Subtask 2.6. Customer Service and Bus Interface

Requirement

The contractor shall review the proposed connecting bus schedule. The contractor shall review the marketing program and materials that exist and identify what is missing. The contractor shall recommend options for fare collection systems that can coordinate fare revenue collection with AATA and LETS (the Washtenaw and Livingston County Transit Authorities). The contractor shall provide examples of systems to capture and address customer concerns with consideration of Internet-based systems.

Discussion

Connecting Bus Routes

RLBA has reviewed the five proposed connecting bus routes radiating from the Plymouth Road Station. No other potential routes were brought forward during the course of this study. RLBA discussed the routes with Mr. G. Christopher White of the Ann Arbor Transportation Authority. Mr. White designed these routes in a preliminary fashion to support Wally service. As discussed with Mr. White, these routes are two to two and a half miles in length and are generally seven to ten minutes in length with four or five stops per route.

In RLBA's view, the routes' relationships to trip generators seems good with respect to the University of Michigan North Campus and the Medical Center, where most ridership is expected. RLBA analyzed the proposed routes in connection with street design/layout. It may be possible to increase the number of right hand turns, as opposed to left hand turns, which would speed up running time. Overall trip time is discussed below.

Fare Collection

The fare collection system employed by Wally should harmonize with AATA. The ability of Wally passengers to utilize standard AATA routes in addition to Wally shuttle buses will improve ridership by extending the reach of the commuter rail to more destinations in Ann Arbor. AATA currently uses a fare box with electronic transfer (magnetic stripe paper card) but not electronic payment capability. AATA buses accept cash, tokens and passes. AATA is exploring new fare boxes and pass vending machines. It is recommended that Wally determine what AATA is going to do in this regard before Wally plans and purchases its own fare purchasing and collection system.

The simplest way for Wally to handle bus fares for commuter rail passengers is to simply let the Wally monthly pass or ticket act as a flash pass on the Wally shuttle bus or standard AATA route. A flash pass is recorded by the bus driver

by pressing one or more buttons on the fare box as opposed to depositing money. Because of the added step required of the driver, AATA may resist using a flash pass system in the case of commuter rail riders utilizing AATA standard routes. Also this system requires AATA to train its bus drivers on more types of passes and AATA must enforce the procedure to ensure that drivers are counting all pass users, especially if the flash pass system is the way AATA is to be compensated for Wally commuter rail passengers on AATA standard routes.

On Wally shuttle buses the flash pass system also could be used. In this case AATA probably would be less concerned if AATA is charging set fees to operate the service for Wally as opposed to being paid per rider. In this case the driver pressing one or more buttons on the fare box would be giving Wally ridership information on only one route versus another.

AATA would prefer that all Wally tickets and passes have a magnetic stripe to utilize the current fare boxes' electronic transfer feature. But if AATA is going to replace its fare boxes, it would not be in Wally's best interest to purchase equipment that relates to a fare collection system that AATA will be phasing out.

Whatever system is chosen needs to align with AATA's yet-to-be-selected fare box system. It would seem prudent for Wally to pay a set price for the operation of the shuttle buses and reimburse AATA on a per passenger basis when a Wally commuter rail passenger uses an AATA standard route to get to a destination.

Competitive Procurement

This leads to another point surrounding the operation of the Wally shuttle bus service. It is in the best interest of Wally to get the best price in the procurement of the shuttle bus service. This means that operation of the service should be put out to competitive bidding, including a bid from AATA. Allowing AATA to bid on the work may allow AATA to tender more favorable terms and service than if they were tasked with providing the bus service. RLBA was informed that AATA incurs a cost of $85 per platform hour. Cost per platform hour essentially is the all-inclusive cost or rate to provide bus service. The national average is only $60 to $70 per platform hour, which leads RLBA to conclude that more cost effective service may be available through competitive bidding of the shuttle service. It is noted that the per hour cost of the bids may be higher than the national average because of the short duration of service, two to two and a half hours per day, and the consequent need for split shifts. AATA estimates that four and a half platform hours will be required per bus per day. In addition to local transportation providers, many national providers exist that could submit a bid or this service such as Veolia Transportation, MV Transportation and First Transit.

