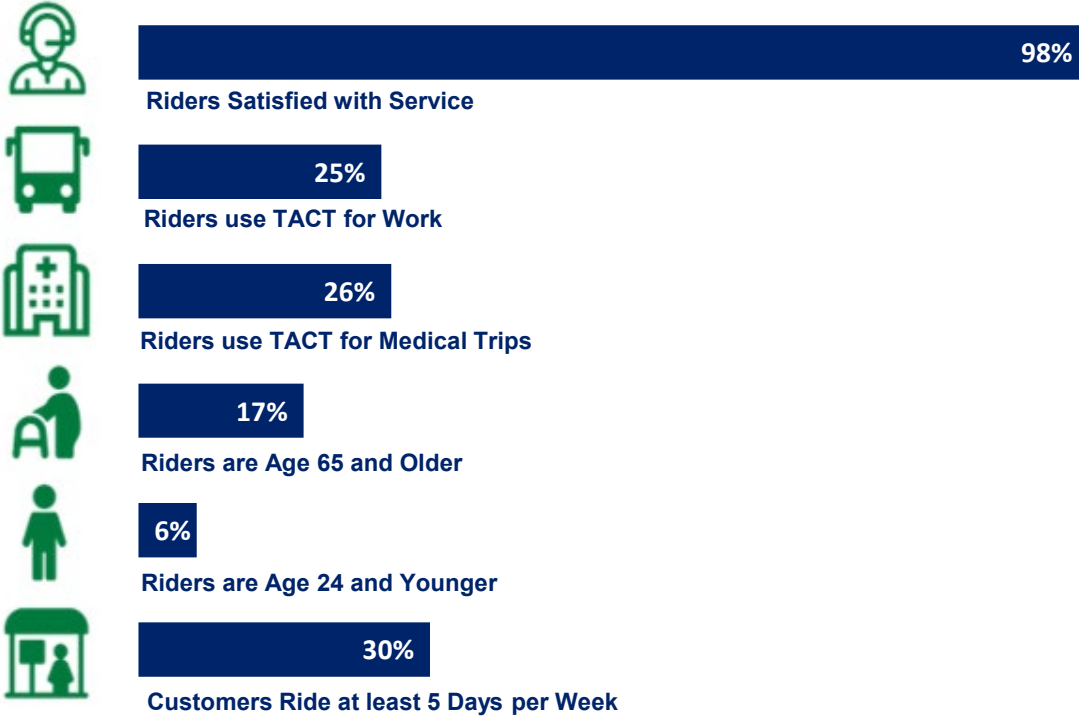


TOWN & COUNTRY TRANSIT (TACT) PERFORMANCE REVIEW EXECUTIVE SUMMARY



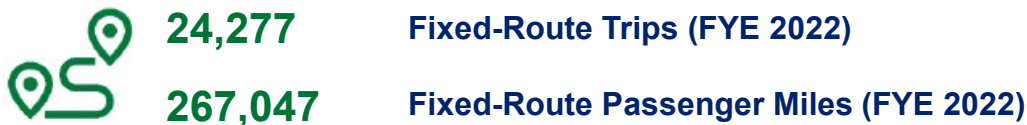
FIXED-ROUTE RIDER PROFILE



Source: 2017 Customer Satisfaction Survey

COMMUNITY IMPACTS

SOCIAL



9,675 Paratransit Trips (FYE 2022)



Source: FYE 2022 dotGrants and Agency Reporting

COMMUNITY IMPACTS

ECONOMIC



\$391,496

**Spent doing Business
With Pennsylvania Vendors (FYE 2022)**



\$235,975

Operator Salaries & Wages (FYE 2022)

\$14.98

Average Fixed-Route Hourly Driver Wage (FYE 2022)

Sources: FYE 2022 dotGrants and Agency Reporting

ACT 44 PERFORMANCE METRICS

		TARGET (2022)	ACTUAL (2022)	FUTURE (2027)
	INCREASE Passengers / RVH	5.41	4.22	4.32
	CONTAIN Operating Cost / RVH	\$77.76	\$90.65	\$105.09
	INCREASE Operating Revenue / RVH	\$4.94	\$4.17	\$4.84
	CONTAIN Operating Cost / Passenger	\$14.39	\$21.50	\$24.33

BEST PRACTICES

- Engaged senior customers on the bus to increase shared-ride sign-ups
- Held listening sessions with customers at high-volume stops ahead of service changes
- Conducted a revenue fleet optimization study that identified potential long-term maintenance and capital cost savings from a homogenized fleet

OPPORTUNITIES FOR IMPROVEMENT

- Conduct a Customer Satisfaction Survey
- Formalize the procedure for service adjustments
- Update route maps to include street names and fare zone boundaries
- Develop a farebox recovery goal
- Increase market share for healthcare-related trips

TOWN & COUNTRY TRANSIT (TACT) PERFORMANCE REVIEW EXECUTIVE SUMMARY



Other Fixed-Route Performance Statistics	FYE 2019	FYE 2022
Operating Revenue / Operating Cost	6.1%	4.6%
Operating Cost / Total Vehicle-Hours	\$83.98	\$71.65
Operating Cost / Total Vehicle-Miles	\$6.28	\$5.45
Total Passengers / Total Vehicle-Hours	5.66	3.33
Operating Cost / RVM	\$6.65	\$5.51
RVM / Total Vehicle-Miles	94.4%	98.9%
RVH / Total Vehicle-Hours	92.7%	79.0%
Operating Subsidy / Passenger Trip	\$13.93	\$20.51
Farebox Recovery	6.0%	4.4%

Note: Does not include ADA Paratransit Operating Statistics

Fixed-Route Annual Operating Statistics	FYE 2019	FYE 2022
Vehicles in Maximum Service (VOMS)	4	3
Operating Cost	\$626,408	\$522,068
Operating Revenues	\$38,055	\$24,034
Operating Subsidies	\$588,353	\$498,034
Total (Actual) Vehicle-Miles	99,720	95,804
Revenue Vehicle-Miles (RVM)	94,144	94,775
Total Vehicle-Hours	7,459	7,286
Revenue Vehicle-Hours (RVH)	6,915	5,759
Total Passenger Trips	42,248	24,277
Senior Passenger Trips	13,096	6,729

Note: Does not include ADA Paratransit Operating Statistics



TACT Fixed-Route Bus in downtown Kittanning, PA

AGENCY TRENDS



Serious Injuries

0.0

Crashes per Million Vehicle Miles Traveled (VMT)



Fleet

20

Total Vehicles



Van

7,700

Estimated Annual Miles Per Van



Light-Duty Small Bus

10,000

Estimated Annual Miles Per Bus



Spare Vehicle Ratio

50%

Fixed-Route Bus

35%

Shared-Ride Small Bus/Van

Source: 2023 Capital Planning Tool and FYE 2022 dotGrants Reporting

HIGH-LEVEL FINANCIAL INDICATORS

FYE 2019

8.9%

FYE 2022

95.4%



Total Cash Reserves / Total Operating Expenses

FYE 2019

\$0.89

FYE 2022

\$0.94



Effective Fare (Total Fare Revenue / Passenger Boardings)

Source: dotGrants Reporting



Performance Report

March 30, 2023

Transit Performance Review

**Mid-County Transit Authority
(d.b.a., Town n' Country Transit)**

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Preface

Pennsylvania law requires transit agency performance reviews and five-year performance targets to improve the efficiency and effectiveness of service

COVID-19 disproportionately impacted transit-dependent populations

Transit agencies have navigated new requirements, higher costs, and shifting travel demand

A “new normal” for transit systems seems to be emerging, but uncertainty and volatility remain

PennDOT will reevaluate performance targets when the long-term impacts of the pandemic are known

Act 44 of 2007 and Act 89 of 2013 increased funding for public transportation in Pennsylvania. The laws also required transit agencies to improve the efficiency and effectiveness of service delivery through increased ridership, revenue, and cost containment. PennDOT evaluates every fixed-route transit agency in the Commonwealth through a performance review at least once every five years to determine how well the agency satisfies these requirements. Act 44 also requires PennDOT to develop five-year performance targets for each agency as part of the performance review process.

