



**LUZERNE COUNTY TRANSPORTATION AUTHORITY
TRANSIT AGENCY PERFORMANCE REVIEW REPORT**

AUGUST 2011

Revised – June 2014

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After the development of the Luzerne County Transit Performance Review Report was completed in August 2011, information regarding reported LCTA ridership in the dotGrants system was questioned and subjected to rigorous analyses including on-board video review and statistical testing. The analyses concluded that LCTA reported ridership information was overstated for several years.

Ridership reporting serves as the basis of two of the five-year Act 44 performance standards described in the transit system performance review report: passengers per revenue hour and operating cost per passenger. Due to the change in the reported passenger variable, the five-year performance standards in the LCTA Performance Review Report of August 2011 are erroneous. To correct this, updated standards have been established for LCTA, and the report has been updated to reflect restated ridership data.

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EXECUTIVE SUMMARY

In July 2007 the Pennsylvania Legislature passed Act 44, establishing a framework for a transit agency performance review process. The purpose of a review is to assess performance and make transit agencies aware of improvement opportunities. The transit review process is an intense, short-duration effort intended to assess a transit system's efficiency, effectiveness, and best practices.

In March 2011, an Act 44 transit performance review was initiated for Luzerne County Transportation Authority (doing business as LCTA). The performance review considered fixed-route service only. This document conveys the results of that performance review and identifies areas where improvements may be made, as well as best practices that may be shared with similar agencies throughout the Commonwealth of Pennsylvania.

Agency Profile

Agency Name	Luzerne County Transportation Authority (dba LCTA)	
Year Founded	1972	
National Transit Database Reporting Year	2009	
Service Area (square miles)	56	
Service Area Population	~202,500	
Type of Service Provided	Fixed-Route Bus	ADA Demand Response
Vehicles Operated in Maximum Service	31	12
Annual Revenue Miles of Service	~1.0 million	~0.1 million
Annual Revenue Hours of Service	~70,000	~8,000
Annual Passenger Trips	~1.1 million	~21,000
Employees (full-time/part-time)	74/6	0/0
Annual Operating Budget	~\$6.2 million	~\$0.3 million
Annual Fare + Misc. Revenues	~1.0 million	~\$62,000
Farebox + Misc. Revenues / Total Operating Cost	~17%	~21%
Administrative Cost / Total Operating Cost	~12%	~18%
Operating Cost / Revenue Mile	~\$6	~\$3
Operating Cost / Revenue Hour*	\$88.95	~\$40.74
Passengers / Revenue Hour*	15.15	~2.59
Farebox+Misc. Revenues / Revenue Hour*	\$14.86	~\$7.68
Operating Cost / Passenger*	\$5.82	~\$15.71

**Denotes Act 44 Performance Metric for Fixed-Route Bus Service*

ACT 44 PERFORMANCE DETERMINATION

Available documentation and Act 44 metrics were reviewed to quantify LCTA's fixed-route performance with respect to itself over the period of FY 2005-6 to FY 2008-09 and to a set of its peers. Peers were selected through an analytical process with interagency coordination between the Pennsylvania Department of Transportation (PennDOT) staff and LCTA.

Act 44 stipulates that metrics fall into two categories: "In Compliance" and "At Risk." The following criteria are used to make the determination:

- In Compliance if less than one standard deviation **above** the peer group average in –
 - Single-year and trend for Operating Cost / Revenue Vehicle Hour
 - Single-year and trend for Operating Cost / Passenger
- In Compliance if greater than one standard deviation **below** the peer group average in –
 - Single-year and trend for Passengers / Revenue Vehicle Hour
 - Single-year and trend for Operating Revenue / Revenue Vehicle Hour

If the agency falls outside of any of the boundaries, it is considered "At Risk" for that criteria and must create an action plan to bring the criteria into compliance prior to the next performance review.

An analysis of the eight key criteria mandated by Act 44 was conducted and ***it was determined that LCTA is "In Compliance" for all eight criteria.*** The peer comparison process as applied to Act 44 criteria (below, in bold typeface) revealed that:

In Compliance

- **FY 2008-0909 passengers per revenue vehicle hour** ranks ninth out of the 12 transit agencies in the peer group and is worse than the peer group average.
- The **trend of passengers per revenue vehicle hour** ranks eighth out of 12 and is worse than the peer group average.
- **FY 2008-09 operating cost per revenue vehicle hour** ranks eighth out of 12 and is worse than the peer group average.
- The **trend for operating cost per revenue vehicle hour** ranks fifth of 12 and is better than the peer group average.
- **FY 2008-09 operating revenue per revenue vehicle hour** ranks eighth out of 12 and is worse than the peer group average.
- The **trend for operating revenue per revenue vehicle hour** ranks fourth out of 12 and is better than the peer group average.
- **FY2008-09 operating cost per passenger** ranks tenth of 12 and is worse than the peer group average.
- The **trend for operating cost per passenger** ranks sixth of 12 and is considered worse than the peer group average.

At Risk

- None.

A summary of the specific Act 44 measures and their values are presented in the following table.

Performance Criteria		Determination	Rank (of 12)	Comparison to Peer Avg.	Value	Peer Average
Passengers / Revenue Hour	2008-09	In Compliance	9	Worse	15.15	18.17
	Trend	In Compliance	8	Worse	-1.27%	0.44%
Operating Cost / Revenue Hour	2008-09	In Compliance	8	Worse	\$88.23	\$80.40
	Trend	In Compliance	5	Better	0.66%	1.88%
Operating Revenue / Revenue Hour	2008-09	In Compliance	8	Worse	\$14.83	\$17.73
	Trend	In Compliance	4	Better	3.29%	0.99%
Operating Cost / Passenger	2008-09	In Compliance	10	Worse	\$5.82	\$4.77
	Trend	In Compliance	6	Worse	1.96%	1.52%

FUNCTIONAL REVIEW FINDINGS

In addition to the macro-level evaluation of LCTA with regard to the eight Act 44 measures, a functional evaluation of the system was performed to provide more insight into the system. The performance evaluation consisted of additional document reviews, on-site review, and interviews with key staff.

In accordance with Act 44, findings are additionally indicated as “opportunities for improvement” or “best practices.” Improvement opportunities identify tasks that may be undertaken to increase the efficiency, effectiveness, and/or quality of service of the agency. Best practices are current practices that enhance the efficiency, effectiveness, and/or quality of service of LCTA and may be shared with other agencies as techniques for improvement. Major findings are indicated below; detailed recommendations on how these and other issues identified should be addressed are found in the body of the report.

Best Practices

- **Interagency Parts Sharing Arrangement** – LCTA and County of Lackawanna Transit System (COLTS) have a parts swapping arrangement whereas parts can be acquired on very short notice from the other system. This reduces the inventory requirements of both agencies, reduces the time necessary to get parts that are difficult to find, and enables vehicles to return to revenue service more rapidly (p 25).
- **Standardized Fleet** – By standardizing its fleet of revenue vehicles, LCTA reduces training requirements, creates the opportunity for bulk parts purchases, and reduces parts inventory requirements (p 25).

- **Aggressively Contain Insurance Costs** – LCTA has taken proactive steps to minimize the cost of liability and workers’ compensation insurance costs and claims, as well as health insurance. This results in significant savings to the agency (p 25).
- **Outreach to Colleges and Universities** – By engaging the community and being visible where people work and go to school, LCTA creates fertile ground to increase patronage and revenues (p 22).

Opportunities for Improvement

- **Acceptance of Appropriate Roles and Responsibilities** – The LCTA Board takes a strong role in what are, in most transit agencies, typically day-to-day management functions (i.e., personnel, vehicle procurement, etc.). By contrast the Board plays a relatively weak role in setting and monitoring broad-level performance criteria, agency goals, and objectives. This limits the ability and flexibility of the management team and results in a lack of strategic direction (p 29) for the agency.
- **Proactively Address Terms of Collective Bargaining Agreement** – The terms of LCTA’s collective bargaining agreement are atypical for an agency of this size. Many similar-sized agencies have greater flexibility in terms of how overtime pay is calculated (40 hours/week versus 8 hours/day), the use of part-time drivers, which maintenance functions are performed “in-house,” etc (p 25). The lack of flexibility impedes management’s ability to implement strategies that would improve productivity and efficiency as well as control costs.
- **Assure Appropriate Training at All Levels of the Agency** – Given changes in the transit industry, the regulatory environment, safety concerns, etc., periodic training is a necessary element of a successful and safe transit operation. The current emphasis on training is inadequate for most agency functions. From Board members to bus drivers, office staff, and managers, ongoing training provides the best means to understand roles, missions, constraints, and the tools available to improve all key agency functions (p 24, p 28).
- **Critically Assess Maintenance and Extra Board Staffing Levels to Compare Current Procedures and Costs to Alternative Approaches** – LCTA has a significantly higher operational cost than agencies of similar size in areas of maintenance and operating staff. Furthermore, the approach to performing all maintenance functions in-house does not seem to have the desired outcomes of reducing costs and improving quality (p 24), given LCTA’s unusually large rate of road calls per 1,000 bus miles (p 27).
- **Develop and Employ Performance Metrics, Quality Assurance Procedures, and Reporting Protocols** – Well-established, documented, and implemented performance metrics and quality assurance procedures would allow LCTA to have a concrete basis for decision-making geared toward maximizing ridership, productivity, and value of the service to the community as well as controlling costs, and encourage proactive management practices including:
 - **On-Time Performance** – Interviews indicate that while an informal approach to assessing on-time performance exists, there is no formally-documented method for

analyzing on-time performance (p 23). On-time performance is critical to passengers' confidence in the service and attracting/retaining ridership.

- **Marketing** – LCTA does not have a dedicated marketing budget or any means to assess how well the zero- and low-cost methods employed meet the agency's goals (p 22). Even if there is no additional cost for these methods, there is an investment of staff time. If the current approach does not meet stated goals, staff time should be redirected.
 - **Service Planning** – Route-level analysis is an important component of future service planning. While an informal approach appears to exist, formally-documented standards by which to assess existing or proposed service should be adopted and used (p 23). Documenting the method, schedule, and responsibilities facilitates consistent analysis as well as conscious, well-reasoned changes to the process.
 - **Reporting** – Reporting accurate service statistics and financial information is critical to both state and federal funding agencies as well as to service planning and route analysis. There appear to be no formal quality assurance procedures in place to ensure that reports are correct and consistent (p 30). Incorrect or inconsistent data is of little value and can lead to poor decisions.
- **Develop and Implement Plans for Medium- and Long-Range Agency Functions** – Several key functional areas were found to lack medium- and long-range plans, implementation programs, and monitoring programs. Medium- and long-range plans and performance criteria allow for proper budgeting, effective acquisitions, and help ensure the long-term viability and sustainability of the agency. These functions include:
 - **Fleet and Service Expansion** – There is no long-term plan for service changes and changes to fleet needs that may result from service changes other than those required for the Transportation Improvement Plan (TIP) and 12-Year Plan (p 29).
 - **Information Technology** – There is no documented master Information Technology (IT) plan in place for the use or acquisition of IT programs critical to the agency (p 29).

UPDATED FIVE-YEAR FIXED-ROUTE PERFORMANCE STANDARDS

The transit agency performance report outlines critical areas where improvements may be made to increase the overall quality, effectiveness, and efficiency of the transit system. As a result of the performance review, a set of “performance standards” were established in consultation with LCTA. These performance standards represent the minimum performance level that LCTA should achieve for each Act 44 criteria during the next performance review cycle, five years from the date of the initial report.

Updated performance standards, summarized in the following table, were developed using the most accurate estimates of Act 44 performance variables available at this time and supersede the performance standards presented in the August 2011 performance review report.

The standards are established for Fiscal Year End (FYE) 2016 and are designed to be aggressive, yet achievable. Graphical representations of the standards, including interim year progress benchmarks, are presented in **Exhibit 12**, **Exhibit 13**, **Exhibit 14**, and **Exhibit 15**.

Performance Criteria	2009 Value	2010 Value	2016 Standard	Average Annual Increase
Passengers / Revenue Hour	15.15	14.78	16.64	2.0%
Operating Cost / Revenue Hour	\$88.95	\$88.49	\$105.66	3.0%
Operating Revenue / Revenue Hour	\$14.86	\$13.99	\$16.70	3.0%
Operating Cost / Passenger	\$5.82	\$5.99	\$6.36	1.0%

NEXT STEPS

Upon final transmission of the performance review report, Act 44 regulations stipulate that LCTA "...shall develop and submit to the Department within 90 days...a strategic action plan that focuses on continually improving the system to achieve the established minimum performance standards." The action plan should outline corrective action that will be taken to address:

- "Opportunities for Improvement" – as prioritized by the LCTA Board and management.

Functional area "opportunities for improvement" are areas in which improvement may result in cost savings, improved service quality, and ridership and/or revenue increases. Improvements in these areas will assist in the achievement of the performance standards by directly addressing areas that affect Act 44 performance criteria. It should be noted that many functional areas are interrelated, and the action plan should establish a comprehensive program that focuses on actions that address the larger issues within LCTA.

LCTA will submit the action plan to the LCTA governing body for approval, and subsequently submit the final approved strategic action plan to PennDOT. LCTA must report at least quarterly to the governing body and PennDOT on the progress of the strategic action plan, actions taken, and actions soon to be implemented. Reporting may occur on a more frequent basis, to be determined jointly by PennDOT, LCTA, and the governing body.

INTRODUCTION

PURPOSE

In July 2007 the Pennsylvania Legislature passed Act 44, establishing a framework for a performance review process for all public transportation agencies receiving state financial assistance. This report documents the findings and observations of the public transportation agency performance review for Luzerne County Transportation Authority (LCTA).

Performance reviews are conducted to emphasize the importance of good management, proactive planning, and efficient service, which maximize the effectiveness of federal, state, and local funding. In addition, other important goals of the review process and this document are to:

- Find, document, and publicize best practices that contribute to efficient, high-quality public transit service delivery, encouraging other Pennsylvania transit agencies to apply them as appropriate.
- Provide guidance to transit agencies on cost-effective ways to improve efficiency, effectiveness, and quality of service.
- Identify and document legal, institutional, or other barriers beyond the control of the transit agency that may impede efficiency in service delivery and management.

PERFORMANCE REVIEW PROCESS

In March 2011, a transit agency performance review was initiated for LCTA. The performance review proceeded following the steps outlined below:

1. Initial notification of performance review selection and transmission of document request
 - Review of available data and requests for what should be “off-the-shelf” information that may not be publicly available.
2. Peer selection
 - A set of peers used for comparative analysis was jointly agreed upon by LCTA and PennDOT.
3. Act 44 performance criteria analysis
 - Performance criteria mandated by Act 44 were analyzed for the peer group.
 - Additional performance criteria were calculated for informative purposes to help guide the on-site review.
4. On-site review
 - On-site review was conducted on March 21 and March 22, 2011.
 - An interview guide customized for LCTA’s service characteristics was used for the review.
 - Topics covered during the interview process included:
 - Governance
 - Management
 - Finance
 - Procurement
 - Human/Labor Relations
 - Safety and Security
 - Operations and Scheduling
 - Maintenance
 - Information Technology
 - Customer Service
 - Marketing and Public Relations
 - Planning
 - Capital Programming

After the development of the LCTA report was completed in August 2011, information regarding reported ridership in the dotGrants system was questioned and subjected to rigorous statistical analyses. The analyses concluded that LCTA reported ridership information had been overstated at the time the report was developed. This report was updated to reflect restated ridership for the period of the performance review.

