

Lowcountry Regional Human Services Transportation Coordination Plan



Draft 7

Prepared by



for the

South Carolina Department of Transportation

and the

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Section 1: Purpose and Background of Coordination Plan

The purpose of this plan is to ensure that Federal requirements regarding coordination are satisfied as well as to assist the Lowcountry COG in its continuing efforts to develop an efficient and effective transit service network.

1.1 Background¹

The Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) created a requirement that a locally-developed, coordinated public transit/human service planning process and an initial plan be developed by 2007 as a condition of receiving funding for certain programs directed at meeting the needs of older individuals, persons with disabilities and low-income persons. Plans must be developed through a process that includes representatives of public, private, and non-profit transportation and human service providers, as well as the general public. Complete plans, including coordination with the full range of existing human service transportation providers, are required by Federal Fiscal Year 2008.

The South Carolina Department of Transportation (SCDOT) through the consulting team of TranSystems/URS and in partnership with Councils of Governments (COGs) and interested stakeholders, has developed regional coordinated plans that meet the requirements of SAFETEA-LU and the Federal Coordinating Council on Access and Mobility (CCAM). While at a minimum projects funded under the Federal Transit Administration (FTA) formula programs for Sections 5310, 5316 and 5317 must be derived from a coordinated plan, the coordinated plans will incorporate activities offered under other programs sponsored by Federal, State and local agencies. These programs would include as appropriate FTA's Section 5307 and 5311 programs, as well as Temporary Assistance for Needy Families (TANF), Workforce Investment Act (WIA), Vocational Rehabilitation, Medicaid, Community Action (CAP), Independent Living Centers, and Agency on Aging (AoA) programs among others.

On October 1, 2006, the CCAM released the following policy statement:

“Member agencies of the Federal Coordinating Council on Access and Mobility resolve that federally-assisted grantees that have significant involvement in providing resources and engage in transportation delivery should participate in a local coordinated human services transportation planning process and develop plans to achieve the objectives to reduce duplication, increase service efficiency and expand access for the transportation-disadvantaged populations as stated in Executive Order 13330.”

¹ Much of this section was written by the South Carolina Department of Transportation (SCDOT).

Development and content of coordinated plans are intended to be specific to the needs and issues of each COG. The coordinated plans will be developed to address intra- and inter-regional needs and issues, and in a manner that allows the COGs, concurrent with regional Long Range Transportation Plan (LRTP) updates, to directly update the regional coordinated plan. Further, the coordinated plans will be developed in a manner that allows the COGs to adapt and expand the plans to incorporate programs and initiatives specific to their regions.

Each coordinated plan's development will, at a minimum:

- Assess and document transportation needs in each region for individuals with disabilities, older adults, and persons with limited incomes;
- Inventory available services in each region and identify areas of redundancy and gaps in service;
- Identify and document restrictions on eligibility for funding;
- Identify and document short- and long-range strategies in each region to address the identified gaps in service, including mobility management strategies;
- Identify and document technological resources currently available and appropriate for coordination of transportation services;
- Identify and document coordination actions in each region to eliminate or reduce duplication in services and strategies for more efficient utilization of resources; and
- Document and prioritize implementation strategies to increase coordination of transportation services in each region.

1.2 Planning Process

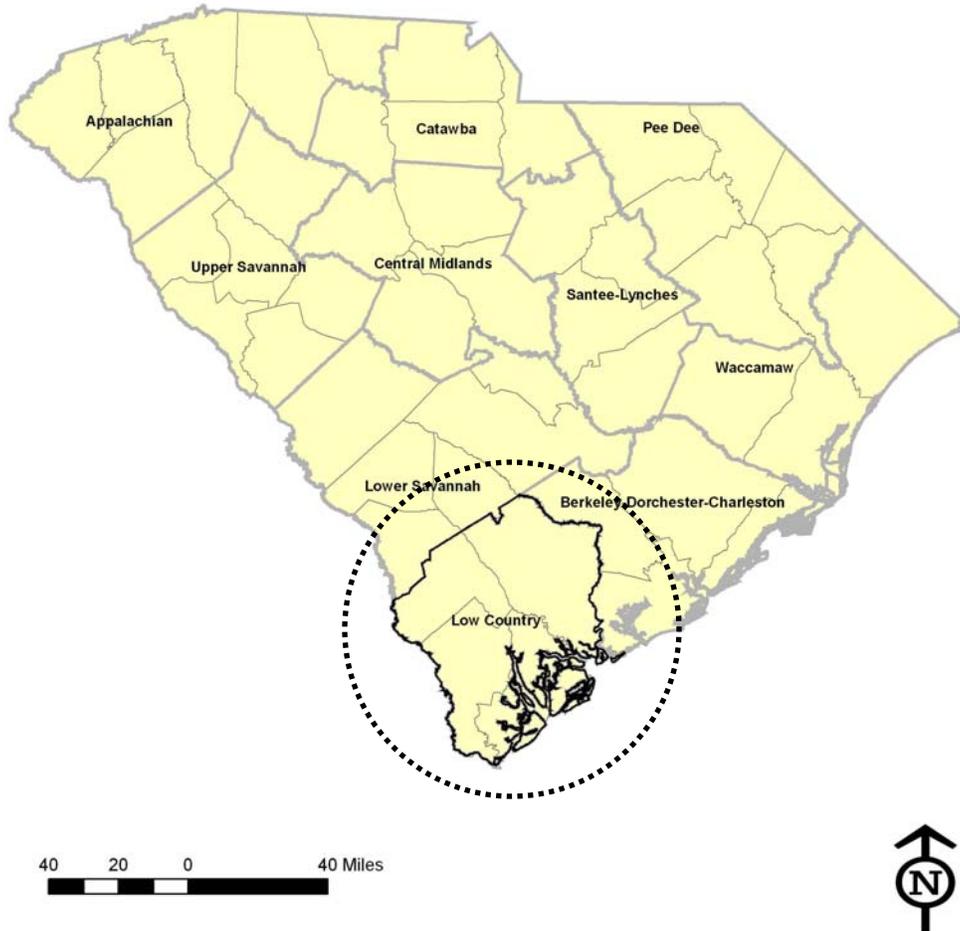
The consultant team of TranSystems/URS, with oversight from SCDOT and a committee of COG representatives, has developed ten regional coordinated plans, one plan for each of the State's COG regions. See Figure 1. The regional coordination plans are intended to meet the requirements of SAFETEA-LU, and the guidance detailed in the Federal Register Notice dated March 29, 2007 entitled, "Elderly Individuals and Individuals With Disabilities, Job Access and Reverse Commute, New Freedom Programs: Final Circulars' effect May 1, 2007."

The development of the Lowcountry Human Services Transportation plan involves three basic steps:

1. Develop an inventory of services and a sense of transportation needs.
2. Development of strategies and actions.
3. Development of the regional plan document.

At each step SCDOT and its consultant team met with representatives of each COG region to solicit input and feedback.

Figure 1: South Carolina's Ten Council of Government (COG) Regions



Source: Figure by URS Corporation.

This regional coordination plan also benefits from a parallel statewide planning effort undertaken by SCDOT. The statewide transportation plan's transit element involves a significant public outreach including key person interviews, focus groups, and general public attitudinal surveys. In addition, socio-economic and demographic data as well as provider statistics were compiled. These data will be used selectively in this regional coordination plan.

1.3 Funding Barriers to Coordination

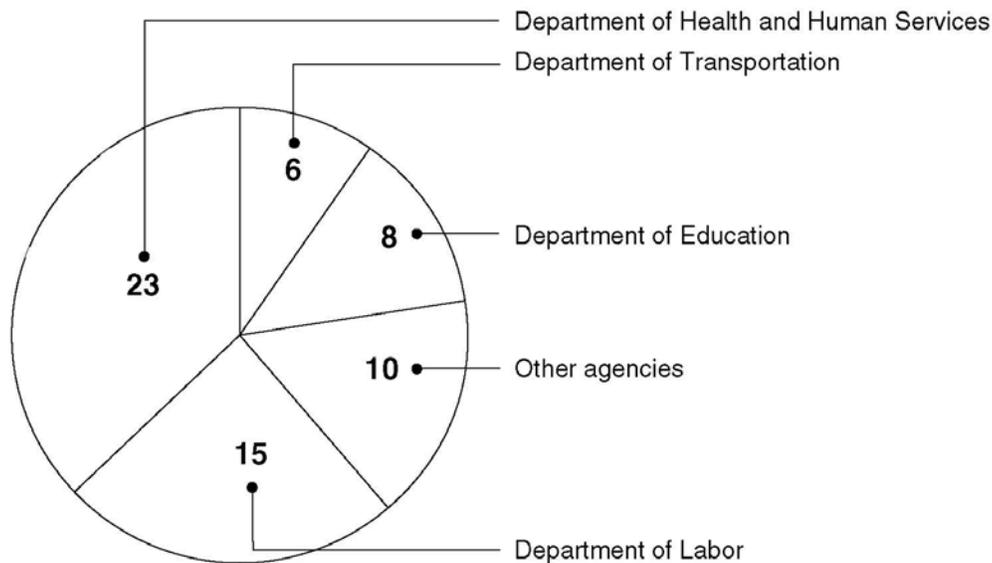
One area of common concern to all regions is the role of federal and state funding in promoting coordination. In this regard, this section analyzes to what extent federal funds inhibit coordination. Included in this discussion is a brief review of important

transportation funding programs and associated regulations that could affect coordinated transit. As will be seen, these programs do not restrict coordination through regulations. However, there are practical and programmatic issues that make coordination challenging but not insurmountable.

1.3.1 Regulatory Review

In June of 2003, the US General Accounting Office (GAO) issued a study on Federal transportation funding and coordination entitled *Transportation—Disadvantaged Populations*. The study reported that there were sixty-two funding programs for transportation. Of those, sixteen are most regularly used for public transportation with six from the USDOT through the Federal Transit Administration (FTA). See Figure 2.

Figure 2: Sources of Federal Transportation Funds



Source: *Transportation-Disadvantaged Populations*, Figure 1, page 9, USGAO, June 2003.

The ten, non-DOT funding programs most commonly used for transportation are:

1. Transitional Assistance for Needy Families (TANF)—*provides assistance to families with children. Such assistance can include help in funding transportation needs.*
2. Vocational Rehabilitation—*targets persons with disabilities and provides a variety of vocational services including transportation.*
3. Medicaid—*assists people with accessing medical services including transportation to such services.*

4. Head Start—*assists pre-school children with a variety of services including education readiness, health care, and transportation to/from such services.*
5. Grants for Supportive Services and Senior Centers—*assists in developing services for older people which include nutrition services, senior centers, and transportation.*
6. Workforce Investment Act (WIA)—Adults—*provides job skill training services as well as transportation to/from such services.*
7. WIA— Youth—*provides job skill training services to youth as well as transportation to/from such services.*
8. WIA— Displaced Workers—*provides job skill training services as well as transportation to/from such services.*
9. Program for Native Americans (under Older Americans Act)—*provides a variety of social service funding (e.g., nutrition and caregiver services) for Native Americans.*
10. Senior Community Service Employment program—*provides work opportunities for older Americans.*²

In addition, these six US DOT programs were listed among the top human service transportation funding programs in the GAO report:

1. Capital Grants (Section 5309)
2. Urbanized Area Formula Program (Section 5307)
3. Nonurbanized Area Formula Program (Section 5311)
4. Job Access and Reverse Commute (Section 5316)
5. Over-the-Road Bus Program (Section 3038)
6. Transportation for Elderly and Persons with Disabilities (Section 5310)

Table 1 on the next page summarizes these sixteen programs. In addition, one more program is included in the Table that was not part of the 2003 GAO study. Since that study, the “New Freedom” program was enacted. The New Freedom program (Section 5317) is intended to provide operating and capital assistance to services that go beyond ADA complementary paratransit requirements.

Table 1 explains, in brief, each of the top sixteen transportation programs (plus the New Freedom Program) including the responsible federal agency, typical recipients, target population, and the scope of funding. As seen in the table each funding program covers a variety of transportation costs. Some programs are targeted to specific populations while others (such as many of the USDOT programs) are open to the general public. Those programs that are intended for specific populations must only serve those populations.