Beginning in February 2020, COVID-19 caused significant social and economic disruptions as workplaces closed and people limited travel and gatherings to reduce the spread of the disease. The adverse impacts throughout the Commonwealth of Pennsylvania were profound. The health and unemployment effects of COVID-19 disproportionately impacted senior, disabled, and low-income populations. These individuals also rely heavily on public transportation to meet their essential travel needs.

The impacts of COVID-19 on the public transportation industry were also severe. Ridership decreased by more than 90 percent at some agencies during April 2020. Revenues dropped as agencies opted to waive fares to limit bus driver interactions and possible disease transmission from the handling of tickets and currency. Agencies increased the frequency and extent of bus cleaning, which increased operating costs. Some agencies furloughed drivers as they reduced service in response to plummeting passenger demand.

By late Summer 2020, transit agencies had begun to stabilize from the initial impacts of COVID-19, only to have statewide infection rates soar in the fall and winter. As COVID-19 lingered and mutated for more than three years, its impact on travel patterns became less severe, but its influence never fully subsided. As of early 2023, post-pandemic travel patterns have begun to emerge and stabilize, but the long-term effects of the pandemic on transit remain unknown.

Many of the ridership, revenue, and operating cost trends used to develop this transit performance review report, including five-year performance targets, rely on information that predates the pandemic. PennDOT will continue to monitor the impacts of COVID-19 and reassess the transit agency's five-year performance targets when the long-term effects of the pandemic are known. If the performance targets are revised, they will be published as an addendum to this report.

Introduction

Purpose

Act 44 requires local transportation organizations that receive state operating assistance to participate in periodic reviews to assess agency performance. PennDOT established a framework for conducting performance reviews with local transportation organizations to:

- Assess efficiency and effectiveness of service, financial stability, and general management/business practices;
- Agree to five-year targets for Act 44-mandated performance criteria;
- Assist agencies in developing an action plan which addresses opportunities for improvement and ways to achieve performance targets;
- Provide technical assistance to implement the plan at the request of the transportation organization; and
- Reassess each organization on a five-year cycle.

The reassessment at the end of each five-year cycle is to evaluate:

- Whether the organization met the agreed-upon performance targets; and,
- The sufficiency and effectiveness of actions taken by the organization to improve performance and management practices to meet performance targets.

This report presents the Mid County Transit Authority (d.b.a. Town and Country Transit, TACT) review, conducted on May 11, 2022.

Performance Review Process Steps

The performance review process is a collaborative effort between the transit agency and PennDOT.

As shown in **Exhibit 1**, the performance review process assesses TACT's unique challenges and changes since the previous performance review, the accuracy and reliability of reported data, implemented practices, additional opportunities for improvement, and realistic targets to attain before the next review.

Exhibit 1. Performance Review Process Steps

Key to Responsibilities: **PennDOT** **PennDOT + Transit Agency** **Transit Agency**

1.	Notify agency of performance review schedule and request supporting documents.
2.	Review available data and request additional information.
3.	Agree upon a set of peer agencies for comparison.
4.	Review the most recent customer satisfaction survey.
5.	Assess Act 44 variables, including current performance, targets from the previous review, and Action Plan implementation.
6.	Conduct Act 44 performance criteria analysis.
7.	Interview agency management, staff, and governing body.
8.	Perform supplementary data collection and reconciliation.
9.	Evaluate performance, financial management, and operations.
10.	Report results and determine agency compliance with performance requirements.
11.	Develop the performance report.
12.	Develop, implement, and monitor a five-year Action Plan.
13.	Provide technical assistance, if required, to help meet five-year performance targets.

Agency Overview

Mid-County Transit Authority (MIDCO, d.b.a. Town & Country Transit, TACT) was formed in 1975 and provides rural fixed-route service in and around the greater Kittanning area and demand-response bus services for Armstrong County, PA (**Exhibit 2**). MIDCO was formed as a municipal authority representing Applewold Borough, East Franklin Township, Ford City Borough, Kittanning Borough, Manor Township, Manorville Borough, and West Kittanning Borough. MIDCO later assumed responsibility for demand-response transportation services from Armstrong County and rebranded as Town & Country Transit.

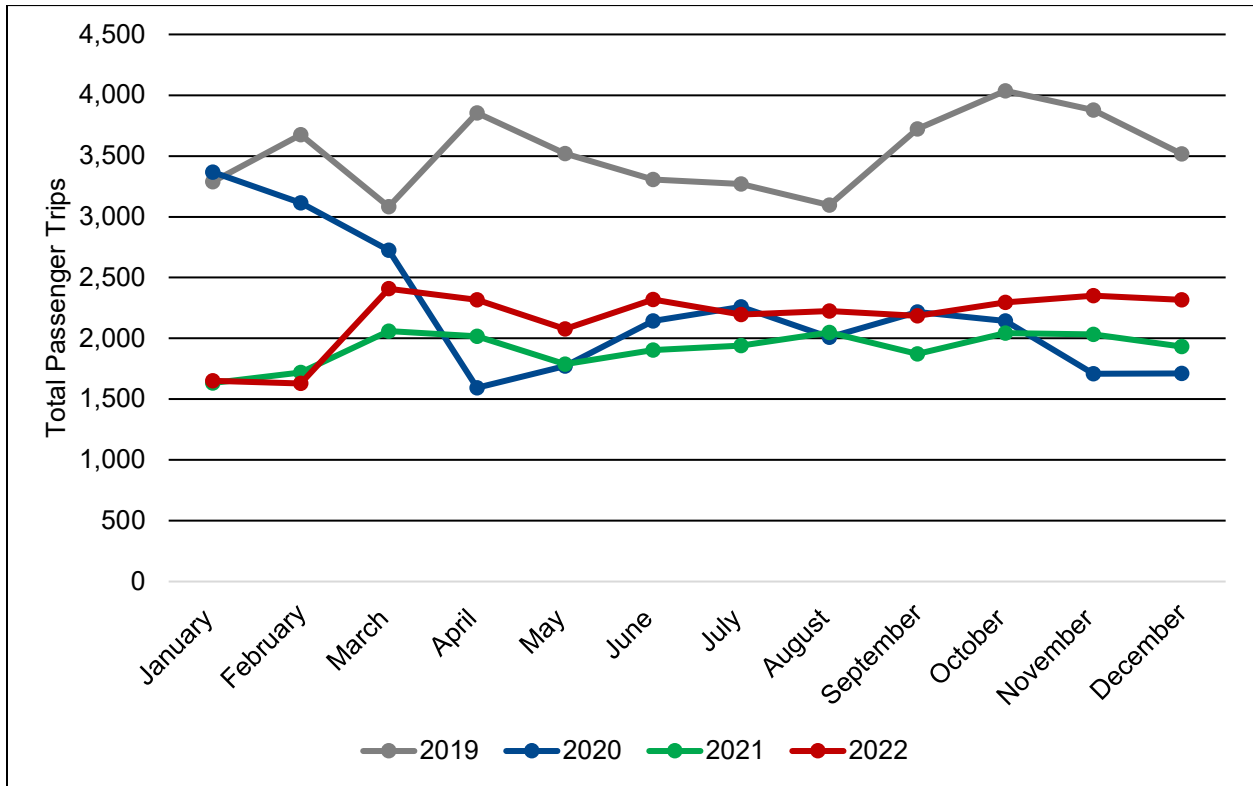
Exhibit 2. TACT fleet in Kittanning, PA



In the Fiscal Year 2021-22, TACT had three fixed-route vehicles operating in maximum service (VOMS) and provided 24,277 fixed-route passenger trips. TACT had nine VOMS for demand-response service that delivered 525 ADA complementary and 9,150 shared-ride trips. Of the 9,150 shared-ride trips, 2,610 or 28.5 percent of other trips were funded by the Medical Assistance Transportation Program (MATP).

