maintenance histories of four (4) vehicles were randomly selected to check for preventive maintenance activities. Each of these vehicles appeared to have regular preventive maintenance performed approximately every month.

Preventive maintenance inspections are performed as scheduled or within five hundred (500) miles (plus or minus) of scheduled inspections.

Wheelchair lifts are cycled as part of the drivers' daily pre-trip inspections. Lifts are maintained by First Student mechanics. The wheelchair lift interlock systems are also checked regularly for proper operation.

Wheelchair securement tracks are cleaned regularly by First Transit's bus washers and are checked regularly for wear and tear by First Student mechanics and the First Transit drivers.

Vehicles with inoperable lifts are removed from service and fixed immediately. LCT has a sufficient number of back-up vehicles with lifts in the event of a wheelchair lift breakdown/malfunction. The First Transit General Manager did note, however, that he would like to see the system's converted vans replaced with larger light transit vehicles in order to allow for greater flexibility in the deployment of vehicles on both the demand response and the fixed route services in the event of breakdowns.

### **MAINTENANCE**

Vehicles and components are maintained according to manufacturer warranty requirements. First Transit has a warranty manager on staff to track warranty, recall, and extended warranty information in each vehicle's maintenance file.

There were 221 service calls to vehicles by the maintenance staff in 2003. Out of these service calls, 58 of them actually resulted in vehicles being taken out of service (road calls). This number of road calls has remained the same over the last few years according to Rob Hoffmann.

First Transit defines a vehicle breakdown as a problem which results in having to take a vehicle out of service.

According to LCT administrative staff, current total annual maintenance costs are approximately \$972,000. This total includes the following line items:

Parts & materials:	\$527,000
Physical damage:	\$6,000
Radios:	\$7,000
Labor:	\$382,000
Tires:	\$50,000
Total:	\$972,000

This total is 20% of LCT's total operating expense and 24% of First Transit's total expense for the LCT contract. This total is different than the total for "capitalized" maintenance noted in the transit system's 2004 budget. This is because the transit system is allowed to "capitalize" or declare as a capital expense, for the purposes of the federal transit grant funding, up to 40% of the total cost of First Transit's contract as capitalized maintenance. In this regard, LCT can receive reimbursement of up to 80% of capitalized maintenance costs through its federal transit formula grant. This procedure is outlined in Federal Transit Administration Circular 9300.1A, Exhibit I-1.

It is noted that the hourly rate of \$37.12 which Lorain County pays First Transit includes maintenance costs. In this regard, increases in maintenance costs do not affect the amount which Lorain County pays First Transit.

LCT administrative staff do not currently monitor the maintenance expenses for each vehicle to determine if a vehicle has maintenance expenses which are too high and whether it is time for replacement. They should also ensure that preventive maintenance activities are occurring for each vehicle.

### **Recommendations & Requirements**

- 10. LCT administrative staff should develop a tracking system to monitor the maintenance done to each vehicle and the cost of this**

**maintenance. In this regard, LCT staff can better schedule vehicle replacement if they know which vehicles are beginning to cost too much for maintenance. This is also part of monitoring the contractor to make sure they are performing necessary preventive maintenance activities.**

11. LCT staff or County staff should ask for First Transit's vehicle maintenance plan to review.

## **REGULATORY COMPLIANCE**

Regulatory compliance is very important for all transit agencies. Non-compliance can, in many cases, lead to the cessation of all Federal funding. Compliance with regulations also allows transit agencies to be protected from legal claims or suits where the regulations were followed.

### **DRUG AND ALCOHOL REQUIREMENTS**

Recipients of FTA funding under 23 U.S.C. §5311 were required to have a drug and alcohol-testing program in place by January 1, 1996. A newly established system must have a program in place before it begins operations. All safety-sensitive employees are subject to the provisions of this program. The FTA allows grantees to include additional employees in the program or additional elements to be incorporated in the policy, but the inclusion of those additional employees and elements must be clearly differentiated as occurring under the grantee's authority rather than the FTA's authority.