²Table 1, page 10 of *Transportation-Disadvantaged Populations, Figure 1, page 9, USGAO, June 2003.*

Table 1: Summary of Top Federal Human Service Transportation Funding Programs

| Program | Responsible Agency | Recipients | Target Population | Transportation Funding | Coordination Issues | Other Information |
|--|--------------------|--|---|--|---------------------|---|
| Capital Grants (Section 5309) | US DOT (FTA) | Designated Recipients and States. | General population | Wide variety of capital funding including for vehicles and facilities. | | Congressional earmarks popular method in securing this funding. |
| Urbanized Area Formula Program (Section 5307) | US DOT (FTA) | Designated Recipients in urban areas over 50,000 in population. | General population | Wide variety of funding for capital, planning and operations (for areas with less than 200,000 in population) | | |
| Nonurbanized Formula Program (Section 5311) | US DOT (FTA) | For States to assist rural areas under 50,000 in population. Recipients can be public agencies, non-profit agencies, and Native American Tribes. | General population | Wide variety of funding for capital, planning and operations. | | |
| Job Access and Reverse Commute (Section 5316) | US DOT (FTA) | Local governmental agencies and non-profit organizations. | General population of workers with nontraditional work schedules. | Wide variety of funding for capital and operations. | | |
| New Freedom Program (Section 5317) | US DOT (FTA) | Designated Recipients and States. | Persons with disabilities | Operating and capital assistance that go beyond ADA requirements. | | |
| Over-the-Road Bus Program/Over-the-Road Bus Accessibility (Section 3038) | US DOT (FTA) | Private operators of over-the-road buses. | General population. | Capital projects relating to improving accessibility including retrofit of lifts and the purchase of new vehicles. | | |
| Transportation for Elderly and Persons with Disabilities (Section 5310) | US DOT (FTA) | States on behalf local recipients such as non-profit and public agencies. | Elderly and persons with disabilities. | Mainly capital though services can be purchased if through a contract. | | |

Table continued

Section 1: Purpose and Background of Coordination Plan

Table 1/Continued

| Program | Responsible Agency | Recipients | Target Population | Transportation Funding | Coordination Issues | Other Information |
|--|-----------------------------|---|--|---|---|---|
| Transitional Assistance for Needy Families (TANF) | US Dept of HHS | Payments directly to clients | Persons on Welfare looking for unsubsidized employment | Gas vouchers, bus tokens, car repairs, \$0 down/0% car loans, some contracts with Transportation providers | Clients living in rural areas, 2nd and 3rd shift needs, need to take children to day care | No specific regulations dealing with transportation |
| Vocational Rehabilitation Department | US Dept of Education | Payments directly to clients | Persons with a physical or mental disability that is an impediment to employment | Up to the individual client, although the program is described as a gas money or bus ticket program | No statutory or regulatory issues noted. There are certain options that they choose not to do to "stretch" funds. | Issues with rural areas where there is no public transportation services |
| Medicaid | Dept of HHS (Medicaid) | DSN Boards | MA eligible with physical, social or mental disability | Provided directly by DSN for residential and non residential clients. DSN's may contract with transit providers for community based customers | Unique needs of clients, specifically the need for van aides to ride with clients due to behavioral issues, and transportation for 2nd and 3rd shifts | Since mainstreaming is an ultimate goal, a client could be trained to use transit and community placements try to take into account bus service |
| Head Start | US Dept of HHS | Direct to agencies | Pre-school children (3 to 4 years of age) | Agencies may operate own service or contract | No restrictions, though vehicles and needs of children may be in conflict with adults | |
| Grants for Supportive Services and Senior Centers | US Dept of HHS | | Seniors | | | |
| Workforce Investment Act (3) | US Department of Labor | State works with regions which has contracts with educational institutions. | Unemployed, under employed workers | Provides compensation for transportation costs which can be for private automobile as well as public transit. | None. | Job training; WIA has three programs targeting dislocated workers, adult and youth services. |
| Program for Native Americans, Alaskan Native, and Native Hawaiian Elders | USHHS (Older Americans Act) | US provides grants directly to Federally recognized tribes | Native American Seniors | | | Only one tribe in South Carolina (Catawba); 23 other tribes not recognized. |
| Senior Community Service Employment Program | US Dept of HHS | | Seniors needing job training or re-training | Can fund a variety of transportation costs including gas money and bus fares. | | |

In South Carolina, many of the non-DOT funding programs are administered through the State. Only the Head Start program provides funds directly from the federal government directly to a local entity. The US DOT programs are generally handled through the State or directed toward designated recipients.

In February 2004, Executive Order 13330 (Human Service Transportation Coordination) was issued and "...direct[ed] Federal agencies funding human services transportation services to undertake efforts to reduce transportation service duplication, increase efficient transportation delivery, and expand transportation access for seniors, persons with disabilities, children, low-income persons and others..." This order reinforces that federal programs, through regulation, do not prohibit coordination and the sharing of resources.

While funds at the federal level would appear to offer no regulatory barriers to coordination, the administration of those funds at the state and local levels were also reviewed to determine if those governmental units created any barriers to coordination.

As general sources of information, the following state and local entities were contacted to determine whether the State of South Carolina and others placed any requirements that would burden coordination:

- Lieutenant Governor's Office on Aging (various programs)
- Carolina Community Action Agency (Catawba area)³
- South Carolina Commission for Minority Affairs (Older Americans Act as applied to Native Americans)
- Catawba Regional Council of Government (Workforce Investment Act)⁴
- Department of Health and Human Services (Medicaid)

Based on discussions and research with these agencies, none of the non-DOT transportation programs, as administered, imposed any restrictions that would prevent coordination.

However, because each program has an intended targeted population, transportation services provided under the given program must honor the regulatory intent. While this presents a challenge, it does not, *per se*, prohibit coordination. It just make coordination challenging.

³ The Catawba area CCAA was contacted because it was judged as knowledgeable about state human service transportation programs in general. The information derived from that agency was applicable to all regions.

⁴ As with the previous footnote, the CRCOG was determined to be generally knowledgeable about state application of WIA funding.

1.3.2 Non-regulatory Challenges

While regulatory factors do not prevent different social programs from sharing resources, there are practical and programmatic considerations that can make coordination challenging. Some of these are service delivery issues and others relate to administrative issues.

Service delivery related issues include special requirements imposed by certain funding streams that are unique and not common to other funding streams. For example, Head Start requires on-vehicle monitors and use of safety restraints for passengers. These requirements are not typical with general public services funded by FTA. Thus, for an operator of FTA only funded services, transporting a Head Start client would require these additional features creating additional expense.

Administrative related issues refer to the documentation of the use of a funding stream's dollars. For example, Medicaid only pays for medical related transportation. A service provider who transports the general public as well as a Medicaid traveler would need to document to Medicaid the incremental cost of the trip. This would demonstrate to Medicaid that it is paying for only its share of the service. While a cost allocation formula can overcome this, this still presents an administrative hurdle in providing shared services.

1.3.3 Conclusion

This review found that solely on a regulatory basis, Federal transportation funding does not, *per se*, prohibit or restrict coordination. However, some programs present service delivery and administrative issues that require creative thinking and tenacity to overcome practical and programmatic challenges to sharing resources.

1.4 *Organization of the Document*

This regional plan has these three main parts:

1. *Section 2: Introducing the Lowcountry Region* profiles this region's population and service providers. It also contains information regarding transit needs in the region.
2. *Section 3: State of Coordination* examines current efforts at human service transportation coordination and explores some of the barriers and opportunities to further coordination.
3. *Section 4: Coordination Strategies and Actions* provide initial ideas for the region to continue its development of coordinated transit.
4. *Section 5: Next Steps* provides direction for the region in implementing the strategies and actions from Section 4.

Section 2: Introducing the Lowcountry Region

The Lowcountry region consists of four counties in southern South Carolina: Beaufort, Colleton, Hampton, and Jasper. Refer back to Figure 1. This section provides a demographic and service profile of the region as well as an identification of needs.

2.1 Profile of Region⁸

This section provides a demographic and service overview of the Lowcountry Region.

Overall Population

In 2005, the combined population of the Lowcountry region was about 220,000 people. Beaufort is by far the largest county with a population of almost 140,000 people. The next largest county is Colleton with about 40,000 people. Only Beaufort grew from 2000 to 2005 at a rate greater than the State average of 6.1 percent. Beaufort grew at a rate of 14.1 percent while the other counties grew at less than 4 percent (Hampton actually lost 0.2 percent of its population). Overall, the region had a population growth rate of 9.4 percent from 2000 to 2005, significantly more than the State as a whole.

Elderly Population

In 2005, 12.4 percent of South Carolina's population was aged 65 years and older. For the Lowcountry region as a whole, 15.0 percent of the population is elderly—higher than the State's average. About 16.7 percent of Beaufort's population is elderly. Jasper County is the youngest with only 10.7 percent of its population 65 years of age or older. Beaufort County has a burgeoning retiree population, which several large-scale developments such as Sun City attracting numerous retirees.

Disabled Population

According to the 2000 census, 22 percent South Carolina's population aged five and over was disabled. In the Lowcountry area 21.2 percent of the region's total population was disabled, similar to the state overall. The counties with the highest percentages are Jasper and Colleton at about 28 percent and 27 percent, respectively. Beaufort County, at 17.6 percent, has the lowest proportion of the population as disabled.

Persons Below the Poverty Level

About 13.8 percent of the state's households (in 2003) were considered at or below the poverty level. Three of Lowcountry's four counties have a higher number of persons living in poverty than the State average. At 19.8 and 19.4 percent, respectively, Jasper and Hampton counties have the highest proportion of residents living in poverty, while Beaufort has the lowest percentage at 11.1 percent. The Lowcountry region, not

⁸ This section is from the Statewide Transportation Plan, 2007.

including Beaufort County, is economically disadvantaged when compared to the rest of the State (portions of Beaufort County are economically depressed as well).

Median Household Income

The average South Carolina household (in 2003) had a median annual income of \$38,003. Three of the region's counties are well below this level with Colleton, Hampton and Jasper counties having similar levels of income (ranging from \$28,233 to \$29,711). Beaufort has by far the highest income level at \$46,634 (in fact, Beaufort County has the highest median household income in the State).

Change in Daytime Population

Beaufort is the only Lowcountry County to experience an increase in daytime population while the remaining counties have decreases. Beaufort gains about 6.3 percent in daytime population while Jasper County loses the most at 14.9 percent. The remaining counties also lose daytime residents at 6.5 percent (Hampton) and 9.7 percent (Colleton). Many residents of the inland counties travel to Beaufort County for tourism-related jobs at hotels, restaurants, and other hospitality-oriented businesses.

Demographic Summary

The Lowcountry region has a wide cross-section of demographic characteristics, with Beaufort County having significantly different population characteristics than the other counties in the region. Beaufort County is quite affluent, due largely to an influx of wealthy retirees. However, the other counties in the region are quite poor. Transit in this region is centered on connecting residents of inland areas to jobs along the coast, as further illustrated by the change in daytime population. The region as a whole remains rural in nature, although portions of Beaufort County are suburbanizing rapidly.

2.2 Services⁹

The Lowcountry region has one general public transit provider—Palmetto Breeze (PB)¹⁰. The agency provides a variety of fixed route and demand response trips throughout the region, as well as in Allendale and Bamberg Counties in the Lower Savannah region. Much of PB's focus is in connecting inland residents to employment opportunities in resort areas on Hilton Head Island. PB also holds transportation contracts with several human service agencies in the region.

Regional Overview

Palmetto Breeze (as the only public transit provider in the region) has enjoyed significant growth in recent years. In FY 2005, the system had 20 active vehicles,

⁹ The following is from the Statewide Transportation Plan, 2007. A discussion of human service transportation providers is in section 3.

¹⁰ Formerly doing business as the Lowcountry Regional Transportation Authority (LRTA).

providing just over 200,000 passenger trips. Ridership and the amount of service operated by the system have increased substantially as illustrated later in this section.

Table 2 illustrates the trends in the number of vehicles operating in maximum service. The overall fleet size has grown, with increases experienced in both the “fixed route” and “demand response” categories. There has been a slight reduction in the number of vehicles providing “other” services, but overall, the fleet is growing.

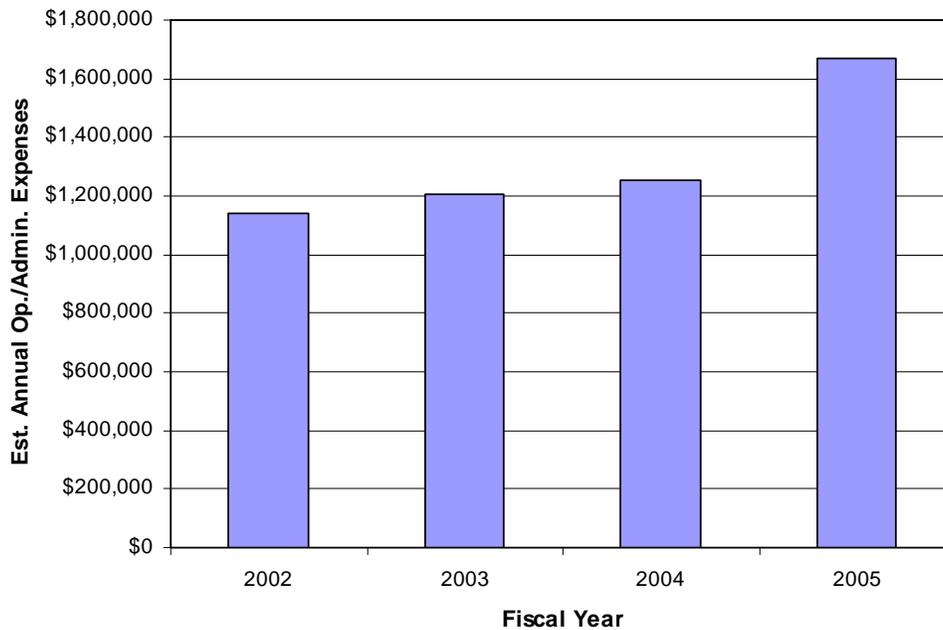
Table 2: Lowcountry Composite Vehicles in Maximum Service (FY 2002 to FY 2005)

| Area | Fiscal Year | | | |
|-----------------|-------------|------|------|------|
| | 2002 | 2003 | 2004 | 2005 |
| Fixed Route | 8 | 7 | 8 | 13 |
| Demand Response | 1 | 1 | 1 | 3 |
| Other | 6 | 5 | 8 | 4 |
| Totals | 15 | 13 | 17 | 20 |

Source: Data by SCDOT

Estimated annual operating costs of PB were just under \$1.7 million in FY 2005. As shown in Figure 3, operating expenses have been increasing in recent years, due to the expansion of the services offered as well as increased expenses.¹¹

Figure 3: Annual Operating Expenses (Region Totals FY 2002 to FY 2005)



Source: Data by SCDOT

¹¹ Palmetto Breeze’s annual budget for FY 2006-07 is about \$2.5 million.

Trends in Ridership and Amount of Service Provided

Transit has enjoyed significant growth in the Lowcountry region in recent years, in terms of ridership as well as the amount of service provided. Tables 2 to 4 present data for ridership, vehicle miles of service, and vehicle hours of service, broken down by type of service as well as by urban and rural setting.

Table 3 shows ridership by type of service (fixed route, demand response, other) as well as by geographic area (urban versus rural). The entire region is classified as “rural”, and there has been significant growth in both fixed route and demand response operations.¹²

Table 3: Lowcountry Composite Passengers (FY 2002 to FY 2005)

| Service Type | Fiscal Year | | | |
|-----------------|----------------|----------------|----------------|----------------|
| | 2002 | 2003 | 2004 | 2005 |
| Fixed Route | 105,811 | 108,886 | 128,256 | 178,476 |
| Demand Response | 3,111 | 3,331 | 7,927 | 13,279 |
| Other | 19,742 | 23,164 | 16,162 | 17,360 |
| Totals | 128,664 | 135,381 | 152,345 | 209,115 |

| Area | Fiscal Year | | | |
|---------------|----------------|----------------|----------------|----------------|
| | 2002 | 2003 | 2004 | 2005 |
| Urban | - | - | - | - |
| Rural | 128,664 | 135,381 | 152,345 | 209,115 |
| Totals | 128,664 | 135,381 | 152,345 | 209,115 |

Source: Data by SCDOT

Tables 4 and 5 show the amount of service provided in terms of vehicle miles and hours respectively. Data are shown both for type of service (fixed route, demand response, other) and geographic area (urban versus rural). The vast majority of service provided is commuter-oriented fixed route service, and the data showing the high miles of service are indicative of the long lengths of many of these routes, connecting inland communities with jobs located on Hilton Head Island.