AGENCY DESCRIPTION

“The Luzerne County Transportation Authority (LCTA) was incorporated in 1972 as an Urban Mass Transit Administration (UMTA), PennDOT, City Demonstration Agency of Wilkes-Barre, and Federal Disaster Assistance Administration (FDAA) demonstration project in response to service disruptions resulting from Hurricane Agnes.”¹

Since then, LCTA has grown to about 80 employees and provides fixed-route and ADA paratransit service. Amalgamated Transit Union (ATU) Local 164 has represented LCTA drivers and maintenance employees since its inception. The agency operates approximately 12 paratransit vehicles and about 31 fixed-route vehicles at maximum service levels. Paratransit service is contracted out while all fixed-route service is directly provided by LCTA.

LCTA shares a downtown intermodal transfer center with Martz Trailways which is owned by the City of Wilkes-Barre. Fixed-route service is provided Monday through Saturday with the exception of designated holidays (New Year's Day, Memorial Day, July 4th, Labor Day, Thanksgiving, and Christmas Day). Monday through Friday hours are approximately 5:00 a.m. until about 7:00 p.m. Saturday service begins at approximately 9:00 a.m. and continues until about 5:30 p.m.”²

LCTA’s fixed-route system consists of 16 bus routes serving Luzerne County and connecting with the County of Lackawanna Transit System (COLTS). **Exhibit 1** and **Exhibit 2** present fixed-route bus statistics for LCTA derived from PennDOT Legacy Reports (DotGrants) and the National Transit Database (NTD).

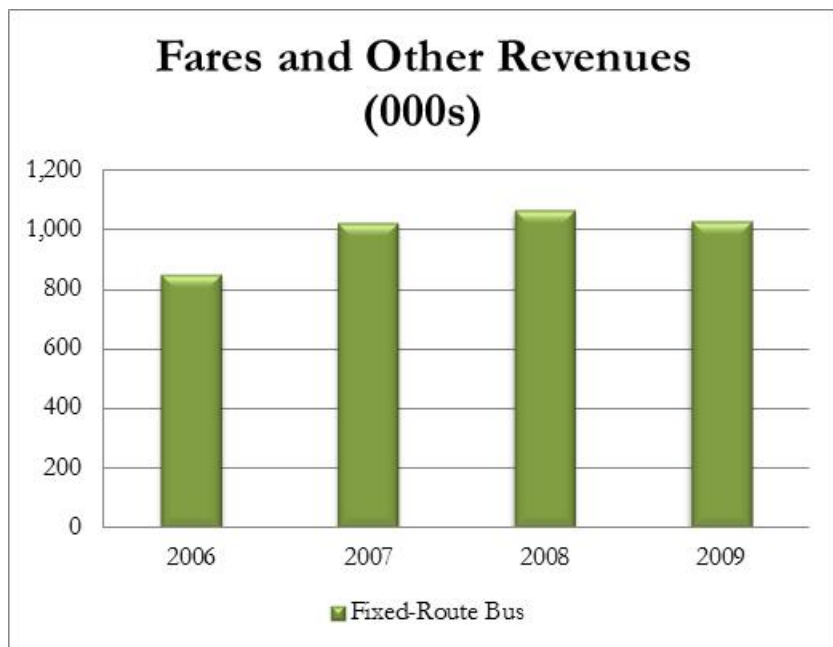
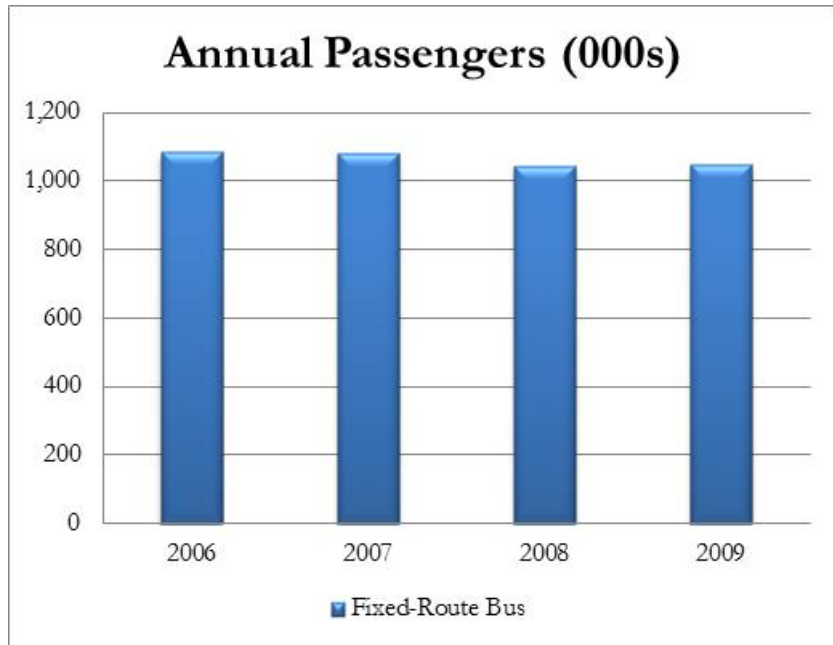
Important observations evident from the trends in demand, revenues, and operating characteristics are:

- LCTA’s fixed-route ridership has been increasing in recent years.
- Farebox revenues grew after a fare increase in 2006 and spiked in 2008.
- Revenue hours of service and operating costs demonstrate a similar pattern of modest increases.

¹ *Renaissance of a Local Bus System...The Wilkes-Barre Pennsylvania Experience.* Simpson and Curtin Transportation Consultants. September 1974.

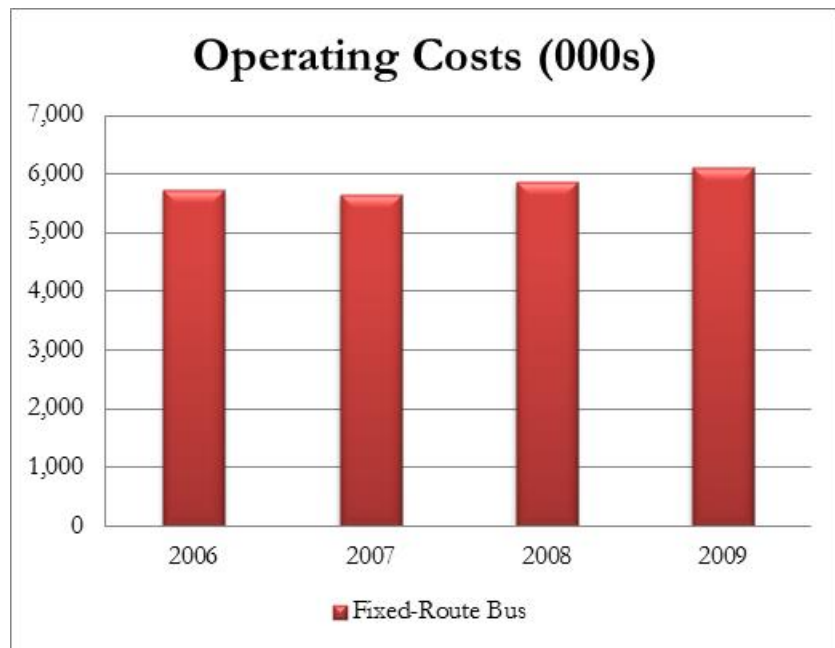
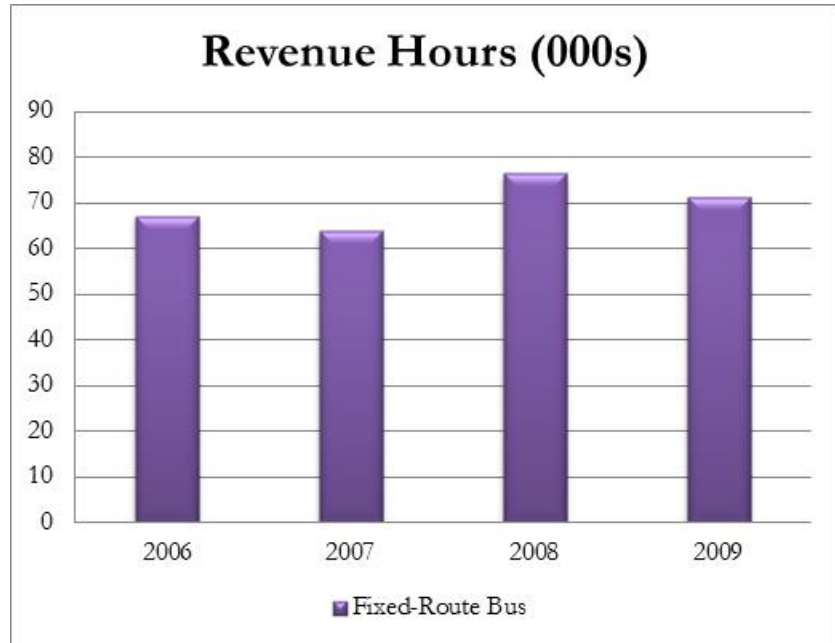
² The agency description was compiled from various sources including interviews with management.

Exhibit 1: Fixed-Route Passenger and Revenues FY 2005-06 – FY 2008-09



Source: National Transit Database and Legacy Reports, FY 2005-06 – FY 2008-09 as restated in January 2014 due to incorrect ridership reporting

Exhibit 2: Fixed-Route Revenue Hours of Service and Operating Costs FY 2005-06 – FY 2008-09



Source: National Transit Database and Legacy Reports, FY 2005-06 – FY 2008-09

ACT 44 PERFORMANCE ASSESSMENT

Act 44 establishes the framework for a performance review process as follows:

“The Department may conduct performance reviews of an award recipient under this section to determine the effectiveness of the financial assistance. Reviews shall be conducted at regular intervals as established by the Department in consultation with the management of the award recipient. After completion of a review, the Department shall issue a report that:

*Highlights exceptional performance and identifies any problems that need to be resolved;
Assesses performance, efficiency, and effectiveness of the use of the financial assistance;
Makes recommendations on follow-up actions required to remedy any problem identified; and,
Provides an action plan documenting who should perform the recommended actions and a time frame within which they should be performed.”*

The law sets forth performance criteria to be used to satisfy its objectives:

- Passengers per revenue vehicle hour,
- Operating cost per revenue vehicle hour,
- Operating revenue per revenue vehicle hour,
- Operating cost per passenger, and
- Other items as the Department may establish.

Performance criteria are to be compared for both the system being reviewed and for a group of five or more peers by mode, determined by considering:

- Revenue vehicle hours (car hours for rail and fixed guideway)
- Revenue vehicle miles (car miles for rail and fixed guideway)
- Number of peak vehicles
- Service area population

The law further instructs PennDOT to prepare a five-year trend analysis for the local transportation organization under review and the peer systems by performance criteria and by mode, and make a determination of “In Compliance” or “At Risk” status based on findings. Due to overstated ridership data for several years, a revised trend analysis is presented for FY 2005-06 – FY 2008-09 using estimates of true senior ridership.

PEER SYSTEM SELECTION

The following list was submitted to LCTA management for review and comment. All 11 peer systems, in addition to LCTA, were included in subsequent analyses for peer comparison purposes:

- Northeast Transportation Company, Inc. (Waterbury, CT)
- City of Appleton – Valley Transit (Appleton, WI)
- Green Bay Metro (Green Bay, WI)
- Housatonic Area Regional Transit (Danbury, CT)
- Cedar Rapids Transit (Cedar Rapids, IA)

- City of Rochester Public Transportation (Rochester, MN)
- City Utilities of Springfield (Springfield, MO)
- Beaver County Transit Authority (Rochester, PA)
- Metra Transit System (Columbus, GA)
- Lorain County Transit (Elyria, OH)
- Laketrans (Grand River, OH)

ACT 44 FIXED-ROUTE COMPARISONS AND FINDINGS

Comparison of LCTA with the selected peer systems was completed using NTD-reported data and statistics. NTD data was selected as the source of data to use in the calculation of the following Act 44 metrics due to consistency and availability³ for comparable systems for the trend analysis window:

- Passengers per revenue vehicle hour
- Operating cost per revenue vehicle hour
- Operating revenue per revenue vehicle hour
- Operating cost per passenger

The definition of the variables used in the calculations is as follows:

- Passengers: Annual unlinked passenger boardings by mode for both directly-operated and purchased transportation.
- Operating Costs: Annual operating cost of services provided (excluding capital costs) by mode for both directly-operated and purchased transportation.
- Operating Revenue: Total annual operating revenue generated from farebox and other non-state, non-federal sources by mode for both directly-operated and purchased transportation.
- Revenue Vehicle Hours: The total annual number of “in-service” hours of service provided by mode for both directly-operated and purchased transportation.
- Average: Unweighted linear average of all values being measured across all peer transit agencies, including LCTA.
- Standard Deviation: Standard deviation of all values being measured across all peer transit agencies, including LCTA.

Act 44 stipulates that metrics fall into two categories: “In Compliance” and “At Risk.” The following criteria are used to make the determination:

- In Compliance if greater than one standard deviation **above** the peer average in:
 - The single-year and trend for Operating Cost / Revenue Vehicle Hour
 - The single-year and trend for Operating Cost / Passenger
- In Compliance if **below** one standard deviation from the peer group average in:
 - The single-year and trend for Passengers / Revenue Vehicle Hour
 - The single-year and trend for Operating Revenue / Revenue Vehicle Hour

³ NTD data is available for almost every urbanized area transit system in the United States. The latest data available at the time of this review was for 2009.

If the agency falls outside of any of the boundaries, it is considered “At Risk” for that criteria and must create an action plan to bring the criteria into compliance prior to the next performance review.

Detailed results of the LCTA analysis and the peer analysis are presented in the **Fixed-Route Bus Performance Comparisons** section below and can be summarized as follows:

Exhibit 3: Act 44 Compliance Summary

Metric	2009 Single Year	Trend
Passengers / Revenue Hour	In Compliance	In Compliance
Operating Cost / Revenue Hour	In Compliance	In Compliance
Operating Revenue / Revenue Hour	In Compliance	In Compliance
Operating Cost / Passenger Boarding	In Compliance	In Compliance

FIXED-ROUTE BUS PERFORMANCE COMPARISONS

For the 11 peer systems plus LCTA, NTD data were extracted and summarized for each of the required Act 44 metrics. Measures were put into histograms and tables for visual inspection, statistical analyses, and ordinal ranking purposes. The single-year results of these analyses are presented in **Exhibit 4, Exhibit 5, Exhibit 6, and Exhibit 67**. Trend analyses are presented in **Exhibit 8, Exhibit 9, Exhibit 10, and Exhibit 11**.