Choice of Bus and Related Cost

Also AATA has stated that it desires to use new 40 foot low-floor hybrid buses on

the shuttle service, at a cost of $550,000 per bus. The same bus without the hybrid option would cost $325,000, while an 8 to 10-year-old high-floor diesel bus could be purchased for $200,000. The amount of capital investment required to provide shuttle bus service is widely variable. The decision of what buses to use is a complex one. The older buses will have higher maintenance expense, use more fuel and have higher emissions. But the buses used in the shuttle service will only get four and a half hours of use per day instead of a full day of use, with much fewer miles than the average bus would get in a day. So the determination of which bus is the best to use in the service may be different than the decision arrived at for AATA's standard routes. Also a private contractor could provide the buses and charge a higher rate per hour if Wally is looking to reduce its up-front capital cost. Additionally, depending on the funding availability, it may make sense to spend more on initial capital costs to reduce long-term operating and capital costs.

Number of Buses Needed

AATA assumed that it would use only one bus on each of the five routes, and that it would procure an additional bus as a spare. Low-floor buses that AATA plans to use seat 33 while high-floor buses seat 42. The comfortable standing load on either type is about 60. Also Wally could consider the use of 60 foot articulated buses on high demand routes to keep the bus capacity aligned with trip demand. A decision will have to be made on which model will be used. Standing on a shuttle bus ride can be a dis-incentive to use of the service. Wally will have to determine if potential users of the service are willing to stand on the shuttle busses or not.

With an expected ridership of 1,300 roundtrips per day on four trains inbound and outbound, each train would average about 325 passengers. Usually the ridership is not even across the multiple trains. The peak load easily could be twenty percent higher than the average load or about 390 passengers on a train. Using a low-floor bus with a comfortable standing capacity of 60, seven buses will be required, not five as originally planed. If seven buses are required, it might or might not make more sense to have more routes than the original five. Also the routes and bus assignments will need to be adjusted regularly so that the passenger loads are distributed evenly so as not to have a bus hauling a crush load of 70+ people while another carries only 25.

Total Transit Time

RLBA assessed the car-competitiveness of the total projected transit time from origin to destination. RLBA discussed the auto commute time from Howell to Ann Arbor. A transit time of 45 minutes was the number generally agreed upon (assuming no problems on U.S. 23). If two minutes are added in order to walk to a building from a parking lot, the total auto transit time would be 47 minutes. The total commuter rail transit time was estimated to be one hour and seven minutes,

or 20 minutes longer than commuting by car. This estimate was derived from the following assumptions:

1. The drive to the origin train station will take ten minutes.
2. The passenger will arrive at the station five minutes early.
3. The actual train ride from Howell to Plymouth Road in Ann Arbor will take 39 minutes.
4. It will take five minutes to unload the train and load the buses.
5. AATA estimates the average route as taking seven minutes.
6. The walk from the bus stop to a destination would take one minute.

Since the travel time by commuter rail is twenty minutes longer than by car a commuter will need an incentive to ride a Wally commuter train. There could be many incentives for drivers to get off the road, such as the ability to relax, read or work during their commute. Also service and reliability are important factors. But one very large factor is economics; can the average commuter save money by using the service? RLBA estimated the average commuting cost by auto between Howell and Ann Arbor at about $225 per month for fuel alone. This commuting cost was estimated using the following assumptions:

1. AAA lists $3.70 as the average price per gallon in Michigan.
2. The average auto used in the commute gets twenty miles per gallon.
3. The above two factors produce a fuel cost per mile of $0.185/mile.
4. The round trip is 56 miles.
5. There are five working days per week.
6. There are four and one third weeks per month.