¹² Palmetto Breeze’s fixed route service is actually classified as “commuter express fixed route.”

Table 4: Lowcountry Composite Vehicle Miles (FY 2002 to FY 2005)

| Area | Fiscal Year | | | |
|-----------------|----------------|----------------|----------------|----------------|
| | 2002 | 2003 | 2004 | 2005 |
| Fixed Route | 439,843 | 427,034 | 517,434 | 690,411 |
| Demand Response | 17,159 | 24,503 | 44,641 | 34,824 |
| Other | 184,399 | 188,105 | 116,605 | 87,568 |
| Totals | 641,401 | 639,643 | 678,680 | 812,803 |

| Area | Fiscal Year | | | |
|---------------|----------------|----------------|----------------|----------------|
| | 2002 | 2003 | 2004 | 2005 |
| Urban | - | - | - | - |
| Rural | 641,401 | 639,643 | 678,680 | 812,803 |
| Totals | 641,401 | 639,643 | 678,680 | 812,803 |

Source: Data by SCDOT

Table 5: Lowcountry Composite Vehicle Hours (FY 2002 to FY 2005)

| Area | Fiscal Year | | | |
|-----------------|---------------|---------------|---------------|---------------|
| | 2002 | 2003 | 2004 | 2005 |
| Fixed Route | 14,103 | 13,672 | 18,016 | 26,626 |
| Demand Response | 872 | 1,772 | 2,246 | 1,757 |
| Other | 8,954 | 9,006 | 5,890 | 3,810 |
| Totals | 23,929 | 24,450 | 26,152 | 32,193 |

| Area | Fiscal Year | | | |
|---------------|---------------|---------------|---------------|---------------|
| | 2002 | 2003 | 2004 | 2005 |
| Urban | - | - | - | - |
| Rural | 23,929 | 24,450 | 26,152 | 32,193 |
| Totals | 23,929 | 24,450 | 26,152 | 32,193 |

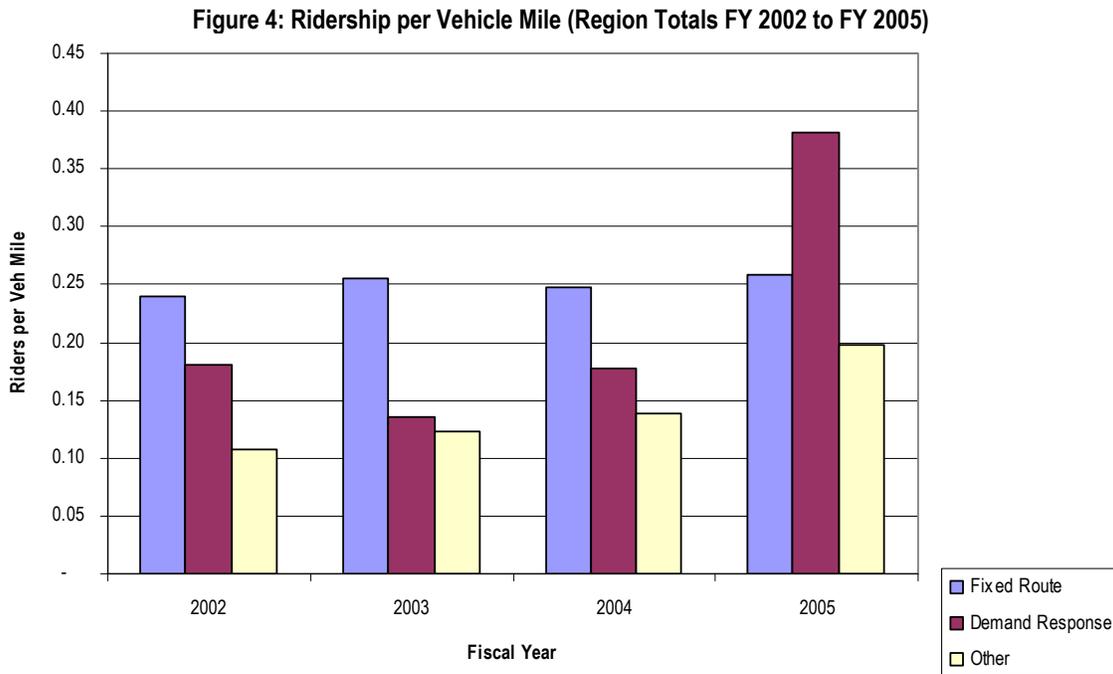
Source: Data by SCDOT

Trends in Efficiency and Effectiveness

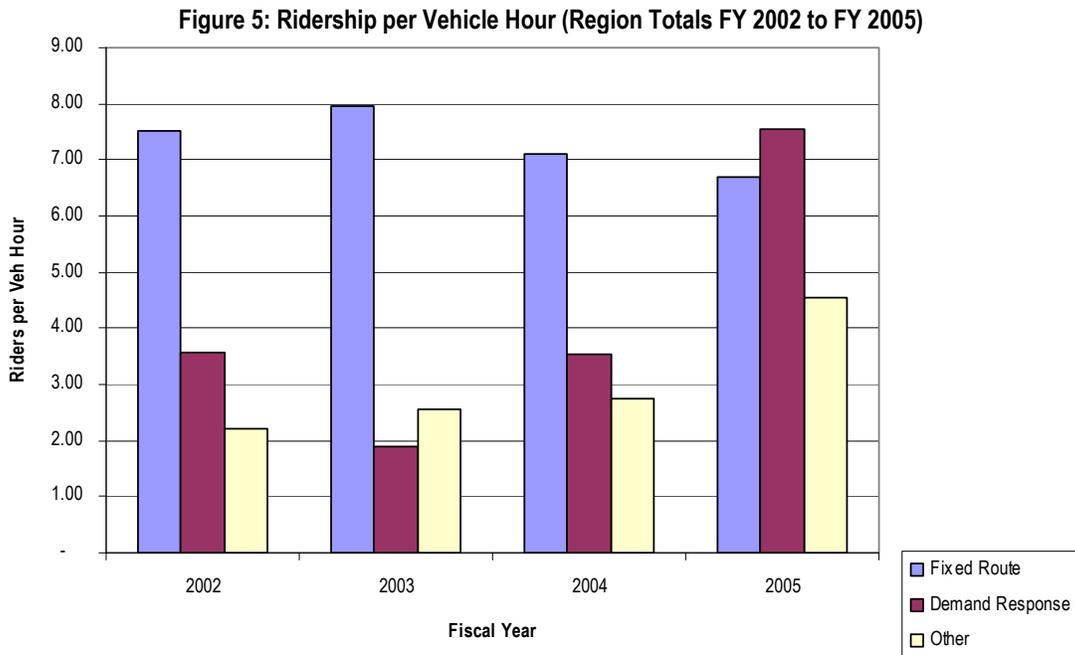
Figures 4 through 6 present regional trends in revenue and expenses as well as measures of key cost efficiency and service effectiveness. These measures include the following:

- Ridership per vehicle mile;
- Ridership per vehicle hour; and
- Operating cost per rider, per mile, and per hour.

As shown in Figure 4, ridership per mile has remained generally steady during the four year period of analysis, though it spiked in FY 2005 for demand response service. Figure 5 shows ridership per vehicle hour. Similar to figures for ridership per mile, the data for riders per hour have been somewhat steady except for a surge in FY 2005 for demand response and “other” services.



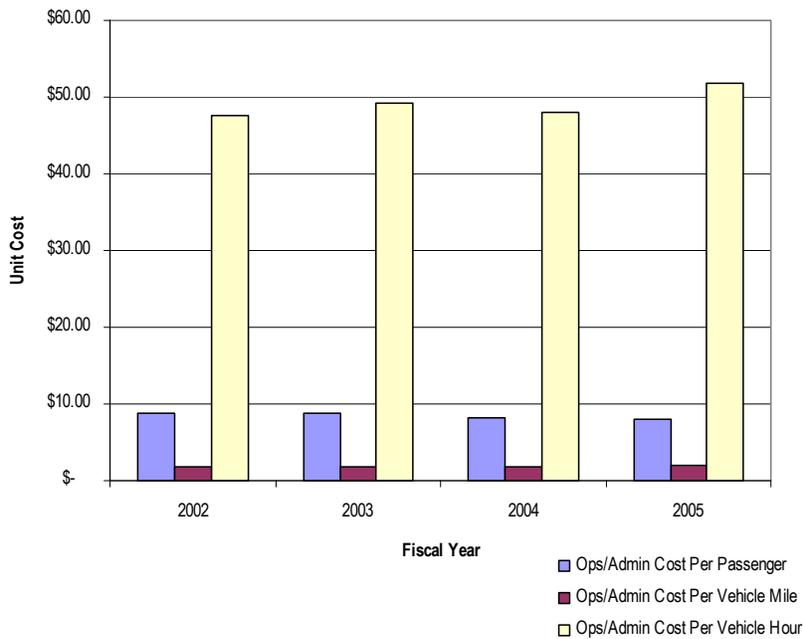
Source: Data by SCDOT



Source: Data by SCDOT

Finally, Figure 6 shows a similar stable trend in cost per passenger, per mile, and per hour.

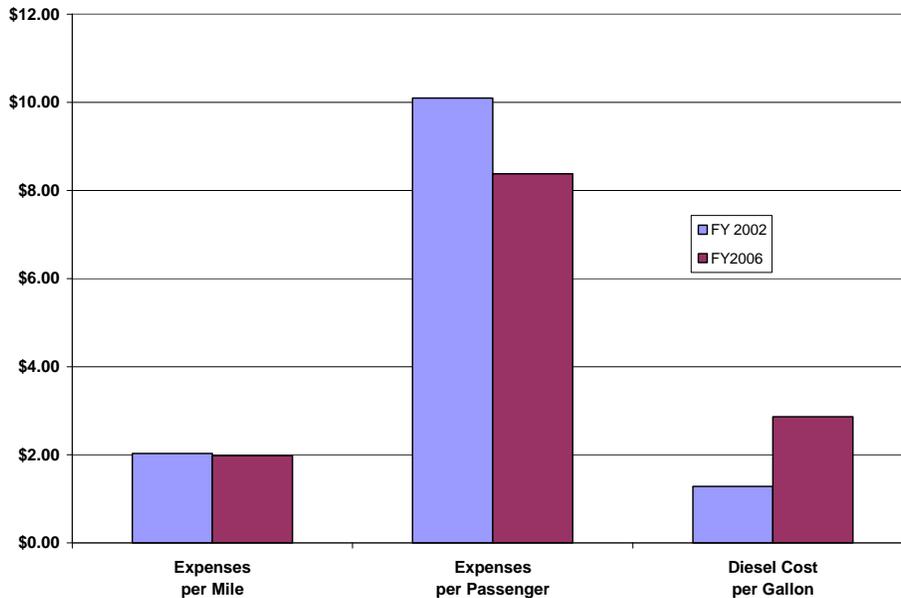
Figure 6: Operating Cost per Passenger, per Vehicle Mile, and per Vehicle Hour (Region Totals FY 2002 to FY 2005)



Source: Data by SCDOT

In addition, data supplied by Palmetto Breeze for the period of FY 2002 through FY 2006 shows significant efforts toward cost efficiency despite increasing fuel costs.

Figure 7: Palmetto Breeze Cost Management



Source: Palmetto Breeze

2.3 Identified Transportation Gaps and Needs

Two key sources of information describe Lowcountry’s human transportation service providers as well as their needs. The first was a survey conducted specifically for this coordination plan by SCDOT. The second was through a meeting of Lowcountry human services agencies and other stakeholders held in November of 2006.

2.3.1 2006 SCDOT Survey

In addition to the statistical information provided by SCDOT in section 2.2, a number of human and other service providers were surveyed to determine the nature of their services as well as factors that could help or hinder coordination. This section summarized that survey.

In late 2006, about 30 surveys were distributed to Lowcountry service providers. The survey was approved and tabulated by SCDOT and distributed by LCOG. Eight questionnaires were returned.¹³ The survey covered seventeen areas including:

- Descriptive information about provider (budget, number of vehicles, quantity of service provided)

¹³ Given the small return rate, data from this survey may be properly considered “anecdotal” in nature rather than necessarily a true statistical representation. More survey work may be needed as the region moves towards coordination.

- Types of clients and destinations served
- Times of day and days of week of service.
- Vehicle restrictions
- Use of advanced technology
- Areas of interest with respect to coordination

Key observations from the survey are:

- Overlapping services from Lower Savannah.
- Varied destinations.
- Complementary peak and off peak operations.
- Vehicle restrictions noted for elderly/disabled and human service operators.
- \$2.6 million transportation budget (which may understate what is actually spent).
- All areas of interest for coordination except marketing/public information.

Tabulation of survey responses and a copy of the survey instrument can be found in Appendix A.

2.3.2 LCOG Sponsored Meeting

In November of 2006, the LCOG sponsored a meeting consisting of human services providers. The purpose of the meeting was to introduce the coordination planning effort as well as to identify transportation needs and challenges.

Regional Transportation Needs

- More service for medical appointments –in urban as well as rural areas. Service is needed for late evenings and weekends. These appointments can be anywhere within the region and not necessarily tied to specific medical facilities.
- Work trips—to Hilton Head Island, Bluffton as well as within and between all of the COG counties.
- Interregional medical trips (outside of COG region to places such as Charleston and Savannah).
- Need for general public transportation for a variety of everyday life needs such as shopping, recreation, school, and non-medical social service programs (for example, group sessions as with Alcoholics Anonymous).
- Youth (after school) transportation. With no transportation options to access programs, some youth may be engaged in undesirable activities.
- With the region becoming increasingly populated with retired people, services for people who should not be driving are needed.
- Fixed route/fixed schedule services (without regard to pre-arranging transportation as is the case with demand response service).

