



KING COUNTY AUDITOR'S OFFICE

Access Paratransit: Action Needed to Address Cost, Quality, and Equity



King County

LARRY BRUBAKER
SEAN DEBLIECK
MEGAN KO
BEN THOMPSON

JUNE 13, 2017

EXECUTIVE SUMMARY:

Access paratransit is a federally mandated program that costs \$61 million per year and provides vital mobility services for about 8,000 people. Over the past decade Transit has worked to control the costs of the program. Nevertheless, expenditures have increased while ridership and on-time performance have declined. At the same time, Transit has done little to promote the program to ensure it is reaching historically underserved populations, like people with limited English proficiency. A new contract with its service providers, starting in 2018, provides a unique opportunity for Transit to make changes to paratransit service. We recommend ways to address inefficient practices, improve service, and ensure equitable access to the program.

Access Paratransit: Action Needed to Address Cost, Quality, and Equity

REPORT HIGHLIGHTS

What We Found

Transit has implemented several efforts to control costs of paratransit services, like expanding the Community Access Transportation (CAT) program, and training people with disabilities to use the fixed-route system. But certain legacy practices, such as a reliance on large vans running routes with few or no passengers, contribute to inefficiencies. Transit lags behind other transit agencies in improving the flexibility of paratransit service by providing more rides on more efficient alternatives, such as taxis.

We also found areas of concern related to customer service, especially trip length, early drop-offs, and a lack of payment options. About half of all respondents to Transit's recent customer survey said they were dissatisfied with the amount of time it takes to travel on Access. We found that some trips are longer on paratransit than they would have been on the fixed-route system, contrary to Federal Transit Administration guidelines. In addition, paratransit users lack some of the options for paying for services that are available to fixed-route passengers.

Information from several sources indicate that substantial barriers to using Access exist for certain populations, such as those with limited English proficiency. However, Transit has not availed itself of King County's equity and social justice tools and does not engage in proactive outreach with historically underserved communities about this program.

What We Recommend

We recommend changes intended to improve the flexibility and cost of the service. We also recommend Transit take steps to improve the monitoring of travel time and to provide additional payment options to customers. Transit should take steps to ensure the service is equitable by applying the county's Equity Impact Review tool to identify gaps and work to increase access to historically underserved populations.

Why This Audit Is Important

Access provided nearly 900,000 rides to over 8,000 residents in 2016. These rides let individuals who are unable to use fixed-route buses lead more independent lives, taking them to work, run errands, meet friends, and get medical care. The Americans with Disabilities Act mandates this service in order to ensure that people with disabilities have comparable transportation choices.

Transit spends \$61 million, or 9 percent of its budget, on Access paratransit services. Given the high cost of this service, and the important role it plays in the lives of its customers, it is important that Transit makes sure that the service is provided as efficiently and effectively as possible.

King County is home to 196,000 people with disabilities, a third of whom are people of color, and many of whom have limited English proficiency. Government policies and programs have historically underserved these groups. King County's Equity and Social Justice Strategic Plan recognizes that not all people are on equal footing and advocates for a proactive service focused on people and places where needs are greatest.

Access Paratransit: Action Needed to Address Cost, Quality, and Equity

TABLE OF CONTENTS

- 1** Paratransit Trends
- 6** Opportunities to Reduce the Cost of Access Service
- 12** Contract Monitoring
- 15** Service Quality
- 21** Equity
- 27** Customer Service and Surveys

APPENDICES

- 31** Appendix 1: Preliminary Audit Findings Provided to Transit in December 2016
- 41** Executive Response
- 50** Statement of Compliance, Scope, Objective & Methodology
- 52** List of Recommendations & Implementation Schedule



Paratransit Trends

SECTION SUMMARY

Transit's Access Paratransit Program has experienced declining ridership, increasing costs, and decreasing quality. King County Metro Transit's Access Paratransit Program is a federally mandated transportation service for people with disabilities who are unable to use fixed-route transit service. Paratransit programs are inherently more expensive than fixed-route transportation due to the level of service they offer and present some operational challenges to transit agencies across the country, including King County. Since 2008, the number of rides Transit gives have gone down, trips have become longer, and costs have increased.

What is paratransit?

Paratransit is a federally mandated transportation service for people with disabilities who cannot take fixed-route buses. The Americans with Disabilities Act (ADA) requires that fixed-route transit systems be accessible to people with disabilities—for example, by having lift and ramp equipped vehicles and announcing transit stops—but acknowledges that some people with disabilities are not able to use fixed-route services even with accessibility features. To make sure that these individuals have access to public transportation, the ADA has a requirement that all public entities operating a fixed-route transit system must offer a comparable transportation service known as paratransit. Transit meets this federal mandate with its Access Transportation service while providing travel training for individuals that are determined to be able to use the fixed-route system and investing in the CAT program which provides an alternative service for customers that would otherwise be using Access.

How is paratransit different from fixed-route buses?

There are significant differences between paratransit and fixed-route service.

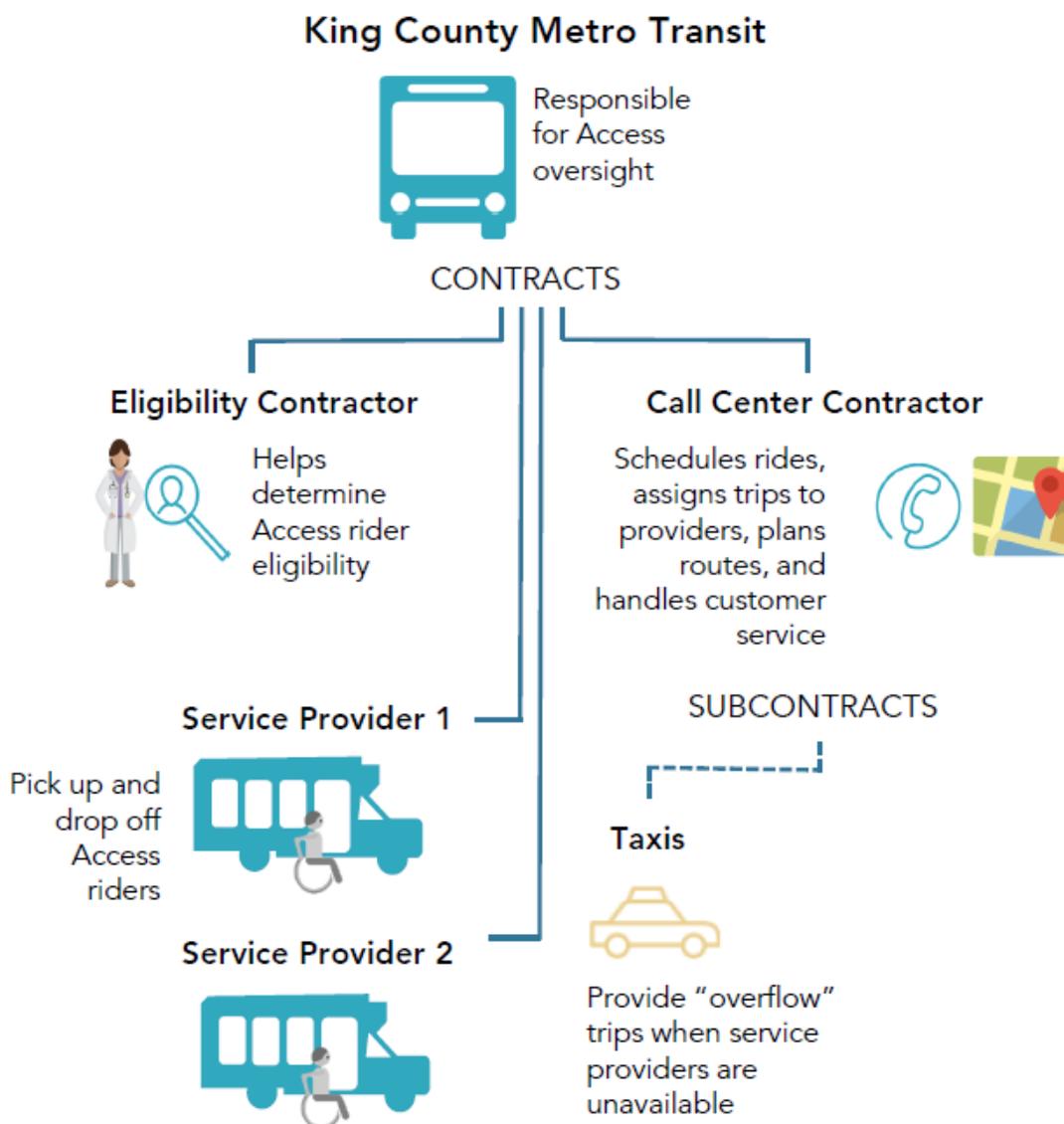
Access is:

- Origin-to-destination: Customers are picked up at their point of origin (e.g., home) and dropped off at their destination (e.g., place of employment), not at fixed points along an established route.
- Eligibility-based: Transit determines who can ride paratransit based on an application, phone interview, and physical exam.
- Demand responsive: Customers reserve rides by calling one to three days in advance.
- Outsourced: Transit's Access staff execute and oversee contracts with private sector companies that provide the service directly.
- Zero denials: All requests for service must be met.

Due to the nature of the service, Access is far more costly than fixed-route service. According to Transit, in 2015, the cost per trip for Access paratransit was \$52.88, compared with \$4.28 per trip on fixed-route service. Total expenditures for the Access program were about \$61 million in 2016.

Most components of Access are contractor-operated. Of the 40 largest paratransit agencies in the United States, 31 agencies (or 78 percent) contract out for paratransit service. Exhibit A illustrates the current organization of Access paratransit services showing the roles of Transit and contractors. The future organization will likely change based on the service model described in Transit’s request for proposals for the next round of contracts.

EXHIBIT A: Access has four major contracts and multiple service providers.

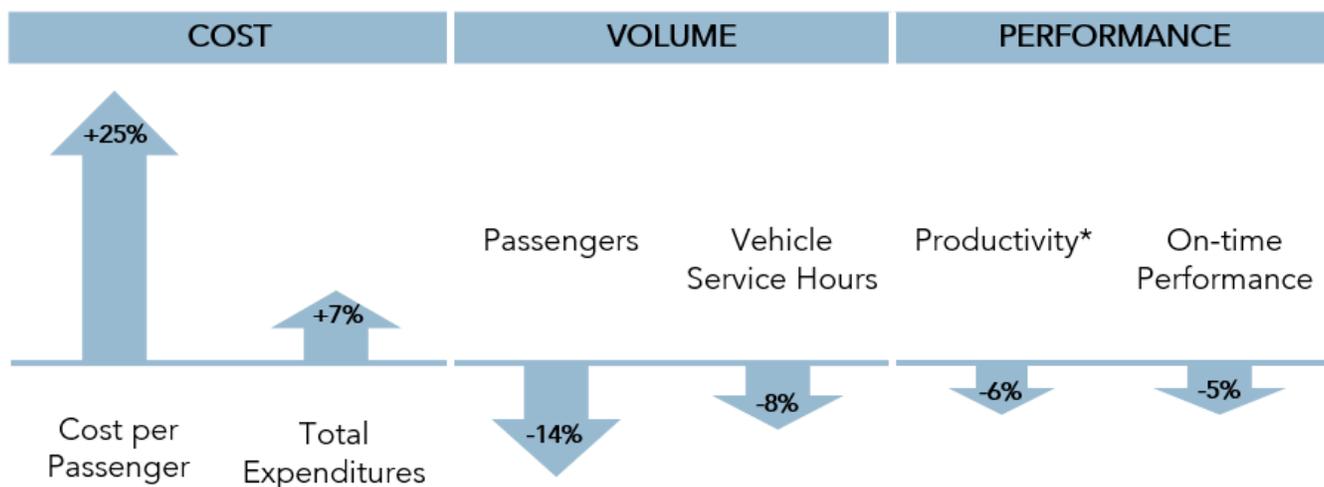


Source: King County Auditor’s Office

What are general trends in Access services?

Increasing costs, declining ridership, and decreasing performance. Exhibit B illustrates trends of the paratransit program since 2008, including increasing costs, declining ridership, and decreasing performance. We discuss reasons for these trends immediately following Exhibit B.

EXHIBIT B: Since 2008, Access service costs have increased while volume and performance have declined.



*Productivity is passengers per service hour.

Source: King County Auditor’s Office analysis of Transit performance data.

What is causing these trends?

Many factors contribute to declining service and performance. There are several explanations for the service trends described above. For example:

Cost: Access costs increased because Transit contracts used annual payment adjustments that substantially exceeded inflation. We review these adjustments in detail later in this report. Higher payments to contractors, combined with declining ridership, resulted in a large increase in cost per trip. Because the number and overall length of trips fell, total program expenditures did not go up as much as cost per trip.

Ridership: Transit staff attributed the decrease in the number of passengers and hours that paratransit vehicles were in service (e.g., vehicle service hours) to different factors. These include:

- Increased investment in the Community Access Transportation (CAT): Under this program, Transit donates vans to community-based organizations, which use the vans to offer transportation services to their clients. Many of the clients of these organizations would otherwise rely on the Access program for transportation. The 2009 Transit audit found that the CAT program is less costly for Transit than providing rides on Access, and recommended Transit expand the CAT program. CAT program ridership has grown significantly, and this may explain some of the

decline in Access ridership. By increasing its investment in the less costly CAT program, Transit is attempting to limit the overall growth in Access program expenditures. This may be an explanation for some of the decrease in Access ridership, which in turn, has limited cost growth.

- Changes in eligibility processes which make it more difficult to become eligible for Access services.
- Training provided by Access to teach people with disabilities how to use fixed-route service.
- Increasingly accessible vehicles in the fixed-route system (e.g., low-floor buses and light rail cars).

Performance: Access measures on-time performance by the percentage of passenger pick-ups that occur no more than 15 minutes before or 15 minutes after the scheduled pick-up time. Transit attributes declining on-time performance to increased traffic congestion, which delays actual pick-up times, a higher proportion of clients who require wheelchair lifts, and operational changes to the service.

Productivity: Transit's productivity measure is the number of passengers per service hour. Transit attributes falling productivity to the increasing amount of Access passengers diverted to CAT service, and a decentralization of employment opportunities for people with disabilities. These factors have the impact of reducing the number of trips from common locations to common destinations, which are the most productive trips for the Access system.

Shared rides increasingly difficult

Changing nature of paratransit service requires new approaches. The service trends illustrated in Exhibit B, along with the explanations for those trends discussed above, suggest that the nature of paratransit service is changing from a greater proportion of shared rides toward more riders traveling from unique origins to unique destinations. These trends negatively affect the performance of the system, which works most efficiently when transporting multiple riders at a time. This suggests a need for a more flexible and cost-effective system, as many other transit systems are moving toward, and which we discuss in further detail in the next section of this report.