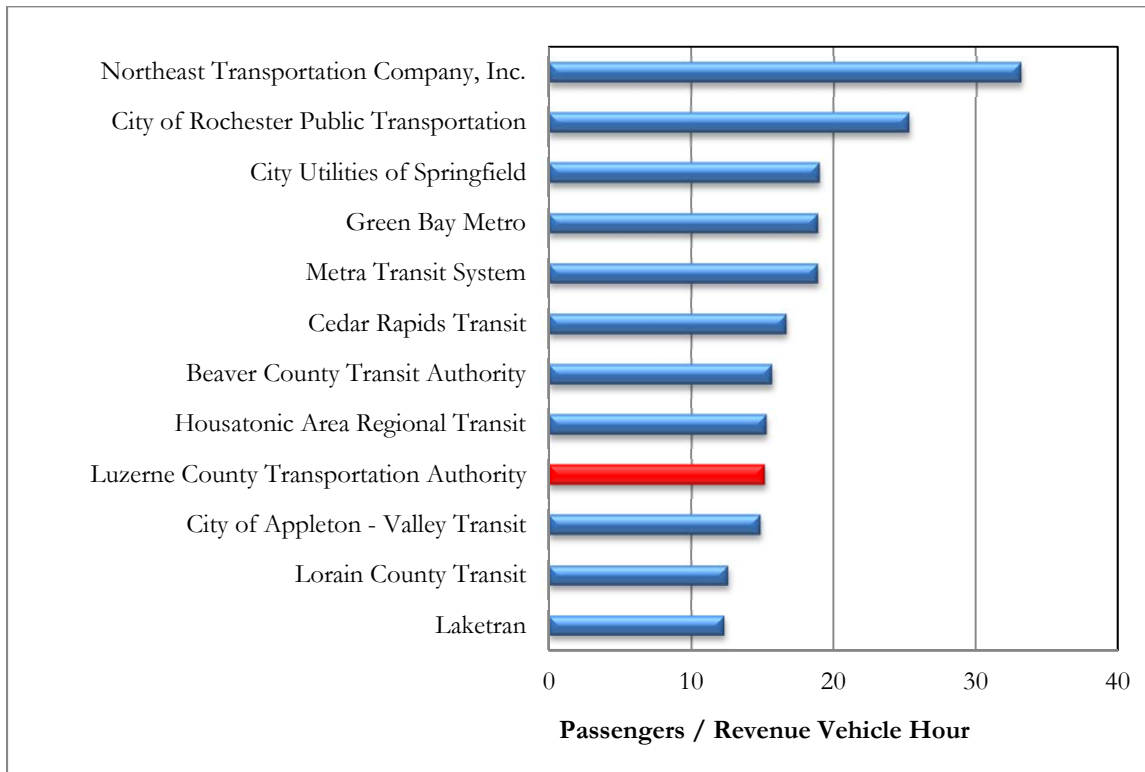
For measures relating to passengers or operating revenue, ordinal rankings are based on a highest-to-lowest system. For measures relating to operating cost, ordinal rankings are based on a lowest-to-highest system. Thus a ranking of “1st” consistently indicates that the agency scores best amongst its peers and a ranking of “12th” indicates that it performs the poorest on any given metric.

The findings presented in the exhibits can be summarized as follows:

- LCTA’s FY 2008-09 passengers per revenue hour figure ranks 9th out of the 12 transit agencies in the peer group. The number of passengers per revenue hour declined from FY 2005-06 to FY2008-09, while the peer systems’ average experienced modest growth.
- LCTA’s FY 2008-09 operating cost per revenue vehicle hour is worse than the peer group average, ranking 8th (the 5th most costly of the 12 peers), but is climbing at a slower rate than the peers (with the 5th lowest rate of cost increase of 12 peers).
- LCTA’s FY 2008-09 operating revenue per revenue vehicle hour ranks eighth out of 12 and is worse than the peer group average. The trend between FY 2005-06 and FY 2008-09 indicates that revenue per revenue vehicle hour increased at a faster (better) rate than the peer group. This is largely due to a fare increase that went into effect in 2006.
- LCTA performs the 10th best of the 12 peers based on FY 2008-09 operating cost per passenger, and the trend is worse than that of the peer group.

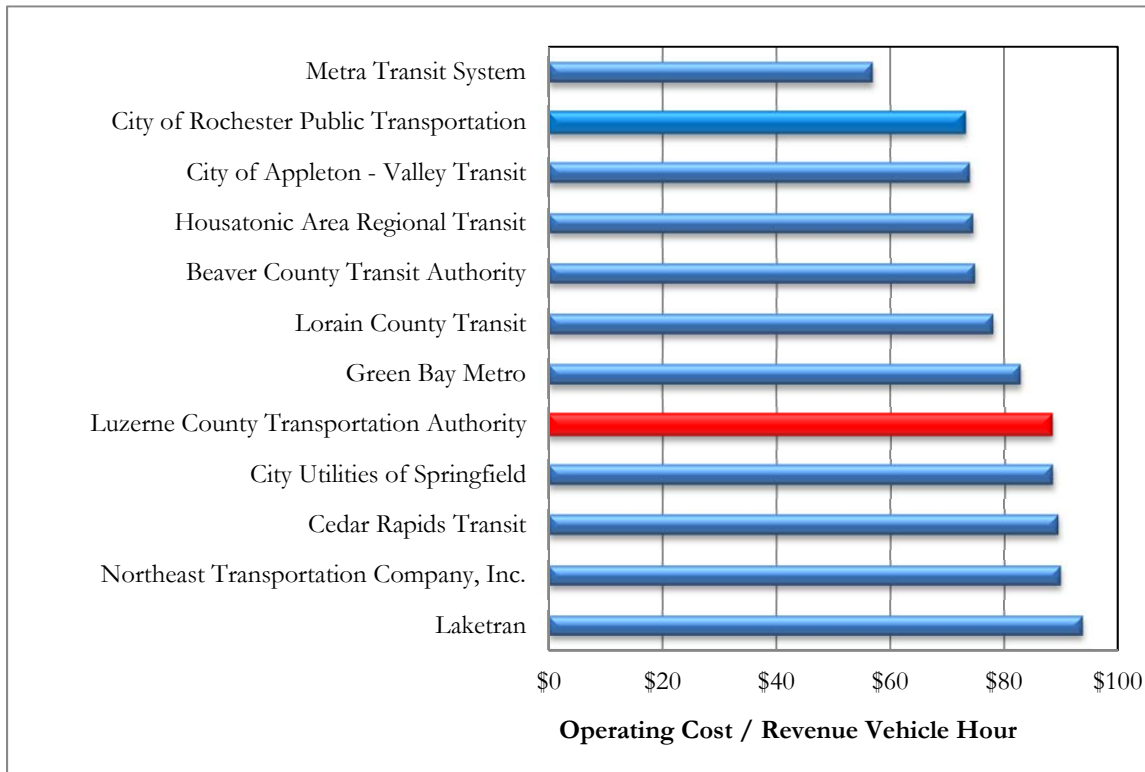
These findings provided a basis for further investigation during the on-site interviews and functional area reviews. Those findings are presented in the next section of the report.

Exhibit 4: Fixed-Route Passengers per Revenue Vehicle Hour FY 2008-09



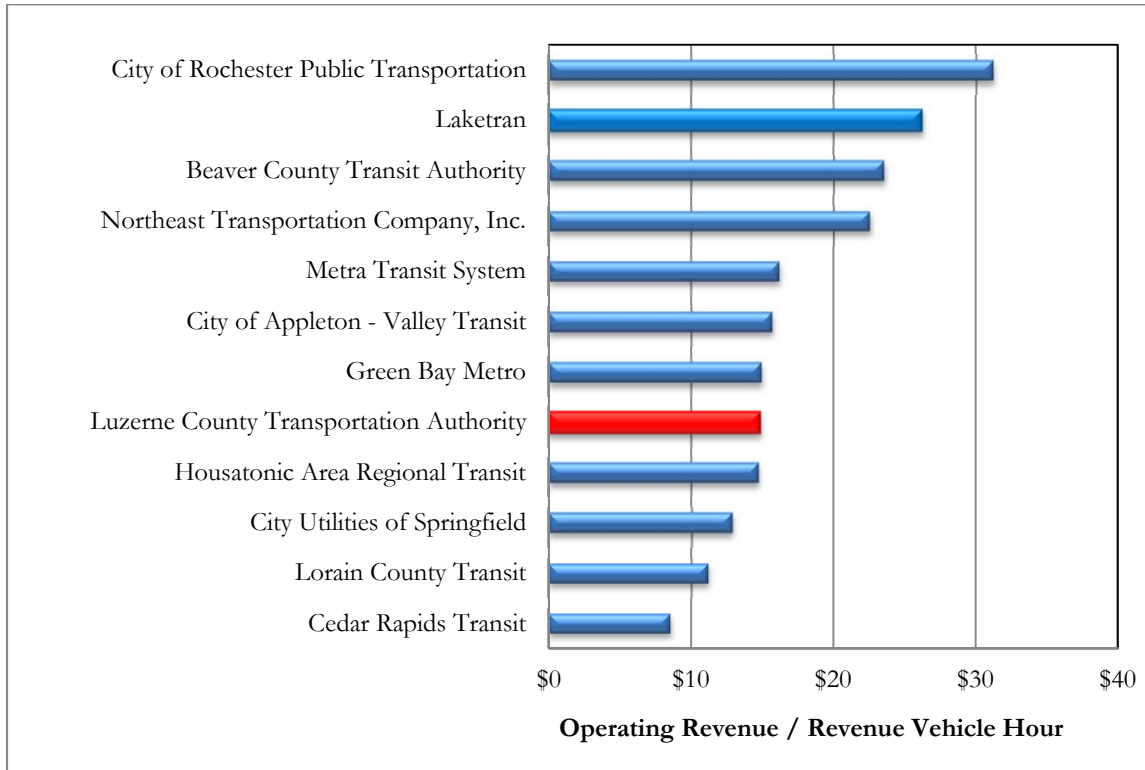
Passengers / RVH		
2008-09 Data		
System	Value	Rank
Northeast Transportation Company, Inc.	33.18	1
City of Appleton - Valley Transit	14.90	10
Green Bay Metro	18.92	4
Housatonic Area Regional Transit	15.28	8
Cedar Rapids Transit	16.70	6
City of Rochester Public Transportation	25.37	2
City Utilities of Springfield	19.04	3
Beaver County Transit Authority	15.69	7
Metra Transit System	18.91	5
Lorain County Transit	12.62	11
Laketrans	12.34	12
Luzerne County Transportation Authority	15.15	9
<i>Average</i>	18.17	
<i>Standard Deviation</i>	5.88	
<i>Average - 1 Standard Deviation</i>	12.30	
<i>Average + 1 Standard Deviation</i>	24.05	
Act 44 Compliance Determination	Yes	
Better or Worse Than Peer Group Average	Worse	

Exhibit 5: Fixed-Route Operating Cost per Revenue Vehicle Hour FY 2008-09



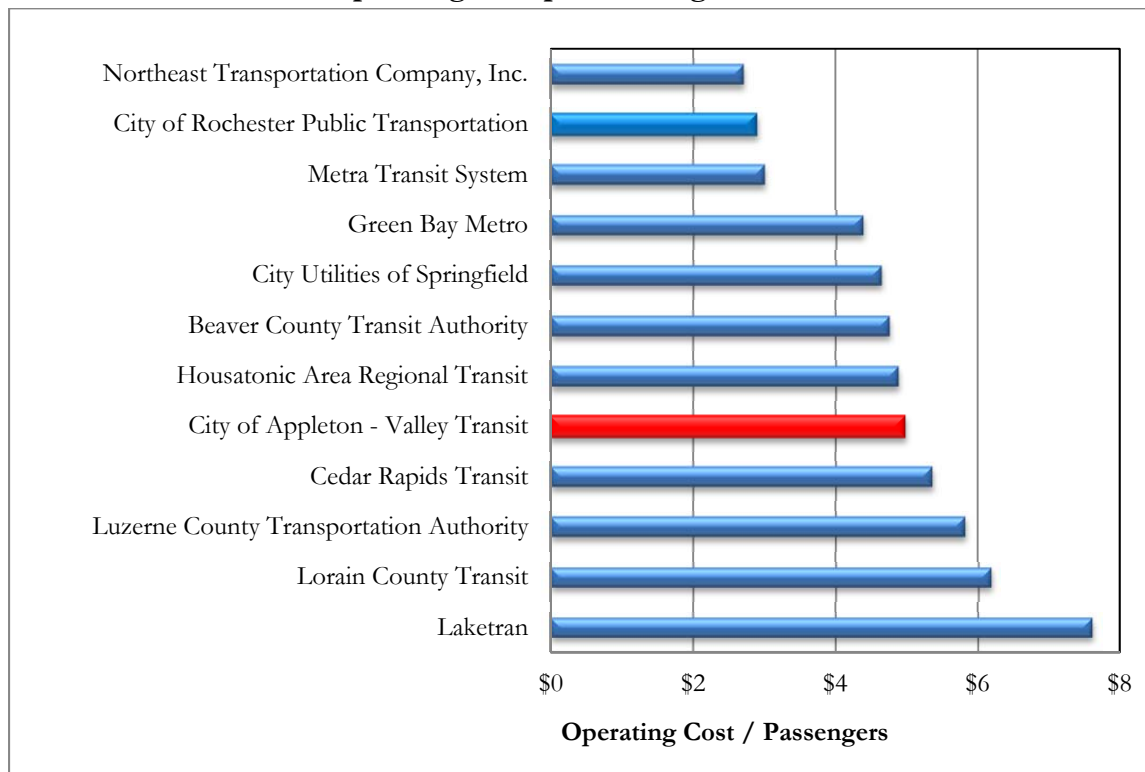
Operating Cost / RVH		
2008-09 Data		
System	Value	Rank
Northeast Transportation Company, Inc.	\$89.98	11
City of Appleton - Valley Transit	\$74.03	3
Green Bay Metro	\$83.01	7
Housatonic Area Regional Transit	\$74.67	4
Cedar Rapids Transit	\$89.53	10
City of Rochester Public Transportation	\$73.08	2
City Utilities of Springfield	\$88.50	9
Beaver County Transit Authority	\$74.82	5
Metra Transit System	\$56.96	1
Lorain County Transit	\$78.08	6
Laketrans	\$93.93	12
Luzerne County Transportation Authority	\$88.23	8
<i>Average</i>	\$80.40	
<i>Standard Deviation</i>	\$10.46	
<i>Average - 1 Standard Deviation</i>	\$69.94	
<i>Average + 1 Standard Deviation</i>	\$90.87	
Act 44 Compliance Determination	Yes	
Better or Worse Than Peer Group Average	Worse	

Exhibit 6: Fixed-Route Operating Revenue per Revenue Vehicle Hour FY 2008-09



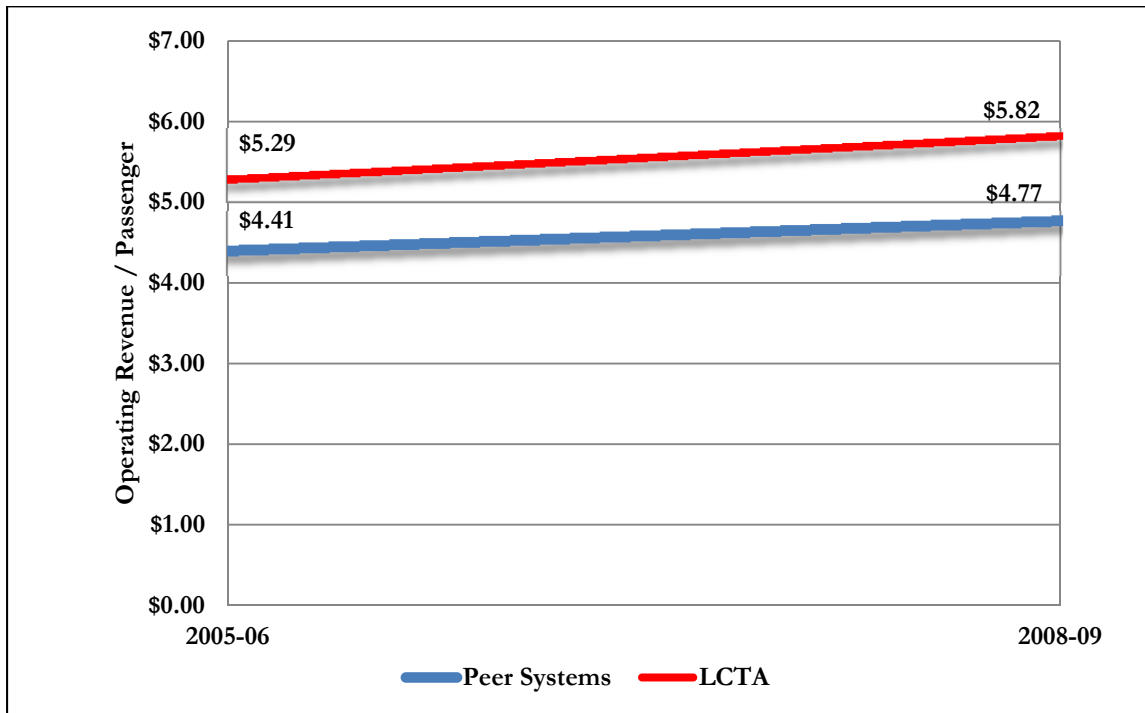
Operating Revenue / RVH		
2008-09 Data		
System	Value	Rank
Northeast Transportation Company, Inc.	\$22.58	4
City of Appleton - Valley Transit	\$15.70	6
Green Bay Metro	\$14.98	7
Housatonic Area Regional Transit	\$14.77	9
Cedar Rapids Transit	\$8.51	12
City of Rochester Public Transportation	\$31.25	1
City Utilities of Springfield	\$12.88	10
Beaver County Transit Authority	\$23.57	3
Metra Transit System	\$16.23	5
Lorain County Transit	\$11.21	11
Laketrans	\$26.21	2
Luzerne County Transportation Authority	\$14.83	8
<i>Average</i>	\$17.73	
<i>Standard Deviation</i>	\$6.70	
<i>Average - 1 Standard Deviation</i>	\$11.02	
<i>Average + 1 Standard Deviation</i>	\$24.43	
Act 44 Compliance Determination	Yes	
Better or Worse Than Peer Group Average	Worse	