Challenges Facing Agencies

- Need to get away from 48 hour advanced reservation requirement; allow for more spontaneous trips.
- Need to provide better vehicle availability for volunteer drivers—spare vehicles, vehicles with properly working air conditioning and heating systems. Fuel costs and insurance coverage are also issues for volunteers.
- Cost of fuel
- Need to up-grade vehicles and other transportation equipment.
- Additional funding to provide expanded services
- Implementation of a mechanism to centralize transportation services i.e. a mobility manager is lacking
- Technology to coordinate trips amongst agencies across multiple jurisdictional lines.
- Vehicle assets are rapidly deteriorating because they have not been replaced recently at some organizations.

A complete meeting summary can be found in Appendix B.

2.4 State-Based Use of Technology¹⁴

As part of the statewide transit service assessment, the survey distributed as a part of this process included specific questions about how technology was being used in transit operations. This section presents general findings about technology use from the survey questions statewide including the Lowcountry Region. The survey instrument and complete summary of responses are included in Appendix A.

Transportation providers were asked what advanced technologies were used to support the following operational functions: office, scheduling, reservations, dispatching, mapping/planning, accounting, eligibility determination, vehicle maintenance inventory, and in-route vehicle location. As one would expect, across state transportation providers, the greatest use of technology—supported by computers or other electronic systems—is for office functions, followed by accounting, scheduling, and vehicle maintenance inventory. Approximately one-third of all the responding providers use technology to support reservations, dispatching, mapping/planning, and eligibility determination. Fourteen systems are utilizing in-route vehicle location systems. A summary of responses by COG is shown in Table 6.

Table 6: Number of Transportation Providers Using Computers or Electronic Systems for Operations by COG

¹⁴ This section on technology was authored by URS Corporation, with minor edits by TranSystems to tailor for this regional coordination plan.

| Region | Office | Scheduling | Reservations | Dispatching | Mapping/Planning | Accounting | Eligibility Determination | Vehicle Maint. Inventory | In-Route Vehicle Locating |
|-----------------------|-----------|------------|--------------|-------------|------------------|------------|---------------------------|--------------------------|---------------------------|
| Appalachian COG | 10 | 6 | 3 | 3 | 4 | 8 | 2 | 8 | 0 |
| BCD COG | 7 | 4 | 2 | 1 | 5 | 7 | 4 | 3 | 2 |
| Catawba COG | 8 | 3 | 0 | 0 | 1 | 7 | 4 | 2 | 0 |
| Central Midlands COG | 13 | 9 | 6 | 6 | 7 | 12 | 5 | 5 | 4 |
| Lowcountry COG | 6 | 4 | 1 | 1 | 3 | 6 | 4 | 6 | 2 |
| Lower Savannah COG | 10 | 7 | 4 | 4 | 3 | 6 | 1 | 7 | 2 |
| Pee Dee COG | 1 | 0 | 0 | 0 | 1 | 1 | 1 | 0 | 0 |
| Santee-Lynches COG | 5 | 3 | 1 | 3 | 2 | 6 | 2 | 3 | 3 |
| Upper Savannah COG | 5 | 4 | 4 | 2 | 3 | 5 | 2 | 5 | 1 |
| Waccamaw COG | 4 | 3 | 2 | 2 | 2 | 4 | 4 | 3 | 2 |
| Total | 63 | 39 | 22 | 21 | 28 | 56 | 25 | 36 | 14 |

The transportation providers were asked whether they used web-based or internet applications to aid in performing operational functions. Approximately one out of four providers indicated they use the internet or web-based applications to assist with mapping/planning or scheduling. One out of five providers use web-based or internet applications for the following functions: office, reservations, accounting and in-route vehicle location, as shown in Table 7.

Table 7: Number of Transportation Providers Using Internet or Web-based Applications for Operations by COG

| Region | Office | Scheduling | Reservations | Dispatching | Mapping/Planning | Accounting | Eligibility Determination | Vehicle Maint. Inventory | In-Route Vehicle Locating |
|-----------------------|----------|------------|--------------|-------------|------------------|------------|---------------------------|--------------------------|---------------------------|
| Appalachian COG | 2 | 1 | 2 | 1 | 3 | 2 | 1 | 1 | 1 |
| BCD COG | 1 | 1 | 1 | 1 | 3 | 0 | 0 | 0 | 2 |
| Catawba COG | 2 | 1 | 0 | 0 | 1 | 2 | 0 | 0 | 0 |
| Central Midlands COG | 2 | 4 | 3 | 2 | 5 | 2 | 2 | 2 | 3 |
| Lowcountry COG | 0 | 1 | 0 | 0 | 2 | 1 | 0 | 0 | 1 |

| | | | | | | | | | |
|--------------------|-----------|-----------|-----------|----------|-----------|-----------|----------|----------|-----------|
| Lower Savannah COG | 0 | 4 | 3 | 2 | 2 | 2 | 0 | 0 | 2 |
| Pee Dee COG | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| Santee-Lynches COG | 1 | 2 | 1 | 1 | 1 | 2 | 1 | 1 | 2 |
| Upper Savannah COG | 2 | 1 | 1 | 1 | 2 | 2 | 1 | 1 | 1 |
| Waccamaw COG | 2 | 1 | 1 | 0 | 0 | 1 | 1 | 0 | 0 |
| Total | 12 | 15 | 12 | 8 | 18 | 13 | 6 | 5 | 11 |

Providers were asked open-ended questions about coordination opportunities and interests. Nearly all providers indicated they were interested in service coordination in order to reduce costs, meet service demand, achieve greater operational efficiencies and productivity, expand service areas and improve transportation services. The types of coordination opportunities desired by the providers include those to:

- **Use staff and operators more efficiently ✓**
- **Serve a greater geographic area and serve more patrons ✓**
- Improve training
- **Enhance marketing ✓**
- **Schedule rides ✓**
- **Assist with maintenance ✓**
- Provide contracting and grant administration support
- **Coordinate between different service providers and types of service ✓**

The types of coordination opportunities that have the greatest potential for enhancement and assistance through technology tools are indicated by bold text and a check. Appendix C provides an introduction to the types of technological tools that are currently available to assist with transportation service provision. It also includes a discussion about what tools are being utilized nationwide and current trends, based on literature review.

Another statewide effort is to utilize technology for the provision of transportation services in the Virtual Transit Enterprise (VTE). Beginning in Fiscal Year 1998, the Intermodal Surface Transportation Efficiency Act (ISTEA) and its successor, the Transportation Equity Act for the 21st Century (TEA-21), authorized the Federal Transit Administration (FTA) to award capital grants to South Carolina Department of Transportation (SCDOT) for the development of the VTE project, a shared technology solution to bring the State’s public transit providers together to solve mutual problems.

The concept takes advantage of the economies of scale that result when a group of independent, self-sufficient organizations with common purposes share information technology (IT) resources rather than duplicating high-cost technological investments at numerous locations. A virtual enterprise works best when the individual organizations have a common type of business, are geographically dispersed with limited competition with each other, have mutual respect for each other, and are motivated to reduce IT infrastructure costs through standardization and increase revenue through integrated

services among members. The enterprise is “virtual” because the organizations communicate and share information with each other and conduct their business from remote sites using Web-based communications with standardized software and hardware infrastructure resources located in a central location.

The main goal of the VTE project was to improve the efficiency and effectiveness of rural public transit providers through the use of state-of-the-art information technology by: Making available to smaller public providers the same modern resources as large providers; Providing more timely and accurate planning and reporting via electronic means to reduce overhead and turnaround time; Minimizing the cost of implementing computer technology as well as total cost of ownership over the product life cycle; and Optimizing transportation runs and routes to make transit more flexible and responsive.

As a result, VTE would increase transit ridership through increased rider satisfaction, and improve mobility particularly for transit-dependent people, disabled persons, and Welfare-to-work participants.

Section 3: State of Coordination in the Region

This section reviews issues associated with coordination in the Lowcountry region. Discussed are efforts already under taken to coordinate as well as stated barriers and opportunities to coordinate.

3.1 Efforts to Coordinate

This section identifies steps various regional entities have undertaken to better share resources.

3.1.1 Efforts Identified Through LCOG Meeting in November 2006

Group generally defined coordination as collaboration with respect to information, resources, and assets with the intent to maximize available resources in addressing common goals.

- Need for uniformity in how services are delivered and information communicated.
- Idea of “one-stop shopping” or mobility management is key to coordination.
- Palmetto Breeze works with various agencies to help buy vehicles or provide services on a contractual basis.

3.2 Barriers to Coordination

- Recent Medicaid brokerage mandate by the State’s DHHS may limit coordination options. (Note: this was originally raised as an opportunity for coordination).
- Some participants indicated a lack of capacity to handle additional trips.
- Funding rules are effectively disincentives to coordinate. For example, if a recipient uses excess capacity for non-program service, then the funding source may reduce funds to the agency in the following year.
- “Ego” not seen as reasons agencies do not currently coordinate.

3.3 Opportunities to Coordinate

As part of the previously mentioned November 2006 LCOG meeting with regional human service providers, these opportunities for coordination were identified:

- One-stop shopping/mobility manager
 - Initially for information (phone and web site)
 - Joint scheduling & dispatching
 - Vehicle purchase and other purchase pooling.

- Funding rule rationalization (help navigate using a variety of funding sources to avoid disincentive per above)
- Scheduled (e.g., fixed route) public services.
- Open up vehicles with excess capacity—some believe there is unused capacity.

Section 4: Coordination Strategies and Actions

Based on the coordination and other issues identified in Section 3, several strategies and actions were developed to advance the region's efforts to promote coordination to a higher level. "Strategy" is defined here as a general direction for a course of action while "actions" are more specific steps in fulfillment of the given strategy. Actions will lead to "projects" which would be the implementation of both the actions and strategies. This regional coordination planning effort will only go to the "action" level with projects to be developed later in concert with LCOG. This coordination plan will suggest a project evaluation approach.

Draft coordination strategies and actions were presented to a meeting of human services providers at a February 2007 meeting hosted by LCOG. This section presents the results of that meeting.

4.1 Coordination Strategies and Actions

The coordination strategies and actions were developed to address the transportation needs and issues confronting the region as identified earlier in Section 3. These are the main issues in brief:

- More service—urban/rural
- Interregional trips (including Charleston and Savannah)
- Adult services—everyday needs; youth after school service.
- Funding source disincentives to coordinate
- Medicaid brokerage seen as impeding coordination.
- Difficulty in obtaining volunteer drivers due to insurance.
- Mobility Manager
- Increasing fuel costs.
- Lack of capacity.
- Vehicle issues – vehicles have not been replaced
- Funding

Table 8 on the next page presents strategies and actions. Three strategic areas were developed which attempt to address at least one of the identified "needs and issues." Some strategies address multiple issues. The three areas are:

- The *administrative* strategy is intended to reduce procedural and similar "paper" barriers (both perceived and actual) that inhibit coordination.
- The *information sharing/capacity management* strategy area is intended to facilitate the sharing of resources, such as vehicles.

- *Future operations planning* targets emerging needs by creating efficiencies from better resource sharing.

With all strategies, there is strong consensus that Lowcountry COG should facilitate the development and execution of the actions. However, all actions should contribute to the consolidation of transportation operations under Palmetto Breeze.

4.1.1 Administrative Strategies

As seen in Table 8, there are three actions associated with the administrative strategy. All three generally address the need for more services, funding disincentives, volunteer drivers.

The first two actions, “rationalizing policies and procedures” and “rationalize performance and service standards” are designed to spark creativity in overcoming practical and programmatic barriers associated with various funding sources in use in the region (see the discussion in section 1.3). The last action, sharing driver training, can be a concrete step in partially implementing the first two actions. As drivers are often vital in making policies and procedures actually work, creating a consistent and universally adopted training program will raise questions of uniform practices among the operators, thus supporting the first two actions.

4.1.2 Information Sharing/Capacity Management Actions

This strategy has four associated actions: more service, mobility manager, increasing fuel costs, and vehicle capacity. The associated actions are:

- *Define scope for a mobility manager*—creates a “clearing house” for transportation information as well as provides someone to facilitate resource pooling. A strong desire is for the Palmetto Breeze to be positioned as a lead agency in mobility management with the role of actually assuming the operations of regional human service transportation.
- *Manage driver and vehicles to better share resources*—will attempt to create an information resource where providers will know what each has available in the way of capacity. This would tie in with the mobility manager action above. The idea being if each agency knew what transportation resource was available at a given time, then there would be more incentive to share resources. Often, agencies are short on resources (such as providing a certain trip) and knowing if another agency is “going the same way” would spontaneously promote the sharing of resources.
- *Establish One-Stop Marketing*—this action would place information and other services in one location. No matter the transportation need, Lowcountry residents and visitors would who know to call obtain desired information.

