



ALMA TRANSIT CENTER EXPANSION PLAN

Moving Gratiot County into the Future

Matt Schooley
mschooley@ci.alma.mi.us

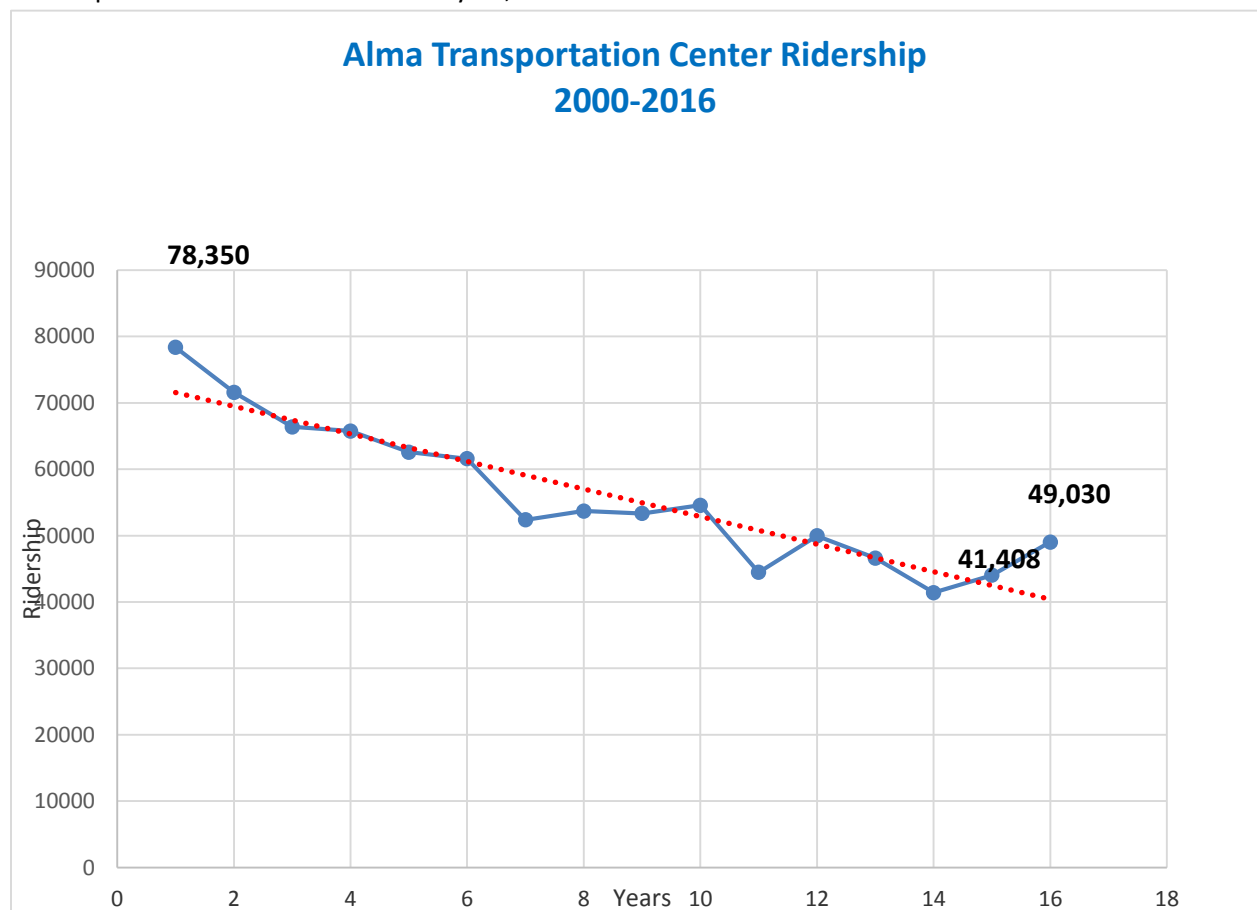
INTRODUCTION

History

The Alma Transportation Center was organized under the State of Michigan Home Rule Act in 1975. The act authorizes cities to form transit systems. The ATC organizational structure begins with the Alma City Commission that acts as the ATC Board of Directors. The ATC is administered by a Transportation Director who works under the Alma City Manager. The ATC is supported by a Local Advisory Committee that meets quarterly to provide feedback and guidance about services.