Like most transit systems nationally and across Pennsylvania, the COVID-19 pandemic impacted TACT's ridership beginning in March 2020. TACT began to reclaim ridership in 2021 as senior centers resumed some group trips. Monthly fixed-route ridership stabilized in 2022, but remains below pre-pandemic levels (**Exhibit 3**).

Exhibit 3. Monthly Fixed-Route Ridership, 2019 through 2022



Community Impacts

Public transportation is a vital service to the community. It provides mobility options and increases access to jobs, medical facilities, food stores, schools, and other economic destinations.

The COVID-19 pandemic highlighted the critical nature of public transportation to individuals and their communities. Essential workers and those most reliant on public transportation services continued to ride throughout the pandemic while many former commuters and professional services jobs continue remote work.

Customer Satisfaction Survey

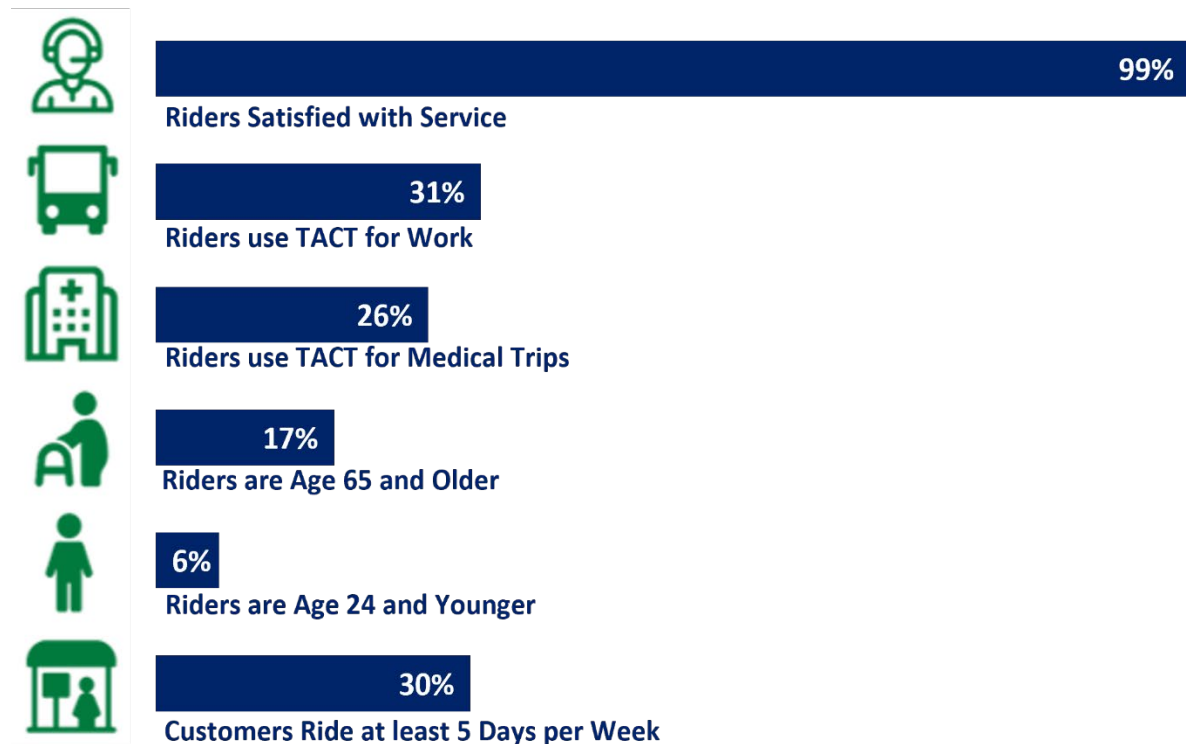
In January 2017, TACT conducted a fixed-route customer service satisfaction survey (CSS). A total of 94 completed surveys were collected. Based on the number of respondents and the survey results, the survey had a 92 percent confidence in reflecting the complete population of riders. The 2017 CSS estimated an average of 185 unique riders.

The survey results were aggregated to determine average satisfaction scores. Top-ranked measures included: driver courtesy and friendliness, comfortable bus seats, and safe and competent drivers. Lowest-ranked measures included: frequency of weekend service, telephone customer service, and comfort at bus stops.

TACT Rider Profile

The CSS provides insight into rider characteristics and customer preferences (**Exhibit 4**). Survey respondents indicated a 99 percent satisfaction level in their overall experience with TACT. Thirty percent of customers who use TACT frequently ride at least five days per week. TACT reliably helps 31 percent of its customers get to work regularly. About one in four riders count on TACT for essential medical trips. Senior customers account for 17 percent of TACT’s riders, while only six percent are under 24.

Exhibit 4. Fixed-Route Rider Profile



Source: 2017 TACT CSS

Economic and Social Impacts

TACT benefits the local economy and the communities it serves through the expenditure of public funds and fare revenue, supporting jobs in transit operations, and by purchasing services and goods (**Exhibit 5**).

In FYE 2022, TACT paid \$391,496 to Pennsylvania-based businesses for various services and purchased goods to support operating activities. TACT spent \$549,239 in total wages: \$235,975 for operations staff, \$48,920 for maintenance personnel, and \$264,344 for general

TACT provided 24,277 fixed-route bus trips and 9,675 paratransit trips in FYE 2022

administration wages. As of June 2022, TACT employs nine full-time and five part-time individuals. Excluding overtime pay, TACT's \$14.98 average hourly fixed-route driver wage roughly equals an annual income of \$31,200.

Based on an estimated 185 pre-pandemic unique riders and 129,117 passenger miles, the average fixed-route passenger took 201 trips

and rode TACT for 698 total miles during FYE 2017. TACT reported 24,277 fixed-route passenger trips as of FYE 2022, and 92 percent of fixed-route trips were on time.¹

In FYE 2022, TACT provided 9,675 paratransit trips, with 55 percent of total trips taken by seniors subsidized by the Pennsylvania Lottery shared-ride program. The remaining 45 percent of paratransit trips consisted of 2,610 MATP trips, 519 ADA trips, and 1,184 Persons with Disabilities (PwD) trips. TACT had 89 percent on-time pick-ups for shared-ride service.

¹ On-time performance is a service reliability measure based on when a vehicle arrives within a specific range of its scheduled arrival. TACT considers on-time to be zero minutes early and up to ten minutes late within the expected arrival time.