Table 8: Lowcountry Coordination Strategies

| Strategy/Areas of Action | Stated Needs/Issues | | | | | |
|--|---------------------|-----------------------|-------------------------------|------------------|-----------------------|------------------|
| | More Service | Funding Disincentives | Insurance & Volunteer drivers | Mobility Manager | Increasing Fuel Costs | Vehicle Capacity |
| <p>Administrative <i>Reduce barriers that inhibit resource sharing.</i></p> <ol style="list-style-type: none"> 1. Rationalize policies and procedures including cost allocation and Jacob's Law 2. Rationalize performance and service standards among funding partners 3. Shared Driver training 4. Create one-stop marketing | √ | √ | √ | | | |
| <p>Information Sharing/Capacity Management <i>Better share vehicles, driver and technology resources</i></p> <ol style="list-style-type: none"> 1. Define scope for a mobility manager; position Palmetto Breeze as the provider of most if not all transportation services for regional human service agencies. 2. Better share resources through managing driver and vehicle availability 3. Better understand trip origins and destinations (address overlap with Lower Savannah) 4. Use advanced technology to both manage street operations and to facilitate fare payment transactions (as through swipe cards and similar technology) | √ | | | √ | √ | √ |
| <p>Future Operations Planning <i>Identify future needs not being met by increased efficiencies; funding is a major challenge</i></p> <ol style="list-style-type: none"> 1. Prioritize emerging service needs (compare to an analysis done in 2003) 2. Address how future growth may off set efficiency gain. 3. Review alternative operations through Palmetto Breeze to maximize resources. | √ | | | | | |

- *Better understand trip origins and destinations*—addresses how trips are made in the Lowcountry region in an attempt to better determine common destinations. This would tie in with some of the work done in this regard by the LCOG in 2003.¹⁵ This action would enable agencies to see if common trips exist and to form the basis of combining resources.
- *Use Advanced Technology*—to better manage street operations as well as to facilitate the payment of fares and record trip making. This could involve the use of magnetic swipe card or smartcard technology.¹⁶

4.1.3 Future Operations Planning Actions

This strategy has three associated actions. The first is to determine and prioritize service needs in the region. This involves understanding which kinds of trips are needed by specific populations. For example, work trips among people who live in the hinterland but work on the coast (e.g., Hilton Head Island hospitality workers). Adjunct to this is to address the issue of how the continued growth of the region (particularly in Beaufort County) offsets efficiency gains; as more resources are freed up, they are used immediately by new populations moving into the area. Finally, the third action involves the exploration of alternative service delivery options—perhaps by the PB—that might extend resources. PB might reconsider the use of vanpooling in some situations rather than over-the-road coaches. Another is to encourage entrepreneur activity by encouraging private enterprise participation in the provision of services. Private enterprise maybe encouraged through some kind user-side subsidy program where riders can choose a provider thus creating a market for services.

¹⁵ This references a 2003 study regarding the feasibility of regional coordination.

¹⁶ Such technology can cost about \$6,000 per vehicle depending on the complexity of the system.

Section 5: Steps to Consolidation

5.1 Introduction

The purpose of this section is to provide Lowcountry COG (LCOG) and Palmetto Breeze¹⁷ (PB) guidance on how to proceed with consolidation of human service transportation. Based on the work documented in the prior sections there is a strong desire among key human service transportation providers to have PB assume responsibility for all such services in the region. The move toward a consolidated transportation system will address virtually all of the action items listed in the prior section. As some of the region's transportation operations wait to be folded into PB, LCOG will need to work with these operators to prepare the way for their eventual consolidation into a regional service. This section outlines how the consolidation process can generally proceed.

5.2 Consolidation Defined

For the purposes of this section, consolidation is defined as the full assumption of responsibility for human service transportation operations and administration by PB. That is, for a given agency, PB will be responsible for that agency's human service transportation (including operations, maintenance, and financial accounting) as well as be responsible for administering and complying with requirements of funding agencies (such as the Federal Transit Administration and the South Carolina Department of Transportation).

How that responsibility will be transferred to PB and the nature of the relationship between PB and client agencies is the subject of this section. The role of the Lowcountry COG will remain unchanged except that transportation grant funds will be applied for and distributed through the human service agency to PB as appropriate.

5.2.1 Levels of Consolidation

There are two levels of consolidation that can take place. The first one would be "agency by agency." The second would be "program by program." The "agency by agency" (AXA) approach would assume *all* of the human service transportation operations of a given agency. If a given agency operates Section 5310 and Workforce Investment services, PB would assume both programs simultaneously. The second level of consolidation—"program by program" (PXP) — would have PB assume a given program from multiple agencies. For example, PB might initially operate *all* of the 5310 service in region. Eventually, it would assume the other programs as time goes on.

¹⁷ Formerly doing business as the Lowcountry Regional Transportation Authority (LRTA).

The advantage of the AXA approach is that an agency can exit the transportation business in total and PB might be able to find synergies by mixing different services for a truly coordinated operation. The disadvantage with the AXA is PB has a potentially more complex problem in that it has to get up to speed on multiple programs at once. However as more and more agency operations are acquired, this assimilation would become easier.

The advantage of the PXP approach is that PB can focus on one program type and make sure it is adequately covering the requirements of that program. The disadvantage is if an agency is running multiple programs, taking one of them might upset the transportation economics of that agency. If a given program is say, one-third of the agency's transportation operation, removing the program could drive up the agency costs for the remaining programs.

Assuming a number of Lowcountry agencies run multiple programs, the AXA is recommended unless the removal of the target program would not materially impact the given agency. If agencies typically only run one program, then the PXP approach is recommended.

The balance of this section addresses how consolidation can be accomplished. This is done by first determining which agencies should be merged first, exploring the requirements of a thorough due diligence evaluation process, and finally developing and implementing a merger plan. This approach can work under either the PXP or AXA methods. While written from the AXA perspective, the process below would work for PXP as each agency operating the given program would be subject to the below evaluation process.

5.3 Agencies to be Consolidated

The first major step is to determine which agencies would be consolidated into PB. A listing of the agencies in the Lowcountry region would be created. This list, compiled by LCOG, would indicate basic information such as agency name, contact person, scope of transportation services offered, and major funding sources. The initial listing need not be comprehensive at an early stage but should include the major providers in the region. Relatively minor operations could be addressed later. It should be determined at this stage whether agencies operate predominantly one program or multiple programs. This will dictate either the PXP or AXA approach described above. In addition, the nature of the current transportation operation at each agency needs to be described using these (or a combination of) categories:

Direct Operations—where the agency operates its service in-house using mainly its employees and vehicles. Some aspects of the operation (such as vehicle maintenance) may be performed by an entity outside the agency.

Contracted Operations—where the agency hires an outside entity to perform all or some of its transportation operation. The nature of the contracted operation should be further sub-categorized as to who the contractor(s) of the agency as well as whether vehicles are supplied by the agency or the contractor(s).

For agencies with a combination of these operation types some approximate indication of the proportion of each type should be made.

5.3.1 Prioritize the Agencies for Consolidation

Based on this initial inventory, a determination of the priority or order of consolidation should be made. If the desire is to consolidate as many operations as quickly as possible, the priority should be based on the relative difficulty in moving the affected operations to PB. Generally, easier transitions should be given priority with more difficult transitions deferred.

The following factors would determine the ease of transition:

- Size of operation (indicated by number of vehicles, employees, riders served)
- Vehicle Ownership (owned by agency, PB or another party)
- Vehicle Condition (degree to which vehicles are in need of replacement)
- Operating location (location relative to PB's main operating facility)
- Type of operation (direct, contracted, combination)
- Funding sources (type and amount)

In addition, LCOG and PB should consider developing an operations plan that can also help in setting priorities. Such a plan would include:

- Origin-Destination mapping.
- Estimating trip times and frequency.
- Estimating trip ridership (to assign vehicles and/or to determine if alternate transportation such as cars are needed; to determine if extra seats will be available for the public).
- Routing and scheduling (and mapping thereof).

PB should determine from the above factors what would make a transition easy or hard. In general, an agency's operation would be a relatively easy transition if it already contracts with PB or another entity for service and the vehicles are supplied by the entity, are in good condition, and have a long life ahead of them. The transition would be generally administrative.

5.4 Human Service Transportation Due Diligence

“Due diligence” refers to evaluating the given agency’s transportation operation to insure that PB has a full understanding of the service to be undertaken and to what degree new resources may be needed to successfully assume the operation. PB would obtain the below data, compare with its current operation and determine the degree of compatibility. This evaluation will enable PB to make decisions on how to accomplish the assumption of responsibility. PB would lead this effort but could be supported by LCOG and SCDOT as needed.

In evaluating an agency’s operation, a key issue will be the real and perceived cost of transportation needs to be determined and understood by all parties. The “real and perceived cost” implies that a given agency may perceive its cost differently than PB. For example, if an agency uses social workers as drivers, the allocation of benefits to the transportation program could be understated as the social service side of the agency may be absorbing the cost of those benefits. Therefore, in calculating benefits for drivers, the cost of the transportation service may be higher than what it was when social workers were serving as drivers. The evaluation process below will help PB determine these cost differentiators.

Each agency (in order of its consolidation priority) should be reviewed with respect to these three main areas of evaluation:

- Operations
- Capital
- Administrative

The degree of evaluation will vary depending whether the agency operates its services directly or through a third party contract. Agencies which operate their own services in-house will need a much more thorough evaluation than agencies which fully contract out the services on a “turnkey” basis.¹⁸

5.4.1 Operations

Whether the given agency operates its services in-house or contracts with an entity other than PB, this basic information that needs to be acquired about the agency’s service:

- Number of personnel including drivers (part time, full time) used as well as other staffing such as dispatchers, trainers, vehicle maintenance and similar support personnel.
- Whether this staffing is dedicated to the operation or has other, non-transportation duties. If non-transportation duties are performed, determine the

¹⁸ A “turnkey” operation is where the contractor provides all elements necessary for the service including vehicles, staff, and facility.

percent of time dedicated to transportation. Establish a “Full Time Equivalent” (FTE) personnel level.

- Current qualifications of the staff (for example, CDL licensed, general experience).
- Hiring standards (age, years of experience, pre-employment physicals)
- Information on wages and benefits.
- Work rules and policies (such as drug and alcohol testing, how work shifts determined, etc.)
- Operating location(s)
- Services offered, span of operation (time and geography)
- Training programs for employees
- Vehicle maintenance capabilities and responsibilities.
- Workers compensation and vehicular accident experience.
- Status of employee morale and their customer service culture (talk with some rank and file individuals)
- Drug and Alcohol testing including pre-employment screening.
- Operating software (e.g., scheduling packages) used.
- Review procedures for reservations and scheduling. Determine if compatible with PB's existing processes and whether compatibility is necessary.

5.4.2 Capital

Data should be collected regarding the transportation capital in possession of the agency. Such assets would be potentially available to PB. This relates to assets owned, leased, and/or contracted in some way by the agency:

- Number, type, age, ownership and condition of vehicles. Should involve visual inspection of vehicles as well as review of maintenance records. Sampling of vehicles should be closely inspected by a qualified mechanic.
- Replacement schedule and funding.
- Location(s) of administrative, operations and maintenance facilities. Include ownership status, nature of facility (e.g., transportation specific facility), condition (visual inspection). If leased or owned obtain copies of legal documents. Determine if any environmental issues (documented releases, etc.).¹⁹
- Information technology equipment—descriptive including age of hardware and version of key software. This includes office computers, communication equipment, and advanced technology.
- Equipment lease and service agreements.

5.4.3 Administrative

¹⁹ If PB is to assume ownership of property, it should have performed an environmental audit to determine any potential liability.

Data should be collected regarding transportation “back office” functions of the given agency. This relates primarily to the office and transportation management functions of the agency.

- Number and classification of office and management personnel. Identify those that are dedicated to the transportation operations as well as those that have other, non-transportation duties. In the cases where duties are shared, determine the approximate percentage of time spent in each area.
- Job descriptions of all personnel include operational people from above.
- Insurance policies including coverage limits.
- Indication of pending claims and lawsuits.
- Wages and benefits paid. Benefit program if different than the operational personnel above.
- Business software used (this includes basic office software as well as accounting packages).
- Scope of administrative duties (who performs, data collection, basic processes)
 - Accounting
 - Payroll
 - Grant management
 - National Transit Database reporting
 - Purchasing
 - Legal
- Obtain latest budgets, chart of accounts, recent and historic financial statements reflecting the transportation operation. Evaluate and understand cost and revenue of operation. Understand cost allocation procedures if transportation is part of an overall social service agency.
- Compliance with Federal and State labor and other laws and regulations. Any pending investigations or citations? Any potential issues based on cursory examination of procedures as they are actually applied.

5.5 Palmetto Breeze Consolidation Actions

Assuming the operations of human service agencies is, obviously, a significant undertaking. This section discusses issues that PB should consider as it absorbs new operations whether via “program by program” or “agency by agency” approaches. This section also describes the steps PB should take in merging the service into its existing operation. A main issue to be considered is whether PB, as an organization can absorb the new operation and, if not, what the cost and effort will be in making that commitment.

PB has two or three basic options in assuming the operations. First, it can operate the new service in-house. Alternatively, it can sub-contract the operation to a third party. It is also possible to have a hybrid solution involving both approaches.

5.5.1 In-House Operations

Operating the in-house would involve PB using its employees to operate and maintain the vehicles and administer the service. Considerations include: cost of employees, management capacity, and condition of capital equipment.

Cost of Employees

The employees could be from the agency that is currently providing the service or could be new hires or a combination of both. If the current employees are transferred to PB, it would be important to determine if PB work rules, wages, and benefits are comparable to those of the transferring employees. If these are not, costs (either for PB or the operation being absorbed) could rise if there is a need to equalize wages and benefits of the new employees with the old. One way to avoid this is to create a special labor classification just covering the new operation.

A special labor classification would create an employee designation for the service being consolidated. For example, assume PB was to directly operate a given human transportation service in Jasper County. Further, assume wages to be paid would be lower than PB's typical wages. PB could create a labor class that contained wages for drivers and other employees who work in Jasper County. Thus, any employee performing duties in Jasper County would be paid the special wage. If they eventually transferred to PB's main operation in Beaufort County, then they could be "promoted" to the higher wage.

Creating a special classification can temporarily solve disparity in wages and benefits. Problems can arise if an employee in one class needs to work in another class that has lower wages and benefits. This can happen if PB is attempting to be efficient in how it uses back-up personnel. Using the previous example, if a driver were needed to do runs in Jasper County that driver would likely be paid his or her normal wage. That wage would, presumably, be higher than the typical wage in Jasper County. Thus, costs might rise in that county if higher paid drivers were used extensively. This is a consideration but does not have to prevent the assumption of lower paid operations.

Management and Administrative Capacity

The ability, from a workforce point of view, for PB to manage new operations is another consideration. As PB's service become more complex with varied funding sources and more vehicles, the ability to absorb the additional management responsibilities is a crucial issue. The processing of payrolls, the absorption of varied client and funding source invoicing and reporting requirements, establishing consistent policies and procedures are among the tasks that will need to be performed to ensure a successful merger of operations. PB should examine the work loads and capacity of its management and administrative personnel to determine how increased responsibilities

can best be undertaken. One option would be is to contract out routine functions such as payroll. Another, of course, is to hire more personnel.