New contracts scheduled to begin in mid-2018

End of current contract provides an opportunity for change. This audit makes several recommendations for improving Access. Some of our recommendations involve significant changes in how contractors provide service, and how Transit pays for and monitors the contracts. Transit's contracts with the service providers are on a 10-year cycle (5 years, plus a potential renewal for another 5 years), with the current contracts expiring midway through 2018. The beginning of a new contracting period provides an opportunity for changing the system.

As we began the audit, Transit was in the process of developing a request for proposal (RFP) for the next round of contracts. Due to the timing of the RFP and the schedule for this audit, we accelerated our work on topics related to the RFP and provided a letter to Transit management in December 2016 (see Appendix 1). The letter included nine recommendations for Transit as it drafted the RFP. We have now reviewed the final draft of the RFP. In addition to new material, this report includes unresolved recommendations we made in the December 16, 2016 letter to management, and our comments on Transit's response to them.



Opportunities to Reduce the Cost of Access Service

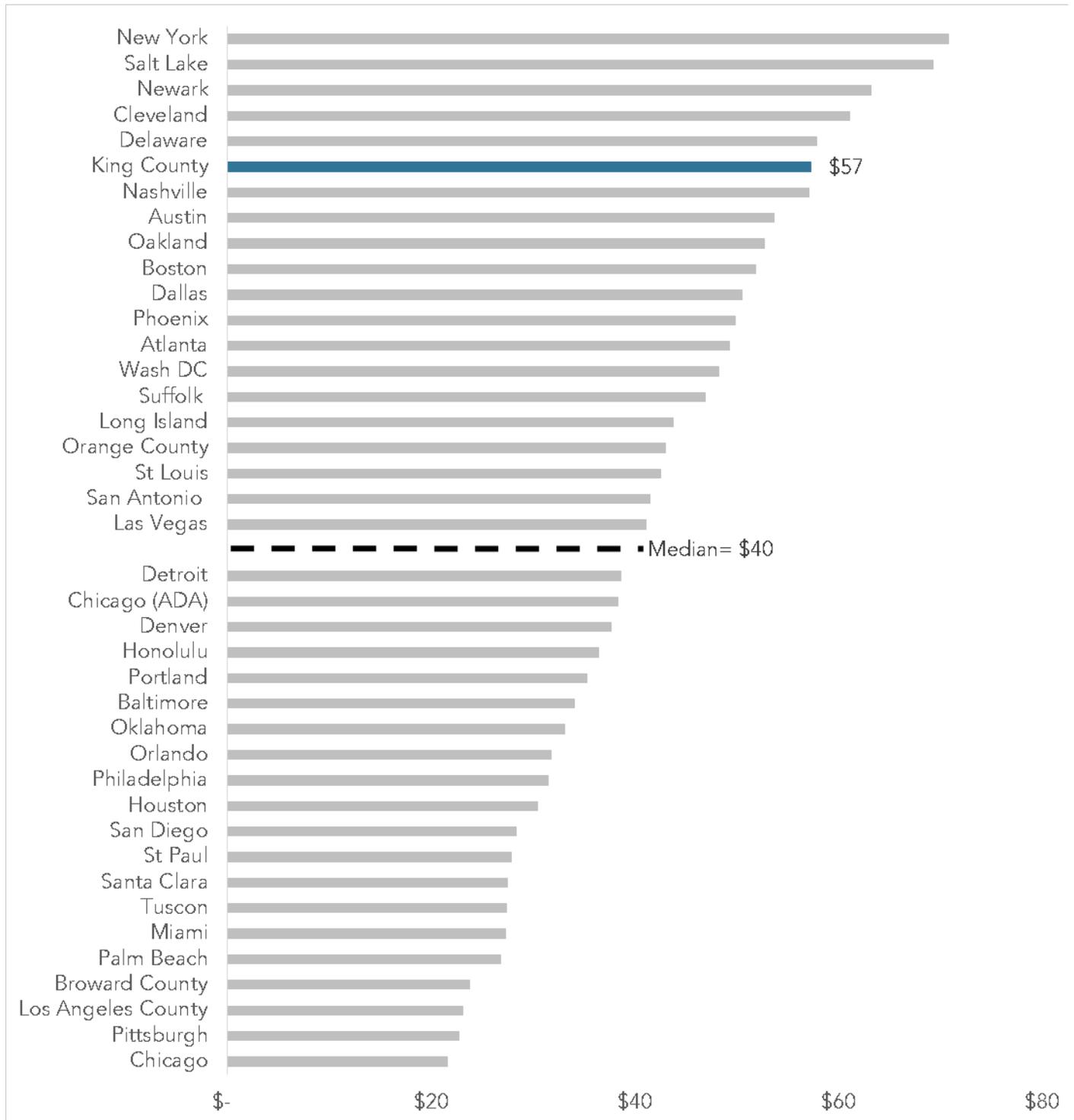
SECTION SUMMARY

Transit's Access Paratransit Program is one of the most expensive paratransit services in the nation. Transit's program costs \$57 per trip, compared to a median of \$40 among the nation's largest paratransit agencies. Compared to peer agencies, Transit pays its contractors significantly more per hour of service, and annual contract payment increases substantially exceed inflation. Additionally, Transit's method for paying contractors creates an incentive for inefficient service. Finally, Access service generally uses large vans even though most trips have fewer than two people onboard. Changes to how service is provided and paid for has the potential to both control costs and improve customer service.

Access is the sixth most expensive U.S. paratransit service

Transit has one of the most expensive paratransit programs in the country. Access is the sixth most expensive of the 40 largest paratransit programs in the country. According to the most recent data available, Transit's cost per Access paratransit trip was \$57, significantly higher than the median cost per trip among the 40 largest paratransit programs in the country (\$40). As shown in Exhibit C, only New York, Salt Lake City, Newark, Cleveland, and Delaware exceeded Transit's per trip cost. (Note: We last audited Access in 2009, noted cost growth and recommended continued cost containment efforts at that time.)

EXHIBIT C: King County's paratransit program has one of the highest costs per trip in the country.



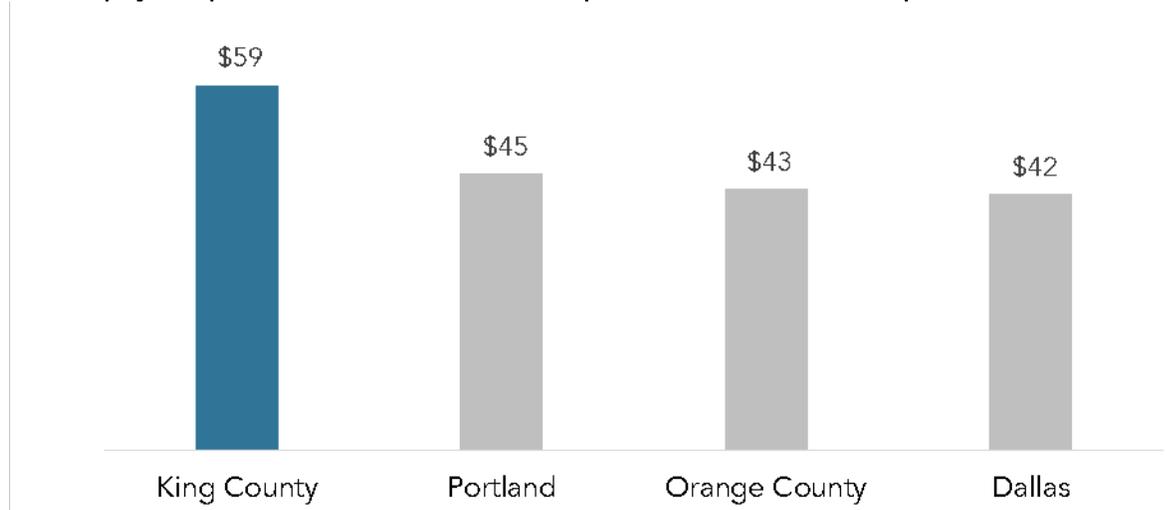
Source: King County Auditor's Office analysis of Federal Transit Administration, National Transit Database, 2014.

Transit pays its paratransit contractors significantly more than peer agencies do.

We reviewed paratransit financial information from three peer agencies¹ and calculated the payments made by vehicle service hour. As illustrated in Exhibit C, Transit pays its contractors much more per hour than these peer agencies. Transit said that it pays more because of the high cost of living in King County, and the \$15 per hour minimum wage in Seattle. While this argument has some merit, two of the three peer agencies are also located in high-cost, West Coast markets, and it is unlikely that differences in regional costs would be enough to explain the size of differences in service provider payment rates illustrated below.

EXHIBIT D:

Transit pays its paratransit contractors more per service hour than its peers.



Source: Auditor’s Office analysis of Transit and peer agencies’ financial data, 2015.

Problems in the current contract led to higher costs and inefficient service

Transit’s payment escalation rates in the current Access contracts exceeded inflation by a substantial amount. Transit included escalation rates for the first five years of the contract (2008-2013) which were much higher than inflation. For example, at a time when inflation averaged about 1.5 percent, annual escalation of provider payment rates in the contract was as high as 5.9 percent. When Transit extended the provider contracts for the second five-year period (2014-2018), it reduced the payment escalation rates, but these rates have still slightly exceeded inflation. For example, current escalation rates are as high as 2.5 percent, while inflation has averaged about 1.7 percent.²

¹ The three peer agencies are Dallas, Texas; Orange County, California; and Portland, Oregon.

² During our audit, we reviewed an issue raised by a member of a paratransit advocacy group questioning why an amendment to the contract with one of the providers resulted in cost increases to Transit. Based on our review of the contract amendments with this provider, we determined that the amendments in question had little impact on the cost of the contract. Further, the amendment which established the escalation rates for the second phase of the contract actually saved money for Transit relative to the escalation rates in place for the first five-year period of the contract.

Transit's contracts offer a disincentive for efficient service. Transit pays both the control center and the vehicle service providers by vehicle service hour. This creates a disincentive for the contractors to schedule and run efficient service since both types of contractors are paid more if vehicle service hours are higher. As we discuss later in the report, some riders experience this inefficiency as excessively long trips. Additionally, the control center is not paid for scheduling trips on taxis, which are sometimes less expensive to use than paratransit vans. This creates a disincentive for the control center to optimize the mix of service between the paratransit van service and alternative services, such as taxis.

But new contracts may help address issues

Transit is taking steps to control costs and implement auditor recommendations.

Before we began working on this audit, Transit had already recognized the need to control costs. It hired a consultant to review service structure and payment methods and to conduct a peer review. The consultant's analysis reviewed many of the same issues as this report. Our December 2016 letter to Transit management provided our recommendations to Transit on how we thought these issues should be addressed as Transit was developing its RFP for the next round of provider contracts.

The letter to Transit management included recommendations to solicit competition for the next contracts, carefully evaluate the costs of the proposals, and negotiate favorable rates with the selected contractor using a Best and Final Offer approach. We also recommended that the next contract include a robust incentive for cost-effective service (see Recommendations 1 and 3 of the letter attached as Appendix 1). Based on our review of the final RFP for the next round of contracts, Transit has largely implemented these recommendations. For example, the RFP includes the Best and Final Offer process and a robust incentive for cost-effective service.

Big vans often empty

Transit uses large vans even though few trips carry more than one passenger.

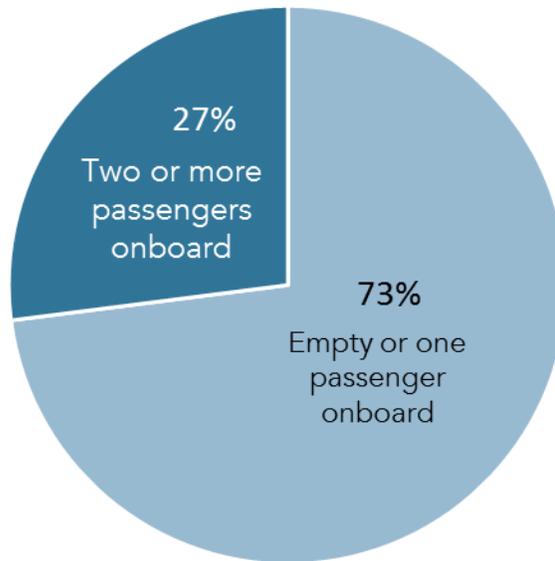
Transit uses taxis for about 10 percent of Access trips, a much lower rate than some peer agencies, which use alternatives to large vans for as much as 62 percent of service.³ Transit's large paratransit vans can carry up to 13 passengers depending on the number of people using wheelchairs, but the vans only carry more than one person about one-quarter of the time and were empty or carrying one passenger almost three-quarters of the time. See Exhibit E, below.

We also found that an additional 12 percent of Access van trips could be provided for less on taxis, saving \$805,000 per year.⁴ In addition to reducing costs, optimizing the mix of service between large vans and smaller vehicles can also improve service performance. Transit tries to maximize efficiency by increasing the number of passengers on the large vans. This can lead to excessive onboard time for passengers, as they may be taken on circuitous routes while the large van picks up or drops off other passengers.

³ For example, taxis and other smaller vehicles account for 62 percent of paratransit trips in Dallas, Texas; 11 percent of trips in Portland, Oregon; and 24 percent of trips in Orange County, California.

⁴ This analysis compared the cost of van trips to the cost of taxi trips using the most costly taxi provider. Actual savings from optimizing the mix of service could be more or less than the \$780,000 we calculated.

EXHIBIT E: Passenger vans are usually empty or carrying one passenger.



Source: King County Auditor's Office analysis.

Transit has made progress on recommendations we made in our December 2016 letter related to optimizing the size of vehicles used to transport passengers. Based on our recommendation,⁵ Transit notified potential respondents to the RFP that it intends to optimize the mix of service between paratransit vans and alternatives, such as taxis. Transit's RFP includes a provision for a range of service to be provided by the paratransit vans and alternatives. We made an additional recommendation⁶ that Transit conduct an analysis of the optimal mix of service on an ongoing basis. Transit has not yet put this analysis into place, so we reiterate this as Recommendation 1 of this report.

Recommendation 1

Transit should, on an ongoing basis, conduct an analysis aimed at optimizing the mix of service between the paratransit van service and alternatives, such as taxis.

⁵ Recommendation 2b contained in Appendix 1

⁶ Recommendation 2a contained in Appendix 1

Transit is also spending money on information technology products that are not being used. Between 2010 and 2016, Transit spent \$331,575 on the maintenance and upkeep of software applications that it either could not use or had not used. These applications include Web booking software, which has the potential to reduce call volumes and increase customer satisfaction, and an itinerary planning tool which tracks compliance with ADA requirements for onboard ride times relative to fixed-route service. While these applications could be useful to Transit, spending money on them without actually using them is a waste of scarce resources.