Exhibit 5. Economic and Social Measures

ECONOMIC



\$391,496 Spent doing Business
With Pennsylvania Vendors (FYE 2022)



\$235,975 Operator Salaries & Wages (FYE 2022)



\$14.98 Average Fixed-Route Hourly Driver Wage (FYE 2022)



SOCIAL



24,277 Fixed-Route Passenger Trips (FYE 2022)



267,047 Fixed-Route Passenger Miles (FYE 2022)



201
Annual Trips per
Rider (FYE 2017)



698
Annual Miles per
Rider (FYE 2017)

9,675 Paratransit Trips (FYE 2022)



On-Time Performance
(FYE 2022)

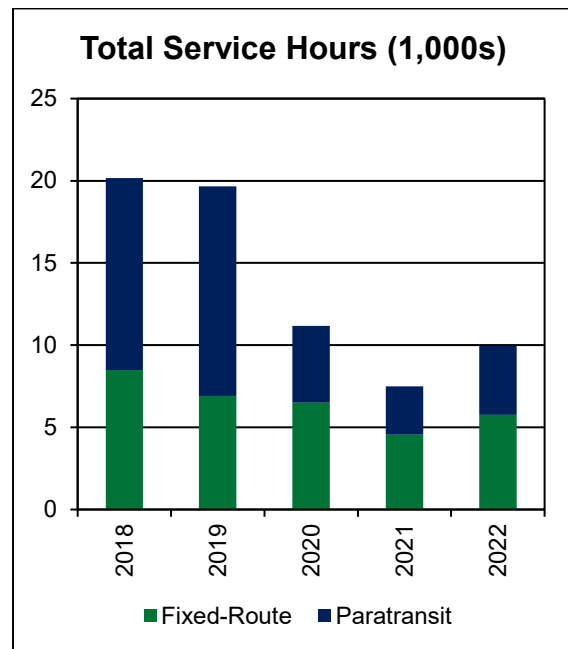
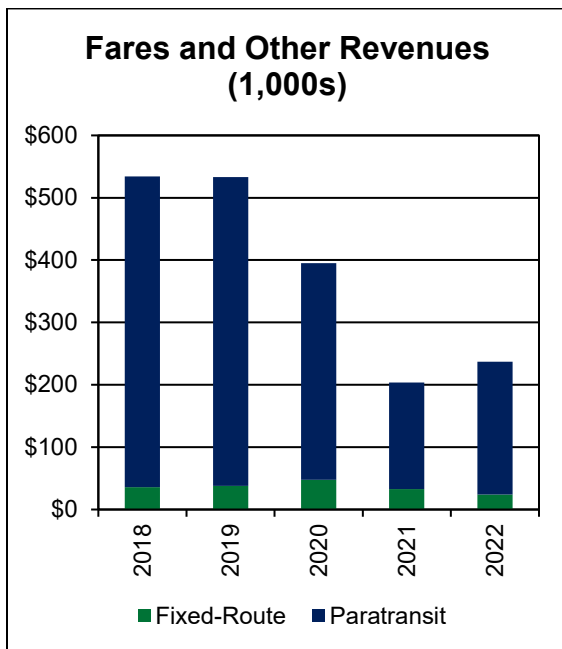
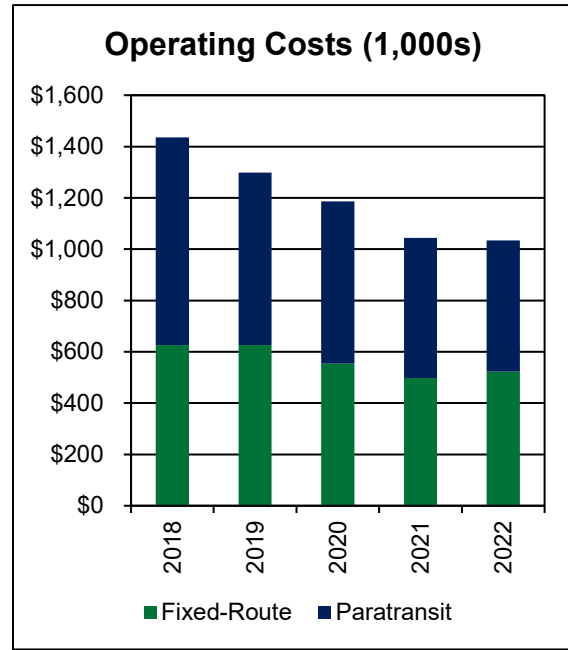
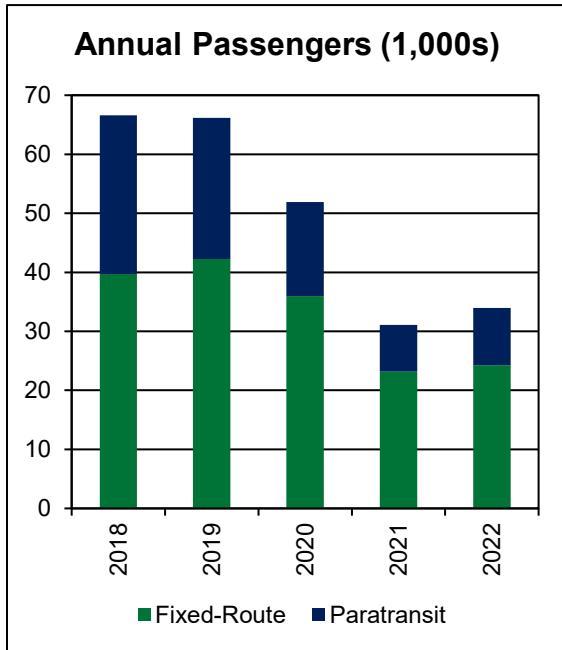
92%
Fixed-Route
On-Time Performance

89%
Shared-Ride
On-Time Pick-Ups

Source: FYE 2022 dotGrants and agency reporting values.

Agency Trends

Annual Operating Statistics



Note: **Appendix A: Data Reconciliation** on page 23 provides reconciled values between dotGrants and the National Transit Database (NTD).

Financial Health

Transit agencies in good financial health typically have diverse revenue streams, build sufficient operating reserves, and prioritize long-term financial sustainability. TACT operated with a balanced budget during FYE 2022. Total transportation services cost approximately \$1 million to operate. TACT earned approximately \$237,000 in revenues and required roughly \$800,000 in subsidies to offset operating deficits (**Exhibit 6**).

Exhibit 6. FYE 2022 Operating Budget Summary

Fiscal Year 2021-22	Fixed-Route	ADA	Shared-Ride	Total
Total Operating Expenses	\$522,068	\$27,688	\$484,033	\$1,033,789
Total Revenue	\$24,034	\$1,297	\$211,563	\$236,894
Total Federal Subsidies	\$211,052	\$0	\$0	\$211,052
Total State Subsidies	\$232,947	\$26,391	\$272,470	\$531,808
Total Local Subsidies	\$54,035	\$0	\$0	\$54,035

High-Level Financial Indicators

As shown in **Exhibit 7**, as of FYE 2022, TACT had total reserves (available cash and carryover subsidies) equal to 95.4 percent of its total annual operating costs. These reserves are due to the influx of federal COVID relief funds for operating expenses, which allowed the authority to build its state operating reserves from \$0 in FYE 2020 to \$799,993 as of FYE 2022.

TACT has a \$100,000 line of credit available for short-term use to maintain sufficient cash flow. As of FYE 2022, TACT had no outstanding balance on its line of credit or any other long-term debt, and no amounts in accounts payable or accounts receivable over 90 days.

Fixed-route operating revenues recovered 6.0% of annual operating costs before the pandemic.

Before the pandemic, TACT had a farebox recovery ratio of 6.0 percent. For the fiscal year ending June 30, 2022, farebox recovery decreased to 4.4 percent due to the impacts of the pandemic. As of FYE 2022, fixed-route ridership for TACT rebounded to 74 percent of its pre-COVID-19 ridership. TACT last raised its base fare for fixed-route service in 2012 by \$0.25, from \$1.00 to \$1.25. TACT has a mileage-based shared-ride fare structure, ranging from zero to over 35 miles across eight zones. PwD trips have

a 15 percent copay, shopping trips have a ten percent copay, and medical trips have a five percent copay. TACT last increased shared-ride fares in 2019.