Exhibit 7: Fixed-Route Operating Cost per Passenger FY 2008-09



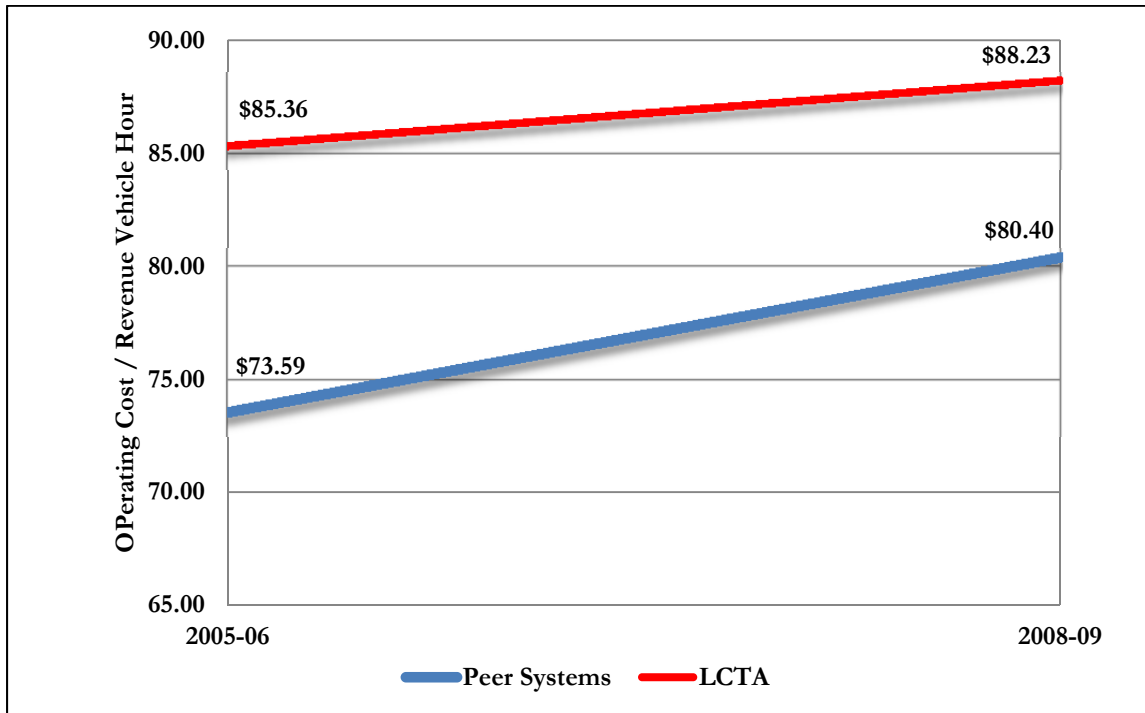
Operating Cost / Passenger		
2008-09 Data		
System	Value	Rank
Northeast Transportation Company, Inc.	\$2.71	1
City of Appleton - Valley Transit	\$4.97	8
Green Bay Metro	\$4.39	4
Housatonic Area Regional Transit	\$4.89	7
Cedar Rapids Transit	\$5.36	9
City of Rochester Public Transportation	\$2.88	2
City Utilities of Springfield	\$4.65	5
Beaver County Transit Authority	\$4.77	6
Metra Transit System	\$3.01	3
Lorain County Transit	\$6.19	11
Laketrans	\$7.61	12
Luzerne County Transportation Authority	\$5.82	10
<i>Average</i>	\$4.77	
<i>Standard Deviation</i>	\$1.44	
<i>Average - 1 Standard Deviation</i>	\$3.34	
<i>Average + 1 Standard Deviation</i>	\$6.21	
Act 44 Compliance Determination	Yes	
Better or Worse Than Peer Group Average	Worse	

Exhibit 8: Fixed-Route Passengers per Revenue Vehicle Hour Trend FY 2005-06 – FY 2008-09



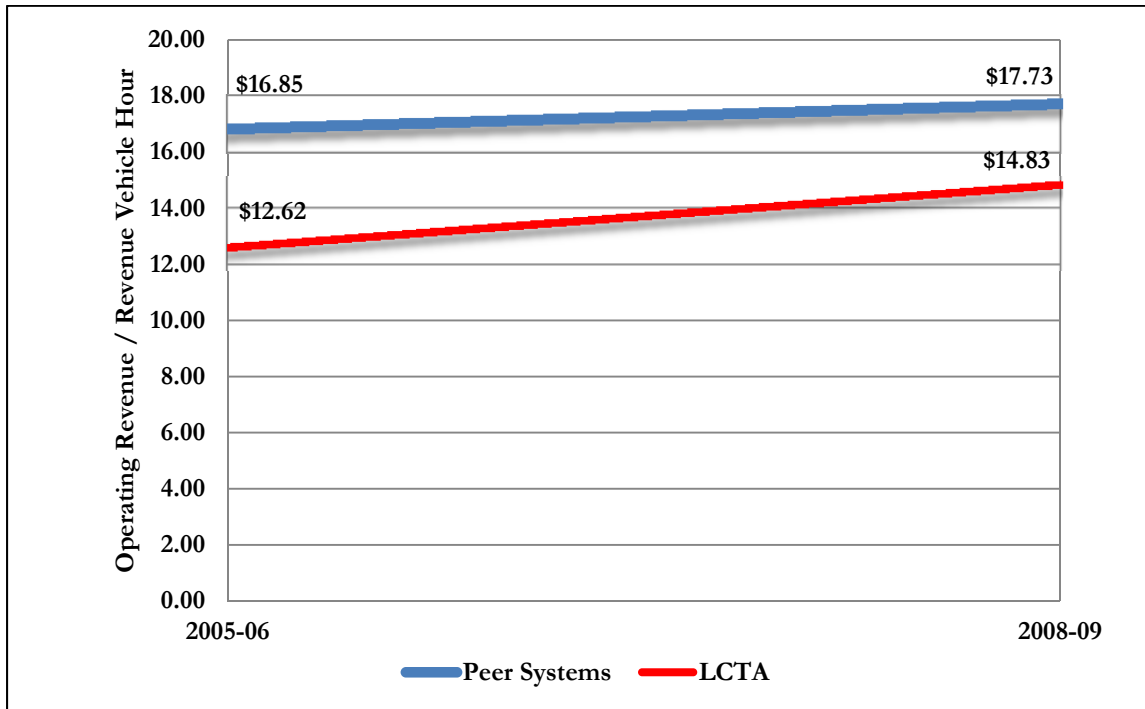
Operating Cost / Passenger		
Trend FY 2005-06 to FY 2008-09		
System	Value	Rank
Northeast Transportation Company, Inc.	-3.84%	2
City of Appleton - Valley Transit	1.76%	5
Green Bay Metro	6.39%	12
Housatonic Area Regional Transit	2.78%	7
Cedar Rapids Transit	-1.41%	4
City of Rochester Public Transportation	3.19%	8
City Utilities of Springfield	5.23%	10
Beaver County Transit Authority	-4.10%	1
Metra Transit System	-3.74%	3
Lorain County Transit	6.36%	11
Laketran	3.67%	9
Luzerne County Transportation Authority	1.96%	6
<i>Average</i>	<i>1.52%</i>	
<i>Standard Deviation</i>	<i>3.89%</i>	
<i>Average - 1 Standard Deviation</i>	<i>-2.37%</i>	
<i>Average + 1 Standard Deviation</i>	<i>5.42%</i>	
Act 44 Compliance Determination	Yes	
Better or Worse Than Peer Group Average	Worse	

Exhibit 9: Fixed-Route Operating Cost per Revenue Vehicle Hour Trend FY 2005-06 – FY 2008-09



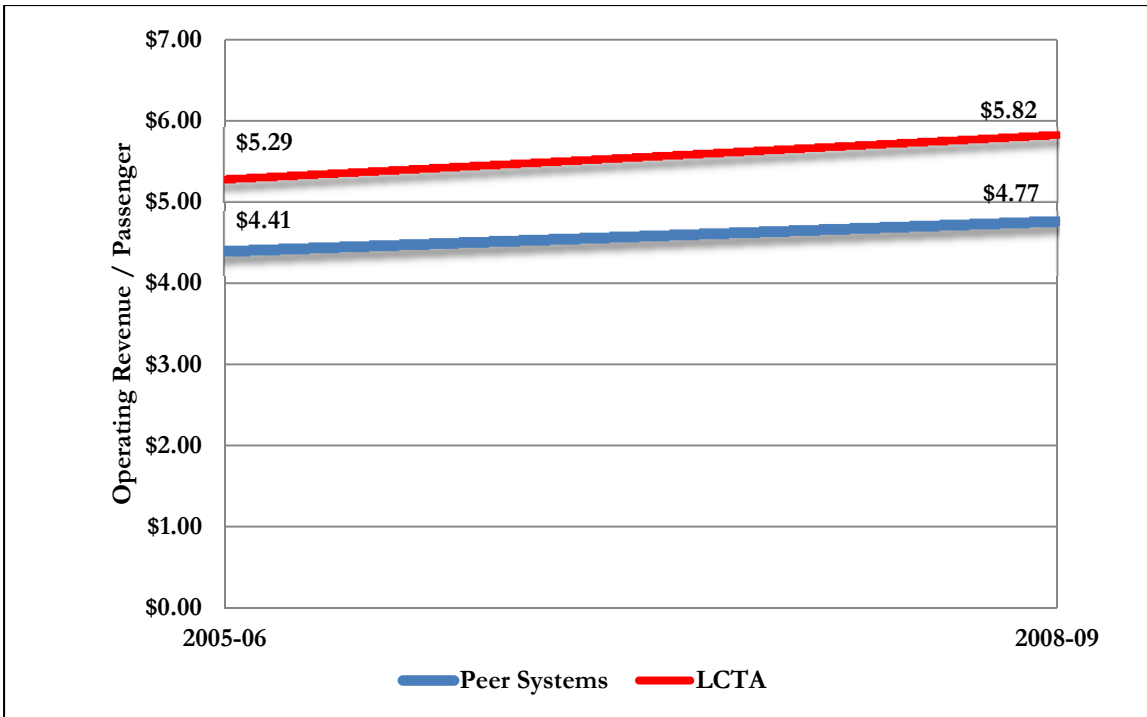
Operating Cost / RVH		
Trend FY 2005-06 to FY 2008-09		
System	Value	Rank
Northeast Transportation Company, Inc.	1.95%	8
City of Appleton - Valley Transit	0.44%	3
Green Bay Metro	3.84%	10
Housatonic Area Regional Transit	3.40%	9
Cedar Rapids Transit	1.43%	6
City of Rochester Public Transportation	4.52%	11
City Utilities of Springfield	0.56%	4
Beaver County Transit Authority	-1.59%	1
Metra Transit System	-0.07%	2
Lorain County Transit	5.62%	12
Laketran	1.78%	7
Luzerne County Transportation Authority	0.66%	5
<i>Average</i>	1.88%	
<i>Standard Deviation</i>	2.10%	
<i>Average - 1 Standard Deviation</i>	-0.22%	
<i>Average + 1 Standard Deviation</i>	3.98%	
Act 44 Compliance Determination	Yes	
Better or Worse Than Peer Group Average	Better	

Exhibit 10: Fixed-Route Operating Revenue per Revenue Vehicle Hour Trend FY 2005-06 - FY 2008-09



Operating Revenue / RVH		
Trend FY 2005-06 to FY 2008-09		
System	Value	Rank
Northeast Transportation Company, Inc.	-1.21%	11
City of Appleton - Valley Transit	4.80%	2
Green Bay Metro	3.70%	3
Housatonic Area Regional Transit	-0.42%	9
Cedar Rapids Transit	-11.54%	12
City of Rochester Public Transportation	2.99%	5
City Utilities of Springfield	6.24%	1
Beaver County Transit Authority	2.37%	7
Metra Transit System	2.80%	6
Lorain County Transit	-1.01%	10
Laketrans	-0.19%	8
Luzerne County Transportation Authority	3.29%	4
<i>Average</i>	0.99%	
<i>Standard Deviation</i>	4.60%	
<i>Average - 1 Standard Deviation</i>	-3.62%	
<i>Average + 1 Standard Deviation</i>	5.59%	
Act 44 Compliance Determination	Yes	
Better or Worse Than Peer Group Average	Better	

Exhibit 11: Fixed-Route Operating Costs per Passenger Trend FY 2005-06 – FY 2008-09



Operating Cost / Passenger		
Trend FY 2005-06 to FY 2008-09		
System	Value	Rank
Northeast Transportation Company, Inc.	-3.84%	2
City of Appleton - Valley Transit	1.76%	5
Green Bay Metro	6.39%	12
Housatonic Area Regional Transit	2.78%	7
Cedar Rapids Transit	-1.41%	4
City of Rochester Public Transportation	3.19%	8
City Utilities of Springfield	5.23%	10
Beaver County Transit Authority	-4.10%	1
Metra Transit System	-3.74%	3
Lorain County Transit	6.36%	11
Laketran	3.67%	9
Luzerne County Transportation Authority	1.96%	6
<i>Average</i>	1.52%	
<i>Standard Deviation</i>	3.89%	
<i>Average - 1 Standard Deviation</i>	-2.37%	
<i>Average + 1 Standard Deviation</i>	5.42%	
Act 44 Compliance Determination	Yes	
Better or Worse Than Peer Group Average	Worse	

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UPDATED FIVE-YEAR FIXED-ROUTE PERFORMANCE STANDARDS

After the development of the Luzerne County Transit Performance Review Report was completed in August 2011, information regarding reported LCTA ridership in the dotGrants system was questioned and subjected to rigorous analyses including on-board video review and statistical testing. The analyses concluded that LCTA reported ridership information was overstated for several years.

Ridership reporting serves as the basis of two of the five-year Act 44 performance standards described in the transit system performance review report: passengers per revenue hour and operating cost per passenger. Due to the change in the reported passenger variable, the five-year performance standards in the LCTA Performance Review Report of August 2011 are erroneous.

The transit agency performance report outlines critical areas where improvements may be made to increase the overall quality, effectiveness, and efficiency of the transit system. As a result of the performance review, a set of “performance standards” were established in consultation with LCTA. These performance standards represent the minimum performance level that LCTA should achieve for each Act 44 criteria during the next performance review cycle, five years from the date of the initial report.

Updated performance standards were developed using the most accurate estimates of Act 44 performance variables available at this time and supersede the performance standards presented in the August 2011 performance review report.

