

Overview

Financial, Marketing, Management and Operational Analysis of StarTran

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Purpose of the Analysis

- Review current performance, management and organizational elements of the StarTran transit and paratransit services within Lincoln
- Identify elements that may be out of order with respect to industry standards and peers focusing on core topics identified by the city
- Suggest modifications as necessary to correct deficiencies and improve services
- Evaluate the potential for significant adjustment to current management, operations and finance by considering broader roles for privatization and creation of a transit authority

Analysis Topics

- Fixed route transit service
- Paratransit service
- Management, oversight and guidance
- Staffing
- Costs and revenues
- Equipment and facilities
- Customer service and marketing
- Privatization
- Transit authority
- Service modifications

Approach

- Extensive review of local and peer data and reports
- On-site reviews and interviews in September and December, 2011

Conclusions

Overall, StarTran's performance is a little more efficient but a lot less effective than its peers. The system is generally well run with respect to personnel but there are a number of opportunities for improving operational performance.

A summary of the top ten conclusions from this analysis and evaluation is shown below:

1. The mission of StarTran is not entirely clear as management and staff appear to receive mixed policy directions from Mayor, City Council and Advisory Board regarding desire to maximize riders vs. holding the line on local funding.
2. The role of the Advisory Board has begun to shift from its original direction created in city code as it takes on more budget related and operational topics. The Mayor and City Council should re-establish the role of the Board to fit current oversight and advisory intentions.
3. The performance of StarTran fixed route transit service is slightly more efficient but less effective than peers. Paratransit service is generally well run but some components of its service do not fully meet ADA requirements.
4. There are no significant operating cost components of StarTran currently out of line with industry practice or peer systems. Modification of current operations and practices to improve efficiencies will generate modest operational cost savings (less than 5% of total budget).
5. The best opportunities to increase local revenues are to modify services to attract additional riders or to increase the average fare per passenger. The best opportunities for increasing ridership are to increase frequencies on the best performing routes or to reconfigure how the UNL market is served. The most effective way to increase the average fare would be to increase the cost of the monthly Low Income Pass. For each 1% increase in the cost of the Low Income Pass there would be a corresponding 0.25% decrease in pass user ridership (currently 42% of total ridership).
6. Privatizing current StarTran operations will not generate significant cost savings as the current labor agreement provisions will need to be carried forward and some administrative services currently provided through the city at no cost to StarTran such as human resources administration would need to be transferred to the private operator. There is no prospect of attracting a private operator to assume control in hopes of turning a profit. Private sector interest levels and approximate fee structures can be gauged by conducting a Request for Letters of Interest, Qualifications and Proposal process.
7. Creating a transit authority to oversee StarTran operations and funding is currently not an option under state law. If the law is modified allowing creation of the authority a significant cost savings would not be expected. Costs may actually increase as the current labor agreement provisions will need to be carried forward and some administrative services provided through the city at no cost to StarTran such as human resources administration would need to be transferred to the

authority. The authority could become the taxing agent for the local share of transit operations thereby removing that component from current general fund obligations.

8. Making significant service adjustments such as complete removal of Saturday service or all midday service or removing one or two entire routes can generate moderate cost savings (up to 5% of total operating budget for each major action) but will begin to diminish the effectiveness of the service overall and directly impact large numbers of current transit riders of whom 75% say they have no car available.
9. Replacing a portion of the current fleet with smaller buses will not significantly reduce operating costs and may have the opposite impact in the short term as additional parts inventories and training would be needed to support the new vehicles. The peak period utilization along the best performing routes warrants the current vehicle size.
10. A report should be generated by StarTran on a regular basis to better inform the Mayor, City Council, Advisory Board, Division Director and the public of overall performance. Key measures should include passengers per mile, cost per passenger and overall trends over a 3- to 5-year period along with an indication of whether the measure is within expected range and what is being done about performance outside of desired range.