TACT's fixed-route operating subsidy per passenger trip was \$20.51 in FYE 2022. The operating subsidy per passenger trip increased from FYE 2019 to FYE 2022 by 47.3 percent, which was the last fiscal year before the impacts of the COVID-19 pandemic on ridership, revenues, and operating costs. The increase in subsidies offset the loss of passenger revenue.

Exhibit 7. High-Level Financial Indicators

Indicator	Value		Assessment Criteria / Rationale	Source
	FYE 2019	FYE 2022		
Total Reserves / Annual Operating Cost	8.9%	95.4%	A combined target of 25%+ provides liquidity to cover unexpected cost increases or service changes without incurring interest fees from loans.	FYE 2019 Audit FYE 2022 Audit
Credit Available/ Annual Payroll	18.7%		Only necessary if combined carryover subsidies are less than 25% of annual operating costs. This ensures that the agency maintains sufficient cash flow and liquidity to pay all current bills.	FYE 2022 Audit and PennDOT dotGrants
Accounts Payable (AP) 90+ days	0.0%		Target should be 0% over 90 days. Larger values indicate cash flow concerns.	August 2022 agency reported value
Accounts Receivable (AR) 90+ days	0.0%		Target should be 0% over 90 days. Larger values can cause cash flow problems.	August 2022 agency reported value
Debt / Annual Operating Cost	0.0%		Target should be 0%. Low debt amounts reduce interest expenses.	FYE 2022 Audit
Farebox Recovery	FYE 2019	FYE 2022	Typically, the target for rural systems should be 10% or higher. The drop in ridership associated with the COVID-19 pandemic significantly reduced farebox recovery.	FYE 2019 Audit, FYE 2022 Audit, and PennDOT dotGrants
	6.0%	4.4%		
Effective Average Fare	\$0.89	\$0.94	Total fare revenue / total passengers. Effective fare calculates the actual value of fares per passenger trip and is an indicator of when fares might need adjustment to offset increases in operating costs.	FYE 2019 Audit, FYE 2022 Audit, and PennDOT dotGrants
Operating Subsidy per Passenger Trip	\$13.93	\$20.51	Indicates the subsidy requirement to offset operating losses per passenger trip.	FYE 2019 Audit, FYE 2022 Audit, and PennDOT dotGrants

Safety

Industry practices dictate a holistic approach to safety that includes the principles of Safety Management Systems (SMS). At this time TACT is not required to develop an FTA-compliant Public Transportation Safety Plan (PTASTP), but has developed internal safety procedures and documents to identify and mitigate incidents and risks. These include:

- A Safety, Security, and Emergency Preparedness Plan that provides comprehensive safety and security planning across the authority.
- An Accident Reporting & Investigation Policy that sets a process for employees to report incidents and assigns responsibility to the Operations Manager for investigation.
- A Driver Accident Procedure for accidents that occur on the road.
- Reinstating quarterly driver safety training meetings.

Capital Asset Management

PennDOT verifies asset conditions by reviewing Capital Planning Tool (CPT) records and interviewing transit agency management, operations, and maintenance staff. Transit Asset Management (TAM) is a systematic process that allows agencies to track assets, forecast asset conditions, and plan for asset maintenance or replacement. This Federal Transit Administration (FTA)-required process accounts for the entire life cycle of a capital asset (e.g., facilities, equipment, rolling stock, and infrastructure) used for public transportation, from procurement through operations and maintenance to disposal. A critical element of the TAM process is the inventorying and assessment of asset conditions.

Detailed inventories of the fleet and other capital assets indicate when assets should be scheduled for replacement. This process is key for efficient coordination with local funding contributors. PennDOT recognizes a revenue vehicle asset as eligible for replacement when it reaches its useful life in years and miles. The estimated service life (ESL) for a vehicle depends on its size, fuel type, and seating capacity:

- Large, heavy-duty bus ESL is 500,000 miles and 12 years;
- Medium-duty bus ESL is 350,000 miles and ten years;
- Light-duty bus ESL is 150,000 miles and five years; and
- Van ESL is 100,000 miles and four years.

As of January 2023, TACT had a fleet of 20 total vehicles. The fleet consists of light-duty buses and vans. As shown in **Exhibit 8**:

- Light-duty buses accrued an average of 7,700 annual miles; and,
- Vans accrued an average of 10,000 annual miles.

Exhibit 8. 2023 Fleet Utilization

Vehicle Type	Fleet	ESL Requirements		Annual Miles	
		Years	Miles	2023 Estimate	ESL
Light-Duty Bus	14	5	150,000	7,700	30,000
Van	6	4	100,000	10,000	25,000

Based on current odometer readings and estimated yearly mileage, TACT's light-duty buses and vans accumulated fewer than 30,000 and 25,000 annual miles and will remain in service beyond five and four years, respectively. If current utilization levels continue, TACT should ensure preventative maintenance occurs on time and according to schedule as vehicles operate past their estimated useful life in years.

In May 2021, TACT completed a revenue fleet optimization study to determine the minimum fleet requirements with options to assist the Authority in aligning future capital purchases with passenger demand. TACT initiated the study to assess right-sizing its fleet to sustainably maintain service coverage within existing passenger demand levels and accommodate a workforce without requiring a commercial driver's license with a passenger endorsement (CDL).

The results of that study determined that TACT could sustainably operate with a fleet of 17 light-duty buses and recommended the following:

- Fixed-route service with five light-duty buses (three VOMS and two spares) outfitted with Fixed-Route Intelligent Transportation Systems (FRITS); and.
- Demand-response service with 12 light-duty buses (10 VOMS and two spares) outfitted with Ecolane scheduling software.
- Potentially save approximately \$240,000 in capital costs every five years from a homogenized fleet of 17 total vehicles, in addition to annual maintenance savings from reduced parts inventory and maintenance labor for servicing a single vehicle type and interchangeable driver pool without CDL requirements.

Act 44 Performance Review Findings

Prior Performance Reviews

On prior performance reviews, TACT took action to increase fixed-route ridership and revenues and contain growth in operating costs. Prior action plans recommended that TACT:

- Conduct outreach with local senior and housing agencies.
- Improve brand visibility.
- Engage riders to sign up for the Find My Ride service.
- Develop a policy for on-time performance.
- Adjust fixed-route span of service to cut underperforming morning and evening hours.
- Create an agency performance snapshot as part of monthly Board reports.
- Create a succession plan in the event of unexpected absences for key positions.
- Adjust shared-ride service coverage and availability to sustainably operate in high-demand areas on alternating days of the week.

Current Performance Assessment and Findings

The current performance assessment reviews the agency's progress in achieving its five-year performance goals and identifies additional steps to improve performance. The 2018 performance report established performance targets for the fiscal year ending on June 30, 2022, based on the following annual goals (**Exhibit 9**):

- Increase passengers per revenue vehicle-hour by 1.0 percent per year;
- Increase operating revenue per revenue vehicle-hour 1.0 percent per year;
- Contain growth in operating costs per revenue vehicle-hour to 2.0 percent per year; and
- Contain growth in operating cost per passenger to 1.0 percent per year.

Exhibit 9. FYE 2022 Performance Assessment

Act 44 Performance Metrics	Annual Performance Goals	Performance Assessment	
		FYE 2022 Targets	FYE 2022 Actual
Passengers/RVH	1.0%	5.41	4.22
Operating Revenue/RVH	1.0%	\$4.94	4.17
Operating Cost/RVH	2.0%	\$77.76	90.65
Operating Cost/Passenger	1.0%	\$14.39	21.50

In addition to completing the 2018 Action Plan, steps TACT took to improve agency performance included:

- Added new lighting and fencing to the TACT facility grounds to improve security.
- Increased driver wages to remain competitive and attract applicants.
- Improved brand awareness by participating in key community events.
- Updated agency website to improve the user experience.