The standards are established for Fiscal Year End (FYE) 2016 and are designed to be aggressive, yet achievable. Graphical representations of the standards, including interim year progress benchmarks, are presented in **Exhibit 12, Exhibit 13, Exhibit 14, and Exhibit 15.**

Exhibit 12: Fixed-Route Passengers per Revenue Hour Performance Targets

Year 2016 Target.....16.64
 Interim Year Targets Annual increase of at least 2.0%

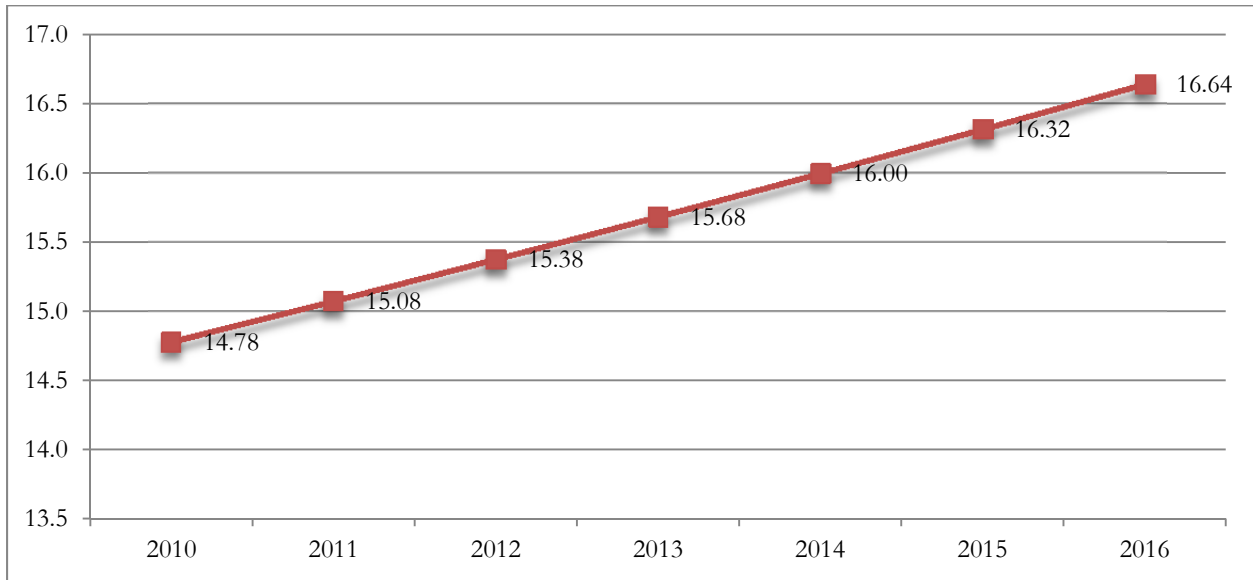


Exhibit 13: Fixed-Route Operating Cost per Revenue Vehicle Hour Performance Targets

Year 2016 Target..... \$105.66
 Interim Year Targets Annual increase of no more than 3.0%

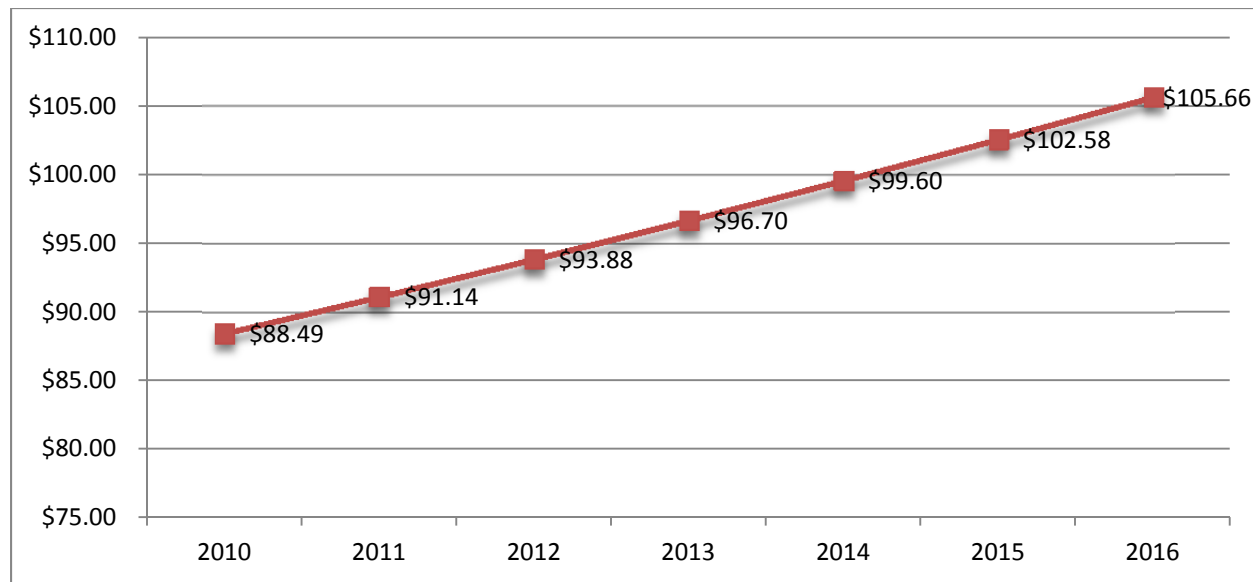


Exhibit 14: Fixed-Route Operating Revenue per Revenue Vehicle Hour Performance Targets

Year 2016 Target.....**\$16.70**
 Interim Year Targets**Annual increase of at least 3.0%**

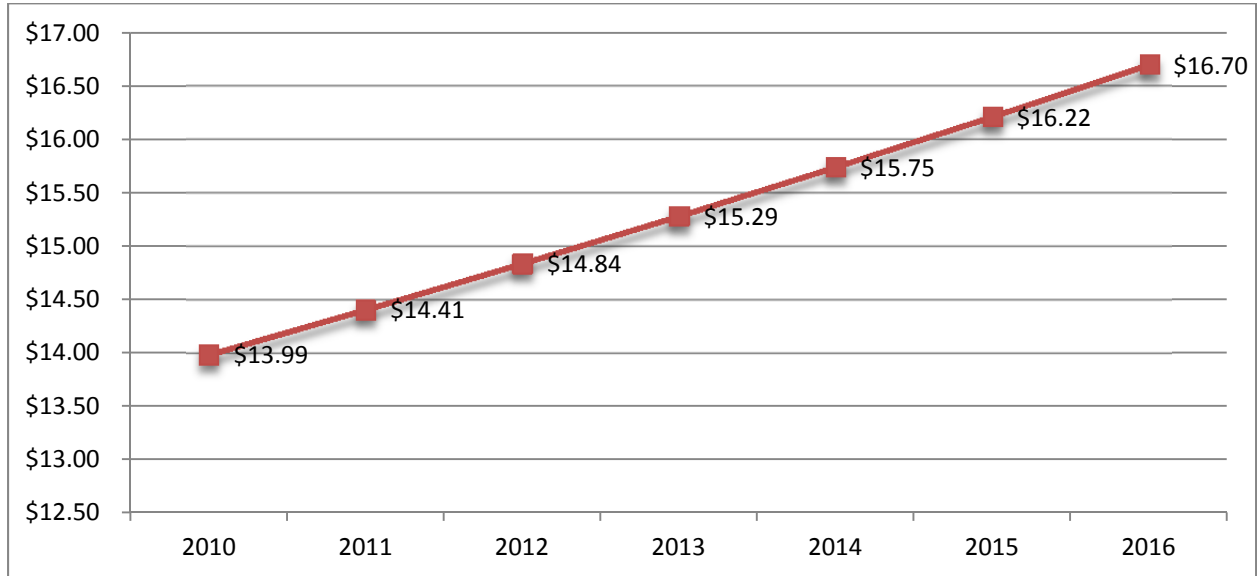
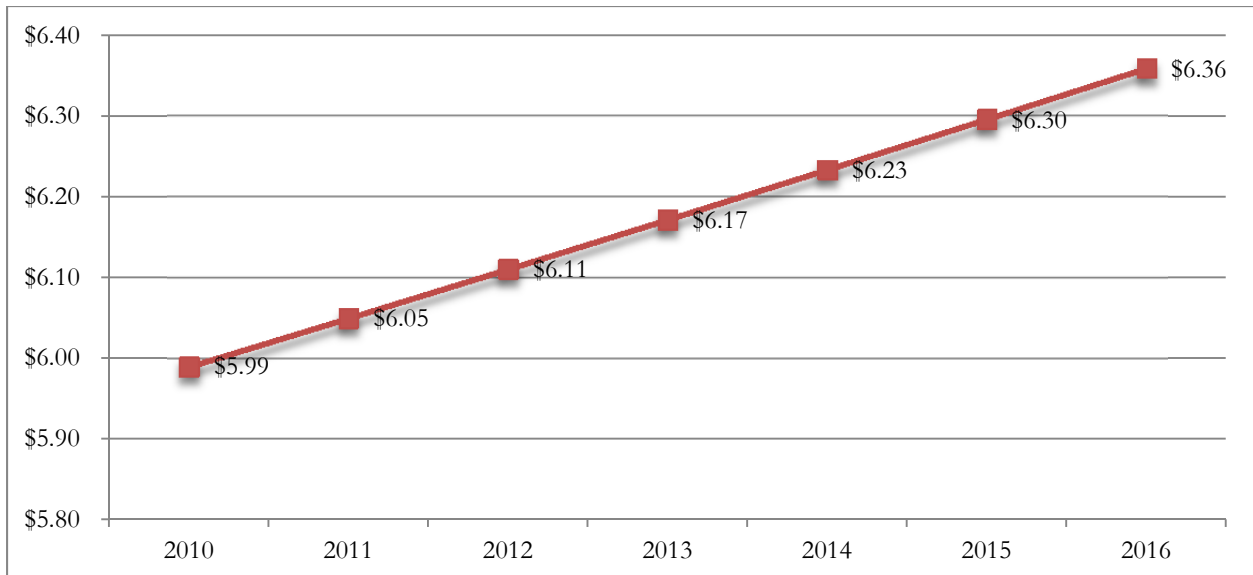


Exhibit 15: Fixed-Route Operating Cost per Passenger Performance Targets

Year 2016 Target.....**\$6.36**
 Interim Year Targets**Annual increase of no more than 1.0%**



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FUNCTIONAL REVIEW

Functional reviews are used to determine the reasons behind performance results found in the Act 44 comparisons, to find “best practices” to share with other transit agencies, and to identify opportunities for improvement. A total of 15 functional areas were reviewed through documents received from the agency (see **Appendix A: Documentation Request to Executive Director**) and interviews conducted on-site. The functional areas are:

- **Governing Body** – Responsibilities include setting vision, mission, goals, and objectives; management oversight; recruiting and retaining top management personnel; and advocacy for the agency’s needs and positions.
- **Advisory Committees** – Typically provide review and input to the Governing Body and agency staff in specific topic areas ranging from a public perspective to technical reviews.
- **General Management** – Responsible for the day-to-day operations of the agency. Manage, monitor, analyze, direct, and plan for the future with regard to all functional areas. Inform and report to the Governing Body, and implement governing body direction.
- **Human Resources** – Responsible for employee retention, recruitment, training, performance reviews, grievance procedures, employee benefits, and labor relations.
- **Finance** – Functional area includes budgeting, accounting, cash flow management, revenue handling, and insurance.
- **Procurement** – Includes acquisition of rolling stock, vehicle parts, non-revenue capital items (i.e., office equipment) and other operations-related items.
- **Operations** – Includes management of daily service operations, on-street supervision and control, dispatching, and general route management.
- **Maintenance** – Includes vehicle and non-vehicle maintenance management, procedures, and performance.
- **Scheduling** – Includes route and driver scheduling and decision-making, pay premium considerations, general management, procedures, and performance.
- **Safety and Security** – Functional area includes vehicle and passenger safety, facility security, and emergency preparedness.
- **Customer Service** – Includes management, procedures, and performance related to current and future customers of the fixed-route system and other topics such as service information and complaint handling processes.
- **Information Technology** – Functional area includes automated mechanisms for in-house and customer service communication including future plans for new technology.
- **Capital Programming** – Includes assessing and programming current and future capital needs reflecting both funded and unfunded projects. Includes the Transportation Improvement Plan (TIP), 12-Year Plan, and Long-Range Transit Plan.
- **Marketing and Public Relations** – Includes maximizing current markets and expanding into new markets. Includes managing the perception of the agency by the public at-large to encourage current and future ridership.
- **Planning** – Includes analysis of information to effectively plan for changes to the system in the short-, medium-, and long-term horizons, to help ensure the continued viability and success of the agency.

The functional review findings are organized by a brief description of the Act 44 variables guiding the performance review: passengers, fare and other non-subsidy revenues, and operating costs. A complete list of specific items reviewed—organized by functional area, topic reviewed, an assessment of its current state, observed trends or planned changes, and suggested actions if any—is summarized in **Appendix B: Summary of Functional Findings, Trends, and Suggested Actions**. These 15 areas work together to effectively meet the needs of passengers, to deliver high-quality service in a cost-effective manner, and to provide the resources that will adapt to changing needs and values.

The following sections summarize the ways which service can be delivered more efficiently and effectively in ways that are sensitive and responsive to the community’s needs, maximize productivity, direct service hours effectively, control operating costs, and achieve optimum revenue hours. The observations garnered during the review process are categorized as *Best Practices* or *Items to Address in the Action Plan*. Best Practices are those exceptional current practices that are beneficial and should be continued or expanded. Items to Address in the Action Plan are recommendations which have the potential to maximize productivity, to direct service hours effectively, to control operating costs, and to achieve optimum revenue levels which will enhance the system’s future performance overall for one or more of the Act 44 fixed-route performance factors.

OPPORTUNITIES TO INCREASE FIXED-ROUTE RIDERSHIP

“Passengers,” as defined by Act 44, are unlinked passenger trips or passenger boardings across all routes in the fixed-route transit system. Increases in ridership directly represent how effectively management has matched service levels to current demand for service.

BEST PRACTICES

- **LCTA coordinates service delivery** with adjacent counties, cities, and Martz Trailways. This **expands market potential and gives customers additional travel opportunities**, which should result in higher ridership on LCTA buses.
- **The Board and management recognizes the need to increase ridership through outreach and cooperation** with universities, Wal-Mart, off-schedule public events, etc. Advocating for such markets will increase ridership over time. **Management is taking the proactive steps necessary** to engage these markets, including the installation of bike racks on all vehicles.

OPPORTUNITIES FOR IMPROVEMENT (ITEMS TO ADDRESS IN THE ACTION PLAN)

- LCTA recently **completed a route performance analysis** and plans to advance recommendations from that effort in Fall 2011. Adapting service to the changing needs and characteristics of the community helps to increase passenger demand, productivity, and cost recovery. **Regular review and fine-tuning of service delivery such as this improves schedule adherence, operational efficiency, and cost-effectiveness. The findings of this study should be advanced and guided by minimum service standards and goals.**

- LCTA demonstrates no clear approach or plan for setting and regularly monitoring empirically measurable strategic goals and objectives relating to market penetration, marketing successes, marketing failures, on-time service delivery, customer satisfaction, etc. Performance is best improved by setting targets and regularly measuring performance. **The Board and Management should work together to develop strategic goals and objectives. They should then develop and monitor performance metrics for all key agency functions and operations.**⁴

One such metric is **on-time performance**. On-time performance and reliability are often cited as primary reasons why passengers choose to use (or not use) a transit system. Setting reasonable on-time performance targets, monitoring how well those targets are achieved (by route), and taking corrective actions as appropriate can contribute to increasing passenger demand and improving customer service. Other metrics should include:

- Number of complaints per passenger
- Percent of complaints responded to within 24 hours
- Improved customer satisfaction survey scores
- X number of marketing campaigns per year

Developing a realistic set of measurable objectives that are reported to and reflect the priorities of the Board will be an important step to improve the quality, efficiency, and efficacy of LCTA's operations. Performance objectives should be expanded to take advantage of new data when technologies such as Automatic Vehicle Locator (AVL) or Automatic Passenger Counters (APC) become available.