Business Plan Ticket Price

The Wally business plan lists a monthly ticket price of $145. This is a reasonable difference and may be a factor, especially as fuel costs increase, in influencing commuters to use the Wally commuter train service. Further if the cost of auto maintenance or depreciation is included, then the cost savings by Wally commuters would be even greater. One RLBA senior analyst keeps detailed maintenance records on his vehicles and determined his cost per mile at $0.085 for routine maintenance. This would add an additional $100 in monthly costs. Michigan DOT on its website provides a cost of $0.43 per mile for insurance, depreciation and maintenance. RLBA thinks this overstates a commuter's expense since the auto would continue to depreciate as it is sitting in the train station parking lot and insurance costs would not be reduced much since the commuter would not be giving up his or her auto. A commuter most likely will compare only the marginal or avoidable cost (fuel and maintenance) when comparing it to the cost of the commuter train.

Marketing

Wally must create a marketing program that increases awareness of these matters. Wally has started this process by designing a logo for the service. This is a start, but Wally needs to understand that marketing is:

- Product (schedule, comfort, reliability, ease of use, etc.)
- Price
- Place
- Promotion: brand, ads, etc.

The plan must take into account these factors and use them to affect new ridership and retention.

Howell Bus Service

On the Howell end of the line, a coordinating bus service also could be provided. This service could either shuttle riders to and from off-site parking or bring riders from the surrounding area to the train station. A good example of these types of services are the VRE EZ Bus and Burke Center Station Shuttles, which can be found at, http://www.vre.org/service/stations/burkecentreparking.htm. On the off-site parking shuttles, there is no ticket; the service is free to passengers, with no proof required. As in the earlier example in Ann Arbor, the bus driver would press a button to record riders as they enter the bus. The VRE EZ Bus is a neighborhood bus route in the vicinity of the train station. It is what is called a subscription bus service, which operates in a similar manner to a school bus. A commuter interested in using the service calls or emails Wally, which adds the commuter's name to the list of riders that the bus driver is to pick up. Wally informs the rider of a certain corner or other landmark at which to wait, since no bus stop signs are used in this type of service. When a commuter gets on the bus his or her name is checked off a list. With this type of service, Wally would simply contract for its provision from a private contractor or the Livingston Essential Transportation Services (LETS), which provides a dial-a-ride service within the county. LETS utilizes a very similar type of bus to what would be used on this type of service, a "cut-away" bus which is a small bus built on a full-size van frame up to a heavy truck chassis, depending on seating capacity.

Customer Care

There are multiple solutions to capture and address customer concerns. These solutions can include phone-based and web-based applications, along with traditional surveying of the paper-based variety. Surveying current passengers on a quarterly basis would be advisable to keep close tabs on the service provided to passengers, along with other items such as the customer service skills of the staff. One important aspect of surveying is driving up completion rates and simplifying tabulation. The latter aspect makes online surveying a

popular method to reduce labor costs associated with survey tabulation. One problem with online surveying is that completion rates may be low since the survey respondent must take time later to fill out the survey instead of doing something else with his or her time. This is one reason why having drawings for free items or tickets for survey respondents is a good idea to help increase completion rates. It is easy to get the person who is very unhappy or very happy to respond to the survey but harder to get those in the middle. Paper surveys, while not as easy to handle administratively, have the advantage of being able to be completed while the commuter is riding on the train. If the train has Wi-Fi and commuters bring laptops then online surveys could have the same use, reducing the number of paper surveys used.

The most economical way for Wally to handle web comments and concerns is having a form handler on the yet-to-be-created Wally website similar to the one used by Altamont Commuter Express: http://www.acerail.com/about-ACE/feedback.htm. This is a simple application that routes customer comments or concerns to a selected employee's email inbox. Other operations like LETS and the Music City Star commuter train service simply have the email addresses of their staff listed on their websites.

A phone line providing travel and delay information is an important service to have. It is usually contracted out to service providers so information is available well before the first train's scheduled departure, even though the Wally headquarters may not have opened yet. These services are especially important during times of inclement weather to notify riders of service changes. Based on the expected level of ridership at start up, Wally should explore contracting with AATA to be included in AATA's phone information service.

Conclusions

Connecting bus service is very important to attracting Wally ridership and must be carefully planned and well executed.

Marketing and customer-interface programs are likewise very important in attracting riders and in obtaining rider feedback.

Wally fare collection should be coordinated with that of AATA or LETS if connecting bus service in Howell is utilized.