- Analyzed fixed-route productivity levels and incrementally increased service as ridership levels rose in 2021 and 2022.
- Modified light-duty buses to address limited CDL workforce capacity.
- Conducted a revenue fleet optimization study to identify an ideal vehicle type and fleet size that meets existing passenger demand within current utilization levels and potentially expands the eligible driver workforce.

The COVID-19 pandemic and resulting changes in travel behavior adversely impacted TACT's ability to achieve its 2021 performance targets. Ridership and revenue decreased significantly from March 2020 through 2021, while costs increased due to COVID mitigation measures (e.g., additional cleaning of vehicles, facilities, equipment, etc.).

Future Performance Goals

Background

Act 44 requires that PennDOT and transit agencies establish five-year performance targets for each of the four Act 44 metrics for fixed-route service:

- Passengers per Revenue Vehicle-Hour
- Operating Cost per Revenue Vehicle-Hour
- Operating Revenue per Revenue Vehicle-Hour
- Operating Cost per Passenger

Setting performance targets for these metrics and reevaluating performance regularly is intended to improve service delivery effectiveness and efficiency. To keep pace with increases in operating costs, Act 89 requires agencies to maintain a policy to adjust fares for inflation. TACT's fare policy measures the price of its base fare against the federal rate of inflation since the date of its last base fare increase to determine if a \$0.25 increase is warranted. TACT last increased its base fare in 2012 from \$1.00 to \$1.25. In 2019, TACT assessed its fixed-route base fare and determined it would remain at \$1.25.

PennDOT uses the most recent audited and agency-verified values for passengers, operating costs, and operating revenues as the baseline for developing the targets. Five-year targets are then set based on realistic and achievable expectations of improvement.

TACT Goals for FYE 2027

PennDOT based TACT's future-year performance targets on the most recent audited financial year (FYE 2022). Over the next five years, TACT must work to achieve the targets shown in **Exhibit 10** to ensure continued eligibility for full Section 1513 funding.

Exhibit 10. FYE 2027 Performance Goals

Performance Criteria	FYE 2022 Observed	FYE 2027 Goal	Target Annual Increase
Passengers/RVH	4.22	4.32	0.5%
Operating Revenue/RVH	\$4.17	\$4.84	3.0%
Operating Cost/RVH	\$90.65	\$105.09*	3.0%
Operating Cost/Passenger	\$21.50	\$24.33*	2.5%

*Note: Following the collection of TPR data, a significant wage increase was given to TACT employees in an attempt to make the wages more competitive for the area following dramatic wage increases in the area during and following the pandemic. Key points include:

- Overall, wage increases across the agency 31.2 percent
 - Driver wage increased average 36.8 percent
 - Administration, mechanic, and support staff wages increased average 25.6 percent
- This obviously increased operating costs significantly over the information used to set performance targets.

PennDOT will continue to monitor the impacts of COVID-19 and reassess the transit agency's five-year performance targets when the long-term effects of the pandemic become known. If the performance targets are revised, they will be published as a supplement to this report.

Functional Review

Identifying Opportunities for Improvement and Best Practices

Functional reviews catalog best practices to share with other transit agencies and identify opportunities for improvement that should be addressed in the Action Plan. The performance review process includes assessing agency operations, management, and governance. PennDOT analyzes agency policies, programs, practices, and peer statistical comparisons to identify areas for review. The document review and peer comparison inform the performance discussion with agency leadership and staff. The outcome of the functional review is a collection of best practices potentially applicable to other Pennsylvania transit agencies and a list of opportunities for retaining and promoting ridership, ensuring long-term financial sustainability, and other opportunities for improvement.

A recommended Action Plan template is found in **Appendix B: Action Plan Template** on page 25 and the determinations and findings of the Act 44 peer review are found in **Appendix C: Act 44 Peer Comparison Analysis** on page 27.

Retain and Promote Ridership

Service must be responsive to community needs to achieve optimum service levels. Before the impact of the COVID-19 pandemic on ridership, transit systems nationwide faced lower ridership as gas prices fell and ridesharing companies competed with fixed-route systems. The rise in work-from-home practices, which increased due to the COVID-19 pandemic, adversely impacted commuter and discretionary travel demand. As transit agencies work to restore ridership to pre-pandemic levels, actions that focus on raising the awareness of service, enhancing the customer experience, and improving service efficiency help retain and attract ridership.

Best Practices

1. **TACT engaged senior customers on the bus to increase shared-ride sign-ups.** Staff used mobile tablets to help seniors, especially those with limited reading proficiency, sign up for shared-ride services via Find My Ride while riding the bus. This level of interaction demonstrated TACT's commitment to customer service and provided riders with an opportunity to directly provide feedback on customer preferences.
2. **TACT held listening sessions with customers at high-volume stops ahead of service changes.** Most of TACT's ridership base is transit dependent and according to management, have limited internet connectivity. TACT staff met with riders at the busiest stops to explain service adjustments before implementing changes. TACT preemptively addressed the potential impacts to ridership from new service changes by providing customers with an opportunity to discuss how service adjustments would impact their daily transportation decisions.

Opportunities for Improvement

1. **Conduct a Customer Satisfaction Survey (CSS).** TACT last conducted a CSS in 2017. Since then, the COVID-19 pandemic has significantly impacted TACT's high senior ridership. TACT should conduct a new CSS to gain customer insight on rider preferences and potential improvements the Authority can make to improve the customer experience and increase the attractiveness of using the service.
2. **Develop customer service metrics, and track and report on customer satisfaction levels to the Board.** Maintaining a pulse on customer satisfaction is critical to ensuring transit services meet customer expectations. TACT should develop customer service metrics and report on customer service to the Board. For example, the number of complaints by type, the percentage of resolved complaints, and driver commendations are standard metrics in gauging overall customer service.
3. **Formalize the procedure for service adjustments.** TACT adjusts its span of service and coverage in response to changes in ridership; however, there is no formal procedure that documents the decision-making steps. As the Authority has recovered nearly 75 percent of its fixed-route ridership since the onset of the COVID-19 pandemic, there might be calls for service expansions from the community as TACT seeks to reclaim pre-pandemic ridership levels. TACT should adopt a formal service standards procedure that documents the steps in making service adjustments.
4. **Update route maps to include street names and fare zone boundaries.** TACT has static route maps that display the route with stop information but lack street labels and fare zone information. Overlaying the routes on a street network would help familiarize new customers with the TACT system. Additionally, the Authority should consider developing a complete system map featuring all routes and fare zone boundaries. A full system map could also feature shared-ride destination zones to inform customers of all available transportation options.

Ensure Long-Term Financial Sustainability

Sound financial management is critical to ensuring the viability of transit services. Agencies often undertake multiple major expenditures on limited budgets. This includes financing major capital facility projects, fleet replacement, and funding recurring costs, including operations and maintenance, annual fringe benefits, fuel, utilities, and cleaning. Steps to ensure long-term financial sustainability include improving farebox recovery, diversifying revenue streams, right-sizing service to resources, and implementing cost-control measures.