- The Executive Director **monitors route-level ridership** and has minimum route-level passenger loadings per hour targets in mind. This is a positive practice that provides decision-makers with indicators of how effectively service is being delivered as directly measured by ridership. It also gives decision-makers the ability to quantify the effects of various policies and outside phenomena, as well as data to determine when and how service should be altered to meet the community's needs in the most efficient manner. **This approach should be expanded to include documented specific targets, monthly reporting to the Board, and monitoring of route-level cost and farebox recovery as well as ridership.**
- LCTA currently lacks formal, routine, and proactive ways to incorporate customer feedback into the fixed-route service delivery decision-making process. Such feedback can better inform both the community and LCTA so that passenger needs and service are optimized with respect to one another. **LCTA Management and the Board should introduce formal mechanisms that provide regular feedback on topics that are of concern to customers via a standing citizens' advisory committee.**

The committee can advise LCTA from a passenger's perspective on a variety of topics including service changes, fare changes, branding, community outreach, outreach to employers, and customer satisfaction. The committee should also serve as a means of

⁴ Refer to http://onlinepubs.trb.org/onlinepubs/tcrp/tcrp_report_88/Guidebook.pdf Chapter 6 for examples of performance metrics typically used to assess and monitor transit agency functions and outcomes.

outreach to the disability community. Routinely scheduled customer satisfaction and non-rider surveys should be used to monitor and augment these efforts.

- LCTA’s current approach to addressing customer complaints is informal. Passengers are sometimes encouraged to visit LCTA’s offices and meet face-to-face with the driver against whom they issued a complaint. This is likely to deter passengers from issuing complaints. **Management should use in-vehicle cameras as a primary tool for investigating customer complaints and implement formal procedures that follow a specific timeline and chain of responsibility to ensure that all complaints are addressed promptly and objectively.** This should be one element of a **broader customer service quality improvement plan.**
- The use of press releases as a primary marketing tool is no or low cost and increases visibility in the community. However, an agency the size of LCTA typically has a dedicated marketing budget that can be used to improve the visibility of the agency or target specific demographics/markets. **Management should develop a marketing program and materials with a dedicated budget that target current and new riders and help to build “brand recognition”** in a way that augments current efforts.
- While LCTA coordinates with neighboring transit providers, its Web site lacks a system map that could show passengers where transfer opportunities exist both within the LCTA service area and to other systems in the region where coordination points exist. **LCTA should put an easy-to-read system map on its Web site that highlights where transfer opportunities exist.**

OPPORTUNITIES TO INCREASE FIXED-ROUTE REVENUES

“Revenues,” as defined by Act 44, encompasses all non-subsidy revenues generated to help fund the operation of a transit system. The largest contributors to this are farebox revenues, interest on accounts, and advertising revenues.

BEST PRACTICES

- **Management actively pursues advertising and other revenue sources.**

OPPORTUNITIES FOR IMPROVEMENT (ITEMS TO ADDRESS IN THE ACTION PLAN)

- Passenger Fares were last increased in 2006. Most Board members and management express a general unwillingness to establish or monitor a target farebox recovery ratio as long as an operating surplus remains. Good fiscal stewardship mandates a proactive approach to fare policy. **The Board should perform a periodic review of fare policies on an annual or at least a regularly-scheduled basis and establish farebox recovery goals** that are at least consistent with observed cost increases. Defining minimum farebox recovery ratios for individual routes and the system as a whole will facilitate a periodic review of fare policies and help management “make the case” for any necessary fare or service changes to the Board and the public.

- No documentation was provided as to how special services, such as university-subsidized bus passes, would be priced relative to established fare recovery goals. Such analysis is necessary to ensure that the provision of such services can be done in a way that improves revenues generated per revenue mile of service provided. **Management should document the cost of proposed services and use a targeted farebox recovery ratio as a criterion in subsequent negotiations with universities or other large employers.** Any other planned improvements and service changes also should be accompanied by a fare revenue analysis.
- Some of LCTA's historical ticket outlets are no longer in operation. **Management should pursue additional opportunities to provide point-of-sale choices for customers,** such as on-line mechanisms.

OPPORTUNITIES TO CONTROL OPERATING COSTS

“Operating costs” capture the non-capital costs incurred in the day-to-day operations of a transit system. Labor, maintenance, and operating costs such as fuel and tires and lube contribute to this measure in significant ways. Many transit agencies have noted cost increases much higher than the general rate of inflation. Compounding this is the reality that operating subsidies are not likely to increase at a comparable rate. Controlling operating cost increases is a key to maintaining current service levels.

BEST PRACTICES

- **LCTA has a very lean and competent management team** that demonstrates a clear recognition of the need to control operating costs, as well as the primary factors driving increases in operating costs. **Management demonstrates leadership and creativity** by their ability to negotiate the terms of liability insurance, workers' compensation insurance, and health care insurance costs in a way that is acceptable to employees and results in a substantial net savings to LCTA. Management continues to seek creative solutions to meet Federal Transit Administration (FTA) requirements at the lowest practical cost.
- **LCTA is moving to a standardized fleet.** This approach will impact future costs by: reducing parts inventory requirements, reducing training needs for both drivers and mechanics, and providing additional opportunities for bulk parts purchases.
- **LCTA and COLTS have a parts swapping arrangement whereby parts can be** acquired on very short notice from the other system. This reduces the inventory requirements of both agencies, reduces the time necessary to get parts that are difficult to find, and enables vehicles to return to revenue service more rapidly.

OPPORTUNITIES FOR IMPROVEMENT (ITEMS TO ADDRESS IN THE ACTION PLAN)

- **LCTA's collective bargaining agreement (CBA) has many provisions that increase the cost of operations.** The Board and management both report a sense of strong constraint due to the ATU being in a dominant position when it comes to labor negotiations. Issues in the CBA that increase the cost of operations include:

- Operators who pick a regular run are guaranteed a minimum of 8 hours pay/day.
- Overtime is paid based on an 8-hour day (versus a 40-hour week).
- Extra board operators are guaranteed 40 hours pay per week.
- Top operator wage rates are very high compared with similar systems in Pennsylvania. The differential between the management team's pay and the pay of drivers appears to be out of line. Drivers with more than five years at LCTA earn higher wages than senior managers with college degrees and more experience.
- A 20-minute paid lunch is part of the run.
- The number of part-time operators is limited to 20 percent of full-time operators and 24 hours per week per part-time operator.
- The Board expressed that nearly all issues go to binding arbitration, from grievances to contract negotiation.

The Board should encourage management to find creative ways to control costs arising from poorly-negotiated collective bargaining agreements. **A professional labor lawyer should be retained well before the next round of collective bargaining so that he/she can work with management to: a) review the terms of the current CBA to identify where flexibility currently exists, and b) identify strategies that address many or all of these issues in the next CBA in a way that is equitable to both LCTA and its employees.**

- Even within the terms of the current CBA, LCTA could make greater use of part-time drivers. This could reduce overtime costs and the fringe benefits paid. **Management should explore ways to alter the mix of full-time and part-time (casual) drivers in a way that results in a net cost savings to LCTA.**
- Training is conducted for drivers upon initiation of employment or as remedial training after an incident. However, no ongoing or refresher training is conducted except for that offered by the agency's insurance provider. While this approach saves money, it is high risk. Ongoing training should be part of the culture in a public transit agency. Periodic training can help to minimize workers' compensation claims and reduce the likelihood of incidents that could result in litigation. **LCTA should develop a continuous training program customized for each class of employee (driver, mechanic, office, etc.) so that they are periodically informed on how to better perform their duties, how to minimize risk, how to address emerging risks (such as disease transmission), and the proper ways to manage risk once an incident has occurred.**
- LCTA lacks a fully-automated inventory tracking system. Everything is first done on paper and transferred to the MAS90[®] accounting software. This is atypical for an agency of this size and results in additional staff hours needed for data entry. **Management should explore the benefits and costs of automating inventory tracking.**
- At an average of 9-10 drivers, the extra board is atypically large relative to the size of the system (~20 percent). By comparison, COLTS' extra board is about half that size, with a comparable sized system. **The operations manager should explore the root causes of this and find creative solutions to reduce the size of the extra board** (e.g., the use of more part-time drivers, scheduling vacations further in advance, etc.).

- **Currently there is a large amount of overtime paid to drivers.** Historically LCTA has developed scheduling, block, and run cuts manually, without schedule performance evaluation criteria (such as pay-to-platform ratios) that can be used to judge the effectiveness of the scheduling process. **Automated tools for scheduling, block, and run cutting should always be used for systems the size of LCTA in order to evaluate the impact of scheduling on overtime costs.** ClearView Strategies has used automated tools to develop a proposed schedule and driver assignments that should reduce overtime. However, management is expecting resistance from drivers to changes when implemented. **Management should proactively address driver concerns about those changes.**
- LCTA does not formally track preventative maintenance (PM) trends. **Management should track PM trends as on-time maintenance reduces the likelihood of mechanical failures and the cost of repairs.**
- **The reliability of LCTA’s vehicles is a cause for concern** as reliability directly impacts ridership and overall passenger satisfaction in addition to operating cost. LCTA has the highest maintenance cost per vehicle mile of all the peer systems in the Act 44 analysis (**Exhibit 16**). This is particularly disturbing in light of the fact that among its peers, it also has the highest reported major mechanical and total vehicle failure rates resulting in service disruptions (**Exhibit 17** and **Exhibit 18**). This raises questions about the merits of doing all types of mechanical service “in-house.”

Management should undertake an analysis to identify the cause(s) of these breakdowns and take corrective action to improve vehicle reliability. Efforts should be made to control costs through the most effective deployment of manpower. **Identifying which tasks are appropriately conducted in-house and which are better served through outsourcing should be an important part of the next CBA negotiations.**

Exhibit 16: Fixed-Route Maintenance Cost per Bus Mile

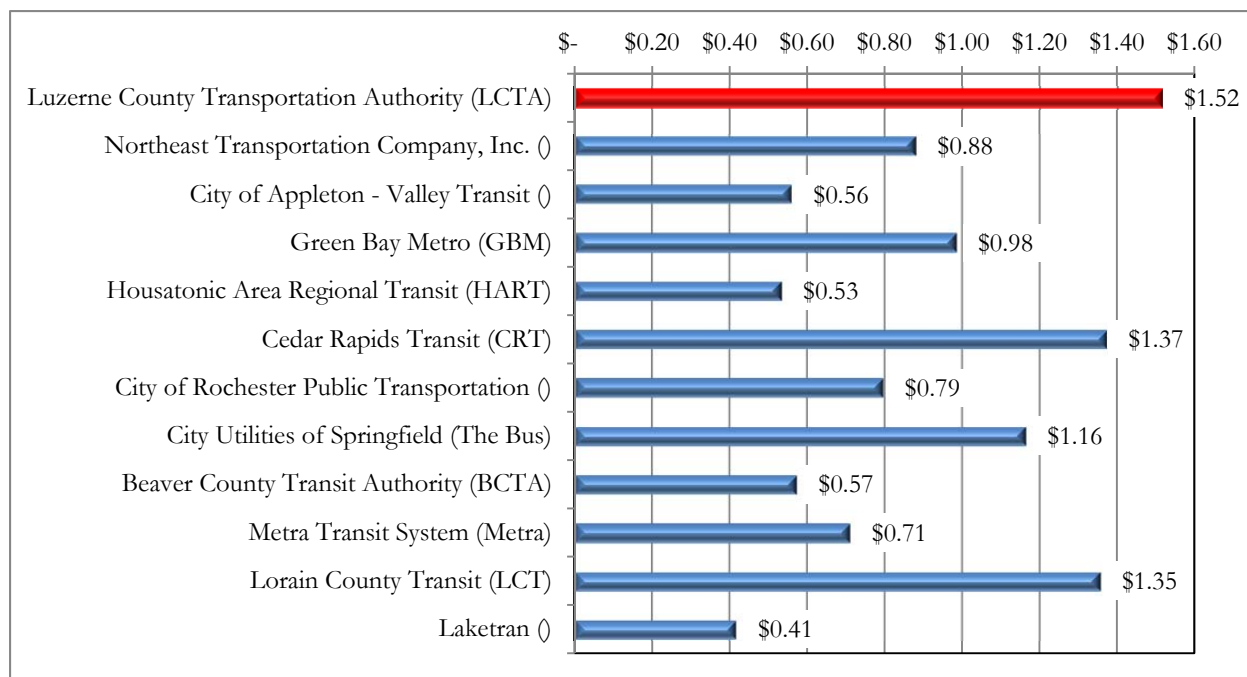


Exhibit 17: Fixed-Route Major Mechanical Failures Resulting in Service Disruptions per 1,000 Bus Miles