Performance Measures	Budget/ Target	Current Month	YTD	YTD-Last Year	3 or 5 Year Average
Operations					
Passengers					
Revenue Miles					
Revenue Hours					
Total Expenses					
Riders per Mile					
Revenue Miles per Revenue Hour					
Cost per Passenger					
Average Fare per Passenger					
Cost per Revenue Hour					
Driver Pay Hours to Platform Hours					
Passengers per Complaint					
Miles Between Preventable Accidents					
Maintenance					
Vehicle Maintenance Cost per Mile					
Miles per Maintenance-Related Road Calls					
Fuel Cost					

Oversight and Guidance Findings

1. The mission of StarTran is not clear to staff due to variable policy direction
 - What takes precedence— controlling deficit or capturing new riders?
 - Should StarTran manage operations to increase riders or maximize user revenues?
2. The management-oversight relationships are unclear for StarTran as there are three ladders of communication
 - Mayor and Public Works Director
 - City Council
 - Advisory Board
3. The Advisory Board does not exhibit a clear understanding of its role and responsibilities
 - Staff appears to defer to Advisory Board on issues that may not be part of the charge
 - Unclear how much policy direction Advisory Board gets from Mayor or Council
4. The budgeting process used to develop annual StarTran operating budgets requires StarTran to interact with the Mayor, City Council, and the Advisory Board with potentially differing policy directions being generated
 - Mayor and City Council should clarify intended role of the Advisory Board in this process.
5. A significant amount of planning and financial data is produced on a regular basis
 - Data submitted at reasonable intervals up the chain but does not appear to be regularly used to help guide investment decisions
 - Annual Surveillance Report provides a reasonable review of performance but the basis for some of the standards could be more clearly defined
 - There are opportunities to improve the flow and usefulness of information by establishing a clearer set of reporting standards to meet city expectations
6. It is unclear how the Strategic Plan developed by the Department of Public Works is used to guide the annual budgeting process or influence on-going operations.
 - Stated targets appear to be presented without basis
 - No evidence of monitoring on-going performance relative to stated targets
7. Findings from the Federal Transit Administration (FTA) Triennial Review are being dealt with
 - Purchasing issues will need to be resolved by StarTran and City Purchasing staff
 - A 2010 city audit(CAFR) of compliance requirements noted deficiencies in federal program procurement practices but that a revised process manual has already been prepared
8. The Transit Development Plan (TDP) completed in 2007 did a thorough job of system review and identification of options for future service changes.
 - Some service concepts envisioned did not prove successful (crosstown neighborhood connections), but staff did adequate job of implementation
 - An update to the TDP should be undertaken over the next 2 to 3 years with the intent of repeating the update process every 5 to 7 years

Management and Organization Findings

1. The system is generally well run, but there are opportunities for improvement
 - Staff is attentive to detail and fully committed to perform their jobs
 - Because they are uncertain of the future, staff avoid taking risks to change the system
 - As a result, there is little incentive to look at things differently
 - Staff does not look to the Advisory Board for policy clarity
2. The administrative staff level at StarTran is not excessive, peers have similar or lower levels
 - Administrative employees are generally busy but technology could improve efficiencies
 - Lots of city administrative support services provided to StarTran that are not in transit budget
 - There is some room to grow services without adding administrative staff
 - Reassignment of some duties may improve effectiveness
3. StarTran is not at the bargaining table throughout labor contract negotiations
 - Transit management not able to propose or make the case for StarTran specific issues
 - Current labor agreement does not have excessive wage concessions and is comparable to other similar-sized cities
 - Terms of the contract in force if private operator takes over
4. The performance objectives for several staff positions are not clear
 - Focus the primary marketing activities for the Administrative Aide
 - Clarify role and responsibilities of the Bus Operations Superintendent
 - Establish clear plan for Mobile Supervisors
5. Technology pieces not fully utilized or integrated
 - New technology has been tried but has not proven fully effective
 - Staff did some work with vendors to resolve initial problems with limited results
 - Underutilized components (AVL, APC, schedule master, garage wireless) could improve effectiveness
6. Internal staff communications processes could be improved
 - Provide consistent directives to drivers for operations such as bus stop locations
 - Better organize driver's bulletin board communications
 - Ensure driver's manual is up to date with current policies and procedures
 - Do not post results of the Accident Review Committee