Best Practices

1. **Conducted a revenue fleet optimization study that identified potential long-term maintenance and capital cost savings from a homogenized fleet.** TACT developed a potential capital fleet replacement schedule that considered an ideal vehicle type that met both useful minimum life requirements for replacement in years and miles and addressed workforce concerns from a local labor pool with limited CDL licenses. Management identified long-term maintenance cost savings from servicing a single vehicle type from reduced labor expenses and parts inventory and potential capital

savings from procuring a single vehicle type under the minimum fleet requirements. TACT also factored in technology improvements to outfit new vehicles with FRITS for fixed-route service and Ecolane for demand-response service.

Opportunities for Improvement

1. **Develop a fixed-route farebox recovery goal.** TACT's fixed-route fare policy determines when the Authority should increase fixed-route fares. Management assesses the current base fare against the previous base fare, and if the percent difference is less than the change in the US inflation rate from the base fare year, then TACT will increase fixed-route fares by \$0.25. TACT last increased fixed-route fares in 2012; the base fare is \$1.25. The 2019 assessment determined that the base fare should remain at the 2012 rate. The loss in passenger fares resulting from the impact of the COVID-19 pandemic on ridership significantly lowered TACT's farebox recovery, which decreased from 6.0 percent to 4.4 percent between FYE 2019 and FYE 2022. To determine potential increases, TACT should consider incorporating a farebox recovery goal as part of its fixed-route fare policy. Although passenger fares only recover a small portion of fixed-route operating expenses, maintaining a farebox recovery goal serves as a metric to ensure operating revenues keep pace with the growth in operating costs and help the Authority maintain long-term financial sustainability.
2. **Assess maintenance staffing needs to ensure adequate coverage for any long-term or unexpected absences.** TACT has one full-time mechanic responsible for the fleet of 20 vehicles and facility maintenance. The Authority performs most maintenance in-house, except for paint, windshields, and significant body work. The succession plan briefly mentions that TACT would find a qualified mechanic for short-term absences but fails to specify how the Authority would ensure maintenance needs are met while filling the vacancy. Management should assess current staffing levels and determine if a part-time mechanic would provide adequate coverage or if it is more sustainable in the long term to contract for as-needed maintenance services.

Identify Other Opportunities to Improve Performance

There are additional opportunities to enhance agency performance. Actions that prioritize board education, strategic planning, workforce management, and partner agency collaboration improve overall agency functions. Actions that target organizational improvement promote an efficient and transparent administration. Advocacy with stakeholders and funding partners on behalf of the agency builds stronger community ties. Goal-oriented actions help inform management and the Board's decision-making process to inform investment decisions when pursuing significant capital investments and new information technologies.

Best Practices

1. **None.**

Opportunities for Improvement

1. **Promote a diverse Board reflective of the community at large.** TACT has a seven-member Board of Directors from the seven sponsoring municipalities. The Authority has a vacancy from the Borough of Applegold, and the Board discussed difficulties finding a representative from the small municipality with a population of about 400 residents. TACT's charter allows for appointments outside of local match-sponsoring communities. For example, TACT could invite leading industries in the area, such as the ACMH Hospital, to recommend a senior official to join the Board. Expanding membership may address the current vacancy and diversify the skills brought to the Board.
2. **Incorporate PennTRAIN Board Education modules as part of Board refresher training.** TACT previously completed available training resources through the Pennsylvania Public Transportation Association (PPTA) PennTRAIN's Board Education modules. The Board and management agreed that refresher training is valuable and would benefit new and experienced members. TACT should incorporate PennTRAIN Board Training as part of regular Board meetings as a continual learning exercise.
3. **Develop a business relationship with the local hospital as an opportunity to increase TACT's market share for healthcare-related trips.** The ACMH Hospital in Armstrong County is a significant destination for many TACT riders and is accessible by fixed-route service. Management discussed increased competition from private healthcare transportation providers impacting TACT's market share for shared-ride and medical trips. TACT should develop a relationship with hospital management and identify a point of contact for negotiating potential partnership opportunities to increase service in and around the hospital. For example, TACT can discuss the value of reducing the cost of no-show appointments at the hospital by providing a transportation solution for Armstrong County's rural and most vulnerable populations. Successful examples of transit-healthcare provider relationships in the Commonwealth include rabbitransit and the Geisinger Healthcare System in central Pennsylvania and the Lehigh and Northampton Transportation Authority (LANta) and Lehigh Valley Health Network in Lehigh, Northampton, and Carbon counties.

Appendix A: Data Reconciliation

The performance review process reconciles NTD data to audited, agency-reported dotGrants legacy budgets to ensure the data presented in this report are consistent and accurate. Certified audits, financial statements, and other agency-generated reports are examined to identify discrepancies in financial and operating statistics. Any discrepancies discovered are verified and appropriately reconciled with agency management before determining Act 44 performance metrics and establishing new performance goals.

Ridership	FYE 2015	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
NTD	45,180	40,459	37,221	39,694	42,248	35,940
dotGrants	45,180	40,459	37,221	39,694	42,248	35,940
Variance	-	-	-	-	-	-
Percent Difference	0%	0%	0%	0%	0%	0%
Adjusted Value	45,180	40,459	37,221	39,694	42,248	35,940
Operating Costs	FYE 2015	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
NTD	\$567,985	\$548,561	\$592,705	\$625,805	\$626,408	\$554,381
dotGrants	\$567,985	\$548,561	\$592,705	\$625,805	\$626,408	\$554,381
Variance	\$0	\$0	\$0	\$0	\$0	\$0
Percent Difference	0%	0%	0%	0%	0%	0%
Adjusted Value	\$567,985	\$548,561	\$592,705	\$625,805	\$626,408	\$554,381
Operating Revenue	FYE 2015	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
NTD	\$36,708	\$35,283	\$32,245	\$34,928	\$37,603	\$48,285
dotGrants	\$37,816	\$36,997	\$34,305	\$35,608	\$38,055	\$47,428
Variance	\$1,108	\$1,714	\$2,060	\$680	\$452	-\$857
Percent Difference	3%	5%	6%	2%	1%	-2%
Adjusted Value	\$37,816	\$36,997	\$34,305	\$35,608	\$38,055	\$47,428
Revenue Vehicle-Hours	FYE 2015	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
NTD	7,864	7,945	9,539	8,488	6,915	6,496
dotGrants	7,864	7,945	9,539	8,488	6,915	6,496
Variance	-	-	-	-	-	-
Percent Difference	0%	0%	0%	0%	0%	0%
Adjusted Value	7,864	7,945	9,539	8,488	6,915	6,496

The following Act 44 performance metrics were calculated for TACT.

Act 44 Adjusted Metrics	FYE 2015	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Passengers/RVH	5.75	5.09	3.90	4.68	6.11	5.53
Operating Revenue/RVH	\$4.81	\$4.66	\$3.60	\$4.20	\$5.50	\$7.30
Operating Costs/RVH	\$72.23	\$69.04	\$62.13	\$73.73	\$90.59	\$85.34
Operating Cost/Passenger	\$12.57	\$13.56	\$15.92	\$15.77	\$14.83	\$15.43

Appendix B: Action Plan Template

Part 1 – Actions to Retain and Promote Ridership

Recommendations From Narrative starting on page 19.	TACT Action	Estimated Initiation Date	Estimated Completion Date
1. Conduct a Customer Satisfaction Survey (CSS).			
2. Develop customer service metrics, and track and report on customer satisfaction levels to the Board.			
3. Formalize the procedure for service adjustments.			
4. Update route maps to include street names and fare zone boundaries.			

Part 2 – Actions to Ensure Long-Term Financial Sustainability

Recommendations from Narrative starting on page 20.	TACT Action	Estimated Initiation Date	Estimated Completion Date
1. Develop a fixed-route farebox recovery goal.			
2. Assess maintenance staffing needs to ensure adequate coverage for any long-term or unexpected absences.			