FTA grantees are also required to maintain a drug-free workplace for all employees and to have an anti-drug policy and training program. Grantees must notify employees that the use, manufacture, distribution, or possession of a controlled substance is prohibited in the workplace and must identify action that will be taken against employees for violations. Employees are required to report in writing any conviction for a violation of a criminal drug statute occurring in the workplace.

### **Findings**

LCT and First Transit have certified compliance with the Drug Free Workplace Act of 1988, as amended. In addition to compliance requirements associated with the Drug Free Workplace Act, there are separate and distinct compliance items under the FTA drug and alcohol-testing program (49 CFR parts 655 and 40) that are applicable to LCT and First Transit.

The FTA program has four basic components. Each transit system employer must develop:

- A statement describing the employer's policy on prohibited drug use and alcohol misuse in the workplace, including the consequences associated with prohibited drug use and alcohol misuse.
- An education and training program.
- A testing program which meets the requirements of the rule and 49 CFR part 40.

### **DRUG AND ALCOHOL REQUIREMENTS**

- Procedures for referring a covered employee who has a verified positive drug test result or an alcohol concentration of 0.04 or greater to a Substance Abuse Professional.

The Lorain County Transit System has a drug and alcohol testing policy which covers any County employees who may be safety-sensitive and the safety-sensitive employees of the Vermilion and Avon Lake services. First Transit has its own policy for its employees which complies with the County's policy. The transit system is a zero-tolerance system with regard to drugs and alcohol.

LCT's drug and alcohol testing policy has been reviewed by RLS & Associates, Inc. and has been found to be satisfactory. It was also reviewed by FTA during the 2002 Triennial Review and found to be adequate after one change which was made during the Triennial Review. First Transit's policy was also found to be satisfactory.

James Williams is the LCT staff member responsible for oversight of LCT's drug and alcohol regulation compliance. Jorge Garcia of First Transit is responsible for the administration of the service provider's drug and alcohol testing policy and program. Jenny Butsch is responsible for First Transit's overall substance abuse program at the corporate level.

Mr. Williams monitors the drug and alcohol testing for the Vermilion, Avon Lake and First Transit employees. He conducts monitoring visits of these service providers and the collection site at least twice a year according to Debbie Mohr, General Manager. These monitoring visits ensure that random testing is being done properly and that the collection site is following the testing procedures required by FTA. Ms. Mohr indicated that a monitoring visit was conducted by Mr. Williams a couple of months ago and everything appeared to be satisfactory.

Both drug and alcohol policies appeared to have been reviewed and updated recently. LCT's policy was last updated in September of 2002 and First Transit's policy was updated in April of 2004.

LCT and First Transit have documentation that all employees have received a copy of either LCT's or First Transit's drug and alcohol policy.

LCT and First Transit employees and supervisors have received the required training pertaining to drug abuse and alcohol misuse and reasonable suspicion determinations. LCT administrative staff have verified that this training has been received. This training was conducted by Community Health Partnership, the system's collection site, or by Jenny Butsch of First Transit.

**DRUG AND ALCOHOL  
REQUIREMENTS**

LCT (Avon Lake and Vermilion) and First Transit are members of the U.S.I.S. Consortium. This consortium has over 4,000 members. All members of the consortium are under U.S.D.O.T. regulations.

The main collection site for both LCT and First Transit employees is the Occupational Health Center of Community Health Partners located at 1800 Livingston Avenue, Lorain, Ohio. There are also several other “satellite” sites for the Health Center which could be utilized for testing. LCT and First Transit do have written agreements with the collection site. The collection site and its satellite facilities are open during the hours the transit system operates. The required DOT testing form is being used by the collection site.

The primary and back-up labs are certified by the Department of Health and Human Services as required.

The evidential breath testing device (EBT) for alcohol breath testing is located at the collection site. This EBT is on the conforming products list. According to LCT staff, an EBT and a BAT are available during all hours which the transit system operates. The reviewer was unable to verify the credentials for and BAT’s.