Capital Equipment

Any equipment acquired as part of a merger will place demands upon PB. Vehicles that are in poor condition or in need of replacement will strain capital resources unless the given agency can supply needed funding. One opportunity to stretch limited capital funds would be to ensure that newly absorbed operations can utilize existing resources operated by PB. Reducing duplicate service or ensure full utilization of assets might mitigate the need to replace or expand capital assets of the given agency.

Operating facilities is another asset that needs to be considered. If the service area of the agency to be merged is far from PB's operating base, a satellite facility may be warranted. The trade-off of deadhead time, access to employees versus the cost of a capital facility needs to be assessed. It maybe cost effective to have a satellite facility (with staff and shop equipment) than to base all operations in Bluffton.

Finally, data processing equipment may be another potential need if PB's current systems are unable to accommodate the new requirements of the merged system. Software compatibility, computing speed and capacity, as well as adequacy peripherals are needed considerations.

5.5.2 Subcontracting with Third Party

This option involves PB using another entity to provide service. The entity could be a private firm, a public agency or a non-profit firm.²⁰ The provision of service would be secured through contract which would stipulate performance standards and action should such standards be failed to be met. If the operation to be acquired is already contracted to a third party and that entity supplies vehicles and other capital, the transfer to PB would be essentially an assignment of the existing contract. If the entity does not supply capital assets (such as vehicles and facilities) PB will want to do its diligence as described above.

5.5.3 Choosing Approach

Deciding between an in-house versus a contracted operation is a trade-off of what PB can realistically absorb and the cost of hiring another party. If the service area of the merging agency is far from PB's operating base or PB is not in a position to fold the operation in-house (lack of capital resources, available management staff), then contracting to a third party maybe an option. Of course availability, cost, and reliability

²⁰ The use of a private firm could be done through user side subsidy program where riders could buy services from any provider. This could encourage entrepreneurialism in that a market of private providers could fill in gaps in service that cannot be provided by PB.

of a contractor will be utmost considerations. A real advantage to moving an operation in-house would be the potential economies to scale. As PB gets larger it will be able to hire staff and acquire equipment that presently may not be feasible. For example, a full Information Technology professional may become more feasible as PB acquires more technology through the merger of operations.

5.6 Basic Steps and Process

This section outlines the steps and process that consolidation would use once the given agency to be merged into PB has been identified and the consolidation is approved. Several steps need to be taken to accomplish a consolidated system. This identifies the broad steps as part of the process. This listing is not intended to be all inclusive. Rather, it is intended to provide guidance to major transition events as to how to proceed.

1. **Hold informal discussions with the leadership of the targeted agency** to determine if there is truly a desire for merger. Resolve any fundamental issues and questions.
2. **Draft a “memorandum of understanding”** to be voted upon by the respective governing bodies of each entity. The memorandum of understanding would bind the entities to move forward with developing an agreement to consolidate the respective agency operations. The agreement should pledge to provide information to PB in the performance of its “due diligence.”
3. **Form transition working group.** Appoint key people from each entity to oversee process. Appoint one person to be accountable for transition and reporting to respective organizations.
4. **Conduct “due diligence” per above.** Identify issues and their resolution. Decide on basic operating strategy (i.e., in-house versus third party contract).
5. **Develop transition and a pro-forma on-going operating and capital budget.** Determine if any new funding is required and sources of financing if necessary.
6. **Develop timetable with key milestones for merger based on due diligence.**
7. **Develop marketing plan.**
8. **Inform key stakeholders of plans.** Keep them informed during the process. Reassure riders.
9. **Set-up banking, accounting, other recordkeeping, and communication systems.** This includes obtaining office equipment and setting up initial vendor relationships and payroll and benefit systems.
10. **Hire necessary staff.**
11. **Obtain necessary capital equipment and facilities.**
12. **Make needed contractual and funding assignments.**
13. **Make transition.**

Appendix A: 2006 SCDOT Survey –Lowcountry

**South Carolina DOT Regional Coordination Plan
Transportation Provider Survey**

SCDOT, in cooperation with your area Council of Governments (COG), is developing a regional transportation coordination plan. The purpose of the plan is to identify strategies for various providers of health and human service transportation to work together to create more efficient and effective services. This survey will aid in the development of this regional coordination plan.

Council of Governments: Lowcountry, 10 - agencies

Primary Person Completing Survey: N/A

Phone Number (for follow-up): N/A

E-mail address (for follow-up): N/A

Date Survey Completed: _____

1. What is your organization's service area?

To/from or within the following counties/cities:

Counties: Colleton, Hampton, Beaufort, Jasper, Allendale, Bamberg, and Northern Beaufort

Cities: Beaufort, Burton, Lady Island, St. Helena Island, Seabrook, Ridgeland, Hardeeville, Tarboro, Robertville, Savannah, Walterboro, Augusta, and Charleston

2. What are the top four destinations served? (please be specific such XYZ Hospital or ABC Shopping Center)

Grocery store, Medical appointments, Shopping, Other: other cities, MUSC Medical Center, Residences, BMH, and Colleton Industries

3. What types of transportation services does your organization provide (either as an operator or a purchaser)? (check all that apply)

- On-demand/demand responsive – 4 agencies
- Fixed route, fixed schedule – 3 agencies
- Deviated (flexible) fixed route – 2 agencies
- User-side subsidy - 6 agencies

Total passenger vehicles 150

- Check here if my organization does not operate vehicles. – All agencies operate vehicles.

8. Which of these funding source related restrictions apply to the use of the vehicles used in your service (*check one*):

- There are no restrictions; vehicles can serve general public – 3 agencies
- Vehicles can only serve elderly and/or disabled – 1 agency
- Vehicles can only serve clients of a specific human service program – 3 agencies
- Vehicles have a mix of restrictions depending on the funding source of that vehicle – 0 agencies
- Vehicles can only serve specific clients – 1 agency

9. Please tell us about the driver labor force. Please tell us whether they have other duties for your organization besides driving by indicating the percentage of time driving.

| <u>Type of Driver</u> | <u>Number</u> | <u>Percent time driving</u> |
|-----------------------|---------------|--|
| Paid, full time | <u>173</u> | <u>56 – 100%, 18 - 40%, 8 – 30%, 6 – 25%, 85 – 10%</u> |
| Paid, part time | <u>26</u> | <u>11 – 100%, 15 – 10%</u> |
| Volunteer, full time | <u>13</u> | <u>13 – 100%</u> |
| Volunteer, part time | <u>0</u> | <u>N/A</u> |

- Check here if my organization does not have drivers. – 1 agency has 6 Lease drivers

10. Who schedules trips? Does that person(s) have other job duties (if yes, approximately what percent of time is done schedule versus the other duties)? – The average these agencies spend scheduling aside from dispatching, programming, managing and monitoring the routes is 50%.

11. Tell us about the use of advanced technology to manage your operation. Which of these functions are supported through the use of computer and similar electronic systems? (*check all that apply*)

- Office (e.g., word processing, electronic spreadsheet) – 6 agencies
- Scheduling – 4 agencies
- Reservations – 1 agency

- Dispatching – 1 agency
 - Mapping/Planning – 3 agencies
 - Specialty Accounting (bookkeeping, invoicing, etc.) – 6 agencies
 - Specialty Human Resource – 4 agencies
 - Vehicle maintenance and inventory – 6 agencies
 - In route Vehicle Locator – 2 agencies
 - Internet/ web based applications – 5 agencies
12. How do you communicate with your drivers while they are on the road? (check all that apply)
- Cell Phones – 4 agencies
 - Two-way radios – 4 agencies
 - Combination of phones and radios – 1 agency
 - Do not communicate with drivers on the road – 1 agency
13. What is the annual human service transportation budget for your organization?
Organizations Annual budget – \$16,091,000.00
Annual Transportation Budget - \$2,754,700.00
14. What methods are used to collect fares from riders?
- No fares are collected – 6 agencies
 - Fares are placed in money bags or money box – 0 agencies
 - Fares are deposited in a fare box – 2 agencies
 - Fares are billed to the rider via invoice – 1 agency
 - Other: 3 agencies (1 – Fares are billed to Medicaid, 1- Tickets are sold, 1-Cash, credit cards and fare vouchers) 1 agency also accept donations
15. Do you currently coordinate efforts with other providers in area? If so, which areas:
- Grant admin - 1
 - Maintenance - 1
 - Training - 1
 - Marketing/Public information - 0
 - Operations - 2

- Other: Shared Vehicles – 1 and Other 3 (1- MOA for vehicle use with Coastal Empire Mental Health Center, 1 – providing handicap accessible vehicles to local agencies such as the nursing home or sheriff’s department or as needed, 1 – Purchase of human services contract with five human service agencies in five counties.

16. Which of these areas (from question 15) benefit your organization most? Least? Why?

Benefit Most:

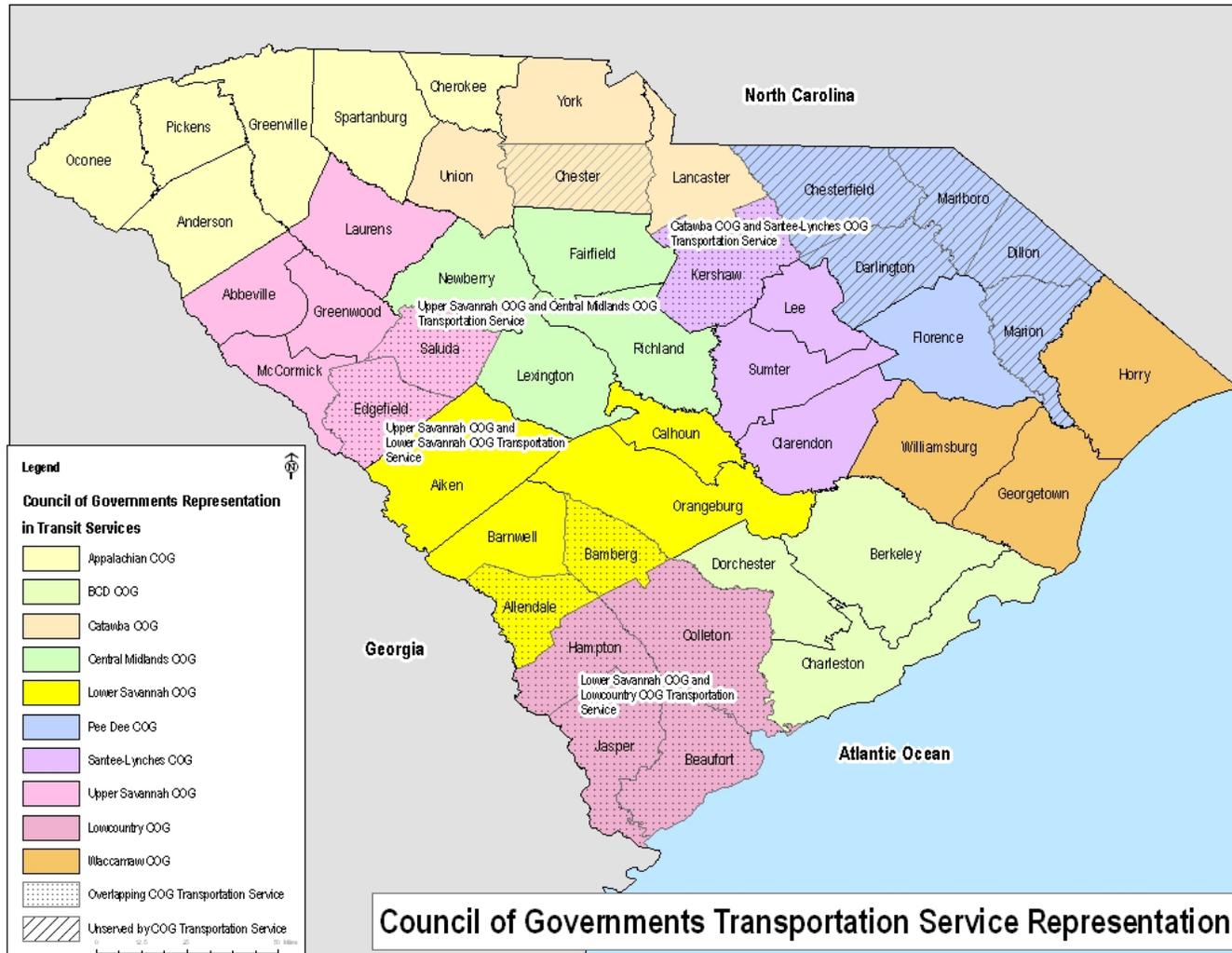
- Operations
- Shared Vehicles
- Other: Better contract agreements

Why?: Sharing vehicles & use of PS contracts allows us to greatly expand service.
Purchase of service agreement relieves us from purchasing vehicle, tires, ins., etc.