Fixed Route Operations Findings

1. StarTran fixed route transit service is modest in design and performance
 - Service is underperforming in terms of ridership compared to other cities with large university populations
2. The fixed route service performs at better than average efficiency levels compared to peers

- Unit costs are lower
 - Personnel productivity is better
3. The fixed route service performs at lower than average effectiveness levels compared to peers
 - Low ridership is the primary contributor to this poor performance
 - There is significant upside ridership potential from within existing markets
 4. Route services cover a reasonable amount of the transit supportive areas within Lincoln as defined by residential densities over 3 dwellings per acre and employment densities over 4 jobs per acre
 - 81 percent of transit supportive area within Lincoln is within ¼ mile of transit route
 - There are pockets of unserved transit supportive areas primarily on the north and south edges of the community
 5. Operating costs have grown at a 3.9 percent annual rate since 1992(essentially doubling the total system cost)
 - This generally matches the cost of inflation
 - 48 percent of the 2010 operating expense was in the “drivers seat” (wages and fringes)
 6. The allocation of operating expenses across operations, maintenance and administration is comparable to peers.
 - StarTran has slightly higher proportion of expenses in maintenance than peers
 - StarTran has slightly lower proportion of expenses in administration than peers
 7. Fixed route personnel operations are generally well run
 - Low payroll to platform hour ratio (1.06)
 - Absenteeism not a problem
 - Driver overtime not a problem (8.8 percent)
 - No grievances filed in 2010
 - Driver training program is adequate
 8. There are high seniority levels in operations and maintenance
 - 10.6 years average seniority for drivers
 - 14.5 years average seniority for maintenance employees
 9. No use of part-time labor even though labor agreement allows up to 10 percent
 - Part-timers used previously, not found to produce labor savings as contract requires use of same wage scale
 10. Route performance levels are monitored at reasonable intervals against goals
 - Very few trips within the schedule have less than two passengers per trip on average
 - Some on-time performance issues both for early and late departures
 11. The performance indicators contained in the Annual Surveillance Report need clarification
 - Levels of passenger transfers range from 2 percent to 35 percent in different reports
 - Reported 100 percent level of scheduled trips operated is rarely attained in the industry

- Window of time considered for on-time departure of scheduled bus trips as detailed in the Surveillance Report is not consistent with data reviewed in the AVL summaries
12. Staff needs to identify for the Advisory Board the alteration actions taken to address routes failing to meet performance thresholds within the Surveillance Report
 - Three routes did not reach minimum thresholds (42/43, 47/48, 55)
 - Four additional routes were identified for closer review (40/41, 45/46, 53, 54)
 13. The on-time performance of the fixed route service needs additional review
 - The AVL data used to generate the on-time report needs to be verified and if found to be correct then actions need to be taken immediately to resolve operational and timetable issues.
 14. The Maintenance Plan is thorough but not fully updated to current practice
 - Forms need to be updated
 - Check with peers to establish a proper inspection interval for Gilligs
 - StarTran should review Transport Plus maintenance performance
 15. The marginal cost estimating method used to calculate service change costs is reasonable
 - A fully allocated cost model should be used to conduct year to year and peer reviews of overall service costs
 - The payments for UNL service should be compared to costs derived from a fully allocated cost model to determine what level of cost is being recovered

Paratransit Findings

1. Handi-Van meets the ADA Service Area requirements
2. Handi-Van meets the ADA Response Time requirements
 - Consider random audits of telephone hold times to assure ADA compliance
 - Subscription trips should be increased as much as possible to reduce the overall call volume and assure that staff is available to handle the call volume
3. Handi-Van meets the ADA Fare requirements
 - Handi-Van fare information should be communicated in the Operating Guidelines and on the Handi-Van specific webpage
4. Handi-Van meets the ADA Trip Purpose requirements
5. Handi-Van does not meet the ADA Span of Service requirements
 - Need to extend complementary service hours to the same hours as fixed route. It is acceptable to state that service must be completed by 7:20 p.m. and 6:55 p.m. respectively
 - An alternative to extending all service hours anywhere in the service area would be to offer service in corridors only when fixed route service is operated