Recommendation 2

Transit should thoroughly review compatibility and utility before purchasing information technology products and, after purchasing, work to use them.



Contract Monitoring

SECTION SUMMARY

Transit plans to improve contract performance monitoring, but inadequate oversight in the past contributed to cost increases and low service quality. Transit is making changes to future contracts and has plans to improve its oversight of contractor performance. However, Transit does not have a strong record of enforcing performance provisions, especially incentives and disincentives, which has likely contributed to higher costs and low service quality. Adding an incentive for the contractor to reduce the cost of each trip may help address the risk of inefficient and lengthy onboard times, and including a plan that assigns responsibility for these elements of contract oversight is a positive first step. However, Transit has not updated some elements of performance monitoring in the new contract and can do more to ensure that these tools improve productivity and performance.

Enforcing contract provisions can lower costs and improve service

Until a contract management plan is in place, Transit risks paying higher costs for lower quality service. According to the Federal Transit Administration (FTA), transit agencies that pay contractors by vehicle service hours should closely monitor productivity to ensure that costs are reasonable and service is of an acceptable quality. In December 2016, we recommended that Transit make changes to address these risks, and Transit included a new incentive that, if enforced, may lower costs and improve service. Under the new contract, if the contractor reduces the cost per boarding then Transit will award the contractor a percentage of the savings. Conversely, if the cost per boarding increases, then the contractor will be required to pay Transit for part of those costs. If this provision existed in 2016, contractors would have been obligated to pay Transit over \$500,000, because the cost per boarding substantially increased over the course of the year (from \$54 per boarding in January to \$60 per boarding in December).

Transit has not conducted adequate contract oversight in the past. We made two recommendations in 2009 to improve Transit's oversight of contractors and use of performance metrics, including the development of a plan to address productivity goals.⁷ Although Transit implemented our recommendations, we found that Transit has not provided better oversight of performance provisions, or used them effectively to change contractor behavior. We found that over the past eight years, Transit only billed contractors for one half of all missed trips, collecting \$97,000 instead of over \$250,000. Transit also awarded less than \$24,000 in incentives and much of these awards were paid

⁷ Recommendation D1: Transit should adopt a comprehensive, fully documented strategic plan and approach to address how productivity goals are to be met and should regularly reassess its paratransit productivity goal based on historical trends and the anticipated future service environment. <http://www.kingcounty.gov/~media/depts/auditor/new-web-docs/2009/transit-2009/d-tech-report.ashx?la=en>

in error. Nearly half of the 29 performance-based payments were paid even though the contractors did not meet the performance standards. See Exhibit F, below.

EXHIBIT F: **Infrequent and inconsistent use of incentives, January 2009 to June 2016.**

Monthly Performance Incentive	Number of Incentives Paid	Amount Paid	Number of Payments in Error	Percent Paid in Error	Acceptability of Error Rate
Productivity	1*	\$10,000	0	0	✓
Zero Preventable	5	5,000	3	60%	✗
Zero Road Calls	12	3,900	9	75%	✗
Zero Missed Trips	5	3,000	2	40%	✗
Less than 2 Road Calls	6	1,800	2	33%	✗
Total	29	\$23,700	16	55%	✗

*This is one award divided among three contractors.

Source: Auditor’s Office analysis of Access paratransit performance reports, 2009-2016.

While the annual dollar amounts in overpayments and underpayments are small compared to the \$61 million program, it is important to have controls in place to ensure that incentives and penalties are applied correctly. To do so, the FTA recommends that transit agencies develop a contract management plan, specifying how compliance is verified, when, and by whom. Based on recommendations we gave to Transit in 2016, Transit told us that it is developing a plan, but it has not been finalized.

Recommendation 3

Transit should complete and execute a contract management plan for monitoring the new contracts. For each contract requirement, the plan should specify: a) the method for verifying compliance; b) frequency of review; and c) staff member responsible.

Penalty amounts are lower than the cost to collect them

Some performance payments may not be beneficial for Transit or Access riders. In 2016, we recommended that Transit update the amounts it uses for incentives and disincentives in the contract, because they may be too low to influence contractor behavior. As a result of being too low, the current provisions would be ineffective and burdensome to administer, leading to unnecessary costs to King County. For example, the cost of a missed trip has been \$50 since 2008. This means that with inflation, a contractor today is paying much less than what it paid in the past. In addition, this rate is lower than what is charged in other jurisdictions. In San Francisco, for example, the penalty for a missed trip is \$200. Despite our recommendation, Transit did not update the cost of missed trips in its recent contract, even though it also told us that it probably costs more than \$50 in administrative costs to collect \$50 from the contractors. Transit did, however, add a new disincentive for late trips, and told us that it expect this to have a large impact on performance. To ensure that performance payments are effective, valuable, and enforceable, it is a best practice to assess their utility and adjust them as needed. Since the RFP has already been issued, our new recommendation is almost identical to what we recommended nearly a decade ago.⁸

Recommendation 4

Transit should monitor and enforce contract incentives and disincentives for a period of one year, and based on this work: a) assess how they can more effectively improve productivity and performance; b) establish future dates to review them later in the five-year contract; and c) update the contract management plan to reflect these changes.

⁸ In our 2009 performance audit of Transit, we recommended that "Transit/Access should monitor and enforce its contract incentives and penalties for a period of one year, and then re-evaluate their usefulness as a tool for improving productivity and performance." Full report at: <http://www.kingcounty.gov/~media/depts/auditor/new-web-docs/2009/transit-2009/d-tech-report.ashx?la=en>



Service Quality

SECTION SUMMARY

Access riders are concerned about lengthy trips, limited payment options, and inconvenient arrival times. About half of all riders who responded to Transit's 2016 customer survey said they were dissatisfied with how long it takes to travel on Access. We found that some Access paratransit trips were longer than comparable trips on the fixed-route system, and that Transit is missing opportunities to make sure trips are not excessively long. Survey respondents also criticized payment options, which are fewer on Access as compared to the fixed-route system. Provisions in the new contract may address issues survey respondents reported with early drop offs.

Riders burdened by long trips

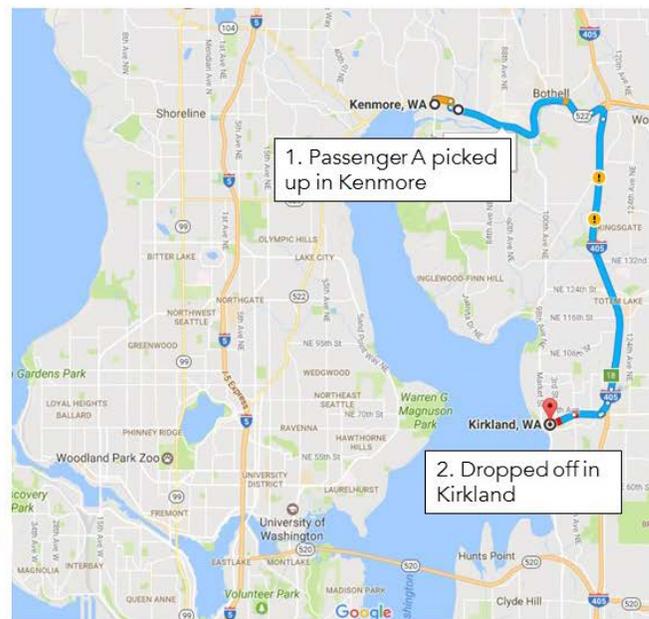
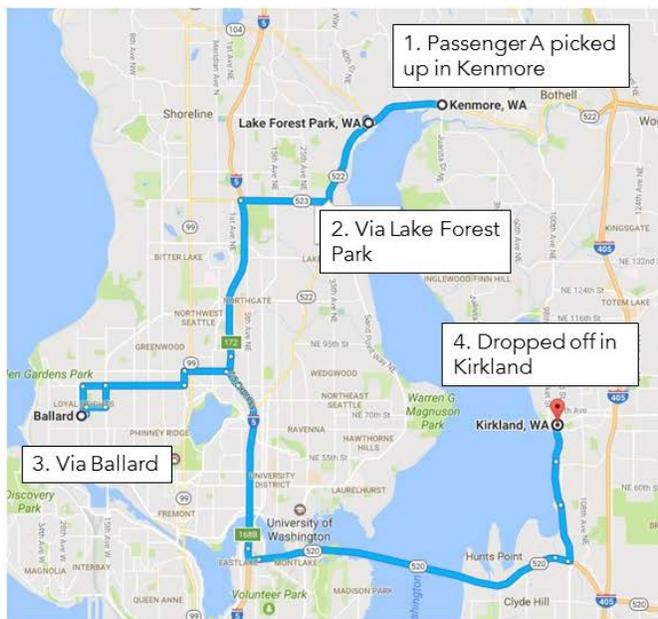
About half of respondents to Transit's 2016 Access customer survey said they were dissatisfied with how long it takes to travel on paratransit.⁹ This creates a burden for Access riders. Some survey respondents noted that being onboard too long can lead to physical discomfort in addition to frustration and tardiness. Nearly 50 percent of the survey respondents said they often or sometimes avoid riding Access due to service quality issues including travel time. One respondent said, "there are some places I could go by Access but I doubt I have the endurance to make the trip."¹⁰ An example of a trip an Access rider felt was too long is shown in Exhibit G, below.

⁹ In a survey Transit conducted in the summer of 2016, 50 percent of riders, 54 percent of people who cared for an Access customer, and 57 percent of organizations that served Access customers said they were somewhat or very dissatisfied with "how long it takes to travel," also known as travel time or onboard time.

¹⁰ In write-in parts of the survey, some respondents provided examples of lengthy trips. In Exhibit G, we depict one example using car trips with single or multiple stops. This example is for illustration only. Paratransit is a shared ride service that is not meant to be akin to a taxi or single passenger car trip.

EXHIBIT G: Rider experience says Access route could be three times longer than direct path.

 <p>Rider-reported Access Route Estimated time: 61 minutes Length: 30 miles</p>	 <p>Direct Route Estimated time: 19 minutes Length: 10 miles</p>
--	---



Note: These examples are for illustration only. Paratransit is a shared ride service that is not meant to be akin to a taxi or single passenger car trip.

Source: King County Auditor’s Office analysis.

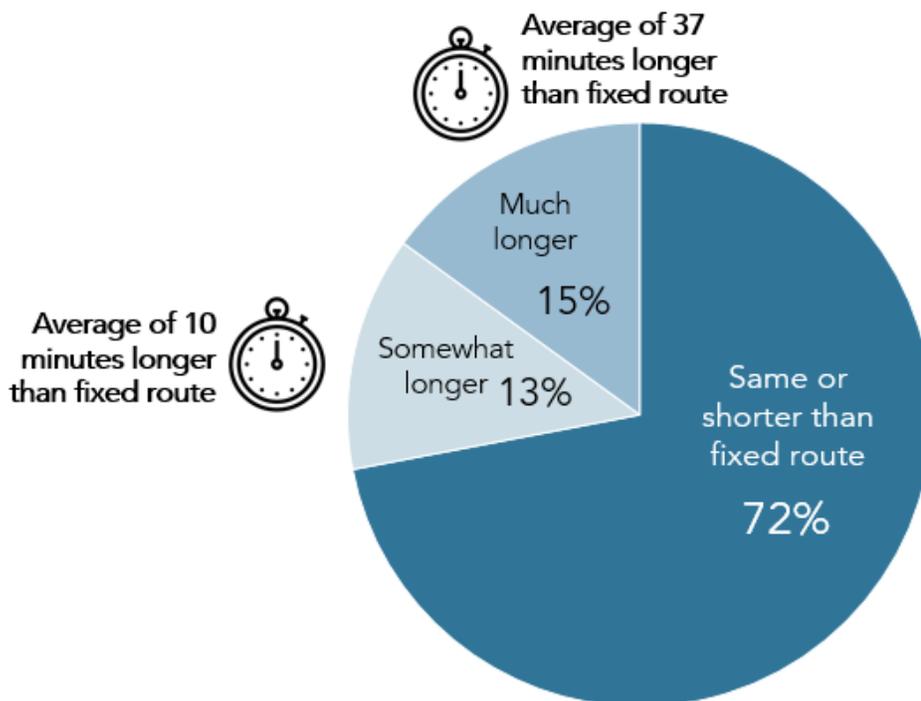
Transit does not report trip length among its key performance indicators and may not sufficiently follow FTA-suggested methods for monitoring it. The FTA suggests setting performance targets for the proportion of paratransit trips with “travel times that are equal to or less than comparable fixed-route travel times” and sampling longer trips weekly or monthly. This standard is important because ADA requirements prohibit paratransit agencies from having a pattern of providing too many excessively long trips as compared to fixed-route service.¹¹ To keep long trips to a minimum, the FTA suggests that paratransit agencies establish standards for travel time and routinely check performance. Using the FTA-recommended method, we sampled Access trips that took 45 minutes or longer.¹² We found that most Access trips were shorter than or as long as comparable trips on the fixed-route system, while

¹¹ The requirement does not quantify how many trips is too many or how long is excessive. Comparable fixed route trips include both time spent onboard the bus, waiting for the bus, and time spent walking to and from a stop.

¹² We sampled seven days between December 2015 and November 2016, to compare travel times for scheduled paratransit trips to comparable fixed-route options. Fixed-route travel times were generated by an application in Transit’s scheduling and dispatch software and included walking time to the station. Of the sample of 15,599 trips, 20 percent (3,192) of trips were 45 minutes or longer and had fixed-route data for comparison. Our sample results cannot be projected to the population (see Scope and Methodology section for more information).

some trips were longer. We found that 15 percent of trips had passengers onboard an average of 37 minutes longer than what they would have experienced on the fixed-route system. See Exhibit H, below.

EXHIBIT H: Most Access trips are as long as or shorter than fixed-route trips, some are much longer.



Source: King County Auditor’s Office analysis.

Recommendation 5

Transit should define excessively long trips in reference to fixed-route standards, regularly sample longer trips to count how many are excessively long, and take steps to make sure there is not a pattern of significant numbers of excessively long trips.