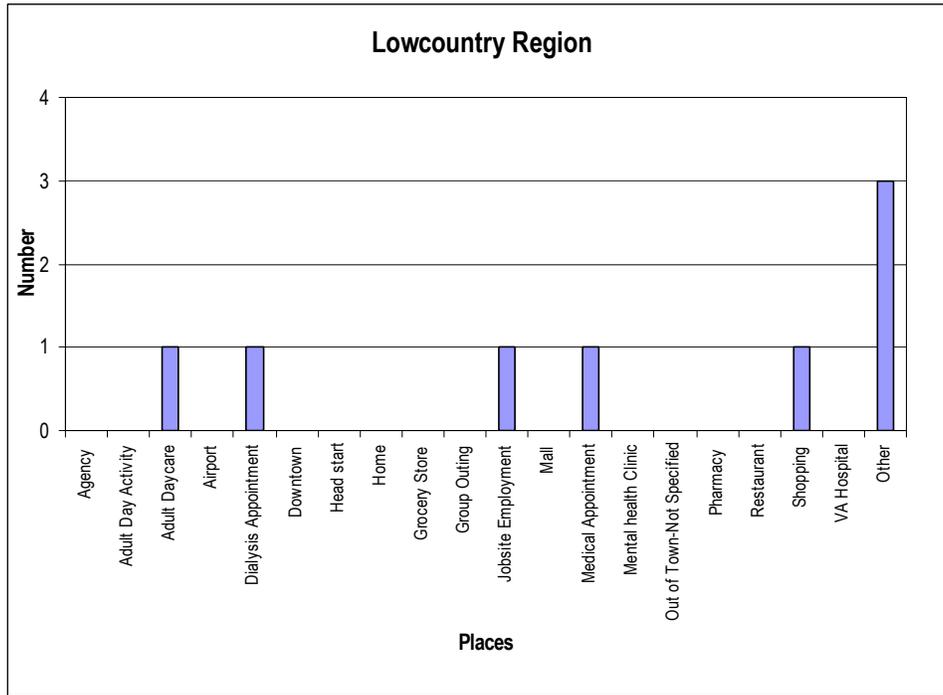
Benefit Least (or not at all):

- Shared Vehicles

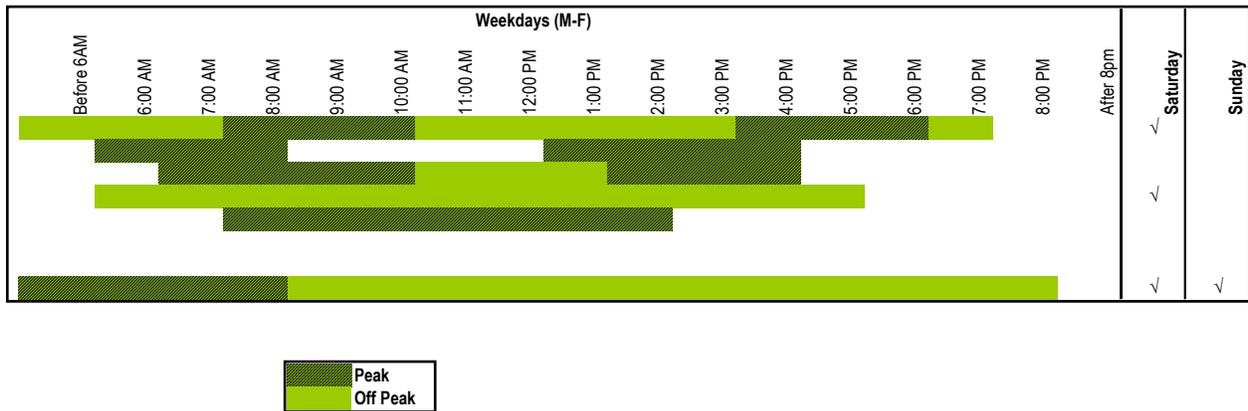
Q1.: Counties Served –based on survey results for Lowcountry and other regions; not actual services



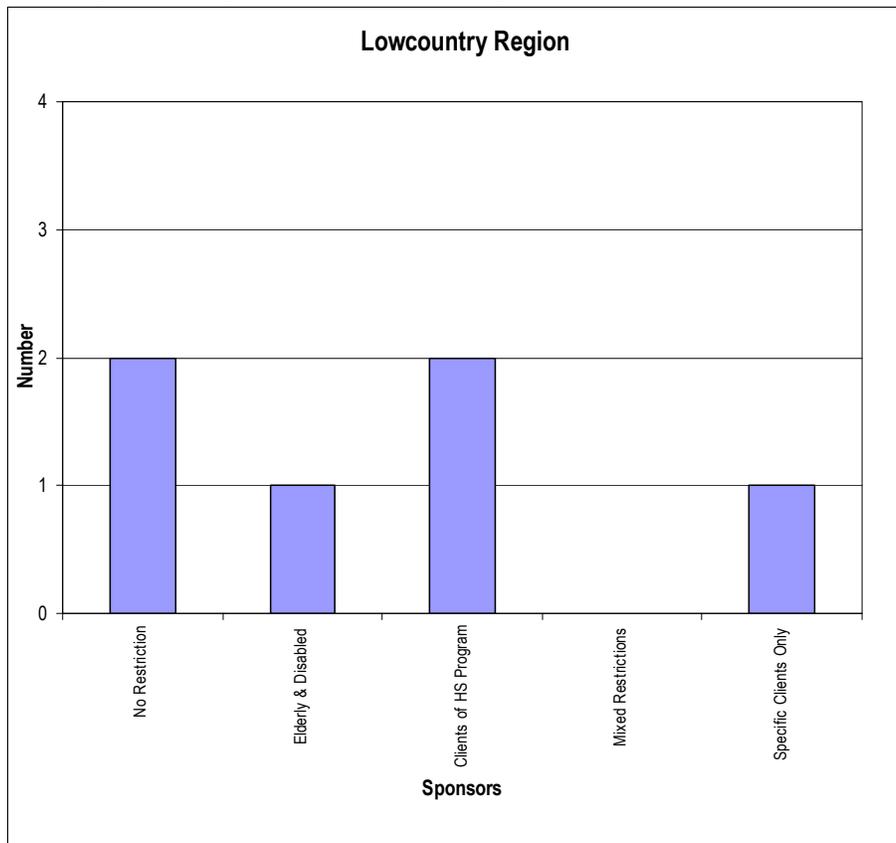
Q2.: Top Four Lowcountry Destinations Served



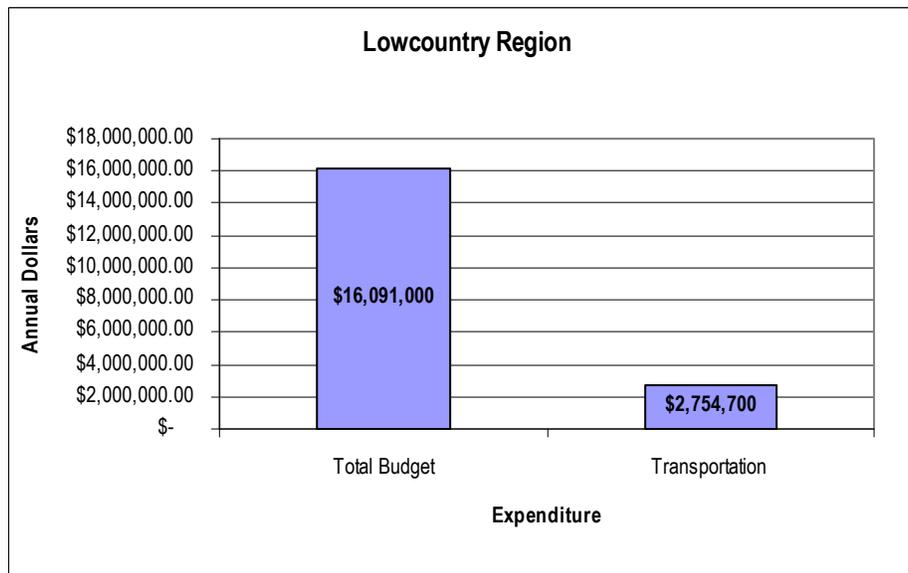
Q5.: Days and Hours Service is Operating in Lowcountry



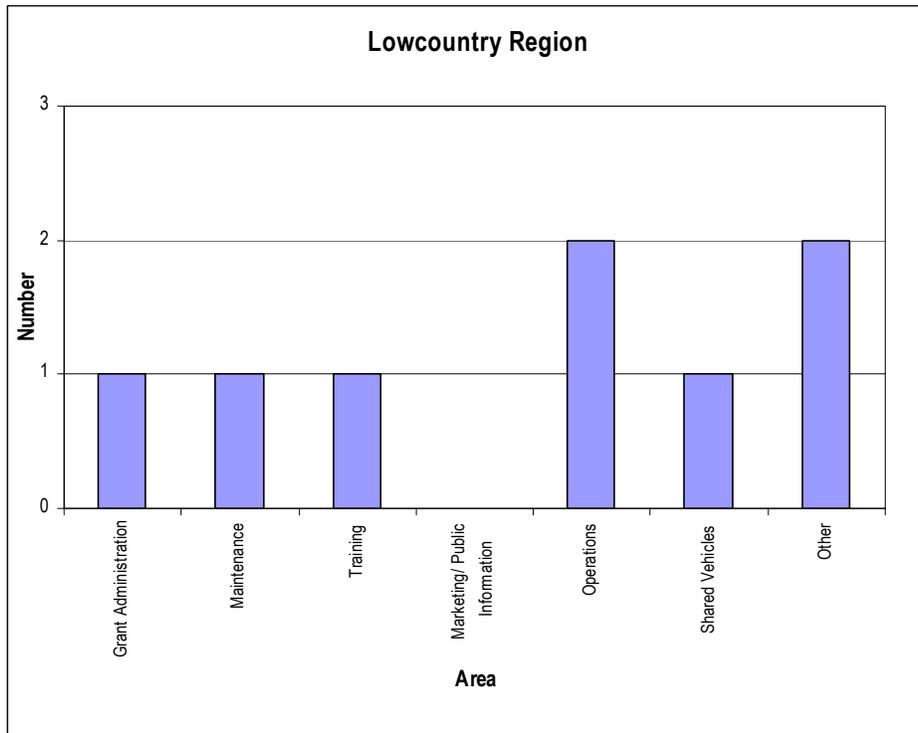
Q8.: Restrictions by Funding Source on Sharing of Vehicles



Q13.: Transportation Budget



Q16.: Areas of Coordination Interest



Appendix B: Regional Meeting Summaries

**Regional Coordination Planning
Lowcountry COG Regional Kick off Meeting**

Meeting Summary

Time: 12:00 Noon to 1:30 PM
Date: November 27, 2006
Place: Lowcountry COG
Address: I-95 Exit 33, Point South,
Yemassee, SC 29945
(First right after merging on to north US 17—at Waffle House; proceed to t-intersection on Yemassee Drive, turn right to parking lot of COG).
Attendees: Staff included Jim Frierson and Kayin Jones, SCDOT; Ted Rieck, TranSystems; and Ginnie Kozak, LCOG.
See attached sign-in sheet for list of provider participants.

I. Welcome and Introduction—*Ginnie Kozak, LCOG*

Ginnie welcomed the group and asked each person attending to introduce themselves and their interest in public transit and coordination. The group consisted of a variety of public and private transportation providers as well as social service agencies that have transportation elements in their overall program.

II. Regional Coordination Planning Background—*Jim Frierson (SCDOT)*

Jim Frierson explained the purpose of the meeting is to help the COG develop regional coordination plans that will satisfy the requirements of the SAFETEA-LU bill. Each of the state's ten COGs has been designated as regional transportation coordination agencies. The State is very interested in a grass roots level of involvement so each coordination plan (one for each of the ten COG regions) is tailored to the region. Jim also mentioned the statewide transportation plan which will, among other things, try to quantify unmet needs for transit in the state.

III. Regional Transportation Needs—*Ted Rieck (TranSystems) and Group*

Ted began the discussion by explaining the difference between needs and challenges. Needs are “external” to the organization or agency while

challenges are issues more internal to the organization. Ted also indicated that needing “more money” was taken for granted. What is important is what any additional money would be used for.

a. Needs Facing Agencies (External Issues):

- More service for medical appointments –in urban as well as rural areas. Service is needed for late evenings and weekends. These appointments can be anywhere within the region and not necessarily tied to specific medical facilities.
- Work trips—to Hilton Head Island, Bluffton as well as within and between all of the COG counties.
- Interregional medical trips (outside of COG region to places such as Charleston and Savannah).
- Need for general public transportation for a variety of everyday life needs such as shopping, recreation, school, and non-medical social service programs (for example, group sessions as with Alcoholics Anonymous).
- Youth (after school) transportation. With no transportation options to access programs, some youth may be engaged in undesirable activities.
- With area becoming increasingly populated with retired people, services for people who should not be driving are needed.
- Fixed route/fixed schedule services (without regard to pre-arranging transportation as is the case with demand response service).

b. Challenges (internal to the organizations)

- Need to get away from 48 hour advanced reservation requirement; allow for more spontaneous trips.
- Need to provide better vehicle availability for volunteer drivers—spare vehicles, vehicles with properly working air conditioning and heating systems. Fuel costs and insurance coverage are also issues for volunteers.
- Cost of fuel
- Need to up-grade vehicles and other transportation equipment.

c. Role of SCDOT

- Provide for non-motorized facilities (such as bike lanes, sidewalks, signalized crosswalks) as part of roadway projects. This is especially needed in rural areas.

- Establish ridesharing parking lots to allow for transit to connect with all other transportation modes (including car/vanpools, non-motorized transportation).
- Provide ridesharing matching services (to allow people who wish to carpool and otherwise share rides).
- Investigate waterborne passenger service (e.g. ferries, water taxis)
- Explore widening state purchase pools (e.g., fuel, vehicle maintenance, insurance)
- Improve interstate cooperation (with Georgia and North Carolina) as some urban providers furnish service across state lines.

IV. **Coordination**— *Ted Rieck (TranSystems) and Group*

- A. Group generally defined coordination as collaboration with respect to information, resources, and assets with the intent to maximize available resources in addressing common goals.
- Need for uniformity in how services are delivered and information communicated.
 - Idea of “one-stop shopping” or mobility management was seen as key to coordination.
- B. Current effort at coordination
- LCRTA works with various agencies to help buy vehicles or provide services on a contractual basis.
- C. Barriers to coordination
- Recent Medicaid brokerage mandate by the State’s DHHS may limit coordination options. (*Note: this was originally raised as an opportunity for coordination*).
 - Some participants indicated a lack of capacity to handle additional trips.
 - Funding rules are effectively disincentives to coordinate. For example, if a recipient uses excess capacity for non-program service, then the funding source may reduce funds to the agency in the following year.
 - Group generally does not see “ego” as reasons agencies don’t coordinate now.
- D. Opportunities for coordination
- One-stop shopping/mobility manager
 - Initially for information (phone and web site)
 - Joint scheduling & dispatching
 - Vehicle purchase and other purchase pooling.
 - Funding rule rationalization (help navigate using a variety of funding sources to avoid disincentive per above)

- Scheduled (e.g., fixed route) public services.
- Open up vehicles with excess capacity—some believe there is unused capacity.

V. Next Steps –*Ted Rieck (TranSystems) and Group*

- Schedule next two meetings
 - Information/Analysis meeting—April 17, 2007 (lunch time meeting).
 - Draft recommendations –July 17, 2007 (lunch time meeting).
- Inventory and technology survey—people were in the process of filling out; no questions about the survey were asked. Ginnie indicated that a number of agencies had already turned in the surveys.