- StarTran needs to establish a practice of adjusting paratransit hours of service when a change on fixed route is implemented
6. Handi-Van does not meet the ADA Capacity/Scheduling requirements
 - To be in compliance with the ADA, Handi-Van needs to improve scheduling of trips to eliminate early operation
 7. The Handi-Van practice of requiring an adult accompany a child under 12 is not in compliance with the ADA since there is no comparable policy on fixed route service
 8. The Handi-Van visitor policy is not easily identified on the webpage
 - Provide a header identifying the policy in the operating guidelines
 9. StarTran paratransit operation is understaffed
 - A full time clerk position should be created to handle call taking and reservations, radio dispatch and post trip data entry
 - This would free the Handi-Van supervisor to manage the overall program and ADA compliance, supervise contractors and schedule service
 - It is likely that some changes in space and an additional computer terminal would be needed but the added cost would be more than offset by improvements in scheduling
 10. Portions of the Route Match software are used on a regular basis even though the software is no longer supported by the manufacturer.
 - StarTran should negotiate with Route Match for some level of support in order to avoid a system failure and a catastrophic loss of data and the ability to produce driver manifests.
 11. Paratransit operating costs can be reduced up to 12% if StarTran were to:
 - Eliminate directly operated service on weekdays after 5:30 p.m. and assign all trips through the end of the service day to Transport Plus
 - Eliminate directly operated weekend service and contract all trips to Transport Plus
 - Reduce directly operated weekday service by 8 hours through improved scheduling
 12. The City of Lincoln Purchasing Department does not have specific performance measures spelled out in outside contracts
 - Performance measures should include an on time performance target of 95 percent pick up within the ready window
 - Ride time standards: No passenger should ride longer than 45 minutes. The contractor should report any trips which exceed this standard
 - Future contracts with the League of Human Dignity should require the contractor to describe how they will insure that applications are processed within 21 days
 13. The StarTran Handi-Van Operating Guidelines are outdated and it is difficult to find the important information

- All references to effective dates before and after 1992 should be eliminated and information needed for ADA compliance should be updated

Revenue Findings

1. Since 1992 Federal transit operating revenues have grown at 4.8 percent per year, the fastest of all revenue sources
 - Local revenues grew at a 3.6 percent annualized rate since 1992
 - Fare revenues grew at a 1.8 percent annualized rate since 1992
2. The average fare generated per passenger has remained essentially unchanged since 2004 even though the base fare has increased from \$1.00 to \$1.75 over that period
 - Average fare over all passenger trips is around \$0.70
 - Average fare per trip for Low Income Pass users is \$0.24
 - Compared to peers the base fare is high but the average fare per passenger is comparable
 - The Low Income Pass is used by 46 percent of all riders but generates only 15 percent of passenger revenue
 - Elasticity of demand vs. 2009 fare increase was a 0.25% drop in ridership for every 1.0% increase in fare(national levels typically at 0.33% drop per 1.0% increase)
3. The \$0.25 fare trial in February 2010 was successful in increasing ridership by about 16%
 - Elasticity of demand vs. fare decrease was a 0.25% increase in ridership for every 1.0% decrease in average fare(\$0.70 average fare dropped to \$0.25 during trial)
 - Net cost of the test was \$63,000(\$42,000 in reduced fares, \$21,000 to promote)
4. The best opportunities to increase future operating revenues will be through UNL, its students and Southeast Community College.
 - Additional state assistance unlikely
 - Lincoln Public Schools does not contribute any revenue for the Booster service
 - Any federal increases likely to be tied to capital expenses
5. The UNL service connection has the potential to be a bigger revenue source if StarTran can increase the level of contracted services
 - UNL needs to choose its future course—continue to operate or move to StarTran
 - Current agreement expires August 21, 2012
 - Basis of capital cost contribution should be tied to percentage of vehicle cost
6. StarTran has been successful in obtaining expanded federal transit operating and capital revenue from competitive programs including:
 - Job Access Reverse Commute
 - New Freedom
 - American Recovery and Reinvestment Act
7. There are no significant untapped revenue sources to contribute to the local share
 - Changing local revenue source will require comprehensive city discussion