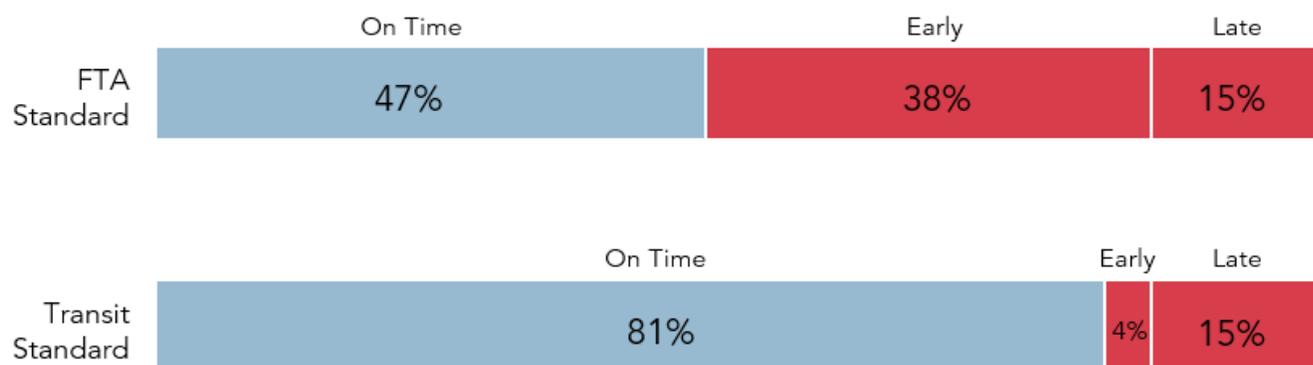
Many riders arrive too early for their appointments

Transit sometimes drops passengers off at their destinations too early, unduly burdening Access riders.¹³ We sampled Access trips in September 2016 and found that Access dropped off 34 percent of riders traveling to appointments between 30 and 60 minutes early, which is beyond the FTA standard. In Transit’s 2016 Access customer survey, respondents said that Transit was dropping riders off too early. This can have adverse consequences, such as leaving people stranded in bad weather or compromising the safety of individuals who are not well equipped to be left alone.

¹³ Access riders have two choices when scheduling a trip: schedule based on the time they want to be picked up, or the time they want to arrive at their destination.

Transit revised its 2017 RFP to define “on-time” drop-offs as no more than 30 minutes before an appointment, in line with FTA guidance. In its contract ending in 2018, Transit currently categorizes a trip as early if a person is dropped off more than 60 minutes before an appointment. As shown in Exhibit I below, Transit’s on-time metric indicates that performance is much better than it is using the FTA standard. Transit’s ability to meet this new benchmark depends on the extent to which it is monitored and enforced.

EXHIBIT I: Only half of Access riders were on time for appointments in September 2016 using the FTA standard.



Source: King County Auditor’s Office analysis of 32,712 Access paratransit trips taken in September 2016.

Recommendation 6

Transit should put in place monitoring and enforcement procedures to make sure paratransit riders are not dropped off more than 30 minutes before their appointments.

Payment options are limited and inaccessible

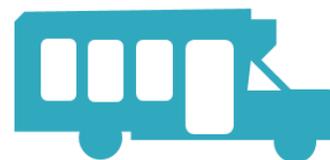
Payment options are limited for people who use Access, creating barriers to service. Access paratransit riders have two payment options: either pay \$1.75 in cash when boarding, or buy a \$63 monthly pass.¹⁴ In contrast, fixed-route riders have five payment options including e-purse, which allows riders to use a pass without committing to a fixed monthly fee.

¹⁴ The monthly pass is provided on an ORCA card. ORCA stipulates pass pricing at 36 trips at a regional level. Although the pass is an ORCA card, because paratransit vehicles are not equipped with ORCA card readers, e-purse payment is not available to Access paratransit riders.

EXHIBIT J: Transit provides more payment options to fixed-route passengers than Access passengers.



FIXED-ROUTE



ACCESS PARATRANSIT

<p>Cash/transfers ORCA: Monthly pass ORCA: E-purse Tickets/transfers Mobile tickets</p>	<p>Cash ORCA: Monthly pass</p>
---	------------------------------------

Source: King County Metro Transit

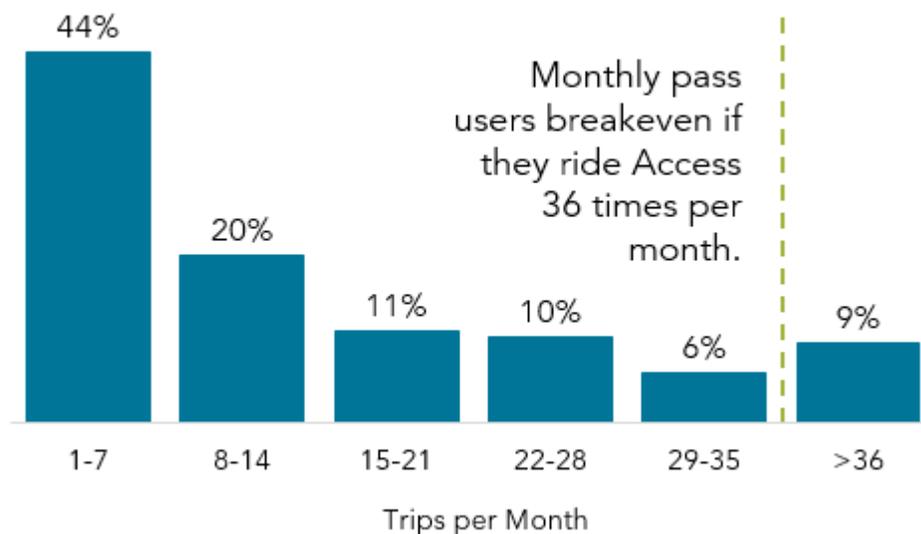
Transit has considered expanding paratransit payment options by allowing riders to pay at the time of booking or putting ORCA card readers on paratransit vehicles. The former has the potential to reduce onboard payment and associated delays and driver responsibilities. The latter would have similar benefits but could not be implemented before 2020 and has significant cost constraints.

More than two thirds (71 percent) of respondents to Transit’s 2016 Access customer survey said that they usually pay in cash, while 16 percent said they use a pass. On the fixed-route system, 27 percent of riders pay with cash, while 68 percent pay with ORCA cards, according to Transit’s most recent rider, non-rider survey.

Most paratransit customers do not ride Access often enough for a monthly pass to be cost effective. To break even, a person purchasing a pass would have to ride Access 36 times a month. Only 9 percent of riders took 36 trips per month or more in 2016.¹⁵ An additional 6 percent rode 29 to 35 times per month. Of survey respondents, 45 percent said they did not ride often enough to use a pass.

¹⁵ This figure is based on monthly trip counts for people who rode Access at least once a month in 2016.

EXHIBIT K: Most riders would lose money using a monthly pass, the only non-cash option.



Source: Auditor’s Office analysis.

While cash was the most cost-effective way to pay for the vast majority of Access riders, it may not be the most appropriate. Cash presents barriers to Access riders who have functional challenges handling money due to cognitive impairments, quadriplegia, or other conditions since paying the exact fare (\$1.75) requires using loose change.

Difficulty paying in cash can contribute to non-payment. Riders that often do not pay Access fares can be sanctioned with a suspension. One parent told the Auditor’s Office that her son did not pay for several weeks because, as a nonverbal person, he could not communicate with his family or drivers about the fare requirement. The parent said her son eventually received a suspension letter. On the operator’s side, cash handling increases the risk of fraud and abuse, which Transit has controls in place to mitigate.¹⁶

Recommendation 7

Transit should provide additional fare payment methods that take into account riders’ needs and trip frequency.

¹⁶ Data on each passenger’s fare type is included on mobile data computers and on driver manifests. Drivers reconcile cash with administrative staff when they return from a route. Service providers are required under contract to conduct weekly and monthly fare reporting with reference to the bank deposit for the fares. Service providers are also required to do random spot audits of driver receipts.



Equity

SECTION SUMMARY

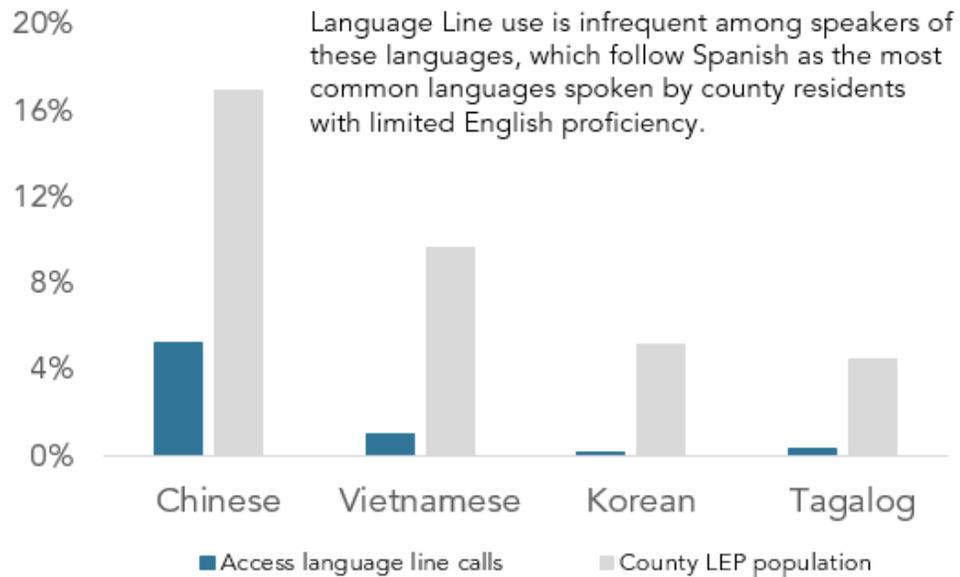
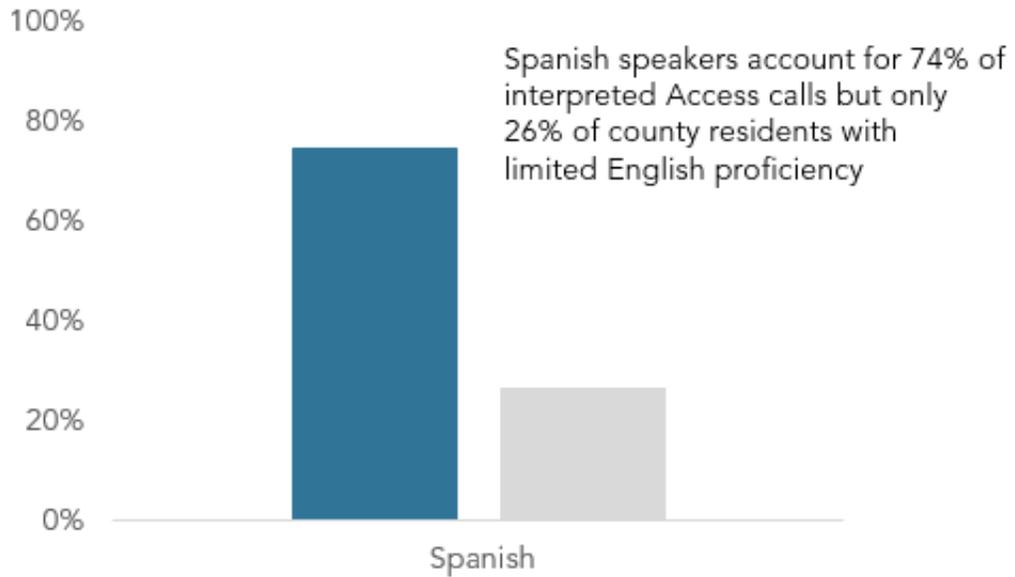
Transit could do more to make sure that Access is equitably serving current and potential riders. Several sources of data suggest that certain populations—particularly people with limited English proficiency—are not being adequately served. Transit asserts that it is providing equitable services, because it assists people with disabilities and mirrors the fixed-route service area. These reasons do not offer evidence of fair service provision. By using tools provided by King County’s Office of Equity and Social Justice, regularly collecting and analyzing riders’ demographic data, and using community impact performance indicators, Transit can make Access more inclusive.

Access riders do not reflect county diversity

Data suggest that Access serves only a small number of people with limited English proficiency and is likely underserving certain populations. Invoices from the Language Line—a private interpretation service used by the program—suggests that Access is not proportionately serving certain linguistic groups. Four of the five largest non-English languages spoken in King County were underrepresented in Language Line calls, while one language was overrepresented. Spanish speakers account for about 26 percent of people with limited English proficiency in King County, but 74 percent of Language Line calls from the Access call center. Other languages accounted for smaller percentages of language-assisted calls than is expected given their relative share of the population. Usage by speakers of the next most frequently spoken language groups—Chinese, Vietnamese, Tagalog, and Korean—were underrepresented in these calls. Together, these speakers represent 36 percent of people with limited English proficiency in King County, but only 7 percent of Language Line calls are from the Access call center. See Exhibit L, below

If these language-speaking populations were equally represented in the program, we could expect to see a more evenly distributed use of this service. Although the data do not tell us why this particular disparity exists, Transit told us that it does not have proactive outreach efforts with community groups. As a result, some limited English population groups may not know that this service exists, and thus missing a critical access point to the program.

EXHIBIT L: King County’s largest non-English linguistic groups not using a proportionate share of language services.



Notes: Chinese includes Mandarin, Cantonese and “Chinese” from U.S. Census Bureau American Community Survey, and Mandarin, Cantonese, and Toishanese from the Language Line.

Source: King County Auditor’s Office analysis based on 2015 American Community Survey (ACS), Language Line invoices.

People with limited English proficiency face multiple barriers to receiving paratransit services, limiting their use of this essential service. Qualitative data collected during our audit show that there are barriers for those who are not native English speakers. We held a focus group with 27 caregivers and advocate Access riders with limited English proficiency. Participants cited multiple barriers to Access paratransit services because of language. They reported that their challenges include:

- learning about and applying for the program
- relying on their own English-speaking contacts to fill out the self-assessment and application necessary to make it to the phone-interview stage¹⁷
- making reservations
- reading communication from Transit such as service suspension notices.

These barriers likely result in underuse of the Access program by people that would otherwise qualify for and benefit from the service. With barriers like these, people with limited English language proficiency are less likely to know about the program to begin with. Even if they overcome the first hurdle of knowing about the program, getting through the assessment and registration for the program would be more of a burden than for people with higher English proficiency.

While Transit has some resources for people with limited English proficiency, it has not formally reviewed the barriers to this population, nor has it developed strategies to address them.¹⁸ This means that if the status quo continues, limited English speakers will continue to face barriers and be underserved by this program. According to King County policy,¹⁹ at a minimum, agencies are required to translate communication materials and vital documents into at least Spanish and other target languages based on where languages are spoken, and consider the goals of the project and interests of the community.

Recommendation 8

Transit should work directly with King County communities to develop activities that will address barriers to the Access paratransit program for people with limited English proficiency.

¹⁷ Prospective Access riders are offered interpretation assistance during the phone interview and functional assessment.

¹⁸ In 2013, Transit worked with the Office of Performance, Strategy and Budget (PSB) to develop options for reducing service and increasing fares for the Access paratransit program. During that time, PSB examined U.S. census data regarding the disabled population in King County. It did not review information about the population being served by the Access program.

¹⁹ King County Executive Order INF 14-2 (AEO), October 13, 2010.