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**Regional Coordination Planning
Lowcountry COG Regional Meeting**

Meeting Summary

Time: 11:30 AM to 2:00 PM
Date: February 22, 2007
Place: Lowcountry Council of Governments
Address: I-95 Exit 33, Point South,
Yemassee, SC 29945
Attendees: Ginnie Kozak, LCOG, Jim Frierson, SCDOT and Ted Rieck,
TranSystems. See attached sign in sheet for remaining
attendees.

VI. Welcome and Introduction— Ginnie Kozak, LCOG

Kozak welcomed the group and asked people to introduce themselves.

VII. Regional Transportation Information— Ted Rieck (TranSystems)

Rieck presented a slide show and stated that the purpose of the meeting was to accomplish three things:

1. Review data from a provider surveys
2. Review whether Health and Human Services (HHS) funding restricted coordination.
3. Discuss draft strategies for regional coordination.

Provider survey results:

- 30 surveys distributed, 8 returned. Covered 17 areas including inventory type questions (e.g., number of vehicles, riders, types of services provided).
- Geographic coverage—region has some overlap with Lower Savannah region. Some discussion with Lower Savannah COG on better coordinating this overlap.
- Typical destinations: varied reflecting a wide variety of transportation activities occurring in the region.
- Reviewed peak and off peak operations—complementary services where some operator have peaks, other have off peaks perhaps allowing sharing.
- Vehicle restrictions: a number of respondents indicated that their funding sources restricted coordination.
- The region spends about \$2.6 million annually on transportation, which was represented mainly by Lowcountry RTA. The group thought this amount was less than what is probably actually spent; the numbers should be reassessed.

- Areas of interest for coordination: varied, covering a range of activities though mainly training, public information, and sharing vehicles.

VIII. Funding Review— *Ted Rieck (TranSystems)*

- Executive Order 13330 directs Federal agencies to coordinate.
- US GAO 2003 study showed:
 - 62 Federal programs with a transportation element
 - 16 most frequently used; 6 are US DOT.
 - 10 most commonly used are:
 - Transitional Assistance for Needy Families (TANF)
 - Vocational Rehabilitation
 - Medicaid
 - Head Start
 - Grants for Supportive Services and Senior Centers
 - Workforce Investment Act (WIA)—Adults
 - WIA— Youth
 - WIA— Displaced Workers
 - Program for Native Americans (under Older Americans Act)
 - Senior Community Service Employment program
- One of the participants asked for a list of other funding sources as well as a copy of the 2003 GAO report. Rieck to send to Kozak for distribution.
- Neither the Federal nor State of South Carolina governments place restrictions on the use of funds for coordination.
- However, there are practical issues in mixing varied services as each funding source may have unique service delivery challenges (such as driver licensing, vehicle safety systems, etc.).
- Need to develop cost allocation process. South Carolina Mass Transit office (according to information Rieck received at another regional meeting) is working on a cost allocation plan for providers.

IX. Ideas for Coordination Strategies— *Ted Rieck (TranSystems) and Attendees*

- “Strategy” defined as general direction, with “actions” more specific. Actions will lead to projects which are implementation of actions and strategies. This regional coordination planning effort will only go to the “action” level with projects to be developed later in concert with LCOG.
- Rieck said that strategies and actions should be related to transportation needs and issues in the region. These (as stated and summarized from the November 2006 kick-off meeting) were:
 - More service—urban/rural
 - Interregional trips (including Charleston and Savannah)
 - Adult services—everyday needs; youth after school service.
 - Funding source disincentives to coordinate

- Medicaid brokerage seen as impeding coordination.
 - Difficulty in obtaining volunteer drivers due to insurance.
 - Mobility Manager
 - Increasing fuel costs.
 - Lack of capacity.
- Comments on draft strategies and actions presented in the slide show (and attached):
 - LCOG should take lead in implementing the plan and coordinating/accessing funding when completed.
 - Add to the administration strategy
 - Shared driver training
 - Position LRTA to be in the mobility manager or similar role. The consensus was that the agencies would like to get out of the transportation provider business and turn it all over to LRTA. While LRTA would certainly be the mobility manager, they would also be the major provider. Efficiencies of scale could possibly result.
 - To organize the above, a detailed origin-destination study of all the agencies is needed in order to plan cost-effective and convenient/appropriate routes and to determine which routes would best be served by LRTA and which by sub-contractors such as taxicab companies.
 - Electronic fare/slide cards should be considered as a way to manage fares/billing in a cost-effective way.
 - Funding was seen as a challenge in moving forward on the “future operations planning” strategy.
 - Add to this strategy an action address the future needs of the area due to population growth.
 - Review alternative operational approaches as a way to maximize resources.
 - LCOG to coordinate/administer funding since it will ultimately be the “clearing house” for state & federal grant application processing for the region.
 - Interest in joint marketing/public information production. The COG was mentioned as taking the lead in this.

X. Next Steps— *Ted Rieck (TranSystems)*

- The group was generally available to meet July 10, 11, 12, and 24. There was a preference for a 12 noon meeting time.

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Lowcountry Draft Strategies and Actions

| Strategy/Areas of Action | Stated Needs/Issues | | | | | |
|---|---------------------|-----------------------|-------------------------------|------------------|-----------------------|------------------|
| | More Service | Funding Disincentives | Insurance & Volunteer drivers | Mobility Manager | Increasing Fuel Costs | Vehicle Capacity |
| Administrative <i>Reduce barriers that inhibit resource sharing.</i> <ol style="list-style-type: none"> 1. Rationalize policies and procedures including cost allocation and Jacob's Law 2. Rationalize performance and service standards among funding partners | √ | √ | √ | | | |
| Information Sharing/Capacity Management <i>Better share vehicles and driver resources</i> <ol style="list-style-type: none"> 1. Define scope for a mobility manager 2. Better share resources through managing driver and vehicle availability 3. Better understand trip origins and destinations (address overlap with Lower Savannah). | √ | | | √ | √ | √ |
| Future Operations Planning <i>Identify future needs not being met by increased efficiencies</i> <ol style="list-style-type: none"> 1. Prioritize emerging service needs | √ | | | | | |

**Regional Coordination Planning
Lowcountry COG Regional Meeting**

Meeting Summary

Time: 12:00 Noon to 1:30 PM
Date: July 11, 2007
Place: Lowcountry Council of Governments
Address: I-95 Exit 33, Point South,
Yemassee, SC 29945

XI. Welcome and Introduction— *Ginnie Kozak, LCCOG*

Ginnie welcome the group and asked each person in attendance to introduce themselves.

II. Review of Draft Plan Document— *Ted Rieck, TranSystems*

Ted began by saying that the regional coordination plan needs to be embraced by the region as it will be a touchstone for determining which projects will receive grant funding under certain FTA transit programs. The purpose of today's meeting is to review the draft plan with a focus on the implementation section.

Ted reviewed the main parts of the plan: section 2 profiling the region's demographics and services; section 3 the identification of coordination already occurring in the region; and section 4 developing strategy and actions. No comments were made by the group regarding these general sections.

III. Implementation Considerations— *Ted Rieck, TranSystems*

The group took issue with Section 5 as presented in the draft plan. There is strong interest in having Lowcountry RTA assume all transportation services in the region. In a departure from the original intent of SCDOT's approach to regional coordination planning, there is interest in consolidating services under one provider.

Significant discussion took place about how this consolidation would evolve such as utilization of electronic fare payment technology. There was also an interest in promoting entrepreneurial and other innovative approaches to service delivery.

The group defined these three basic steps (in order) to fostering a consolidated operation:

- Move Section 5310 responsibilities to LRTA from the current providers with LCCOG continuing its role as designated recipient.

- Encourage entrepreneurial service delivery by soliciting provide operators to provide service either in some kind of user side supply arrangement or through a purchase of service agreements.
- Set-up Palmetto Breeze as mobility manager.

Group indicated they would like to meet again but not necessarily with the consultant. The group also indicated a desire to have an executive summary with the plan—maximum two pages in length.

IV. **Next Steps**—*Ted Rieck, TranSystems*

Ted is to revise the plan per above and return to LCOG for another review. The goal is to have the plan ready for COG adoption by September or October 2007.

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Appendix C: Technology Resources for Transportation Coordination

Technology Resources for Transportation Service Coordination²¹

Technological resources that could be used to aid in transportation service coordination fall into the following categories:

- Communications
- Dispatching/Scheduling
- Fare Collection
- Vehicle/Component Monitoring
- Traveler Information
- Technology Standardization

Coordination considerations and benefits for each of the resource categories are presented, along with a description of specific technologies. Technologies were identified that appear to have greater application for small or rural transportation providers, as these are the bulk of transportation providers in South Carolina.

Communications

Providing a means of communication among vehicle operators and central office staff for a transportation service provider is an essential function. Wireless communications technologies have been advancing quickly, with greater levels of data transmission occurring through wireless communications devices such as cellular telephones, personal digital assistants and portable, laptop computer systems. For a transportation provider, a uniform platform for communications is necessary. Sharing a common platform between different systems can aid service coordination by providing a means to communicate dispatching and service needs between different systems. It can also be an indispensable asset in responding to emergency situations. A traditional communication device used by transportation providers is a two-way radio; however, the advances in wireless communications technology now provide the transmission of both voice and digital data.

Advanced Communications Systems - Advance communications systems combine digital technology with trunked radio systems. The trunked radio system allows a system to use the best available frequency for transmission instead of using a preset frequency.

Mobile Data Terminals (MDT) - MDTs are on-board computer systems. Data is transmitted between the operators and the central office. MDTs provide real-time information to operators such as traffic conditions, weather, routing, and client information. The terminals can also provide electronic data collection. A strength of MDTs is that operators can access data when it safe to do so and it reduces frequent and distracting verbal communications.

Cellular Digital Packet Data (CDPD) - CDPD sends digital information via wireless communications to provide real-time information to travelers and operators. CDPD

²¹ This section was authored by URS Corporation.

technology works in concert with Automatic Vehicle Location (AVL), Geographic Positioning System (GPS), and MDTs.

Dispatching/Scheduling

For rural, paratransit, and other on-demand transportation services, increased service productivity is achieved through efficient scheduling and dispatching of the service to patrons. The benefits of more efficient service delivery through use of reservations, scheduling, and dispatching software become evident when more patrons can be served resulting in better performance measures such as more trips per hour, more trips per mile, and lower costs per trip. Automated dispatching and scheduling, combined with automatic vehicle location, CDPD, and MDTs, is a powerful tool to facilitate service coordination within and between service providers.

Computer Aided Dispatching (CAD) - CAD is software used to coordinate and automate on-demand transit services. The software can aid in providing shorter response times and providing more efficient service operations. CAD software can be utilized by itself or in combination with other wireless communications technologies such as MDTs and automatic vehicle location. Costs for CAD range from \$75,000 to \$245,000 for smaller systems.²²

Automatic Vehicle Location (AVL) - AVL is used to track transit vehicles using geographic positioning devices such as Geographic Positioning Systems (GPS). AVL can benefit coordination of services by supporting more efficient trip planning. AVL indicates vehicle locations, which can be essential for responding to security and safety problems. AVL can also provide a means for passengers to identify wait times via web-based, online tool. Costs for AVL range from \$400 to \$2,000 per system on a vehicle plus \$10,000 for central operating system.²³

Fare Collection

For large urban transit systems, fare collection is most often administered through non-cash media (tokens, fare cards, or smart cards), which are purchased from the provider or through vending machines. The greatest benefit of using non-cash media is that it streamlines accounting and reduces the problems inherent with a cash-based system. Within travel regions, using a single fare collection system can facilitate service coordination between systems.

Automatic Fare Collection (AFC) and Reconciliation Systems - AFC systems count fares as they are collected, which allows automated reconciliation. AFC reduces errors in collection, reconciliation, and accounting. An AFC system is essential for areas with interoperable agreements to distribute funds, using common fare media.

Electronic Fare Collection - Electronic fare collection is facilitated by use of magnetic or smart cards for fare media. Electronic fare collection eliminates the need for cash in system and provides a means to collect data on ridership electronically. Electronic fare collection requires significant capital investment. An electronic fare box may cost

²² TCRP Report 84, page 14.

²³ Ibid.

\$10,000 per vehicle. A smart-card reader can add an additional \$2,000 to \$3,000 per fare box. A centralized management system ranges in cost from \$100,000 to \$200,000, and ticket vending machine may cost \$30,000 per unit.²⁴

Vehicle/Component Monitoring

Automated vehicle/component monitoring includes remote sensing of operating vehicles. By identifying potential problems real-time, component monitoring assists in maintaining vehicles and keeping more vehicles operating.

Patron/Traveler Information

Disseminating information for transportation service patrons or travelers can be automated in many ways. Increasingly, transit systems have interactive websites, where transit information may be exchanged and patrons may access customer service centers to plan trips or purchase fare media. A uniform platform for information across service providers can increase efficiencies from the user's perspective, so that a user may coordinate trips between providers or across jurisdictions in the most expedient manner.

Automated Traveler Information System (ATIS) - ATIS includes the entire range of electronically transmitted transit information. An inherent strength is that ATIS permits information to be accessible at any time. The means to distribute information through ATIS are broad, via cellular telephones, internet, variable message signs, personal digital assistants and others.

Technology Standardization

Using the same infrastructure across various systems—such as among transportation service providers, local government agencies, and departments of transportation—is called ITS integration. The power of ITS integration is that it establishes a common control which can be used for coordinating service operations, communicating between agencies and organizations, and implementing programs like transit signal priority or preemption. When all organizations are using the same technology platform within a geographic area, the exchange of information and data can be accomplished more readily. Technology training and ongoing operations and maintenance of the technology can be shared among the organizations, thereby reducing costs.

²⁴ TCRP Report 84, page 16.

Resources

Transportation Research Board, *Transit Cooperative Research Program (TCRP) Report 84, E-Transit: Electronic Business Strategies for Public Transportation, Volume 6, Strategies to Expand and Improve Deployment of ITS in Rural Transit Systems*, Washington, D.C., 2005

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