- The city has retained municipal advertising firm(Active Network) that may be able to identify new revenue streams but it is unlikely that advertising revenues can significantly reduce current property tax contribution
 - Lincoln currently using about 50% of its taxing authority
8. There is no sampling procedure in place to track the amount of cash revenue generated per passenger
- No issues detected during on-site review, but this technique can reassure that cash handling procedures are sound
 - Rotate all office employees into the cash counting process and introduce some randomness in staff assignments

Customer Service and Marketing Findings

1. Customer profiles indicate the following:
 - Over 50 percent of current customers earn less than \$20,000 per year
 - Over 50 percent of current customers ride to/from work
 - Over 55 percent of current customers have been riding for more than three years
 - Over 60 percent of current customers ride three or more days per week.
2. Customer service activities are less than desirable
 - Inadequate telephone coverage during Office Assistant breaks
 - Little customer interaction from supervisors and senior staff
3. Complaints processed by Office Assistant may give appearance of diminished importance
 - Office Assistant forced to multi-task may not be able to devote adequate time to record the incident
4. Department of Public Works does not appear to have established the desired levels of customer interaction for its internal divisions
 - StarTran staff contact levels should be consistent with Department expectations
5. Contracts with outside firms for transit advertising are common in the industry
 - Contract with Houck in place since 1996
 - Bid process last used in 2007, 3 bids received
 - Return is comparable to peers
6. Readability of StarTran maps needs to be improved
 - Greater detail need for newcomers
 - Adding cross streets will help understand locations
 - Improve both system and route maps

Equipment and Facilities Findings

1. The fixed route fleet composition is appropriate for the service operated
 - Smaller capacity vehicles not appropriate during most time periods as there are periods of heavy use
 - Average fixed route fleet age is appropriate at just over 6 years but some buses are approaching the end of their useful life so replacements need to be identified in the TIP
2. The maintenance shop has an inefficient layout but that does not appear to significantly affect costs or outcomes
 - Consideration of moving the facility needs to include costs of non-revenue mileage
 - Cost of new facility may outweigh possible layout and energy efficiency gains
 - As a first step in understanding the potential needs for an updated facility the City should consider conducting a Feasibility Study
3. Technology pieces not fully utilized or integrated
 - New technology has been tried but has not proven fully effective
 - Staff did some work with vendors to resolve initial problems with limited results
 - Underutilized components (AVL,APC, schedule master, garage wireless)
4. Not all bus stop locations for the system are marked
 - Creates safe locations for drivers and passengers
 - Improves schedule reliability
 - Defines service for customers
 - Benches should be installed at high-use stops

Privatization Findings

1. The strongest potential for expanded privatization rests primarily in the paratransit service
 - A significant portion of the Handi-Van demand responsive services are currently being provided by a local private company
2. The City terminated the former private sector fixed route transit management firm contract in 1993 when the arrangement no longer met city expectations
3. Bidding fixed-route service out for contract management could add a layer of expense as city provided administrative services would need to be covered by contractor
4. Maintaining the current quality of service and operate at a profit is not financially feasible
5. The cost efficiency of StarTran is similar or better than peers suggesting that opportunities for significant cost reductions through pursuit of privatization options are not likely

6. If the City wants to further explore privatization options, a “test the market” approach would provide an opportunity to identify interest from the private sector. Such an approach would gauge vendor interest at different steps without entering a formal contract stage. The following could be issued and vendor responses measured:
 - Request for Letters of Interest
 - Request for Qualifications
 - Request for Proposals