The medical review officer (MRO) for Lorain County (Avon Lake and Vermilion) is Dr. Kathleen M. Fagan, M.D. who is located at 1800 Lexington Avenue, Lorain, Ohio 44052 according to LCT’s policy. The MRO for First Transit is located at 125 Lincoln Avenue, Grove City, PA 16127. According to Jenny Butsch, their credentials have been verified and a back-up MRO is available.

Lorain County’s drug and alcohol testing policy contains a list of substance abuse professional (SAP) facilities to which employees must be referred if they test positive for drugs or alcohol. However, the names and credentials of these SAP’s are not listed in the policy and the reviewers were unable to verify them.

The random selection process is being conducted using a statistically valid process and the correct percentages of the consortium are being tested for drugs and alcohol. Employees are notified in accordance with the random selection process procedures in the system’s policies.

Post-accident testing is being conducted in accordance with FTA procedures with regard to which types of accidents invoke testing and time requirements for conducting tests.

Pre-employment drug tests are only given after a person has been offered employment per FTA regulations.

Drug and alcohol records are kept in locked file cabinets in LCT's and First Transit's offices. Jorge Garcia, the General Manager, is the only employee on-site with access to the First Transit files as he is in charge of drug and alcohol program administration. Records have been kept in compliance with the time length regulations of FTA. It is noted that the First Transit Administrative Assistant informs Mr. Garcia when he is supposed to report for testing as he is in the testing pool. Jenny Butsch also has access to First Transit records at the corporate level. Mr. Williams of LCT is in charge of the drug and alcohol files for LCT.

Jorge Garcia, the General Manager, receives test results in a confidential e-mail. Test results are received between twenty-four (24) and seventy-two (72) hours after a test is taken. Mr. Garcia keeps a log of what test results have not been received.

Drug and alcohol program MIS reports have been submitted as required by James Williams of the LCT staff. MIS reports are required by FTA and contain information on the number and types of test results experienced by a transit system.

The LCT staff and First Transit do receive the FTA's *Drug and Alcohol Update* newsletter. This is a valuable resource for systems who need to keep up-to-date on drug and alcohol compliance issues, court cases, changes to regulations, etc.

Random testing is monitored by LCT and First Transit staff. U.S.I.S. does the random drawing for testing on a monthly basis. The testing pool is updated monthly by Mr. Williams and Ms. Butsch using payroll records. An employee's supervisor will inform the employee when they should report for random testing. The time is based on availability and the need to scatter tests randomly throughout the day and week. Once told, employees must report immediately to the collection site. First Transit uses an "order to test" form for its employees which has places for the recordation of "time sent for testing" and "time arrived at collection site" to ensure employees are reporting in a timely manner.

Reasonable suspicion determinations for First Transit employees are made by First Transit supervisors who have received the required reasonable suspicion training. The City Services Director makes the reasonable suspicion determinations for the Avon Lake employees. It is not certain who is responsible for this for the Vermilion service.

### **Recommendations & Requirements**

- 10. LCT administrative staff and First Transit must verify the names and credentials of its BAT's, SAP's and MRO's.**

**11. LCT staff should ensure that the Vermilion and Avon Lake services have appropriate personnel trained in making reasonable suspicion determinations.**

## **IMPLEMENTATION AND PRIORITY SCHEDULE**

All operations recommendations described in this section of the Management Performance Review (MPR) have been summarized in Exhibit 14.

For each item, the recommendation is restated and the reviewer's recommended priority for implementation is given. Priorities have been established based on a subjective scale of high priority (1), moderate priority (2), and lower priority (3). Generally, items in the high priority category represent mandatory compliance items (e.g., those items indicated in bold text) or recommendations that are most immediate. Items in the lowest priority category are not unimportant, but in relation to other recommendations, are less so.