<http://www.kingcounty.gov/~media/operations/policies/documents/inf142aao.ashx?la=en>

Transit collects information about language needs but does not use it to improve service quality or program accessibility. Transit routinely collects information on riders' language preference on its application form. It asks customers whether they speak English, and if not, what language they speak.

While an average of five percent of service applicants required language interpretation service to conduct a phone interview to apply for paratransit eligibility,²⁰ only 0.4 percent of active users (36 of 8,007) had a preferred language listed in Transit's paratransit user database.²¹ This is because call center staff do not routinely input information on language preference into the call center database. Since the call center needs the caller to state (or spell) the rider's name or user ID number to open their rider profile, where language preference would appear, Transit said that riders generally ask for interpretation services by saying the word "interpreter" or the language they speak. During a focus group we conducted with 25 parents of Access riders with limited English proficiency, 19 participants said that they could not use the interpretation service at the call center and instead relied on bilingual staff at community-based organizations to book rides on their behalf. Having language preference more readily available could reduce the perceived need for registrants to have an English speaker call for them and reduce the likelihood of miscommunication or abandoned calls. The information could also be used to assess the extent to which the program is being provided equitably and find gaps in service.

Recommendation 9

Transit should use language data collected during eligibility determination to provide linguistically appropriate customer service to paratransit riders and routinely collect and update information on language preference.

²⁰ According to analysis of Language Line invoices between September 2015 and July 2016. Transit said invoices were not available for May, June, and August 2016.

²¹ Active users are people who were registered for and used Access at least once between September 1, 2015, and August 31, 2016.

Transit is not using tools for ensuring equity even though they are readily available

Although tools for assessing equity are readily available, Transit has not used them to assess the Access program and is likely underserving certain groups. Transit is not using tools, such as King County’s Equity Impact Review, for identifying, evaluating, and addressing equity issues in the Access paratransit program. The Equity Impact Review is a tool developed by King County to help departments and agencies increase equity and social justice work in King County services.²² The first step of the review is to show how the program will serve low-income populations, communities of color, and people with limited English proficiency. Transit told us that it does not need to use these tools for the Access program, because the program, by definition, serves a vulnerable population—e.g., people that cannot access the fixed-route service because of a disability. Transit also told us that by mirroring the fixed-route system, which serves diverse areas of King County, Access offers equitable service. Both statements assume that the target population is homogenous and does not have members who face barriers to service based on factors like income, race, or English proficiency. As a result, it is likely that Access is underserving populations that could benefit from it. If these gaps in equity are substantial, then addressing them could increase costs to the program.

Transit does not conduct proactive outreach about the Access program and is not collecting information for an Equity Impact Review. Transit told us that it does not conduct proactive outreach for the Access program unless it receives a request from residents or a community-based organization. This reactive approach makes it difficult for underserved communities to learn about the program and leads to gaps in service. Transit explained that unlike the fixed-route service, the goal of Access paratransit is not to increase ridership, and doing outreach could increase ridership in this program. When asked why it does not collect basic demographic information necessary for an Equity Impact Review, Transit told us that collecting this information might be prohibited under the ADA. However, we found that such a prohibition does not exist

Recommendation 10

Transit should immediately take steps to implement an Equity Impact Review of the Access paratransit program.

Recommendation 11

Transit should use the results of the Equity Impact Review to find and engage with historically underserved populations.

²² Information about King County’s Equity Impact Review, including examples of its use are available online at: <http://www.kingcounty.gov/elected/executive/equity-social-justice/tools-resources.aspx>

King County's Equity Impact Review is not only a tool for achieving King County's Strategic Plan for Equity and Social Justice but also a best practice. According to recent research, community impact is one of the six key measures of transit performance.²³ Examples of community impact measures that Transit could use to address potential equity issues with Access paratransit include:

- proportion of potential beneficiaries with knowledge of the service
- amount of program information provided for non-English speakers
- analysis of program beneficiaries compared to potential beneficiaries.

When developing community impact measures, the FTA recommends that transit agencies evaluate its measures annually.

Recommendation 12

Based on the Equity Impact Review and best practices, Transit should: a) develop community impact measures for the Access paratransit program; b) include the metrics in its Access paratransit performance monitoring plan; and c) annually report on equitable access to the program.

²³ The six key transit performance measures cited by the Mineta Transportation Institute (MTI) in a 2016 report are service availability, service delivery, community impact, maintenance, financial performance, and agency administration. MTI was established by Congress in 1991, and is funded through the U.S. Department of Transportation, the California Department of Transportation (Caltrans), and others.



Customer Service and Surveys

SECTION SUMMARY

Transit's understanding of the experience of Access riders is limited by infrequent customer contact, outreach, and observation. Transit's customer service work will be contracted out until its control center contract expires in 2018. This contracting arrangement creates a risk that customer feedback is not fully and accurately conveyed to Transit. The agency conducted formal outreach to paratransit customers in 2016 for the first time in more than a decade. Transit is not using FTA-recommended "mystery rider" programs that allow staff to observe the rider experience first-hand.

Transit plans to bring customer service in-house

Customer service will be contracted out until 2018. Transit contracts out its customer service work (e.g., handling customer comments and complaints) to its control center contractor. This is atypical of agencies like Transit that have a separate control center and service provider contracts. For transit agencies with single contractors, the model Transit is moving toward with its 2017 RFP, is a best practice for the agency to bring customer service in-house. This is because a contractor would have a conflict of interest in reporting complaints directed at them to the transit agency. In its scope of work for the 2017 RFP, Transit said that it would be responsible for customer service. Thus, we expect that customer service work will move in-house when the new contract begins.

Recommendation 13

Transit should follow through with its commitment to establish a customer service function that is independent of control center, service provider, or turnkey contractors.

Recent survey promising for future outreach

Transit is considering regular paratransit rider surveys but must do more to make sure efforts to understand customer experience and improve service takes place. In 2016, Transit conducted formal outreach efforts for the Access paratransit program for the first time since 2004. This included an online customer survey and convening of a community advisory group made up of paratransit riders.²⁴

Transit told us it is considering the development of an annual Access customer survey. Transit has allocated \$150,000 for this purpose in its 2017-2018 budget, and it began collecting data through a follow-up survey in the spring of 2017. However, Transit has canceled past planned efforts to collect information from Access riders. Transit told us

²⁴ The survey took place in the summer of 2016. It had approximately 600 respondents representing Access riders, caregivers of Access riders, and organizations that serve Access riders. The community advisory group met several times between July 2016 and February 2017, to discuss findings from the customer survey and make recommendations for service improvement.

that it considered a phone survey of Access paratransit customers about three years ago, but Transit canceled the survey because of budget issues.

Regular outreach matches industry best practices and the King County Equity and Social Justice Strategic Plan, which says that efforts to get information from service recipients should be regular and ongoing. Getting ongoing information helps assure that programs are providing high-quality services, and that these services are provided equitably. According to Transit, it has never conducted an equity analysis of Access.

Recommendation 14

Transit should gather feedback from active Access riders and prospective users on an annual basis and use this information to improve service quality.

Racial and ethnic diversity missing from recent customer survey

People of color were underrepresented among Access survey respondents. Although the majority of active Access paratransit customers live in the most diverse parts of King County, this diversity was not represented in the 2016 customer survey. Of the nearly 400 people who answered questions about language, race, and ethnicity, the vast majority were white and from primarily English-speaking households. This means that Transit missed the opportunity to gain the perspective of key populations and may lack information necessary for adjusting services to meet their needs.

Comparing data from Transit's 2016 customer survey to U.S. census data show a significant underrepresentation of residents of color, at least in survey respondents. In King County, Asian Americans and Pacific Islanders account for about 16 percent of the county's population but only 7 percent of Transit survey respondents. See Exhibit M, below.

EXHIBIT M: **2016 customer survey respondents did not reflect the county’s racial and ethnic diversity.**

Race/Ethnicity ¹	Percent of Access Paratransit Survey Respondents ²	Percent of King County Population
White	78.2%	62.8% ³
Asian-American/Pacific Islander ³	7.3%	16.3%
Hispanic or Latino ⁴	1.1%	9.3%
Black or African-American	4.7%	6.0%
American Indian and Alaska Native	0.3%	0.6%
Multiple ethnicities ⁵	5.0%	N/A
Two or more races ⁶	N/A	4.9%
Other	3.4%	0.2%

Notes:

¹ The race ethnicity categories used in the 2016 Access paratransit survey do not match the current categories used by the U.S. Census Bureau. The U.S. Census Bureau adheres to federal standards on race and ethnicity. Major differences are noted below.

² Of the approximately 600 survey respondents, 358 provided information about race and/or ethnicity.

³ Asian American/Pacific Islander is in aggregate in the 2016 Transit survey, but it is two separate categories in the U.S. census data: (1) Asian and (2) Native Hawaiian and Other Pacific Islander. For the U.S. census data shown in this row, we aggregated these two groups for comparability.

⁴ In the U.S. census data, Hispanic or Latino is an ethnicity, not a race. The U.S. census data shown in this row includes people who identify as Hispanic or Latino of any race.

⁵ Hispanic or Latino is the only ethnicity in the U.S. census data; there is no ‘multiple ethnicities’ field.

⁶ The U.S. census data has a “two or more races” category. The two or more races category here does not include those who identify as multiple races and Hispanic or Latino.

Source: King County Metro Transit Access Program Customer Survey (2016), U.S. Census Bureau data (2011-2015).

Data also show underrepresentation of people whose primary language is not English. U.S. census data show that about one quarter of King County residents speak a language other than English at home, while only seven percent of survey respondents who provided language information were in this category. Transit also produced a Spanish language version of the survey and received two responses in Spanish.

Transit did not review the causes for disparate response rates, increasing the risk of continued inequity in services. Transit did not conduct a nonresponse analysis to examine the causes for underrepresentation in its 2016 survey by people of color or those with limited English proficiency. According to the Government Accountability Office and best practices, a nonresponse analysis shows why people did not respond to a survey, and it is critical for correctly interpreting results and improving future surveys. A basic nonresponse analysis considers why people did not respond—either not contacted, not interested, or not able to respond. Another key element of a nonresponse analysis is to consider what impact, if any, nonresponse had on the results. Without the knowledge from such an analysis, any inherent bias of the sampling methodology gets carried over into the results, and biases are perpetuated in future surveys. For the Access paratransit program, the absence of a nonresponse analysis means that any inherent bias in the survey will continue, and Transit will continue to miss the perspective of historically underserved communities, as well as continue to limit its chances to influence the program.

Recommendation 15

Transit should use information from its 2016 Access paratransit survey to identify methods to increase the participation of historically underserved populations in future surveys, and implement them.

Recommendation 16

Transit should conduct nonresponse analysis following its 2017 and future surveys, and use this information to improve response rates and participation of historically underserved populations.

Transit can expand the use of customer perspectives through a mystery rider program. One option that the FTA recommends for expanding customer feedback is to use a mystery rider program. In this program, observers would schedule and take trips on the paratransit system and report their findings back to Transit. According to Transit, it has never had a mystery rider program. Information from a mystery rider can increase the quality of a performance measurement system by identifying issues that may otherwise go undetected, and may help reduce the chance of the agency making decisions based on cost alone.

Recommendation 17

Transit should supplement customer feedback and data reporting with direct observation such as a “mystery rider program” to ensure service quality.



Appendix 1

Preliminary Audit Findings Provided to Transit in December 2016

On December 16, 2016, the King County Auditor's provided Transit a letter summarizing our preliminary findings about the Access Paratransit Program. Transit was in the in process of drafting a request for proposal for new paratransit contracts, and we wanted to provide our preliminary audit findings in time so that Transit could integrate our recommendations into its request for proposal. The letter starts on the following page.

King County Auditor's Office

KyMBER WALTMUNSON, King County Auditor



King County

DATE: December 16, 2016

TO: Rob Gannon, General Manager, King County Metro Transit (KCMT)

FROM: KyMBER WALTMUNSON, King County Auditor 

SUBJECT: Preliminary audit findings related to the Access paratransit program

King County's Access paratransit program provides essential transportation service to some of King County's most vulnerable residents and costs about \$60 million annually. We are in the process of conducting a performance audit of the program. Given the timing of the development of the RFP for new paratransit contracts, we wanted to share our findings with you at this time, so that they can be adequately considered as the RFP is being drafted.

We appreciate the dedication of KCMT paratransit staff, and the assistance they are providing us as we conduct this audit. We understand that increasing traffic congestion as well as changes to the transportation needs of the population using the service has added to the challenges of managing the service. *The process of issuing new contracts for paratransit services provides an opportunity to address the issues we identify in this letter.*

Summary of Findings to Date

KCMT paratransit service is the fifth most expensive of the 40 largest paratransit programs in the country in a comparison of cost per trip, and these costs are significantly higher than many other agencies. At the same time, measures of service quality (e.g., on-time performance) are deteriorating and some do not meet Federal Transit Administration (FTA) standards. Many other transit agencies have addressed similar challenges by creating a more flexible operation, for example, by supporting alternatives to the dedicated van service, such as taxis. Improving service flexibility has the potential to both reduce costs and improve service quality. While KCMT has increased use of taxis in recent years, it has not created incentives that encourage contractors to use non-dedicated vehicles in a cost-effective way.

The table below summarizes our findings to date, and provides suggestions for how KCMT can address these findings in the new RFP or while implementing the new contract. Following the table, we provide additional detail about these findings.

Rob Gannon, General Manager, KCMT
 December 16, 2016
 Page 2 of 9

#	What We found	What Transit Should Do
Cost of Service		
1	The amount KCMT pays its providers for an hour of dedicated paratransit bus service is higher than peer agencies, in some cases, substantially higher.	KCMT should reach out to potential bidders to encourage a larger, more competitive pool of contractors; thoroughly scrutinize provider bids in the RFP process; compare bids to peer agency payment rates; and negotiate with bidders to improve bid prices using a “Best and Final Offer” process.
2	In comparison to peer agencies, KCMT allocates a smaller, and in some cases a substantially smaller, proportion of trips to alternatives to dedicated van service. Optimizing the mix of dedicated and non-dedicated vehicles has the potential to reduce cost and improve service performance.	<p>a. KCMT should, on an ongoing basis, conduct an analysis aimed at optimizing the mix of service between dedicated van service and non-dedicated services, such as taxis.</p> <p>b. KCMT should notify prospective bidders to the RFP that it intends to optimize the mix of dedicated and non-dedicated vehicles consistent with the analysis recommended above.</p>
3	KCMT’s current contractual payment structure creates a disincentive for the control center contractor to schedule trips efficiently or allocate rides to lower-cost, non-dedicated service providers. While KCMT has indicated it intends to change its payment structure in a manner that would remove this disincentive, the suggested new payment structure would not provide an incentive for scheduling trips efficiently or allocating rides in the most cost-effective manner.	<p>a. KCMT should provide a robust contractual incentive for the control center provider to schedule trips efficiently and allocate rides between dedicated vans and nondedicated services in a cost-effective manner.</p> <p>b. KCMT should ensure that its next contract provides sufficient flexibility that allows for changes in the mix of service between dedicated vans and nondedicated services.</p>
Contract Monitoring		
4	FTA guidance recommends that contract monitoring be designed to address the potential unintended consequences of how contractors are paid. KCMT’s current contract monitoring activities are not aligned in such a manner.	Depending on the contractor payment structure used in the next contract, KCMT should select the appropriate performance standards and link those standards to incentives or liquidated damages.
5	KCMT’s current contract monitoring activities are infrequently applied, potential penalties are insufficient to change contractor behavior, and the penalty amounts have declined over time because of inflation.	KCMT should set incentive and liquidated damage amounts at levels that can change contractor behavior and adjust these amounts for inflation during the life of the contract.