Ridership

Since the inception of Alma Dial A Ride in 1975 there have been 2,529,797 riders of the system, an average of 63,245 riders per year. The best years for ridership occurred from 1975–2000. During this 25-year period the system moved an average of 68,500 riders per year, peaking at 78,350 in 2000. Since 2000 ridership has dropped approximately 38% with a low of 41,408 in 2014. The past two years have seen a positive increase back to nearly 50,000 riders.



Work of Gratiot County Collaborative Council

The Gratiot County Collaborative Council's Transportation Committee has made a countywide transportation system a priority for a number of years. Beginning in 2014 the Alma Transportation Center became involved and took the lead in finding solutions for Gratiot County's transportation issues. Monthly meetings were held to discuss issues and the potential of expansion for ATC. The following goals were established by the committee:

- Expand services that allow the Gratiot County community to have access to human service agencies, medical facilities, governmental institutions, and employment opportunities.
 - Definite need for residents of all areas to have access to Alma, Ithaca, and St. Louis for the different needs that are serviced
- Fulfill current and future unmet transportation needs by establishing an organizational structure that can plan and implement services to support future growth
- Increase ridership through an expanded system that is affordable and easy to understand
- Raise the visibility and understanding of public transportation that will assist to support efforts to build ridership and increase funding
- Use demand response services more efficiently to expand the capacity of current services offered to individuals who need human services and specialized transportation by becoming a "one stop" entity for all transportation needs in Gratiot County
- Expand outreach to customers, human service agency staff, employees, and others to provide basic transportation needs
- Increase funding as an expanded system has the ability to provide to more agencies with access to outside funding. Good service leads to the opportunity to facilitate a countywide millage that would support transit services.

The collaborative transportation committee will become more defined identifying members that have a specific transit interest. This committee will still serve in an advisory capacity to assist with the expansion plans. The transportation committee will play a major role in setting strategies for the millage language and campaign.

A CASE FOR EXPANSION

Needs of Gratiot County

Access to transportation services is a key to sustaining and enhancing the vitality of smaller communities in a rural area like Gratiot County. A good transit system is one that provides people the opportunity for affordable access to education, employment, healthcare, and services. Transportation supports businesses and is a critical factor in a company's decision to locate new business operations

Rural transportation has struggled to become an efficient part of their communities. The reason according to Charles Rutkowski, Assistant Director for Community Transportation Association of America (CTAA) is simple. "Everyone has been doing their own thing. Transportation programs were limited to

specific client groups or programs. Two or three vans would follow one another down a road to pick up passengers. They'd all have empty seats and be heading to the same areas, but they were funded by different agencies receiving public monies. It doesn't take a rocket scientist to figure out it is more efficient and economical to coordinate those rides and run one vehicle."

This is where we are at in Gratiot County. The good news is that the major players involved with public transportation recognize the need to coordinate and consolidate their services. It is time to allow the human service agencies to work on their mission, and leave transportation to the transits. In Gratiot County the coordination of public transportation will improve efficiency while reducing duplication and costs for community agencies and organizations responsible for providing transportation for their clients.

In Gratiot County the majority of the medical and mental health facilities are located in the Alma area while the county courts and State of Michigan offices are mostly located in Ithaca. It seems obvious that residents from across the county need access to both of these areas. An expanded service can provide that.