Transit Authority Findings

1. Creation of a regional transit authority under an amended version of the current state statute would remove local transit funding from the City general fund by allowing separate transit taxing authority and create a more stable funding source
2. The current transit authority legislation that pertains to Omaha allows a unilateral taxing levy of no less than \$0.03 per \$100 of assessed value for taxable property
 - An authority can seek a levy of up to \$0.10 per \$100 of assessed value but any amount above the initial \$0.03 is subject to the approval of the participating municipalities
 - According to the 2007 TDP, the City-allocated StarTran funding amounted to \$0.0386 per \$100 of assessed value in the 2006-2007 budget
 - The legislation also allows the issuance of bonds to raise revenue
3. Current state law does not allow Lincoln to form a transit authority as the legislation allows creation of authorities only in “metropolitan” class cities
 - Lincoln is a “primary” class city and Omaha is a “metropolitan” class city
4. If the City seeks to create a transit authority it should seek passage of separate legislation allowing authorities to be created in “primary” class cities and to include all other provisions of the current legislation
 - This would allow consideration of future amendments without the need to involve Omaha in Lincoln matters
5. Many functions such as accounting, payroll, purchasing, pension plan management, legal services, and risk management are currently provided to StarTran by the City
 - The 2007 TDP valued these functions at \$102,000 annually
 - These functions would need to be provided by the authority through procurement from the private sector, or under contract with the City, thereby increasing the operating budget of the system
6. The Mayor and City Council would be able to exercise power over the transit authority board through the board member appointment process
 - If all provisions of the current legislation are carried forward to new legislation allowing transit authority creation in “primary” cities, the County Board will also have approval of the initial transit authority appointments

Service Modifications for Cost Savings Findings

1. Reducing the fixed route service area to a “core” bounded by Superior/Havelock on the north, 70th Street on the east, Pioneers Boulevard on the south and Northwest 48th Street on the west side would provide transit service to about 60 percent of the city compared to current levels around 80 percent coverage. Service would be eliminated to:

- Southeast Community College
- North Star High School
- Southwest High School
- Scott Middle School
- Wal-Mart
- Heart Hospital

Restructuring the service in this manner would:

- Reduce annual operating costs by \$1.3 million (about 14% of the total annual budget)
- Reduce passengers by 430,000 per year (about 24% of system ridership)
- Reduce passenger revenues by \$0.3 million per year (about 25% of fare revenues)
- Produce an annual net cost savings of \$1.0 million

Limited service, perhaps express type service, could be reinstated to the main generators if deemed necessary, but this will reduce the desired level of cost savings.

2. Total route eliminations are a quick way to reduce operating costs, but have the following impacts:
 - Elimination of route 53 would reduce costs by \$360,000 per year, affect 85,000 annual passenger trips, and reduce revenues by \$43,000 per year
 - Elimination of route 54 would reduce costs by \$360,000 per year, affect 74,000 annual passenger trips, and reduce revenues by \$43,000 per year
 - Elimination of route 55 would reduce costs by \$185,000 per year, affect 30,000 annual passenger trips and most likely reduce revenues by \$8,000 if riders do not choose to use alternative service at full fare
3. Elimination of Saturday service would reduce operating costs by \$500,000 per year, affect 90,000 annual passenger trips, and reduce revenues by \$61,000 per year.