Part 3 – Other Opportunities for Improvement

Recommendations from Narrative starting on page 21.	TACT Action	Estimated Initiation Date	Estimated Completion Date
1. Promote a diverse Board reflective of the community at large.			
2. Incorporate PennTRAIN Board Education modules as part of Board refresher training.			
3. Develop a business relationship with the local hospital as an opportunity to increase TACT's market share for healthcare-related trips.			

Appendix C: Act 44 Peer Comparison Analysis

Peer agencies were identified through a collaborative process between PennDOT and TACT management using criteria defined in Act 44 and NTD data from the most recently available year, FYE 2020. The systems identified for peer comparisons are:

1. City of Bristol Virginia (BVT), Bristol, VA
2. County of Citrus (CCT), Inverness, FL
3. Borough of Mt. Carmel (LATS), Mount Carmel, PA
4. City of Henderson (HART), Henderson, KY
5. Weirton Transit Corporation (WTC), Weirton, WV
6. City of Ashland (ABS), Ashland, KY
7. Warren County Transit Authority (TAWC), Warren, PA
8. City of Lewiston, Lewiston, ID
9. County of Carbon (CCCT), Jim Thorpe, PA
10. City of Sharon (SVSS), Sharon, PA

Passengers per Revenue Vehicle-Hour: Motor Bus (MB)

System	FYE 2020 Single Year		Five-Year Change Since FYE 2015		
	Value	Rank of 11	2015 Value	Annual Rate	Rank of 11
City of Bristol Virginia	6.92	4	8.15	-3.22%	6
County of Citrus	3.39	9	4.18	-4.13%	7
Borough of Mt. Carmel	7.31	3	5.77	4.84%	1
City of Henderson	8.96	1	12.62	-6.62%	9
Weirton Transit Corporation	3.08	11	5.69	-11.55%	11
City of Ashland	7.39	2	12.04	-9.29%	10
Warren County Transit Authority	5.80	6	6.20	-1.33%	5
City of Lewiston	5.93	5	5.79	0.46%	2
County of Carbon	3.33	10	3.43	-0.62%	3
City of Sharon	5.50	8	7.62	-6.31%	8
Town & Country Transit	5.53	7	5.75	-0.75%	4
<i>Average</i>	5.74		7.02	-3.50%	
<i>Standard Deviation</i>	1.89		2.94	4.71%	
<i>Average – 1 Standard Deviation</i>	3.85		4.09	-8.21%	
<i>Average + 1 Standard Deviation</i>	7.63		9.96	1.21%	
Act 44 Compliance Determination	In Compliance		In Compliance		
Compared to the Peer Group Average	Weaker		Stronger		

Operating Revenue per Vehicle-Hour: MB

System	FYE 2020 Single Year		Five-Year Change Since FYE 2015		
	Value	Rank of 11	2015 Value	Annual Rate	Rank of 11
City of Bristol Virginia	\$9.61	1	\$6.75	7.30%	4
County of Citrus	\$0.52	11	\$2.19	-24.88%	11
Borough of Mt. Carmel	\$3.93	5	\$2.29	11.43%	1
City of Henderson	\$1.93	9	\$2.90	-7.85%	8
Weirton Transit Corporation	\$3.87	6	\$9.54	-16.51%	9
City of Ashland	\$3.51	7	\$3.82	-1.72%	6
Warren County Transit Authority	\$5.09	3	\$4.15	4.17%	5
City of Lewiston	\$2.87	8	\$10.48	-22.83%	10
County of Carbon	\$1.64	10	\$1.11	8.07%	3
City of Sharon	\$4.00	4	\$5.42	-5.90%	7
Town & Country Transit	\$7.30	2	\$4.81	8.71%	2
<i>Average</i>	<i>\$4.02</i>		<i>\$4.86</i>	<i>-3.64%</i>	
<i>Standard Deviation</i>	<i>\$2.59</i>		<i>\$3.01</i>	<i>13.07%</i>	
<i>Average – 1 Standard Deviation</i>	<i>\$1.43</i>		<i>\$1.85</i>	<i>-16.71%</i>	
<i>Average + 1 Standard Deviation</i>	<i>\$6.61</i>		<i>\$7.87</i>	<i>9.44%</i>	
Act 44 Compliance Determination	In Compliance		In Compliance		
Compared to the Peer Group Average	Stronger		Stronger		

Operating Cost per Vehicle-Hour: MB

System	FYE 2020 Single Year		Five-Year Change Since FYE 2015		
	Value	Rank of 11	2015 Value	Annual Rate	Rank of 11
City of Bristol Virginia	\$73.29	6	\$53.91	6.34%	8
County of Citrus	\$60.48	2	\$38.23	9.60%	11
Borough of Mt. Carmel	\$67.38	3	\$57.41	3.25%	6
City of Henderson	\$94.50	11	\$90.60	0.84%	4
Weirton Transit Corporation	\$33.27	1	\$47.78	-6.99%	1
City of Ashland	\$69.25	4	\$64.96	1.29%	5
Warren County Transit Authority	\$73.27	5	\$78.99	-1.49%	3
City of Lewiston	\$82.96	8	\$54.87	8.62%	10
County of Carbon	\$92.03	10	\$64.60	7.33%	9
City of Sharon	\$76.11	7	\$90.26	-3.35%	2
Town & Country Transit	\$85.34	9	\$72.23	3.39%	7
<i>Average</i>	<i>\$73.44</i>		<i>\$64.90</i>	<i>2.62%</i>	
<i>Standard Deviation</i>	<i>\$16.92</i>		<i>\$16.85</i>	<i>5.21%</i>	
<i>Average – 1 Standard Deviation</i>	<i>\$56.52</i>		<i>\$48.05</i>	<i>-2.59%</i>	
<i>Average + 1 Standard Deviation</i>	<i>\$90.37</i>		<i>\$81.74</i>	<i>7.83%</i>	
Act 44 Compliance Determination	In Compliance		In Compliance		
Compared to the Peer Group Average	Weaker		Weaker		

Operating Cost per Passenger: MB

System	FYE 2020 Single Year		Five-Year Change Since FYE 2015		
	Value	Rank of 11	2015 Value	Annual Rate	Rank of 11
City of Bristol Virginia	\$10.60	4	\$6.62	9.88%	9
County of Citrus	\$17.85	10	\$9.14	14.33%	11
Borough of Mt. Carmel	\$9.21	1	\$9.94	-1.51%	1
City of Henderson	\$10.54	3	\$7.18	7.99%	6
Weirton Transit Corporation	\$10.80	5	\$8.40	5.16%	5
City of Ashland	\$9.37	2	\$5.40	11.65%	10
Warren County Transit Authority	\$12.63	6	\$12.74	-0.17%	2
City of Lewiston	\$14.00	8	\$9.47	8.12%	8
County of Carbon	\$27.67	11	\$18.83	8.00%	7
City of Sharon	\$13.83	7	\$11.84	3.15%	3
Town & Country Transit	\$15.43	9	\$12.57	4.18%	4
<i>Average</i>	<i>\$13.81</i>		<i>\$10.19</i>	<i>6.43%</i>	
<i>Standard Deviation</i>	<i>\$5.32</i>		<i>\$3.73</i>	<i>4.83%</i>	
<i>Average – 1 Standard Deviation</i>	<i>\$8.49</i>		<i>\$6.46</i>	<i>1.60%</i>	
<i>Average + 1 Standard Deviation</i>	<i>\$19.13</i>		<i>\$13.92</i>	<i>11.26%</i>	
Act 44 Compliance Determination	In Compliance		In Compliance		
Compared to the Peer Group Average	Weaker		Stronger		