Vision for an Expanded Transit System in Gratiot County

- Build a community transit system that focuses more on people than on buses; on long-term solutions rather than quick fixes; on relationships rather than rigid practices; on values and principles rather than on activities; and on mission, purpose and direction rather than on rules and regulations.
- Build a transit system that strives to achieve high customer satisfaction.
- Build a transit system where public, private, and human service agencies coordinate efforts so that transportation is provided to all, service is more efficient, and duplication is avoided.
- **Build a transit system that emphasizes a shift from providing rides to managing the mobility needs of all people. Mobility is recognized as an essential part of life and is supported by public officials, community leaders, and human service managers.**

Comparison to Similar Counties

Transit System	Service Area Population	Square Miles Served	2015 Ridership	Fleet Vehicles	Miles Driven 2015	Vehicle Hours 2015
Clare County Transit	30,569	575	114,668	31	605,941	30,228
Gladwin City/County Transit	25,493	576	109,921	20	571,453	34,131
Roscommon County Transit	24,014	580	155,236	26	683,815	33,828
Cadillac/Wexford Transit	32,645	576	116,072	25	618,501	35,155
Alma Transit Center	9,281	6.2	49,030	8	92,011	7,935
Gratiot County	41,968	572	Potential ??	??	??	??

The above listed counties are similar to Gratiot County in terms of their overall needs that pertain to transportation. The listed counties run very good transit systems and are well respected in the industry. Gratiot County has a larger population than any of the comparable counties and is similar in square mileage. A difference in Gratiot is the three higher density areas in terms of population and industry (Alma, St. Louis, Ithaca). The need for transportation between these three areas leads to the belief that there is a great opportunity to build a viable, needed system in Gratiot County.

PILOT PROGRAM

The Alma Transportation Center along with the Gratiot County Collaborative Council Transportation Committee are proposing to run an 18- month Gratiot County Transit pilot program to test the need and interest for a countywide system. Over an 18-month period (July 2016-December 2017) transit services would be expanded from their current state (City of Alma with limited outside service) to full service within 10 miles of the City of Alma, including St. Louis, Ithaca, and Pine River Township. Upon the conclusion of the pilot program, an informed decision can be made about the feasibility of a countywide transit system, funded by a tax based millage.

The pilot program would be a joint effort of the ATC, Gratiot County Collaborative Council, Gratiot Community Mental Health, Mid-Michigan Medical Center – Gratiot, Gratiot County Commission on Aging, Gratiot County, Cities of St. Louis and Ithaca, Pine River Township, Greater Gratiot Development, and the Gratiot County Community Foundation.

Service Areas

Service are for the ATC would be split into 3 distinct zones:

- Zone 1: City of Alma – 1,2,3, Priority Service
- Zone 2: Cities of St. Louis and Pine River Township (1,2,3, Priority Service), Ithaca (8:30 am, 11:00 am, 1:00 pm, and 4:30 pm)
- Zone 3: All other areas within the 10-mile service radius, including to and from Ithaca or other Zone 3 areas. Other than to and from Ithaca, 24-hour advance calls.

Fare Structure

Zone 1

Adult	\$2.00
Junior	\$1.50
Senior and Reduced Fare	\$1.00
Gold Card	Free

ZONE 2

Adult	\$3.00 (\$5.00 round trip: paid on initial ride)
Junior	\$3.00 (\$5.00 round trip: paid on initial ride)
Senior and Reduced Fare	\$1.50
Gold Card	\$1.00

