

**MUSKEGON AREA TRANSIT SYSTEM  
PROPOSAL FOR FARE AND SERVICE ADJUSTMENTS  
TO BE PHASED IN BEGINNING JANUARY 1, 2018**

The Muskegon Area Transit System is proposing a series of System Adjustments to be implemented beginning January 1, 2018. Below is a summary of the changes proposed, followed by additional information regarding this proposal. A 30-day public comment period will be held regarding this proposal from November 1, 2017, to November 30, 2017. During this period, interested persons may submit written comments to:

Muskegon Area Transit System  
Attn: Transit Systems Manager  
2624 Sixth Street  
Muskegon Heights, MI 49444

A public hearing will be held to gain input on these proposals at the Muskegon County Hall of Justice, 990 Terrace Street, Fourth Floor Board Chambers, on Thursday, November 16, 2017, at 3:30 pm. Please arrive early as all persons entering the Hall of Justice must pass security screening.

**The proposed changes will:**

- 1) Reduce and Realign Saturday Services, Effective January 1, 2018.**
- 2) Reduce Service on Selected Holidays, Effective January 1, 2018.**
- 3) Change the Weekday Scheduled Route End Time for Route 40 - Peck Sanford to 5:10pm, Rather Than 5:33pm, Effective January 1, 2018.**
- 4) Increase prices for MATS Monthly Bus Passes by \$10.00 Each, Beginning with February 2018 Bus Pass Sales.**
- 5) Remove the 7:15am Scheduled Northbound Departure from the MARC Route 115 - Montague Schedule, Effective January 1, 2018, Leaving Other Departures and Routing for Route 115 - Montague Unchanged at this Time.**
- 6) Remove the MARC Route 120 - Holton and MARC Route 125 - Ravenna from Service, Effective January 1, 2018.**

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**Background**

- A. The Muskegon Area Transit System (MATS) operates fixed route and demand-response public transit service throughout Muskegon County. These services are funded primarily by federal and state grants, local community contributions, and fares paid by passengers of the system.
  
- B. The cost of providing public transportation services continues to increase. Through the recent period of economic downturn, MATS expanded services to provide additional mobility options to the community. These expansions included night services, expanded GoBus capacity, regional routes, and other efforts. Now, with improving economic conditions, system ridership is returning to pre-recession levels and the fare revenues that MATS relies on to support the system are not keeping pace with the local match need. Further, a special three-year federal operating assistance grant that was in place to partially support new regional services has now expired. The impact of reduced fare revenues and rising operating expenses must be addressed.
  
- C. MATS is proposing a series of adjustments to contain operating expenses, increase program revenues, realign services to better meet current community needs, and provide improved system flexibility in the future.

## Proposed Actions

### **1) Reduce and Realign Saturday Services, Effective January 1, 2018.**

This action will “use MATS evening routes on Saturdays” instead of the current Saturday routing. MATS proposes to reduce Saturday service operating expenses by removing the eight routes that MATS currently operates on Saturdays, and replacing them with the deployment of six routes that MATS currently operates in evening service. Saturday hours of service would remain similar to the current hours, but with a realigned set of routes deployed.

The six routes proposed to operate on Saturdays were initially designed as evening routes to provide a reasonable level of route coverage to the community at a lower cost. Making this change will provide operating cost savings, while maintaining reasonable Saturday geographic coverage of the MATS urban route service area. Since these routes are already established in the MATS system, this change can be implemented with minimal training or bus stop changes.

Current Saturday service consists of the following routes:

Route 10 – Henry	9:55am – 5:36pm
Route 15 – Sixth	9:50am – 5:40pm
Route 20 – Apple I	9:54am – 5:33pm
Route 30 – Getty-Wood	9:50am – 5:40pm
Route 35 – Lakeshore Sherman	9:50am – 5:40pm
Route 40 – Peck Sanford	9:50am – 5:26pm
Route 50 – Harvey	9:37am – 5:21pm
Route 55 – East Sherman	9:34am – 5:34pm

Proposed Saturday service will consist of the following routes:

Route 15 – Sixth	9:50am – 5:40pm - <b>unchanged</b>
Route 25 – Apple II	9:50am – 5:40pm - <b>added to service</b>
Route 30 – Getty-Wood	9:50am – 5:40pm - <b>unchanged</b>
Route 50 – Harvey	9:37am – 5:21pm - <b>unchanged</b>
Route 55 – East Sherman	9:34am – 5:34pm - <b>unchanged</b>
Route 60 – Lakeshore-Henry	9:50am – 5:40pm - <b>added to service</b>

Through this change, four existing Saturday routes are impacted. Route 10 – Henry and Route 35 – Lakeshore Sherman are both removed from Saturday service and replaced with the Route 60 - Lakeshore Henry route, which covers much of the geography of the routes it replaces. Route 20 – Apple 1 is removed from Saturday service, but replaced with the Route 25 – Apple II, which covers most of the same corridors. Route 40 – Peck Sanford is removed from Saturday service, which will require patrons to use alternate routes available within a short distance of the Peck and Sanford Street corridors.

Making this change will reduce MATS operating expenses, while still providing much of the geographic and service time coverage provided with current Saturday routing.

**2) Reduce Service on Selected Holidays, Effective January 1, 2018.**

Beginning in 2018, MATS proposes to operate a Reduced Bus Service Schedule on the Day after Thanksgiving, as well as on December 24 (Christmas Eve) and December 31 (New Year's Eve), annually. The reduced service to be deployed on these Holidays will be the same routes and start/end times as MATS' Saturday service schedule. This is a reduction from the current full service day provided by MATS on these Holidays.