Rob Gannon, General Manager, KCMT
 December 16, 2016
 Page 3 of 9

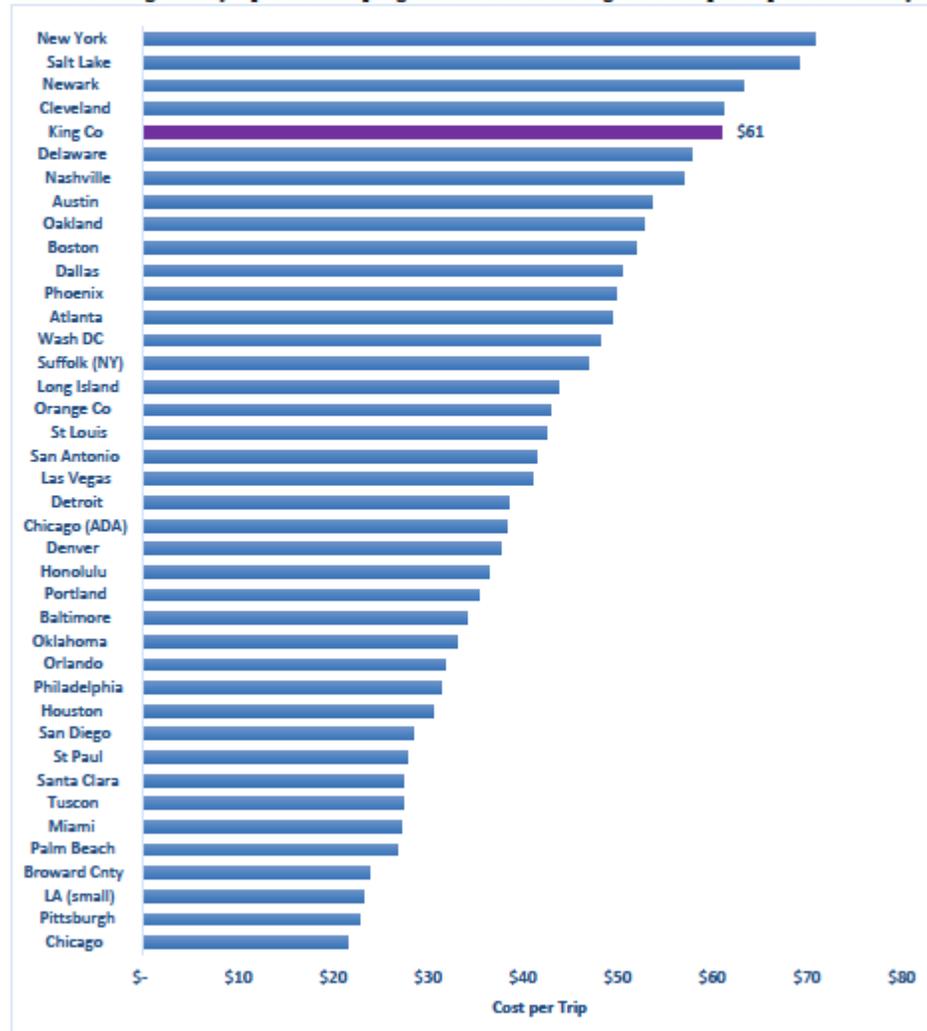
#	What We found	What Transit Should Do
6	KCMT does not have a contract management plan and relies on contractor self-reporting data on its performance. Developing and using a contract management plan is a best practice in contract oversight.	KCMT should begin developing a contract management plan for monitoring the new contract. For each contract requirement, the plan should specify: 1) the method for verifying compliance; 2) frequency of review; and 3) the staff member responsible for monitoring that element of the contract.
Service Quality		
7	KCMT's headline performance target for on-time performance focuses on timely pickups to the exclusion of timely drop-offs, which is inconsistent with FTA guidance. This has led to an imbalanced emphasis on timely pickups over timely drop-offs, which can lead to circuitous routing and increased onboard time, late drop-offs, or excessively early drop-offs.	KCMT should establish an additional on-time performance target for drop-offs defining timely drop-offs as those that occur 30 minutes before the appointment time to the appointment time. Associated incentives or liquidated damages should aim to adequately balance the emphasis on both pickups and drop-offs.
8	Between 2010 and 2016, KCMT had planned maintenance expenditures of \$331,575 associated with software applications that it has not completely rolled out. These applications include web booking software, which has the potential to reduce call volumes and increase customer satisfaction, and PASS-IPA, which tracks compliance with ADA requirements for onboard ride times relative to fixed route service.	KCMT should thoroughly review compatibility and utility before purchasing IT products and, after purchasing, work to use them.
9	KCMT currently contracts out its customer service (e.g., handling customer comments and complaints) function. This is atypical of transit agencies that have separate control center and service provider contracts. For transit agencies with single or multiple turnkey contractors, it is a good practice to keep the customer service function in-house since a contractor would have a conflict of interest in reporting complaints directed at them to the transit agency.	KCMT should establish a customer service function that is independent of control center, service provider, or turnkey contractors.

Rob Gannon, General Manager, KCMT
 December 16, 2016
 Page 4 of 9

Cost of Service

According to data from the National Transit Database for 2014, KCMT had the fifth highest cost per trip provided among the 40 largest paratransit agencies in the country.

Exhibit 1: King County's paratransit program has one of the highest costs per trip in the country.

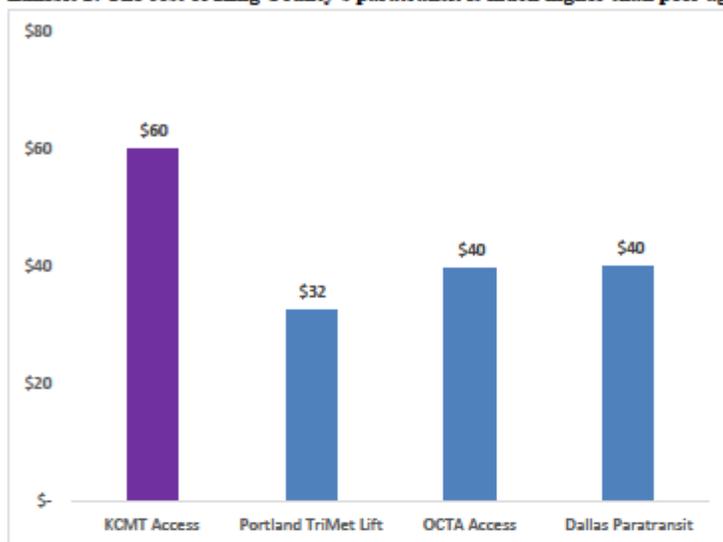


Source: Federal Transit Administration, National Transit Database, 2014

Our review of detailed financial data provided by peer agencies confirmed KCMT's relatively high costs continued in 2015.

Rob Gannon, General Manager, KCMT
 December 16, 2016
 Page 5 of 9

Exhibit 2: The cost of King County’s paratransit is much higher than peer agencies.

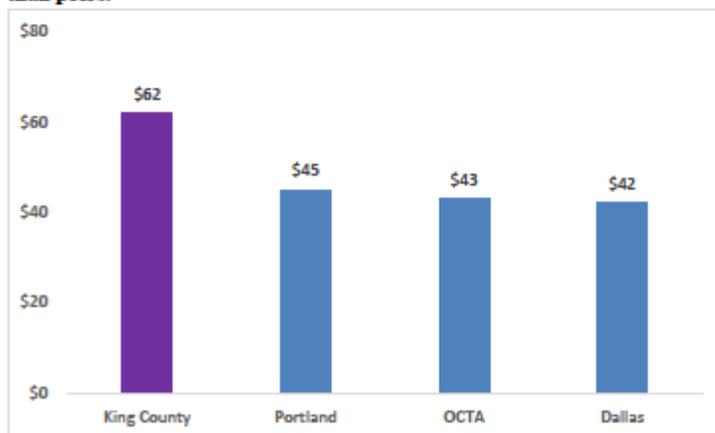


Source: KCMT financial information and data provided by peer agencies 2015

In our review of the peer agency data, three potential explanations for KCMT’s high costs became apparent.

First, the rates King County pays to service providers is higher than those paid by the peer agencies.

Exhibit 3: King County’s vehicle operations provider payment rate per service hour is much higher than peers.



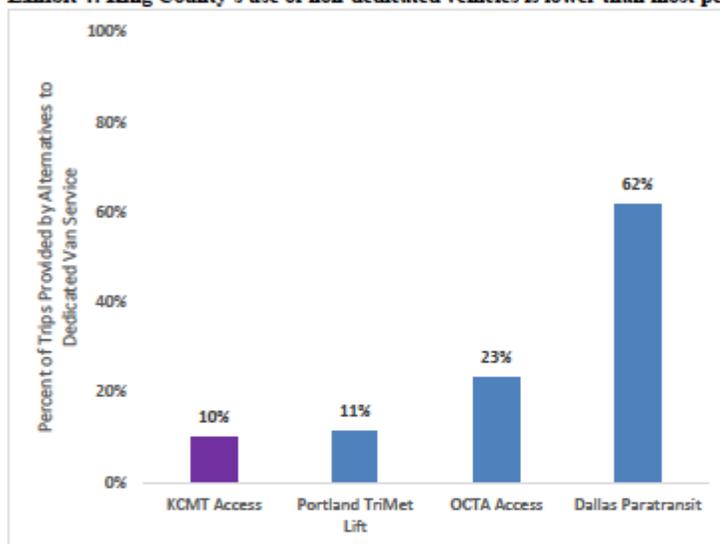
Source: KCMT financial information and data provided by peer agencies 2015

Rob Gannon, General Manager, KCMT
 December 16, 2016
 Page 6 of 9

Note: We adjusted for differences between contractual scopes of work and payment structures. For example, Portland has a separate contract for vehicle maintenance, while KCMT includes vehicle maintenance in its contract with its vehicle service provider. OCTA pays for both scheduling/dispatch and vehicle services in a single contract, while KCMT uses separate contracts for these functions. Dallas pays per trip rather than per vehicle service hour. Our adjustments took those factors into account in making this comparison. We did not adjust for differences in cost of living among the peer jurisdictions.

Second, KCMT makes less use of non-dedicated vehicles such as taxis than the peer agencies we reviewed.

Exhibit 4: King County's use of non-dedicated vehicles is lower than most peers.



Source: KCMT performance information and data provided by peer agencies 2015

Non-dedicated services can improve the cost-effectiveness of service in situations of low service density. For example, the goals of non-dedicated service include:

- to lower costs in low-density parts of the service area
- to lower costs during low-density periods of demand.

Our analysis of KCMT data indicates that on 78 percent of trip legs (e.g., a movement of the van from one location to another to pick up or drop off a passenger) there were either 0 or 1 passengers in the van, which suggests there is a significant amount of low-density service being provided by the dedicated vans.

Third, KCMT's contractual payment structure creates a disincentive for the control center provider to schedule trips efficiently, or allocate trips among the dedicated vans and taxis in a cost-effective manner. There is also a disincentive for the vehicle service providers to operate their runs in an efficient manner. This is because both the control center provider and the vehicle

Rob Gannon, General Manager, KCMT
December 16, 2016
Page 7 of 9

service providers are paid based on the number of service hours that are provided. The more service hours it takes to provide the required service, the more the contractors are paid.

KCMT paratransit staff has indicated that in the next contract, it intends to pay for control center services based on the cost of service, rather than service hours, while continuing to pay for dedicated van service based on service hours. This plan would eliminate the disincentive for the control center provider to schedule trips efficiently or allocate trips among the dedicated van service and alternatives in a cost-effective manner. However, it would not create an incentive for the control center provider to schedule trips efficiently, nor would it create an incentive for the vehicle service providers to operate efficiently.

Contract Monitoring

Contractual tools for enforcing performance standards should be aligned with the contract, and incentivized.

KCMT has some incentives and disincentives in its current contract, but its contract monitoring activities are not effectively addressing the risks created by the contractual payment method. For example, the FTA recommends that for contracts that pay per vehicle service hour, the agency should closely monitor run structure, productivity, and scheduling. Most of the current incentives and penalties are related to service quality, and none of the incentives can be paid unless a service quality standard is met. While KCMT has one incentivized performance metric related to productivity, it has only been awarded once in the past eight years, and KCMT has reduced contractor performance targets as productivity has declined. The table below illustrates the current performance standards that are linked to incentives and penalties in the current contracts.

Exhibit 5: Performance standards with incentives or disincentives in current contracts.

	Performance Metric	What This Measures
-	Dropped route	Service quality
+/-	Number of missed trips	Service quality
+/-	Percentage of on-time pickups*	Service quality
+	Number of preventable accidents	Safety
+	Number of road calls	Maintenance
+	Meeting scheduled pull-out times	Scheduling
+	Average number of rides per vehicle service hour	Productivity

Key: - Linked to potential disincentive (liquidated damages) in current contract
+/- Linked to both a potential disincentive and an incentive in current contract
+ Linked to potential incentive payment in current contract.

Source: KCAO analysis of Access Paratransit program contracts

*According to the contract, none of the other incentives can be paid out if the on-time pickup rate is less than 90 percent.

King County Metro Transit faces challenges overseeing the current contract.

KCMT's current contracts contain provisions for monthly incentives and liquidated damages, but the amounts are very small in comparison to the amount paid in the contract. The incentives have been awarded infrequently and half of them appear to have been awarded in error. Transit started

Rob Gannon, General Manager, KCMT
 December 16, 2016
 Page 8 of 9

assessing liquidated damages for missed trips in 2010, but only collects fees for about 40 percent of them. Over the past eight years, Transit has paid contractors over \$300 million for services, and awarded less than \$24,000 in incentives and assessed about \$100,000 in liquidated damages.