ZONE 3

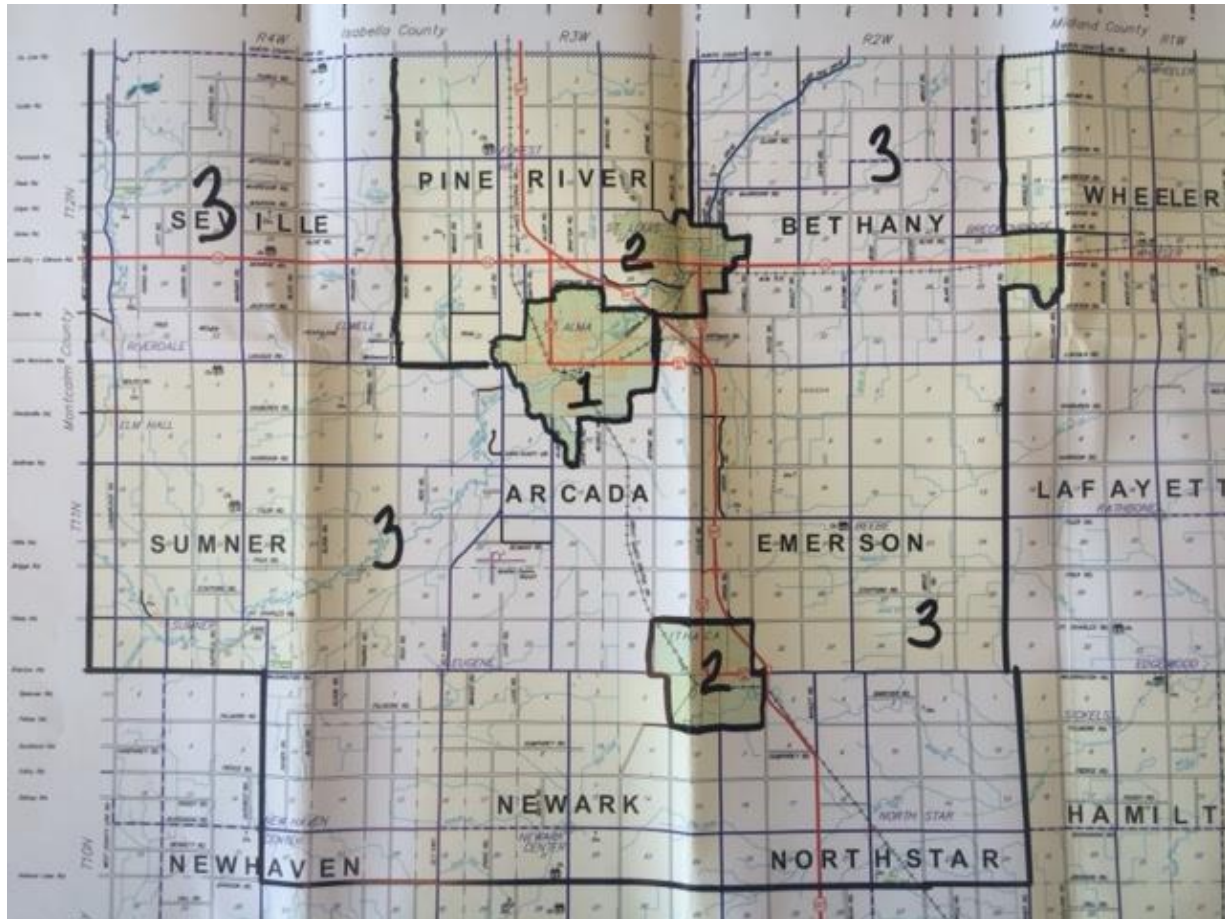
Adult	\$4.00 (\$7.00 round trip: paid on initial ride)
Junior	\$4.00 (\$7.00 round trip: paid on initial ride)
Senior and Reduced Fare	\$2.00
Gold Card	\$1.50

ZONE 2 SERVICE

The City of St. Louis and Pine River Township will be a part of normal operating service. Dispatch will include those rides in all open activity. Ithaca will be serviced by a bus at 8:30 am, 10:30 am, 1:00 pm, and 4:30 pm. This bus may stay in Ithaca for longer periods of time if business is called for. There may be a need to set up transfers with the Ithaca bus – Possibly JJ Ruby's.

ZONE 3 SERVICE

Service to Zone 3 area will only be serviced with an advanced call in by prior business day. These rides are then grouped by the dispatcher.