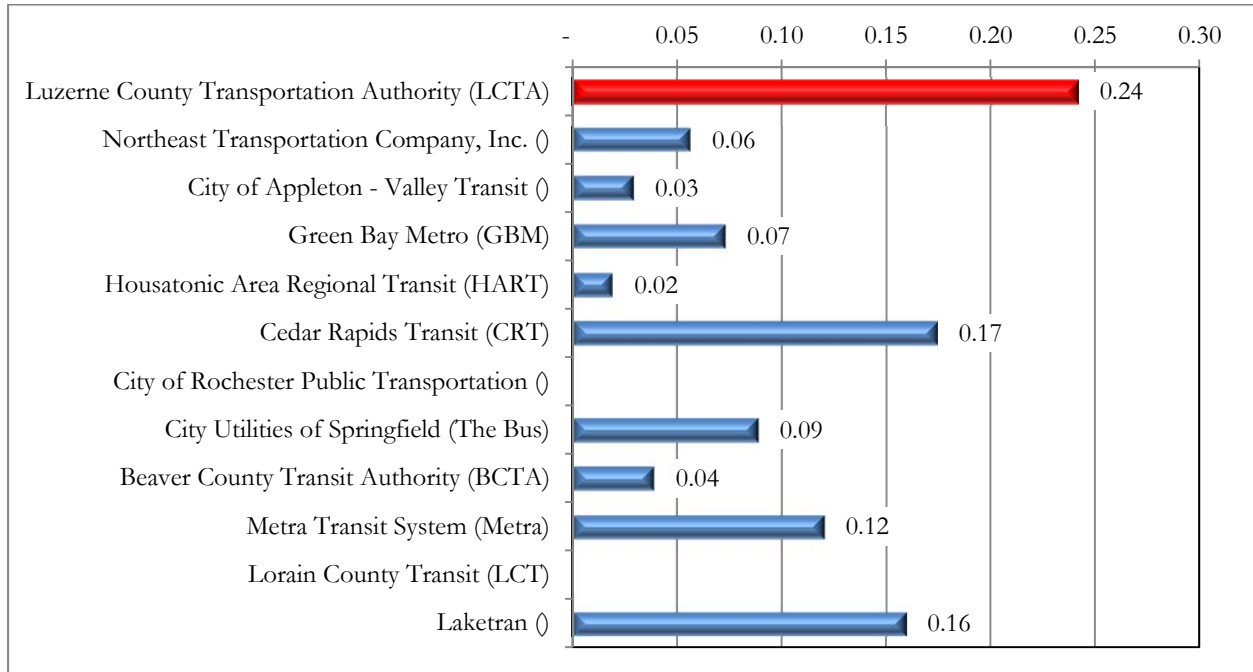
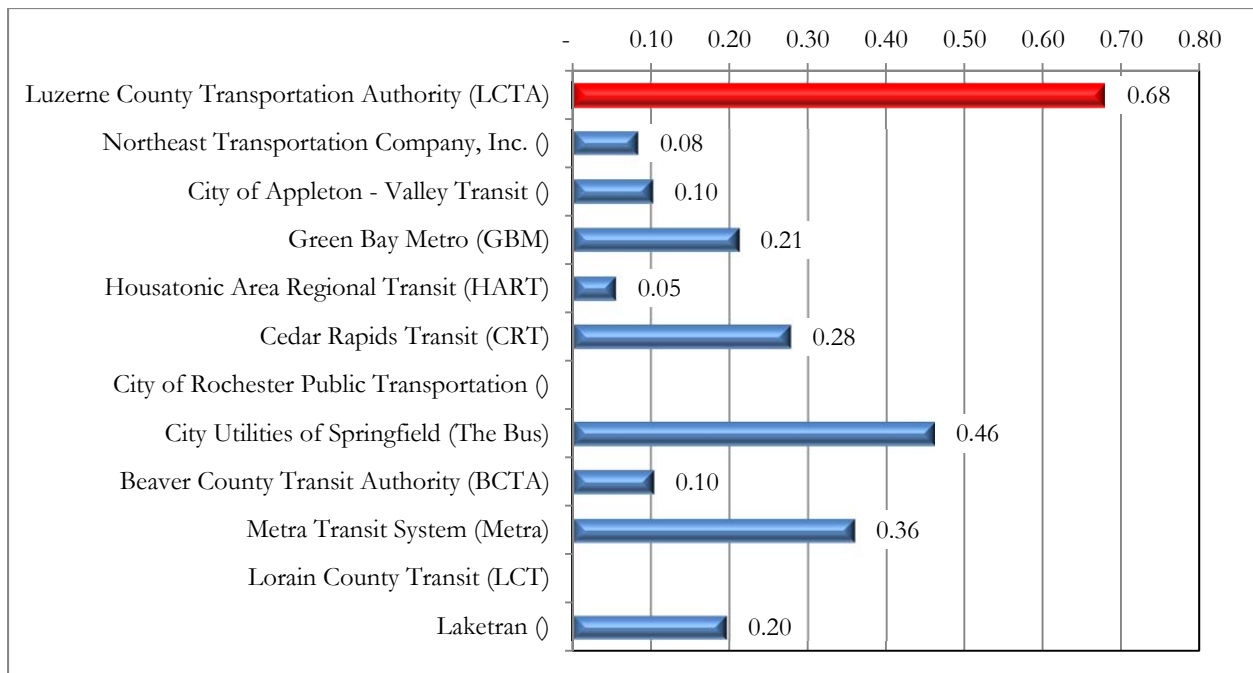


Exhibit 18: Fixed-Route Total Mechanical Failures Resulting in Service Disruptions per 1,000 Bus Miles



- **LCTA lacks a prioritized technology or IT plan** that can help prioritize expenditures and ensure that IT investments yield a return on investment and work seamlessly with other IT systems already in place. This may result in ineffective expenditures, additional staff time, and unexpected expenses to make IT systems work together. **Any subsequent investments in technology should be driven by the findings and recommendations of a prioritized technology investment program** that includes plans for the use of the technology and documented benefits to the system.
- **LCTA fleet replacement needs are not regular** in the sense that many vehicles (7-10) need to be replaced at the same time. Given constraints on capital funding, this means that some vehicles are in use beyond their design life, thereby resulting in higher operating and maintenance costs. **Management should continue to explore ways to distribute fleet replacement more evenly.**
- There are two unfilled management positions. Prior to filling the vacant positions, **an analysis of how those positions would contribute to the operation of the agency versus their cost should be conducted.** This analysis should consider whether reorganization, division of duties, or other management structural changes would result in more efficient and effective management of LCTA, and help in determining what positions should be filled (if any).

OTHER FINDINGS THAT IMPACT OVERALL AGENCY PERFORMANCE

“Other Findings” is a collection of findings from the functional review that may, if addressed, improve the current or future operations of LCTA. While not directly tied to Act 44 measures, actions to address these findings will result in a more seamless operation and greater operational efficiencies.

BEST PRACTICES

- None to note at this time.

OPPORTUNITIES FOR IMPROVEMENT (ITEMS TO ADDRESS IN THE ACTION PLAN)

- The Board plays an unusually strong role in what are typically day-to-day management decisions of LCTA. The board should seek ways to empower management to find results-driven solutions by setting measurable goals for cost reduction in a way that supports safety, staff training, and high-quality service delivery. **All Board members should attend free on-site PennTrain Board Training as a group** so that all have the same understanding of the appropriate roles, division of labor, leadership responsibilities, and evolving regulatory framework under which LCTA must operate. **The Board’s focus should be on charting a vision and establishing goals and objectives, as well as monitoring outcomes. Management’s focus should be to deliver results.** Actions that blur these roles lead to inefficiencies.
- Board committee meetings are only conducted on an “as needed” or ad hoc basis. **Regularly-scheduled meetings on broad-level topics that concern efficient, safe, and**

effective service delivery should be scheduled to reinforce the Board's primary responsibility of oversight.

- There is a potential conflict of interest as one Board member is the father of a Union Representative who works at LCTA. **To minimize the potential for conflicts of interest, Board members must defer all day-to-day operational decision-making to senior management.**
- One Board seat is currently unfilled due to the death of a Board member. Remaining Board members and Management should **continue working with Luzerne County Commissioners to fill the position.**
- Management lacks formally-documented protocols, performance standards, and plans for many key agency issues including quality control for NTD reporting and succession planning. **Management should establish formally-documented quality control protocols and robust short-term succession plans for key agency positions, including cross-training** to ensure continuously smooth service in the event of staffing changes.
- Employee feedback provides ways to improve employee satisfaction, advance customer service, and fine-tune service delivery. **Management should introduce formal mechanisms to measure employee satisfaction** including periodic surveys, exit interviews, and employee performance reviews. Additionally, management should **introduce employee performance reviews for all agency positions** to raise awareness of customer and peer perceptions.
- Safety trends are not tracked and therefore there is no practical way to assess the impacts and return on investment of safety expenditures. **Management should track safety trends and implement remedial follow-up actions as appropriate, and account for them in future budgets.**
- **LCTA lacks a strategic plan and prioritized needs assessment that would implement the strategy.** It is good practice to first identify a strategy then determine the resources necessary to accomplish it. Once those resources are quantified, projects that are part of the strategic plan should be prioritized and matched against expected or available funding. These steps are commonly referred to as needs assessment. Capital programming implements the prioritized needs based on available funding either via 12-year or 5-year capital budgets. LCTA lacks a strategic plan and prioritized needs assessment, making the capital programming process appear informal, ad hoc, and without context. **The Executive Director should involve the Board and all senior staff in the development of a formally-documented strategic plan, prioritized needs assessment, and staged capital programming process.** This should include a long-term plan for service changes and changes to fleet needs that may result from service changes.
- LCTA has a very low Disadvantaged Business Enterprise (DBE) goal of 0.2 percent that proves difficult to meet. **Management should engage PennDOT's DBE outreach program with the goal of identifying and expanding DBE participation in the local area.**

- Cash receipts from each vehicle’s vault are mixed prior to counting. This prohibits the possibility of identifying the source of discrepancies between what is reported by GFI farebox probe expected totals and actual receipts. For example, some passengers do not have exact change (for example, the base fare is \$1.50 but the passenger may only have two one-dollar bills. Since the farebox does not make change, fares collected should be equal to or greater than what is registered at the farebox. However, a farebox might have an “issue” where it does not register correctly or perhaps the driver pushes the wrong key (he accidentally hit the full-fare key where he should have hit the student fare key). In that event, the farebox would be short compared to what was registered. Such issues occur occasionally and should appear as “random” small amounts. However, a driver may, for example, always push the “full fare” key no matter the actual amount paid. In that event, LCTA would show a shortage when in fact there is no money missing. Discrepancy may simply mean that the driver needs to be retrained. If the contents of all fareboxes are mixed before counting, management cannot determine the causes of discrepancies. **To provide more robust oversight, management should track farebox cash discrepancy on a regular basis and set thresholds for the system as a whole. If cash receipts are found to outside of an acceptable range on a regular basis, management should count cash receipts by individual vehicle vault to isolate the cause(s) of those discrepancies.**
- **LCTA should prepare a five-year operating budget that identifies how long operating reserves should last given expected costs.** The operating budget can be used as a tool to establish a plan to determine when fares should be adjusted to maintain agency cash reserves. Regular, small fare increases are less detrimental to ridership than large “emergency” fare increases, and will help LCTA to increase revenues.

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APPENDIX A: DOCUMENTATION REQUEST TO EXECUTIVE DIRECTOR

2010 Transit Performance Review
Data Request
Pennsylvania Department of Transportation
Bureau of Public Transportation



DOCUMENT REQUEST

Please provide the following documents and label as shown for **fixed route service only**. Information is strongly preferred in electronic format. Please indicate on the below checklist as to the status and availability of the information.

**Denotes information requested from contractors in addition to Agency.

Requested Item	Mark Form in which Data to Be Provided			
	Electronic	Paper Mail	Not Available	Not Applicable
BACKGROUND				
1. Enabling legislation, ordinances, compacts or charter.	X			
2. Brief history of the agency, including its current and any prior official names, any present nicknames or monikers, and identify any predecessor entities, service days/hours and any other general agency information.	X			
3. Business or Strategic Plans, including adopted Mission and Vision statements.	X		X	
4. Describe any unique circumstances that have adversely or positively affected the agency (ridership, finances, other).				X
GOVERNANCE/GENERAL MANAGEMENT				
5. List of current governing body members, with terms and tenure of each member and contact information for each.	X			
6. Governing body minutes and agenda from the last 12 months.	X			
7. Biography, contract terms, and tenure of General Manager / Executive Director.			X	
8. **Organization chart delineating decision authority by roles.	X			
9. Succession plan or equivalent.			X	
10. Any documentation not provided above which delineates the respective roles and responsibilities of management and governing body members.			X	
OVERSIGHT AND REVIEWS				
11. Two most recent annual reports from chief executive officer to governing board.	X			
12. Financial Management Oversight (FMO) reviews, Triennial Reviews, and any other recent outside audits or evaluations in any administrative areas such as: Executive Management, Human Resources, Finance, Legal, Information Management, Resource Management, Internal Audit, Marketing, etc. Include all correspondence between the agency, PennDOT, FTA, auditors, etc.	X			

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Requested Item	Mark Form in which Data to Be Provided			
	Electronic	Paper Mail	Not Available	Not Applicable
HUMAN RESOURCES				
13. All collective bargaining agreements as well as any related documents(e.g., letters or memoranda of understanding, letter agreements, side letters that clarify or modify the collective bargaining agreements, etc.)	X			
14. Any strikes or work stoppages over the past 6 years.				X
15. Any reports filed with the state or federal government regarding union operations, funds management, etc.	X			
16. Cost of benefits (health care, pension/retirement, etc.) broken down by major category for the last year and projected for the next 5 years.			X	
17. Turnover rate by position for each of the last 5 years.			X	
18. **Operator hiring and performance review procedures.	X			
FINANCE				
19. Operating and Capital Budgets for the current fiscal year (provide separately if not in the Annual Report).	X			
20. Official Bond Statements for the most recent issuances.				X
21. Audited Financial Statement for the most recent fiscal year and Single Audit Statement.	X			
22. Profit/Loss/Cash Flow statements for each of the past 12 months.	X			
23. Year-end cash position for each of the last 2 fiscal years.	X			
24. Operating revenues and expense detail by account for each of the last 2 years. Please provide in as frequent intervals as possible (i.e. monthly, quarterly)	X			
PROCUREMENT				
25. Procurement policy and procedures.			X	
CONTRACTING				
26. Contracts involving purchased transportation.	X			
27. Contracts for the provision of services or special operations agreements to specific agencies, localities, colleges, universities, or other entities.			X	
28. **Contracts for tire services, management services, and professional services over \$25,000 in value.	X			
29. Contract management plan.				X
OPERATIONS				
30. **Operations Manual.	X			
31. **Operators Manual.	X			
32. **Emergency and inclement weather (snow, flood, etc.) operational plans and procedures.	X			
33. **Dispatch procedures	X			
34. **On-street supervision procedures (incl. AVL, if equipped).				X
35. **Service standards for existing and new or newly restructured services. Provide description or example of how used in periodic service evaluations and service planning.				X

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Requested Item	Mark Form in which Data to Be Provided			
	Electronic	Paper Mail	Not Available	Not Applicable
36. Significant seasonal variations in service supplied (including school alterations, special routes, etc.).	X			
37. Identify and provide relevant documents regarding any present & future operational challenges.			X	
FARES AND FARE SECURITY				
38. Listing of fares by type and media (pass, token, cash, etc.)	X			
39. Plans for changes in fare media (e.g. electronic).	X			
40. **Monthly fare revenue by category, and by patron type.	X			
41. **Fare handling policy & procedures (from on-board vehicle to deposit at bank).	X			
42. Commuter choice program description, synopsis of participants, marketing activities, and total revenues derived from program (if applicable).				X
MAINTENANCE				
43. **Maintenance plan, programs and procedures manual.	X			
44. **Fleet roster for fixed route revenue and non-revenue vehicles	X			
45. End of year parts inventory value (\$) for each of past 5 years.	X			
46. Building condition appraisals.			X	
47. Ongoing asset maintenance programs.	X			
OPERATIONAL SCHEDULING/PLANNING				
48. **Scheduling Manual.			X	
49. Maps and schedules (system wide and route specific).	X			
50. Revenue miles, revenue hours & fares from any charter services provided in each of the last 6 years.				X
51. Short range transit operational plan (i.e., TDP - transit development plan).			X	
52. Long range transit plan.			X	
SAFETY AND SECURITY				
53. Summary of Worker Compensation Claims, by year, for each of last 5 years.	X			
54. **Description of accident/incident policy and definitions, including how they are recorded and monitored (separated by employee and patron).	X			
55. **Property collisions and other reportable incidents for each of the past 6 years.	X			
56. **Personal injuries and fatalities for each of the past 6 years.	X			
57. **On-board criminal activities for each of the past 6 years				X
58. **Property criminal activities for each of the past 6 years				X
59. **Safety training and Collision reduction plan(s).			X	
60. **Emergency Preparedness / Operations Continuity Plan.		X		
61. **List of any safety or security issues and/or concerns.	X			
62. **Number of vehicles and sites with security monitoring (i.e., camera, patrols).	X			
63. Records of safety meetings for past 2 years.			X	

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Requested Item	Mark Form in which Data to Be Provided			
	Electronic	Paper Mail	Not Available	Not Applicable
64. **Fixed route ADA compliance reports for the most recent year.			X	
65. Two most recent customer service surveys reports and any actions taken to address known issues.	X			
66. **Complaint procedures manual/policy and 2 most recent reports.	X			
67. Other customer service metrics maintained by the agency.			X	
68. **Computer disaster recovery plan.	X			
69. Computer security procedures now in use.	X			
70. **Data collection technology/programs (i.e., APCs, AVL, scheduling software, financial management software, maintenance software).	X			
CAPITAL PROGRAMMING				
71. Short and Long-term capital programs or plans including: <ul style="list-style-type: none"> • Transit TIP • Agency Specific Plans (additional to TIP): <ul style="list-style-type: none"> ○ Fleet expansion needs/plans for revenue and non-revenue vehicles (if in addition to TIP) ○ State-of-good-repair facility projects for next 5 years (new roof, vehicle overhaul, etc.) ○ New/Expanded facilities projects for next 5 years ○ Replacement/expansion needs/plans for all other capital assets for next 5 years 	X		X	X
72. Contact information for any assets owned, operated, or maintained by others.			X	
73. Listing of real estate fixed assets (i.e., facilities, transfer locations, etc.) identifying any asset currently not directly used in transit operations and plans for same.			X	
74. Listing of Real estate plans (purchases, sales, or lease changes) including current or planned construction projects, documenting cost to complete and projected completion date planned for next 5 years			X	
MARKETING AND PUBLIC RELATIONS				
75. Service area demographics, customer profiles, and market research documents (as available).	X			
76. Local news clippings from past 5 years.	X			
77. Copy of current year marketing program and policies.			X	
78. Public involvement plan, and notices and attendance rosters from events from most recent 2 years.			X	
79. Reports, input, recommendations, etc. from ridership committees and/or advocacy groups for the past 2 years.	X			

APPENDIX B: SUMMARY OF FUNCTIONAL FINDINGS, TRENDS, AND SUGGESTED ACTIONS

The following notations are used to summarize findings on areas evaluated during the performance review.