**Exhibit 14:**

**Proposed Implementation and Priority Schedule for Operations**

No.	Recommendation	Priority
<b>Operations and Maintenance</b>		
1.	LCT's no-show and cancellation policies should be tightened to include a definition of excessive no-shows and/or cancellations and specific penalties for same.	2
2.	LCT and First Transit should work together to develop a formal on-street monitoring program for drivers.	2
3.	Accident procedure should mention drug and alcohol testing procedures in order to ensure supervisors remember when to send drivers or other safety-sensitive personnel for post-accident testing.	1
4.	<b>LCT must include a personal care attendant policy in its brochures. PCA's must ride for free with the person they are assisting.</b>	1
5.	<b>LCT must develop a written policy for wheelchair assistance which complies with the Americans with Disabilities Act and addresses common wheelchairs, the transport of electric scooters, and securement procedures.</b>	1
6.	The disruptive/abusive passenger policy should be revised to include more specific behaviors which are disruptive (such as threatening bodily harm to drivers or dispatchers) and the exact penalties for such behaviors. Certain behaviors may warrant suspension of service temporarily or permanently. A specific policy will ensure that everyone is treated in the same manner for the same type of behavior. This policy should also be mindful of behaviors which may be upsetting to employees or other passengers but which are a result of a person's disability.	2
<b>Safety and Training</b>		
7.	<b>LCT must ensure that First Transit is offering the hepatitis B vaccine to all employees under the OSHA bloodborne pathogens regulations.</b>	1
8.	LCT staff should ensure that drivers are trained in installing and removing child safety seats in the event that a passenger may not be able to do this on his or her own.	2
<b>Maintenance</b>		
9.	<b>LCT administrative staff should develop a tracking system to monitor the maintenance done to each vehicle and the cost of this maintenance. In this regard, LCT staff can better schedule vehicle replacement if they know which vehicles are beginning to cost too much for maintenance. This is also part of monitoring the contractor to make sure they are performing necessary preventive maintenance activities.</b>	1
<b>Regulatory Compliance</b>		
10.	<b>LCT administrative staff and First Transit must verify the names and credentials of its BAT's, SAP's and MRO's.</b>	1
11.	<b>LCT staff should ensure that the Vermilion and Avon Lake services have appropriate personnel trained in making reasonable suspicion determinations.</b>	1

## **CLOSING COMMENTS**

The Lorain County Transit System's administration is responsible for federal and state transit grant administration, monitoring First Transit's operations (system service provider), LCT vehicle disposition and replacement, system marketing, system operating policies, budgeting and financial policies, purchasing and procurement, administration of social service agency contracts, oversight of the LCT Brokerage Program and monitoring system operating data and performance measures.

Generally speaking, reviewers did not find a significant number of compliance issues with regard to federal and state requirements. However, there were many findings pertaining to financial and grants management issues which are of serious concern and point to a dearth of system management but which do not constitute non-compliance situations. Major management deficiencies exist in the areas of financial management, grants management, performance monitoring and budgeting.

The system is also in a transition phase, changing from a County Transit Board organizational structure to a County Commissioner-run structure. This shift will mean changes to policies, operating procedures and reports in order to ensure compatibility with County policies and to move the system in the direction desired by the County Commissioners.

Vehicle replacement is a major concern for the system. Over 61% of LCT's vehicle fleet is beyond its useful life according to Ohio Department of Transportation standards and rising maintenance costs for the system service provider reflect the problems associated with an aging fleet.

Another major concern is the re-bidding of the contract for the system service provider. This contract has not been put out to bid since 1998 and the County needs to ensure that it is being charged a competitive rate for service. Vehicle hours of service, the units used by the contractor to bill the County, have increased substantially for the system since 1998.

The transit system is also seeing an increase in its ridership as more Lorain County residents take advantage of the system's improved fixed routes and dial-a-ride service. Ridership has increased 65% since 2001 (18.1% since 2002).

In conclusion, with growing ridership and major vehicle replacement, contract, financial, grants management and operations/policy issues to address, LCT administrative staff must be proactive and ready to achieve the many tasks associated with the resolution of these issues.

## **CLOSING COMMENTS**