Oversight, Guidance and Management Recommendations

1. The Mayor and City Council should quickly act to establish a clear policy and mission for the operation of public transit services within Lincoln. At the beginning of each budget preparation period any revisions to the mission should be articulated so that operations can be adjusted to meet current expectations.
2. The Mayor should fill any future vacancies on the Transit Advisory Board as quickly as possible to maximize opportunities for community input on potential service and fare changes.
3. The Mayor should clarify the roles and responsibilities of the Transit Advisory Board to establish clear policy direction and reporting requirements. Options include:
 - Limit the Board to advise on service policies that impact passengers
 - Have the Board increase activities to advocate for transit within the community
 - Expand the Board role to include budget, service and performance oversight with more direct ties to City Council
4. The Mayor, with City Council oversight, should reconfirm policy intent on fare levels and service standards for all transit user groups before any significant service or pricing adjustments are made.
5. The Mayor and City Council should provide clear policy direction for frequency of StarTran performance and management reporting. StarTran should develop a straightforward set of statistics and measures to report current performance as well as long term trends (minimum of 5 years) to the Director of Public Works, Mayor and City Council to gauge the overall health of the system.
6. StarTran should be at the bargaining table throughout labor contract negotiations to be able to deal with transit specific issues.
7. StarTran should develop and utilize a standard analysis format when presenting proposed fare and service change information to the Advisory Board and other stakeholders. The standard form should include information such as background, alternatives considered (cost, revenue, impacts to schedule of each), and a staff recommendation.
8. StarTran should refine the approach to internal communication for drivers and maintenance employees to provide clearer, more consistent and updated policy direction.
9. The City should only pursue establishment of a regional transit authority if it is critical to separate local funding from the general fund. Doing so would provide limited fiscal and managerial benefits. If the City does pursue establishment of a transit authority it should seek an independent statute that is modeled after the Omaha statute but is directed toward cities of the “primary” class.
10. The City should initiate a test of private sector interest using a three-step procurement process if it wants to further evaluate the prospects of privatization:

- Request for Letters of Interest
- Request for Qualifications
- Request for Proposals

11. StarTran management should work with the Director of Public Works to clarify the intended roles and responsibilities of the:
- Administrative Aide
 - Bus Operations Superintendent

Service Design, Operations and Performance Recommendations

1. StarTran should begin immediate discussions with the University of Nebraska-Lincoln (UNL) on the potential for an expanded role in campus transit service. Campus transit service should be expanded as opportunities arise.
2. The city should work with the University of Nebraska Lincoln to clarify if the university wants to continue to operate a portion of the campus and intercampus transit service or if it would prefer to purchase all of its services from StarTran.
3. StarTran should establish a working relationship with Southeast Community College (SCC) to identify needs and potential service.
4. StarTran should calculate on-time performance of the paratransit services separately for StarTran provided services and Transport Plus services. This calculation also needs to better account for trips rescheduled to earlier pickups.
5. StarTran should evaluate its fixed route on-time performance more regularly to identify areas for schedule adjustments.
6. StarTran should standardize its definition of the “on-time” window to match surveillance report analysis to available AVL data.
7. StarTran should reevaluate its approach to road supervision.
8. StarTran should re-instate its safe driver awards program. The modest cost will generate substantial benefits within the driver ranks.
9. StarTran should update the Maintenance Plan to fit with current practices.
10. StarTran should keep the Driver’s Manual updated to current procedures.
11. StarTran should not post the result of the Accident Review Committee
12. StarTran should revise the Transit Development Plan (TDP) in two to four years to reflect any changes to policy goals and performance thresholds.

Paratransit Recommendations

1. StarTran should conduct random audits of telephone hold times to assure ADA compliance.
2. StarTran should communicate fare information in the Operating Guidelines and on the Handi-Van specific webpage.
3. StarTran should extend complementary service hours to the same hours as fixed route.
4. StarTran should establish a practice of adjusting paratransit hours of service when a change on fixed route is implemented.
5. StarTran should improve scheduling of trips to eliminate early driver arrivals.
6. StarTran should discontinue the practice of requiring an adult accompany a child under 12.
7. StarTran should update its visitor policy to be easily identified on the webpage and have a header identifying the policy in the operating guidelines.
8. StarTran should renegotiate with Route Match for some level of support in order to avoid a system failure and a catastrophic loss of data and the ability to produce driver manifests.
9. StarTran should add staff in order to effectively manage the paratransit operation. It is recommended that a full time clerk position be created to handle call taking and reservations, radio dispatch and post trip data entry.
10. StarTran should reduce the amount of directly operated paratransit service and assign additional service to Transport Plus to reduce annual operating costs:
 - Eliminate directly operated paratransit service on weekdays after 5:30 p.m.
 - Eliminate directly operated weekend paratransit
11. The City of Lincoln Purchasing Department needs to have specific performance measures spelled out in the outside paratransit contracts:
 - On time performance target of 95 percent
 - No passenger should ride longer than 45 minutes.
 - Applications for service to be processed within 21 days.
12. StarTran should update its Handi-Van Operating Guidelines as they are outdated and it is difficult to find the important information.