+	Above Average	Actions/conditions are notably more/better than those observed in similar agencies.
✓	Average	Actions/conditions are comparable to those observed in similar agencies.
-	Below Average	Actions/conditions are notably less/worse than those observed in similar agencies.

In an effort to recognize where commitments or actions are already under way to change the current state of a particular metric, a column labeled *Trend* has been added to the *Summary* sections. *Trends* are categorized as follows:

↗	Improving	A commitment or actionable plan is under way to improve upon the current practice/conditions.
⇒	Little net change	No commitment or actionable plan has been noted that improves upon the current practice/conditions.
↘	Worsening	No commitment or plan has been made to improve upon the current practice/conditions <i>and</i> conditions are expected to degrade unless the topic is addressed.

Taken together, the *Findings* and *Trends* are intended to identify best practices and help prioritize the areas where addressing a finding can help improve the efficiency, effectiveness, and/or quality of service provided:

Finding	Trend	Action/Interpretation
+	↗	Continue current actions and policies – Potential Best Practice
+	⇒	Continue current actions and policies
+	↘	Corrective action may be desirable
✓	↗	Continue current actions and policies
✓	⇒	Continue current actions and policies
✓	↘	Corrective action desirable
-	↗	Continue current actions but closely monitor progress
-	⇒	Corrective action desirable
-	↘	Corrective action necessary

Governance Observations	Finding	Trend	Suggested Actions
Full Governing Body membership	-	➡	Monitor Luzerne County governance changes for impacts on Board structure. Continue to advocate for commissioners to fill vacant board position.
Governance and structure meet changing needs and equitably represent agency's customers	✓	➡	None.
Sets and achieves strategic goals	-	➡	Board should work with Management to create a vision with measurable goals and objectives for operations to accomplish the strategic mission statement.
Meets community public transit needs	✓	➡	Continue business and college outreach to build ridership. Establish advisory committees to provide proactive and routine customer feedback.
Public opinion of Board and transit system	✓	➡	None.
Working relationship among Board members	✓	➡	None.
Advisory Committee Observations	Finding	Trend	Suggested Actions
Advisory committees provide opportunity for citizen input	-	➡	Create and use a citizen's advisory committee.
Advisory committees provide opportunity for technical input	-	➡	Create and use a citizen's advisory committee.
The number and types of advisory boards are appropriate for an agency of this size	-	➡	Piggyback advisory board input from metropolitan planning organization (MPO) or local human service transportation (HST) providers.

General Management Observations	Finding	Trend	Suggested Actions
Relationship with Governing Body	-	⇒	Management should encourage Board to take less of a role in the day-to-day management of LCTA and more of a strategic role in setting a vision and goals and performance monitoring.
Organizational structure appropriate for size of agency	✓	⇒	Review the need for vacant management positions and fill or permanently remove as appropriate.
Provides regular performance reporting to oversight Board	-	⇒	Work with the Board to broaden a set of agency performance objectives and metrics beyond aggregate financial and total ridership.
All key management positions currently filled	-	⇒	Evaluate management needs and determine whether vacated positions should be retained. Document rationale and choices accordingly.
Employs strategic policies, goals, and objectives	-	⇒	Draft a strategic plan with goals and objectives for Board review and adoption, implement with appropriate performance metrics, conduct review by management and the Board on a monthly or quarterly basis as appropriate.
Employs, monitors, and uses written performance standards for all major agency functions	-	⇒	Develop and implement quality control and performance metrics / procedures for key management functions. Monitor and report periodically to staff and Board.
Actively promotes and achieves interagency coordination	+	⇒	Continue advancing regional efforts and coordinating service and parts sharing arrangements with adjacent operators.
Timely satisfaction of all federal and state reporting requirements	✓	⇒	Closely monitor the administration and close-out of state and federal grants. Institute quality control protocols for all federal and state reporting.
Has and follows a written quality control plan for key functions	-	⇒	Ensure that quality control plans are in place and followed for all key agency functions and positions.

Has a succession plan in place for all key positions	-	⇒	Provide ongoing training and cross-training among management personnel to help ensure continuity for short- or long-term absences, and personnel departures. Prepare short-term succession plans for all key positions.
Has cross-training and responsibility practices to ensure that functions can operate smoothly in the event of absenteeism, retirement, etc.	-	⇒	Use quality control as an impetus to cross-train staff and to minimize potential impacts of staff turnover.
Percent of Total Operating Costs Attributable to General & Administrative	✓	⇒	Continue administrative cost containment practices.
Human Resource Observations	Finding	Trend	Suggested Actions
Retain stable work force	✓	⇒	None.
Recruit qualified employees promptly as vacancies occur	✓	⇒	None.
Provide training focused on job performance	-	⇒	Institute both safety and job performance training for all agency positions.
Manage the cost of employee benefits	+	↗	Continue to find creative ways to contain the cost of employee health care benefits.
Manage labor relations effectively	-	⇒	Engage the services of a professional labor negotiator lawyer that specializes in issues that increase the cost of service delivery.
Finance Observations	Finding	Trend	Suggested Actions
Provides realistic annual budgets	✓	⇒	None.
Accurately records and reports financial transactions	✓	⇒	None.
Manages state/federal grants efficiently to meet government requirements	✓	⇒	None.
Analyzes and manages cash flow	✓	⇒	None.
Uses reasonable approach for handling passenger revenues	-	⇒	Review the practice of mixing cash box receipts by route before reconciling against GFI probe data.

Procurement Observations	Finding	Trend	Suggested Actions
Use of computerized parts management system	-	⇒	All parts are manually recorded and entered into MAS 90® accounting system. Investigate using a direct parts management system.
Automated analysis and identification of procurement needs	-	⇒	Investigate the report generation capabilities of MAS 90 ® system and any subsequent parts management system.
Established procedures for verifying inventory figures	✓	⇒	None
Record and measure inventory function performance	-	⇒	LCTA does not use any metrics to assess the performance of the parts inventory function. Common performance measures used in the industry include inventory turnover ratios, parts cost per vehicle mile, parts cost per vehicle, and vehicle days lost to vehicles awaiting parts.
Has and achieves Disadvantaged Business Enterprise (DBE)/Minority-owned Business Enterprise (MBE)/Women-owned Business Enterprise (WBE) goals	-	⇒	Very low DBE goal of 0.2 percent that proves difficult to meet. Work with PennDOT to identify and expand DBE participation opportunities in the local area.
Appropriate use of technology in parts inventory control	-	⇒	Parts used are written down, then info transferred to MAS90. Investigate the cost and benefits of automated parts inventory control systems typically used for agencies of this size.
Operations Observations	Finding	Trend	Suggested Actions
Service is operated in accordance with published schedules	-	⇒	Use new AVL technology as it becomes available to monitor and report on route-level schedule adherence. Adjust scheduling as appropriate.
Track key cost drivers such as unscheduled overtime pay and other premium pay categories	-	⇒	Establish targets and proportional metrics for key cost drivers, such as unscheduled overtime pay, and develop response strategies for when performance is outside of acceptable ranges.

Track and report on-time performance	-	⇒	Use new AVL technology as it becomes available to monitor and report on route-level schedule adherence. Set performance targets and regularly report findings to management and Board.
Track and analyze service-related customer feedback by category	-	⇒	Introduce and report back customer service metrics to all departments.
Maintenance Observations	Finding	Trend	Suggested Actions
Use of computerized fleet maintenance recordkeeping	✓	⇒	None.
Automated analysis and identification of trends, performance, and maintenance issues	✓	⇒	None.
Adopted vehicle maintenance plan and preventive maintenance schedules/checklists	-	⇒	While a preventative maintenance schedule is in place, there is no tracking of PM trends. PM information is recorded in a MS work file, and there is no computerized method to analyze trends. Investigate moving to a program with report generation capabilities.
Maintenance performance in terms of miles per major road call	-	⇒	Road calls/mile are high at LCTA. Management should undertake an analysis of the causes of this and take corrective action as appropriate.
Preventive maintenance on-time performance	-	⇒	Track and report PM schedule adherence trends to management.
Adequacy of maintenance facilities	+	⇒	None.
Scheduling Observations	Finding	Trend	Suggested Actions
Understanding of scheduling process	✓	⇒	None.
Production of vehicle and driver assignments in a timely manner	✓	⇒	None.
Input from operating personnel	✓	⇒	None.

Appropriate use of computers	-	↗	Always implement computerized scheduling to assess the efficiency of the scheduling process either in-house or by contracting the service out.
Scheduling as an analytical tool	-	↗	Integrate approaches and findings from Clear View Strategies scheduling analysis into future scheduling efforts.
Existing service standard policy	-	→	Establish and monitor adherence to service standards and policies.
Performance measures to gauge output of schedule process	-	↗	Establish performance measures to gauge output of schedule process and the financial impacts of CBA terms and alternatives.
Safety & Security Observations	Finding	Trend	Suggested Actions
Provide comprehensive new operator and refresher training	-	→	Include regularly-scheduled operator training in addition to new hire and remedial training.
Require operators to use consistent and comprehensive procedures for reporting accidents/incidents	✓	→	None.
Track and report accidents by type	-	→	Expand incident tracking to include non-reportable incidents and use findings (current and trend) to guide development and frequency of safety training.
Develop and maintain System Security and Emergency Preparedness Plan	✓	→	Continue to provide a copy of the System Security and Emergency Preparedness Plan (SSEPP) to all employees.
Customer Service Observations	Finding	Trend	Suggested Actions
Number of staff responsible for customer service	✓	→	None.
Understanding of staff roles in customer service	✓	→	None.
Clear customer service protocols (tracking, response, timeliness, satisfaction)	-	→	Establish formal protocols and electronic tracking/reporting of customer service issues.
Customer Service Quality Improvement Plan	-	→	Monitor and track trends in customer service. Implement corrective actions as appropriate.

Regular monitoring of customer service satisfaction	✓	⇒	In addition to periodic customer satisfaction surveys, establish a database of customer complaints, compliments, and associated information, and analyze customer satisfaction trends. Report to management quarterly.
Personal follow-up protocols for complaints and compliments	-	⇒	Make greater use of in-vehicle cameras to verify/follow up on customer complaints in lieu of “face-to-face” conflict resolution.
Automated follow-up protocols for complaints and compliments	-	⇒	Establish a follow-through process to ensure that the customer’s issues have been resolved in a timely manner.
Information Technology Observations	Finding	Trend	Suggested Actions
Number of staff responsible for Information Technology	✓	⇒	None.
Appropriate use of outsourcing for IT needs	✓	⇒	Continue current practice.
Adequacy of in-house network and computer technology	✓	⇒	None.
Adequacy of radio and communications systems	✓	⇒	None.
Full use of registering fareboxes	✓	⇒	None.
AVL technology	✓	⇒	Establish/monitor on-time performance standards as AVL technology becomes available. Explore Web-based customer information capabilities of technology.
Disaster Recovery Plan	✓	⇒	None.
Strategic IT Plan	-	⇒	Begin development of a master IT plan that incorporates changes in on-vehicle technology and Web-based customer service to ensure compatibility and to promote strategic IT procurement.
Capital Programming Observations	Finding	Trend	Suggested Actions
Relationships with other agencies in the region	✓	⇒	Continue building regional coordination.

Adequate staff to lead capital programming	✓	⇒	Broaden staff involvement to include whole management team in capital programming.
TIP as initial list of all capital needs (fiscally constrained)	✓	⇒	Continue to explore ways to “spread out” the need for a large number of simultaneous vehicle replacements.
Relationship and coordination with external agencies	✓	⇒	Continue regional coordination efforts.
Unconstrained, prioritized capital needs strategic plan	-	⇒	Develop a long-term capital plan reflecting all capital needs beyond those in a 12-year capital budget via a strategic plan. Assemble a master list of needed projects (i.e., needs) ranked by priority. Distinguish projects on the basis of available funding and identify those projects that could move forward with additional funding.
Marketing and Public Relations Observations	Finding	Trend	Suggested Actions
Thorough understanding of current customer base	✓	⇒	Continue to regularly conduct analysis of ridership patterns and market segments in a cost-effective manner.
Effective use of targeted marketing and educational materials for special populations such as the disability community, non-English-speaking populations, etc.	-	⇒	Quantify the magnitude of and develop (as appropriate) marketing materials that target specific populations in the community. Set aside a dedicated marketing budget to advance LCTA’s goals.

Effective use of marketing approaches to expand market share with current clientele	✓	⇒	Continue to finalize and monitor the effectiveness of the college outreach efforts. Develop, implement, and monitor the effectiveness of plans to increase share of the current customer base. Implement processes to measure the effectiveness of marketing efforts and report findings at least quarterly to the Board.
Clear procedures to identify and assess potential (new) markets	✓	⇒	Continue to identify innovative ways to increase market share in areas where LCTA competes well against other transportation modes.
Visibility in the community	✓	⇒	None.
Positive image with local community and elected officials	✓	⇒	None.
Positive image with state and federal review agencies	✓	⇒	Closely monitor grant close-outs and statistical reporting for consistency and accuracy. Continue to regularly communicate with FTA on the status of open grants.
Awards and accolades	✓	⇒	LCTA should continue to pursue awards for outstanding practice and continue to place those awards in a highly visible location such as the front lobby of the administration building.
Planning Observations	Finding	Trend	Suggested Action
Proactive approach to short-range planning	✓	⇒	None.
Proactive approach to mid-range planning	✓	⇒	Develop a Transit Development Plan (TDP) that addresses issues facing LCTA over the next several years. Explicitly address full life cycle replacement planning for all vehicles.

Proactive approach to long-range planning	-	⇒	Expand 12 year capital plan to include an unconstrained assessment and prioritization of needs and evaluate a variety of alternatives that could meet those needs.
Possesses adequate staff capabilities in planning	✓	⇒	None.
Uses empirical data used to support planning functions	-	⇒	In conjunction with planning, develop a data management plan that employs planned technology investments (i.e., AVL) to obtain running time information. Expand on current route-level evaluation to include additional financial performance measures with respect to ridership (e.g., revenue and cost per rider).
Demonstrates strong staff leadership in planning functions	-	⇒	Work to develop a comprehensive planning process that builds from prioritized needs to implementation for all planning horizons.
Provides opportunities for planning input from operating personnel	✓	⇒	None.
Relationships and coordination with other local planning agencies	✓	⇒	None.
Positive vision for what transit could be	-	⇒	Board and management should work together to establish specific goals and objectives to support institutional decision-making and to build consensus as to the role of fixed-route public transit in the Luzerne County area.
Uses performance measures to assess route performance	-	⇒	Develop formal service standards to guide planning functions. Expand the number of performance measures to include all Act 44 metrics in addition to items of local concern.