Costs – Operations/Capital

In order to have access to the system, others must be willing to take on some of the financial burden for the system. How do we determine participating agencies and jurisdictions share of the cost? Working together to make the cost equitable is essential. The cost of the overhead and accounting can become substantial if allowed. Each individual partner is asked to look at their current transportation costs and see what they are really expending. Grants must be explored by the various partners as well as the Gratiot County Community Foundation. It is very important that the partners understand that when we are referring to funding it is more than the farebox – we are dealing with the cost of running the transportation system. Farebox collection is generally less than 10% of a transit's revenue.

Contacts and commitments must be made by other area municipalities and townships to help off-set the cost.

- City of St. Louis, City of Ithaca, Pine River Township, Gratiot County

Human service agencies and non-profits are a major consumer of the Alma Transportation Center. Contracts for these agencies must also be established in an attempt to prove the worth of the system expanding.

- Gratiot County Community Mental Health, MidMichigan Medical Center, Commission on Aging

Out of City Cost Analysis:

Calculating Operating Costs:

Operating Costs include salaries, fringe benefits, and internal service costs. These costs are divided by the revenue hours for the buses to get a per hour rate.

• FY2017 Salaries (Operations – driver + 2 pt) =	\$261,000
• FY 2017 Dispatch Salary=	\$51,700
• FY 2017 Fringe Benefits (Driver/Dispatch)	\$75,000
• FY 2017 Budgeted Internal (+5,000 media)	\$43,000
• Total 2017 Operations (Driver/Dispatch)	\$430,700.

- FY2017 Vehicle Hours (includes mental health) = 8188 hours

TOTAL PER HOUR OPERATING COST: \$430,700/8188 = \$52.60 per hour

Calculating Maintenance Costs:

Maintenance Costs include fuel, materials, parts, utilities, insurance, leases and rentals. These costs are divided by the vehicle mileage to get a per mile rate.

• FY2017 Maintenance costs	\$108,175.00
○ Mechanic Salary	\$23,875.00
○ Fringe	\$9,500.00
○ Garage Services	\$13,000.00
○ Maintenance Supplies/Parts	\$18,000.00
○ Fuel	\$33,000.00
○ Tires	\$3,000.00
○ Insurance	\$7,800.00

- **FY2017 Vehicle Miles = 100,000**

TOTAL PER MILE MAINTENANCE COST: \$108,175/100,000 = \$1.08 per mile

Operating Costs: Based on \$52.60

- | | |
|-------------------------------------|----------------------|
| • 25 hrs per week x \$52.60 | \$1315/ week |
| • 52 weeks x \$1315 | \$68,380/year |
| • Subtract State Funding @ 35.7650% | \$24,456.10 |
| • Subtract Federal Funding @ 18.5% | <u>\$12,650.30</u> |
| • Total Yearly Operating | \$31,273.60 per year |

Maintenance Costs: Based on \$1.07/mile

- | | |
|-----------------------------|---------------------|
| • 55 miles per day x 5 days | 275 miles per week |
| • 275 miles x \$.1.08 | 297.00 per week |
| • Total Yearly Maintenance: | \$15,444 (275 x 52) |

OPERATIONS - 1 YEAR COST FOR PILOT = \$46,717.60

- Includes addition of 2-part time drivers - \$33,000
- Includes cost of new web site and branding development - \$5,000

Capital Expenses Needed – Additional Vehicles

Additional vehicles will be needed to take on an expanded role for the agency. **The additional cost of vehicles would be a good use for spending down some of the ATC's fund balance.** The ATC has applied for new buses through the Rural Task Force FY2017 and the Federal 5339 Bus Replacement Program. These proposed vehicles are in addition to those requests. If we received vehicles through those two grants we would see a positive increase in our fleet size that would assist in the expansion project.