Cost and Revenue Recommendations

1. The City should simplify its fare structure by discontinuing special programs that contribute few riders for the level of effort expended on marketing and administration. Program elements to reconsider are:
 - Seniors go for less
 - Senior punch
 - Ride and shop
2. If a primary goal of the City is to increase passenger revenues:
 - It should consider first raising the low-income monthly pass price before making other fare adjustments. Elasticity of demand indicates a doubling of the price will add about \$70,000 in revenue annually, but will reduce ridership by roughly 260,000 trips per year.
 - It is not recommended to reduce the existing base fare as increased ridership will not measurably increase revenues.
3. StarTran should work with administrative staff to better embrace technology to streamline accounting functions.
4. City staff and StarTran staff responsible for procurement should develop better understanding of FTA regulations and requirements related to grants management.
5. StarTran should conduct a detailed analysis of the costs and potential benefits of utilizing part time labor to determine whether or not this strategy should be pursued to lower operating costs or whether it might be better to negotiate that capability out of the next labor contract.
6. StarTran should conduct a statistical analysis of cash receipts compared to ridership on a regular basis to ensure there are no cash handling concerns.
7. StarTran should rotate and introduce randomness to the staff assignments for cash counting.

Customer Service and Marketing Recommendations

1. StarTran should maintain a list of customer requests for service changes throughout the year and review during budget preparation time for possible service adjustments.
2. StarTran should route all customer complaint calls to the Superintendent of Transportation or the Marketing Assistant instead of the Office Assistant.
3. The Public Works Division should establish division-wide standards for customer responsiveness and satisfaction levels.
4. StarTran should encourage the Bus Operations Superintendent to have more direct interaction with bus drivers and customers in the field.
5. StarTran should have the Office Assistant lunch relief person answer customer telephone calls instead of having those called rolled over to an outside answering service.

6. StarTran should evaluate its current procedure of selling Low-Income passes only at the primary StarTran facility. Relocation of the point of sale should consider more public alternative locations such as City Hall. This relocation would relieve current StarTran staff, allowing them to focus on other responsibilities.

Equipment and Facilities Recommendations

1. The city should not change the size of its transit vehicles as fleet replacements occur as most vehicles are properly sized for current loadings. The size of the buses is appropriate for the current peak loading requirements and safety standards. Mixing of the fleet would increase training needs, parts inventories and overall maintenance costs.
2. StarTran should update its advance technology plan to refine the concept of operations, procure missing components and fix inoperable system so they can be fully integrated into operations.
3. StarTran should evaluate whether to allow drivers to communicate directly with each other through mobile data terminals (MDT's) to call out transfers instead of making hard radio call to the supervisors.
4. StarTran Street Supervisors should utilize the automated vehicle location (AVL) system to monitor bus on time performance from supervisory vehicles.
5. The city should conduct a feasibility study to look at the options to rebuild the maintenance facility to provide an improved layout and potentially reduce maintenance costs before consideration of relocating the operating and maintenance facilities . If rebuilding is not feasible, then the city should consider relocation of the facility in a centrally located spot to prevent an increase in non-revenue miles.
6. StarTran should establish a program to mark the location of all bus stops across the system to provide customers direction to safe boarding locations
7. StarTran should locate bus benches at all high use bus stops and shelters should be provided where passengers have random or unpredictable arrival times