While Transit reviews performance data submitted by contractors, the infrequent and inconsistent usage of incentives and penalties indicates that Transit must do more to develop a logical set of performance standards and oversee future contracts. For future contracts, incentives and liquidated damages should be developed to address risks inherent in the payment type, be substantial enough to encourage better performance, and be properly monitored by the agency.

Exhibit 6: Infrequent and inconsistent use of incentives, January 2009 - June 2016.

Monthly Performance Incentive	Number of Times Incentive Paid To Contractors	Number of Times On-time payment was made in error*	Amount paid in incentives, 2009-2016
Productivity	1*	0	\$10,000
Zero Preventable Accidents	5	3	5,000
Zero Road Calls	12	9	3,900
Zero Missed Trips	5	2	3,000
Less than 2 Road Calls	6	2	1,800
Total	29	16	\$23,700

Source: KCAO analysis of Access paratransit performance reports, 2009-2016.

*This is one award divided among three contractors.

Service Quality

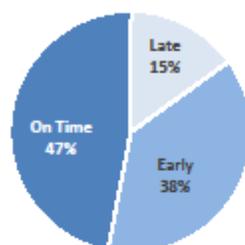
Paratransit services are not providing an optimum customer experience and in some cases are not aligned with best practices related to the Americans with Disabilities Act (ADA). For example:

- FTA guidance suggests that on-time performance goals should be 100 percent, but that a minimum required level of performance of 92 to 95 percent is acceptable. As with onboard time, riders and their advocates have expressed dissatisfaction with on-time performance, and the quantitative data supports their claims. Access paratransit program's on-time performance has been well below these acceptable levels, and appears to be dropping. On-time performance has been about 90 percent since 2012, and averaged 86 percent in the first half of 2016.
- The FTA encourages transit agencies to establish policies for on-time drop-offs so that passengers are dropped off no more than 30 minutes before a scheduled appointment. Based on an analysis of appointment times and actual drop off times for 32,712 trips KCMT provided between September 1 and 30, 2016, we found that 38 percent of passengers were dropped off too early under the FTA standard, while only 4 percent of passengers were dropped off too early under the KCMT standard. This distinction is useful in explaining why customers appear dissatisfied with these trips, even though the KCMT standard shows that most trips are on-time.

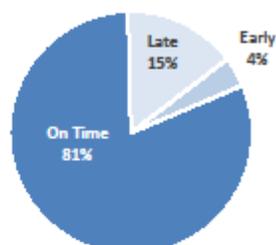
Rob Gannon, General Manager, KCMT
 December 16, 2016
 Page 9 of 9

Exhibit 7: FTA's performance standards suggest that only about half of appointment-based trips are on time, but KCMT standards suggest most are on time.

On-time performance for appointment-based trips using FTA standards



On-time performance for appointment-based trips using current KCMT standards



Source: KCAO analysis of 32,712 Access paratransit trips with a requested drop-off or appointment time in September 2016.

Note: FTA standards categorize a trip as early if a person is dropped off more than 30 minutes earlier than their scheduled appointment time. King County categorizes a trip as early if a person is dropped off more than 60 minutes earlier than their scheduled appointment time.

Next Steps

We offer these suggestions to you at this time because we consider the issues covered in this letter as topics that could be potentially addressed in the new RFP. We plan to wait until the RFP is finalized before issuing the full audit report, and to the extent that the issues raised in this letter are addressed in the RFP, the audit report will reflect that. In the meantime, the audit will continue to explore other topics we are currently reviewing.

King County Auditor's Office

The King County Auditor's Office performs its work in accordance with Government Auditing Standards. The Auditor's Office is providing this management letter to Metro Transit in preparation of its issuance of a request for proposals to provide paratransit services in 2018. This is an interim reporting product as outlined in Government Auditing Standards A7.02g. The overall audit product is being done under the Auditor's Office standards for independence, objectivity, and quality.

Executive Response



King County

Dow Constantine
King County Executive
401 Fifth Avenue, Suite 800
Seattle, WA 98104-1818
206-263-9600 Fax 206-296-0194
TTY Relay: 711
www.kingcounty.gov

KING COUNTY AUDITOR

JUNE 7, 2017
RECEIVED

June 7, 2017

KyMBER Waltmunson
King County Auditor
Room 1033
COURTHOUSE

Dear Ms. Waltmunson:

Thank you for the opportunity to review and comment on the proposed final report “Access Paratransit: Action Needed to Address Cost, Quality and Equity.”

We concur with the recommendations identified in the report and appreciate the Auditor’s cooperative work with Metro Transit Division during the development of this audit. We are committed to continuously improving the services and programs we provide and tools such as this report will help us achieve our goal. While we concur with all the audit recommendations, there is some additional context and information I would like to provide.

The Americans with Disabilities Act (ADA) of 1990 requires public transportation authorities to provide a complementary paratransit system for passengers with disabilities who are unable to use public bus or subway service. King County’s Access system provides paratransit services in compliance with the ADA. The intent of this federal law is to ensure that individuals with disabilities have access to a comparable level of public transportation service as that provided to the general population.

King County provides paratransit service that is above the mandated levels identified in the ADA. Metro provides service in locations and at times that are not served by fixed route bus, the standard for comparison for paratransit services, and at a fare that is less than that charged for the fixed route system – the law provides for a paratransit fare up to twice that of the regular commuter fare. As you’ve noted in past audits, providing this higher level of service and not increasing the fare to the maximum allowed, contributes to the high cost per rider of our Access service. A key element of the cost of providing this service is the level of ridership.

Since your 2009 audit, Metro has embarked on a series of efficiency initiatives to reduce the cost of the Access program while continuing to provide the service to those that need it most.

*King County is an Equal Opportunity/Affirmative Action Employer
and complies with the Americans with Disabilities Act*



KyMBER Waltmunson
June 7, 2017
Page 3

Providing convenient fare payment options for customers is something we take seriously and Metro is currently exploring a number of options not noted in the audit report. Specifically, Metro's mobile ticketing pilot project will be tested for use on Access service in the next few months. Additionally, providing fare collection devices on Access vehicles is being examined and a request is currently pending with the One Regional Card for All (ORCA) system vendor to develop a portable device that could provide a viable, cost-effective option for Access vehicles. Such an option would enable Access customers to use the e-purse functionality of ORCA for their Access trips. With respect to monthly pass pricing, Access customers are able to use their Access pass on the fixed route system at the Access fare rather than the bus fare. Metro also provides Regional Reduced Fare Permits for our Access customers which allow them to ride the fixed route system at an even lower fare.

The 2014 peer review, provided the suggestion that Access eligible riders be able to access the fixed route system at no cost. This suggestion was evaluated during the 2015/2016 budget development process. At that time King County elected to move forward with a low-income fare product (ORCA LIFT) and needs to gauge the financial impacts of that program before looking at additional changes.

Equity and Social Justice is a priority of my administration, and I appreciate the work done by the audit team to identify potential opportunities to use the Equity Impact Review tool. Metro does a lot of good work for the fixed route system, including the identification of routes serving minority and low income populations as noted in the Service Evaluation Report. Expanding the fixed route system will provide additional mobility to all residents of King County, including those that use Access. As we look at the Access program, we need to continue to be clear that the ADA mandates that disability rather than any other characteristic determines eligibility for service. FTA guidance states that service providers may not unreasonably burden applicants during the ADA certification process by requesting information that has no bearing on eligibility determinations. In this instance, that would include demographic information. That said, I have asked staff to look at ways to collect demographic information outside of the certification process so that we can evaluate the impacts of the program. Providing this information will be totally voluntary for customers. Collecting and collating this information in order to report and act upon results will take time.

Finally, as noted in the audit report, we have already initiated the process of soliciting proposals for the service provider contracts associated with the program. This solicitation incorporated many of the recommendations from the draft audit report issued by your office in December.

These new contracts represent a significant opportunity to improve the operation of the system and we look forward to reviewing the proposal responses. Proposal responses are now scheduled to be submitted by June 22, 2017, as we issued an extension so that the proposal pool could be as comprehensive as possible. Given the proposal timelines, I appreciate the collaboration from your staff to provide interim recommendations that could be used to form the Scope of Work and Request for Proposals.

KyMBER Waltmunson
June 7, 2017
Page 4

Attached is our response to the audit recommendations. Our timelines for implementation revolve around the new contracting model. Some recommendations require the new model to be in place and therefore won't be implemented until summer 2018. Others are not as dependent upon the new contract and implementation will begin this year.

Thank you again for collaborating on this work. If you have any questions regarding our audit response, please contact Christina O'Claire, Assistant General Manager – Planning and Customer Service, Metro Transit, at 206-477-5801.

Sincerely,



Dow Constantine
King County Executive

Enclosure

cc: Fred Jarrett, Senior Deputy Executive, King County Executive Office (KCEO)
Rhonda Berry, Deputy Executive for Operations, KCEO
Harold S. Taniguchi, Director, Department of Transportation (DOT)
Rob Gannon, General Manager, King County Metro, DOT
Christina O'Claire, Assistant General Manager – Planning and Customer Service,
King County Metro, DOT
Priscilla Vargas, Managing Director, Paratransit and Rideshare Operations, King
County Metro, DOT

Recommendation 1

Transit should, on an ongoing basis, conduct an analysis aimed at optimizing the mix of service between the paratransit van service and alternatives, such as taxis.

Agency Response

Concurrence	Concur
Implementation date	Q3 2018
Responsible agency	Transit
Comment	The new contracting model includes a requirement for a monthly review with the contractor of the mix of services. Metro staff will be conducting these reviews as a way to optimize service options.

Recommendation 2

Transit should thoroughly review compatibility and utility before purchasing information technology products and, after purchasing, work to use them.

Agency Response

Concurrence	Concur
Implementation date	Q4 2017
Responsible agency	Transit
Comment	The software purchase discussed by the auditor will be put into use later this year. The delay in implementing the software was the result of new requirements coming from the Community Access Transportation program. Future purchases of software in support of Access will be the sole responsibility of the Contractor.

Recommendation 3

Transit should complete and execute a contract management plan for monitoring the new contracts. For each contract requirement, the plan should specify: a) the method for verifying compliance; b) frequency of review; and c) staff member responsible.

Agency Response

Concurrence	Concur
Implementation date	Q3 2018
Responsible agency	Transit
Comment	The new contracting model includes a comprehensive Contract Management Plan that addresses the concerns raised by the auditor.

Recommendation 4

Transit should monitor and enforce contract incentives and disincentives for a period of one year, and based on this work: a) assess how they can more effectively improve productivity and performance; b) establish future dates to review them later in the five-year contract; and c) update the contract management plan to reflect these changes.

Agency Response

Concurrence	Concur
Implementation date	Q3 2018
Responsible agency	Transit
Comment	Based in part on the auditor's recommendations, the new contract for Access service will include a range of performance standards that are linked to a new and expanded set of financial incentives and disincentives. These standards are identified in the RFP. The standards will be reviewed after one year and periodically during the period of the contact.

Recommendation 5

Transit should define excessively long trips in reference to fixed-route standards, regularly sample longer trips to count how many are excessively long, and take steps to make sure there is not a pattern of significant numbers of excessively long trips.

Agency Response

Concurrence	Concur
Implementation date	Q1 2018
Responsible agency	Transit
Comment	The scheduling system has a series of parameters that ensure that trips are scheduled consistent with comparable fixed route trips; however, actual on street conditions can result in longer than anticipated trips. The on street conditions can be more than expected due to traffic congestion or unexpected changes to the travel pattern (for example, a delay in a customer being ready for pick-up). Longer than anticipated trip times are also experienced by users of the fixed route system when the on-street conditions result in the actual trip taking longer than the scheduled trip. Metro staff currently monitor the trip lengths which are also subject to review by the Federal Transit Administration (FTA). The FTA has not identified issues with the Metro Access system and efforts will continue to ensure that the scheduling system is accurately portraying trip lengths.

Recommendation 6

Transit should put in place monitoring and enforcement procedures to make sure paratransit riders are not dropped off more than 30 minutes before their appointments.

Agency Response

Concurrence	Concur
Implementation date	Q4 2017
Responsible agency	Transit
Comment	Metro is changing the scheduling procedures to put in place a 30-minute drop-off threshold. This work will be completed by Q4 2017 and will be monitored and enforced as part of the current and future contracts.

Recommendation 7

Transit should provide additional fare payment methods that take into account riders' needs and trip frequency.

Agency Response

Concurrence	Concur
Implementation date	Q2 2018
Responsible agency	Transit
Comment	A number of efforts are currently underway to provide more fare payment options to Access riders. The mobile ticketing pilot is being expanded to the Access system by the end of summer. Equipping Access vehicles with devices to read ORCA cards is also being explored with the system vendor. If a cost effective device can be identified, Access riders will be able to use the e-purse functionality of the ORCA system. Additional outreach is also being provided to make the Regional Reduced Fare Permit more accessible.

Recommendation 8

Transit should work directly with King County communities to develop activities that will address barriers to the Access paratransit program for people with limited English proficiency.

Agency Response

Concurrence	Concur
Implementation date	Q2 2018
Responsible agency	Transit
Comment	Metro currently partners and coordinates with Hopelink who has a program that reaches out to individuals of limited English proficiency to educate them about Access services and other transportation alternatives. Metro is expanding its outreach efforts to reach more people with limited English proficiency through a variety of monthly community meetings, community events and multicultural events throughout the county.

Recommendation 9

Transit should use language data collected during eligibility determination to provide linguistically appropriate customer service to paratransit riders and routinely collect and update information on language preference.

Agency Response

Concurrence	Concur
Implementation date	Q3 2017
Responsible agency	Transit
Comment	Metro currently collects this data through its application process. In turn, applicants and eligible riders are matched with customer service representatives who provide translation through a language line service. This is routinely done over the phone and in person, as necessary. This information is collected and updated every three years through the Access recertification process.

Recommendation 10

Transit should immediately take steps to implement an Equity Impact Review of the Access paratransit program.

Agency Response

Concurrence	Concur
Implementation date	Q4 2017
Responsible agency	Transit
Comment	Metro will work with the Executive's Office and DOT Director's Office to begin the Equity Impact Review process. This process will include review of the Equity Impact Analysis tool as well as tools currently used by Metro to conduct equity analysis for the fixed route system. Paratransit riders use the fixed route system as well as the Access system and an equity review must comprehensively evaluate how this population is best served.

Recommendation 11

Transit should use the results of the Equity Impact Review to find and engage with historically underserved populations.

Agency Response

Concurrence	Concur
Implementation date	Q2 2018
Responsible agency	Transit
Comment	Based on the results of the equity review, Metro will develop appropriate customer outreach and engagement approaches to address the needs of the community. This could include outreach and engagement on fixed route as well as Access services. Outreach is anticipated to begin in mid-2018 as data from the equity review becomes available.