- **Patient Equipment Locker:** Currently has an 18 seat, lift equipped 2006 Bus that only has 26,000 miles. This bus is not generally used by PEL and may be brought to the ATC prior to any merger.
- **Purchase Used Bus – Hoekstra:**
 - 2015 Ford F450 – 28 seat passenger 13,000 miles.



- Cost of used bus: **\$55,732.**
 - 28 seat bus can be used to transport larger groups of riders. This would also allow us to combine school routes and use less drivers during those times, freeing up hours for expanded service runs.
- **Purchase 2 10 seat Ford Transit Vans**



- Cost from Krapohl Ford is approximately **\$27,000 each (\$54,000)**

- This type of vehicle allows us to make more efficient decisions on the type of vehicle used with our expanded routes. There are many times an 8-10 seat vehicle makes more sense than a larger 14-18 seat bus.

Additional Revenue for Pilot Program

Governmental Contracts

The primary areas proposed in the pilot program encompass the cities of St. Louis and Ithaca as well as pine River Township and Gratiot County. These governmental entities must be involved and contribute to the pilot program. Since August of 2015 the ATC has run on a limited basis to these areas at certain times of day. It was necessary to see if there was a need for transportation outside the City of Alma, as traditionally there had been very little collaboration. The list below shows that nearly 18% of the transit service during the 9 months of August 2015 – April of 2016 either started or ended in one of those areas.

August 1 2015 - April 30, 2016

St. Louis	1048
Ithaca	218
Pine River Township	<u>5744</u>
Total Zone 2, 3	7,010

Agency Contracts

Gratiot Community Mental Health:

Gratiot Community Mental Health has been represented on the Transportation Committee of the Collaborative Council from the start of this process. The ATC and GCMH have had numerous meetings with the ultimate goal of providing their consumers better transit service. Currently the ATC and GCMH are finalizing a contract that would call for the ATC to provide transit service on a daily basis to day program consumers. The ATC will dedicate a bus to pick up and drop off GCMH clients in the morning and afternoon 4 days per week at a contracted rate of \$45.00 per hour.

- Anticipated Revenues: range from \$20,340 - \$30,510 per year depending on a 2-3 hour per day service. The ATC began providing rides within their service area on May 1, 2016 free of charge to GCMH clients. The GCMH is billed for the rides and will be invoiced quarterly for these rides. This may become part of the negotiations between the ATC and GCMH.

MID MICHIGAN MEDICAL CENTER – GRATIOT (MMMCG)

The MidMichigan Medical Center-Gratiot has also been a member of the transportation committee and a strong proponent of the expansion. MMMCG has expressed a desire to contract with the ATC for services and preliminary meetings have taken place. A contract similar to that with Gratiot Community Mental Health will be explored. One area of concern for MMMCG has been the ability of the transit to provide, or assist with rides to Midland and Mt. Pleasant for medical care. The proposed non-emergency medical transportation will have a major impact on the ATC's dealings with the medical community in Gratiot County.

OTHER COMMUNITY ENTITIES

GREATER GRATIOT DEVELOPMENT CORPORATION

Greater Gratiot Development and the ATC have had meetings to stress the importance of an expanded transit system. Greater Gratiot Development is reaching out to businesses in the county to explore the potential of the ATC starting a Ride to Work program. Currently the ATC has not been involved with business to assist with their employees needs for transportation. The ATC is willing to change their scheduling in order to meet any needs that may be identified.

GRATIOT COUNTY COMMISSION ON AGING

The Gratiot Commission on Aging is currently going through a similar self-assessment as the ATC. Preliminary talks have taken place that show the ATC and the COA need to work together to promote each other's projects and goals. The ATC is committed to making sure that transit is never an obstacle for seniors who have a want or need to participate in any programs offered by the COA.

GRATIOT COUNTY COMMUNITY FOUNDATION (GCCF)

The Gratiot County Community Foundation funds projects that will improve the quality of life for the citizens of Gratiot County. The Foundation aims to support creative approaches to community needs and problems which will benefit the widest possible range of people. Preliminary discussions have been held with the foundation and it is apparent that an expanded transit system is precisely the type of project that Foundation would give strong consideration to funding. The approach for a Foundation grant would be to show that there is strong philosophical and financial commitment from local governments and service agencies to see that an expanded transit system is a high priority in Gratiot County.