Reducing service on these three Holidays will result in a cost savings to the system. MATS will deploy six routes for a nine-hour service day rather than deploying ten routes for to seventeen hours with drivers at overtime rates on a date where fewer passengers elect to travel. For each date that this service change is in place, MATS will deploy only 54 hours of fixed route overtime, versus 140 hours of fixed route overtime for a full service day. Making this change will reduce MATS annual operating expenses.

**3) Change the Weekday Scheduled Route End Time for Route 40 – Peck Sanford to 5:10pm, Rather Than 5:33pm, Effective January 1, 2018.**

Effective January 1, 2018, MATS proposes to change the scheduled weekday service ending time on the Route 40 – Peck Sanford Route to 5:10pm, rather than the currently published end time of 5:33pm. This change will remove approximately 13 minutes of route service from this route on weekdays. With this route ending its service day at the Herman Ivory Terminal at 5:10pm, the bus and driver will be able to depart the Herman Ivory Terminal as the 5:15pm Route 115 – Montague. This change will reduce the need for MATS to deploy an additional bus and driver from its fleet to provide this 5:15pm trip on Route 115, and reduce the peak deployment of MATS.

This change will impose minimal impact on the system, but provide significant logistical benefit. The “peak” bus and driver that was being pulled from Demand Response services to make the 5:15pm Route 115 departure will be able to continue its intended demand response services without disruption.

**4) Increase prices for MATS Monthly bus passes by \$10.00 each, beginning with February 2018 bus pass sales.**

MATS proposes to increase the price for Monthly Bus Passes by \$10.00 each, beginning with the sale of February 2018 passes. Monthly bus passes in the MATS fare system are currently priced at \$40.00 per calendar month for a standard pass and \$20.00 per calendar month for a Senior or Disabled pass. The last increase in monthly pass prices occurred in November 2008. With this proposed change, the Monthly bus pass prices will increase to

\$50.00 for a standard pass and \$30.00 for a Senior or Disabled Pass. This change will be effective with the sale of February 2018 bus passes, which will be made available for purchase on or about January 15, 2018.

Monthly bus passes provide for a significantly reduced fare for most patrons that use them. For instance, a person using a Standard monthly bus pass (\$40) two times daily during a typical month (52 trips) pays an average fare of only \$0.77 per trip, instead of the base published fare of \$1.25 per trip. A person using a Senior or Disabled (\$20) monthly bus pass two times daily (52 trips) is paying the equivalent of only \$0.38 per trip, rather than the published reduced fare of \$0.60 per trip. With the proposed change in price, the same customers would pay an average fare of \$0.96 and \$0.58, per trip, respectively.

While the use of a calendar month bus pass provides a convenience for many customers, it also presents a real opportunity cost and loss of important fare revenue to MATS. When accepting a monthly, unlimited ride, bus pass as fare payment for a trip, MATS is not ensured the collection of a base-level fare for each trip provided. This loss of revenue is further exacerbated by passengers that may choose to share (against system policies) monthly bus passes in their home or social circles so that multiple people travel on the same bus pass. In these cases, MATS' ability to recover fare revenue for every trip is further eroded.

While MATS is required to offer reduced fares for the elderly and disabled, this requirement is satisfied by offering the reduced fare for single-ride cash fares. MATS is not required by federal or state regulations to extend any form of discounting via monthly or multi-ride passes. At this time, in lieu of removing discounted monthly bus passes from the available fare payment options, which may be a future consideration, MATS is proposing to increase the cost of these passes, effectively reducing the discount. Individual customers and any agencies that purchase passes on behalf of customers will need to evaluate the case-specific benefit of continuing to purchase the calendar month bus pass or changing to the available 10-ride bus passes, depending on their personal frequency of travel.

The sale of MATS passes varies by season. In the past six months, MATS sold between 100 and 200 monthly bus passes of various types per month. Approximately 1/3 of these are sold to social service agencies for client use, while the remainder is purchased by customers directly from MATS. Implementation of this proposal will increase MATS fare revenues to help cover system operating expenses.

**5) Remove the 7:15am Scheduled Northbound Departure from the MARC Route 115 - Montague Schedule, Effective January 1, 2018, Leaving Other Departures and Routing for Route 115 - Montague Unchanged at this Time.**

The MARC Route 115 – Montague begins its service day with a 6:45am “express” departure from the Herman Ivory Terminal in downtown Muskegon. Upon reaching Montague, this bus returns to Muskegon and departs again at 8:15am. To facilitate anticipated commuters, an additional 7:15am departure has been on the schedule, which provides

additional express service from Muskegon to Montague. Upon reaching Montague, this bus is converted to other MATS services, and is no longer needed for the MARC route until late afternoon. Experience with the 7:15am departure shows little need for this extra 7:15am express trip, as passengers that were anticipated to need it are instead using the 6:45am or 8:15am departures. With this proposal, the 7:15am departure would be removed from the Route 115 schedule, effective January 1, 2018.

Making this change will reduce MATS annual operating expenses on this route, while still providing adequate scheduling to meet customer needs. The demand response vehicle committed to this northbound trip will be available in service to provide capacity for MATS demand response customers.

**6) Remove the MARC Route 120 - Holton and MARC Route 125 - Ravenna from Service, Effective January 1, 2018.**

MATS has operated regional bus route services on Route 120 - Holton and Route 125 - Ravenna since November 2014. This service was developed to provide lifeline route connections from rural areas of our County in to the urban core. Over the three years of service, ridership on these two routes has not built to sustainable levels nor demonstrated an appreciable growth pattern. Expenses of these routes have far surpassed the revenue generated by the service. Each of these routes has serviced, on average over three years, less than one passenger per hour of revenue service provided. With this proposal, Route 120 - Holton and Route 125 - Ravenna would be removed from scheduled service, effective January 1, 2018.

Removal of these routes from service is expected to reduce MATS operating expenses.