Recommendation 12

Based on the Equity Impact Review and best practices, Transit should: a) develop community impact measures for the Access paratransit program; b) include the metrics in its Access paratransit performance monitoring plan; and c) annually report on equitable access to the program.

Agency Response

Concurrence	Concur
Implementation date	Q4 2018
Responsible agency	Transit
Comment	Based on the results of the equity review, Metro will develop impact measures and report on progress as part of ongoing reports on system performance. The first report will likely be published in 2019 following completion of the equity review and development of measures.

Recommendation 13

Transit should follow through with its commitment to establish a customer service function that is independent of control center, service provider, or turnkey contractors.

Agency Response

Concurrence	Concur
Implementation date	Q3 2018
Responsible agency	Transit
Comment	The new contract model includes a requirement for the vendor to forward customers to Metro's Customer Service office to address customer complaints and commendations. The vendor will take reservations and provide customer service to the riders. Metro's Customer Service will be available to Access customers in the same manner that it is available to bus riders today. Metro staff will collect, record and respond to customer questions, complaints and commendations.

Recommendation 14

Transit should gather feedback from active Access riders and prospective users on an annual basis and use this information to improve service quality.

Agency Response

Concurrence	Concur
Implementation date	Q3 2018
Responsible agency	Transit
Comment	Metro is taking a number of steps to collect and use customer feedback. While Metro will conduct customer surveys as part of a broader, more timely customer service initiative, the vendor will be contractually required to randomly survey active riders weekly to collect feedback. Results of the surveys will be used to identify areas of improvement and to track the results of those improvements.

Recommendation 15

Transit should use information from its 2016 Access paratransit survey to identify methods to increase the participation of historically underserved populations in future surveys, and implement them.

Agency Response

Concurrence	Concur
Implementation date	Q1 2018
Responsible agency	Transit
Comment	Metro staff will be evaluating how to more fully incorporate Access riders with ongoing customer surveys conducted with bus riders and non-riders. Survey methodology will include techniques to ensure that the population is fairly represented in the survey sampling.

Recommendation 16

Transit should conduct nonresponse analysis following its 2017 and future surveys, and use this information to improve response rates and participation of historically underserved populations.

Agency Response

Concurrence	Concur
Implementation date	Q4 2018
Responsible agency	Transit
Comment	Metro staff will develop a nonresponsive methodology to better target the root cause of nonresponsiveness in its surveys of historically underserved populations. Ongoing community feedback will be sought to develop more inclusive surveys.

Recommendation 17

Transit should supplement customer feedback and data reporting with direct observation such as a “mystery rider program” to ensure service quality.

Agency Response

Concurrence	Concur
Implementation date	Q4 2018
Responsible agency	Transit
Comment	Metro will develop a pilot ‘mystery rider program’ using current agency staff. The pilot will include evaluation of methods for monitoring and assessing performance as well as identifying areas for improvements. The pilot will run through the end of 2018. As part of developing the 2019/2020 budget, the results of the pilot program will be evaluated to determine the resources needed to sustain the effort on a permanent basis.



Statement of Compliance, Scope, Objective & Methodology

Statement of Compliance with Government Auditing Standards

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Scope of Work on Internal Controls

We assessed internal controls relevant to the audit objectives. This included review of selected policies, plans, processes, and reports, as well as interviews with King County Metro Transit and contractor staff.

Scope

This audit examined paratransit services provided by King County Metro Transit from 2008 to the present.

Objectives

- Assess the adequacy of Access paratransit contracts to ensure compliance, value, and customer service.
- Determine whether Transit is adequately monitoring contractor performance.
- Assess the extent to which the Access paratransit program is contributing to King County strategic, equity, and social justice goals.

Methodology

Our methodology involved interviewing a wide range of paratransit stakeholders including: King County Metro Transit Accessible Services staff and Office of Equity and Social Justice staff; King County paratransit contractors Harborview Medical Center (eligibility), First Transit (control center), Transdev (vehicle service), Solid Ground (vehicle service), and Lighthouse for the Blind (quality control); community members affiliated with Access paratransit's Community Advisory Group and Stop Veolia; and representatives of Local 587, Puget Sound Regional Council, and King County Mobility Coalition. Interviews with paratransit contractors, excluding Lighthouse for the Blind, involved site visits to the eligibility determination center, control center, and two vehicle bases in South Park and Kent.

We also conducted a literature review regarding ADA paratransit services and a document review of Access paratransit contracts and requests for proposals. The literature review included the 2015 ADA Circular from the Federal Transit Administration, ADA transportation guidelines from the Disability Rights Education & Defense Fund, and white papers from the Transit Cooperative Research Program. The latter were mostly used to understand what payment rates, contract monitoring procedures, performance measures, and incentives King County Metro Transit had in place.

We used operational and financial data from a number of sources. For example, we used King County Metro Transit data to analyze performance trends from 2008 to 2016, we used data from the National Transit Database to place Transit's cost per trip in a national context (the most recent data was for 2014), and we solicited data from three peer jurisdictions for 2015 (Orange County Transportation Authority, Dallas Area Rapid Transit, and Portland Tri-Met) to compare usage of alternatives to dedicated van

service. Looking at performance trends, we sampled data for on-time performance and travel time. For on-time performance, we sampled trips from September 2016 where passengers were being taken to an appointment. Our sample included 32,712 trips. We wanted to use a full month of recent data to understand how closely people were being dropped off relative to their appointment times. Our results cannot be projected to the population. To compare fixed-route and paratransit travel times, we sampled data from one of each of the seven days of the week for the period between December 2015 and November 2016. Data availability was limited because Transit unloads routing data from the fixed-route travel tool every three days due to limited server capacity. The sample included all seven days of the week because demand for trips and traffic flows vary significantly between weekdays and weekends. We selected three of the days, because they were the most recent data in the tool at the time of the analysis. To expand our analysis to other months, we used data Transit had previously exported from the tool for our analysis. Of the 15,599 trips that took place on those days, 20 percent (3,192) were 45 minutes or longer and had fixed-route data. We chose trips that were 45 minutes or longer because the FTA recommends sampling longer trips and gives 45 minutes as an example of a longer trip. Our sample results cannot be projected to the population.

To understand riders' experiences, we held a focus group, attended a community meeting, and reviewed customer survey results. We held a focus group with Open Doors for Multicultural Families to gather perspectives from individuals with limited English proficiency who use Access to meet their family's transportation needs. Twenty-five parents of Access riders attended the focus group, which involved interpretation in Somali, Vietnamese, Spanish, Khmer (Cambodian), Korean, Chinese, and Farsi (Persian). We attended a community meeting, called "Let's Improve Access Paratransit," organized by the Transit Riders Union with 20 attendees, including 11 past or present Access riders. Finally, we reviewed the results of the online survey Transit sent out to Access paratransit riders in the summer of 2016. The survey had approximately 600 respondents, including riders, their caregivers, and organizations that serve them.

To gain technical expertise, we hired a researcher from the University of Washington (UW) to analyze vehicle occupancy, deadhead, and cost per trip. The UW researcher previously worked with Transit to analyze paratransit data related to demand projections, emergent incidents, and cost effectiveness in the summer of 2015.

We used U.S. Census Bureau data from the 2009-2013 American Community Survey and Language Line invoices from Transit and First Transit for September 2015 through August 2016,²⁵ to compare the most common languages spoken by individuals with limited English proficiency in King County to the languages spoken by those who used language assistance to ride Access.²⁶ We also looked at census data to understand the racial proportionality of customer survey respondents as compared to the county as a whole.

²⁵ Transit provided invoices for September 2015 through July 2016 but did not have invoices for May, June, and August 2016. First Transit provided invoices for December 2015 through August 2016.

²⁶ The Language Line is a contracted, fee-based service that connects with a bilingual operator to provide interpretation into English.



List of Recommendations & Implementation Schedule

Recommendation 1

Transit should, on an ongoing basis, conduct an analysis aimed at optimizing the mix of service between the paratransit van service and alternatives, such as taxis.

IMPLEMENTATION DATE: Q3 2018

ESTIMATE OF IMPACT: Optimizing the mix of service will reduce cost per trip and the number of circuitous routes by allowing smaller vehicles to more efficiently accommodate fewer riders to more far-flung destinations.

Recommendation 2

Transit should thoroughly review compatibility and utility before purchasing information technology products and, after purchasing, work to use them.

IMPLEMENTATION DATE: Q4 2017

ESTIMATE OF IMPACT: These reviews will reduce the likelihood that Transit purchases IT products that add little or no value to the program.

Recommendation 3

Transit should complete and execute a contract management plan for monitoring the new contracts. For each contract requirement, the plan should specify: a) the method for verifying compliance; b) frequency of review; and c) staff member responsible.

IMPLEMENTATION DATE: Q3 2018

ESTIMATE OF IMPACT: A contract management plan will help make sure that Transit staff regularly monitor and verify contractor-reported performance metrics, thus helping to ensure that service and other goals are met.

Recommendation 4

Transit should monitor and enforce contract incentives and disincentives for a period of one year, and based on this work: a) assess how they can more effectively improve productivity and performance; b) establish future dates to review them later in the five-year contract; and c) update the contract management plan to reflect these changes.

IMPLEMENTATION DATE: Q3 2018

ESTIMATE OF IMPACT: Reviewing contract incentives to make sure that they change contractor behavior in positive and predictable ways will help improve productivity and performance and inform the contract management plan.

Recommendation 5

Transit should define excessively long trips in reference to fixed-route standards, regularly sample longer trips to count how many are excessively long, and take steps to make sure there is not a pattern of significant numbers of excessively long trips.

IMPLEMENTATION DATE: Q1 2018

ESTIMATE OF IMPACT: This definition and process will add transparency to trip length standards and performance and help ensure that riders are not onboard for too long, addressing one of the primary concerns expressed by riders in the 2016 rider survey.

Recommendation 6

Transit should put in place monitoring and enforcement procedures to make sure paratransit riders are not dropped off more than 30 minutes before their appointments.

IMPLEMENTATION DATE: Q4 2017

ESTIMATE OF IMPACT: Implementing these monitoring and enforcement procedures will improve service quality by allowing riders to be picked up later from their trip origin and spend less time waiting at their appointment destination.

Recommendation 7

Transit should provide additional fare payment methods that take into account riders' needs and trip frequency.

IMPLEMENTATION DATE: Q2 2018

ESTIMATE OF IMPACT: New payment methods will improve service quality by increasing customer choice and convenience. More suitable payment methods may also result in higher fare recovery.

Recommendation 8

Transit should work directly with King County communities to develop activities that will address barriers to the Access paratransit program for people with limited English proficiency.

IMPLEMENTATION DATE: Q2 2018

ESTIMATE OF IMPACT: Addressing barriers to the program will help make sure that people with limited English proficiency are aware of Access paratransit and have appropriate supports to smoothly apply for and use the service, making Access more inclusive.

Recommendation 9

Transit should use language data collected during eligibility determination to provide linguistically appropriate customer service to paratransit riders and routinely collect and update information on language preference.

IMPLEMENTATION DATE: Q3 2017

ESTIMATE OF IMPACT: Data collection and sharing will help Transit to provide better customer service and to conduct an Equity Impact Review. If Transit knows their language preference, Access riders with limited English proficiency can be more independent, relying less on their community network to communicate with Access staff.

Recommendation 10

Transit should immediately take steps to implement an Equity Impact Review of the Access paratransit program.

IMPLEMENTATION DATE: Q4 2017

ESTIMATE OF IMPACT: King County's Office of Equity and Social Justice created the Equity Impact Review to help agencies determine the extent to which their service is provided equitably. This assessment will allow Transit to find gaps in service and ways to address them.

Recommendation 11

Transit should use the results of the Equity Impact Review to find and engage with historically underserved populations.

IMPLEMENTATION DATE: Q2 2018

ESTIMATE OF IMPACT: Using the findings of the Equity Impact Review can help Access make its service more accessible to underserved populations.

Recommendation 12

Based on the Equity Impact Review and best practices, Transit should: a) develop community impact measures for the Access paratransit program; b) include the metrics in its Access paratransit performance monitoring plan; and c) annually report on equitable access to the program.

IMPLEMENTATION DATE: Q4 2018

ESTIMATE OF IMPACT: Developing, monitoring, and reporting community impact measures will increase transparency about service equity and inform efforts to improve service equity.

Recommendation 13

Transit should follow through with its commitment to establish a customer service function that is independent of control center, service provider, or turnkey contractors.

IMPLEMENTATION DATE: Q3 2018

ESTIMATE OF IMPACT: When the customer service function is not independent, it can reduce transparency, because contractors do not have an incentive to alert the agency of their own poor performance. Bringing customer service in house will help make sure that Transit receives all customer feedback and has a clearer picture of service issues.

Recommendation 14

Transit should gather feedback from active Access riders and prospective users on an annual basis and use this information to improve service quality.

IMPLEMENTATION DATE: Q3 2018

ESTIMATE OF IMPACT: Gathering feedback on a regular basis will help Transit improve service quality by putting performance metrics in context and understanding the rider experience.

Recommendation 15

Transit should use information from its 2016 Access paratransit survey to identify methods to increase the participation of historically underserved populations in future surveys, and implement them.

IMPLEMENTATION DATE: Q1 2018

ESTIMATE OF IMPACT: Identifying and implementing these methods will provide Transit with a strategy for increasing the response rates of underserved populations to help make sure that the needs of all riders are taken into account in service changes.

Recommendation 16

Transit should conduct nonresponse analysis following its 2017 and future surveys, and use this information to improve response rates and participation of historically underserved populations.

IMPLEMENTATION DATE: Q4 2018

ESTIMATE OF IMPACT: Increasing the response rates of underserved populations will help make sure that the needs of all riders are taken into account when evaluating service.

Recommendation 17

Transit should supplement customer feedback and data reporting with direct observation such as a “mystery rider program” to ensure service quality.

IMPLEMENTATION DATE: Q4 2018

ESTIMATE OF IMPACT: A mystery rider program will help Transit get a more complete picture of the rider experience, which can inform service policies and priorities. This information will supplement data provided via service providers, customer service, and outreach efforts.



KING COUNTY AUDITOR'S OFFICE

Advancing performance and accountability

KYMBER WALTMUNSON, KING COUNTY AUDITOR

MISSION Promote improved performance, accountability, and transparency in King County government through objective and independent audits and studies.

VALUES INDEPENDENCE - CREDIBILITY - IMPACT

ABOUT US The King County Auditor's Office was created by charter in 1969 as an independent agency within the legislative branch of county government. The office conducts oversight of county government through independent audits, capital projects oversight, and other studies. The results of this work are presented to the Metropolitan King County Council and are communicated to the King County Executive and the public. The King County Auditor's Office performs its work in accordance with Government Auditing Standards.



This audit product conforms to the GAGAS standards for independence, objectivity, and quality.