NON EMERGENCY MEDICAL TRANSPORTATION

The Handicappers Information Council – Patient Equipment Locker (HIC-PEL) has provided non-emergency medical transportation services to Gratiot County residents for over 30 years. IN 2014 HIC-PEL approached the ATC and requested they take over the service as a part of the transit expansion project. Numerous meetings and discussions have taken place over the course of a year and it is believed that the inclusion of NEMT for ATC would be a welcome addition for the community. The Gratiot County community has been very fortunate to have a quality non-emergency medical transportation organization like Patient Equipment Locker. It has shown to be an essential part of the community. Moving this operation into the transit system makes sense as our dispatchers and ride planners will be able to assist customers with accessing the type of ride they need. By opening up our bus service to other areas of the county, many folks may be able to pay less and ride a bus as opposed to the more specialized service of an NEMT.

The ATC is working closely with the MidMichigan Medical Center – Gratiot and McLaren Health Systems to develop a contract for services. We are fortunate to have facilities in our area that understand the importance of their patient’s transportation needs. The hospital affiliation with MidMichigan Medical Center – Midland and the expansion of the health park in Mt. Pleasant are natural ties that have a need for NEMT service.

Specialized Services Explanation

The Specialized Services Program provides operating assistance for transportation services primarily for elderly persons and persons with disabilities. The service to be provided is based on an annual application approved by Office of Passenger Transportation. The Specialized Services Recipients and Sub-recipients are reimbursed per mile or per one-way unlinked passenger trip up to the contract maximum. The Handicappers Information Council – Patient Equipment Locker (HIC-PEL) has traditionally been eligible for **\$41,213 per year**. The Specialized Services Program is funded with state and local funds, no federal funds.

ATC NEMT SERVICES: FUTURE

- Service to run from 5:00 am – 3:00 pm daily
- 4 Vans and 1 cutaway bus brought over from PEL
- Addition of 1 Full Time Employee as an Operations Assistant/Driver to Coordinate NEMT
 - Starting at \$14.49/hour = \$30,139 + Benefits
- Addition of 4 Part Time Drivers
 - 25 Hours per week = 1300 hour per year
 - \$12.07/ hour = \$15,691 x 4 = \$62,764

- Fare structure needs to be updated as there has been no increase since 2003
 - In City: \$7.00
 - City to City in County: \$13-\$15 one way
 - No Direct Bill to Medicaid – Contracted Service with Medical Providers

Future of NEMT – Model Cadillac/Wexford’s Healthway Express

Cadillac Wexford Transit Authority runs a section of their NEMT by what they call their Healthway Express. This is a designated bus provides service to area hospitals, medical offices, and dialysis centers. Healthway Express requires that riders call at least 24 hours in advance to set up rides for medical needs. These rides do not require a “20-minute window” as normal demand response does. These routes are run on time by appointment. Cadillac Wexford worked closely with their medical community to have open communication for pick-ups so those utilizing the service did not have to wait for the next available bus. Medicaid riders are billed by the medical provider, who in turn pay the cost of the ride back to the transit agency through a negotiated contract. Those contracts can be established on a per hour or per ride basis. Currently most per ride contracts for NEMT are approximately \$15 – one way.

The Healthway Express Bus would operate during a designated time (8am-3pm). Routes are developed by the dispatch center throughout the day that allow riders to become comfortable with their driver and other passengers on a daily basis. The availability of utilizing this service for transit to the cancer treatment center as well as dialysis allows those with illnesses to have consistency. In Cadillac this service is every popular and well received. Rates for these rides would be a little more than our normal dial a ride service as the driver would provide additional assistance under NEMT.