

DEPARTMENTAL BUDGET INFORMATION DEPARTMENT OF TRANSPORTATION (20)

MISSION

The mission of the Detroit Department of Transportation (DDOT) is to provide public transit services that are reliable, clean, customer focused, fiscally responsible, safe and secure.

DESCRIPTION

The Department of Transportation has previously operated the bus system in the City of Detroit with a fleet of 445 coaches; schedule changes for FY 2012-13 will only require a fleet size of 262 coaches.

DDOT is the largest transit provider in the State of Michigan operating over 1,200 miles of routes and providing service to over 38 million passengers annually.

DDOT's primary facilities include the Rosa Park Transit Center, passenger transit station located in downtown Detroit, the Administration Building, which is located at 1301 East Warren, and includes **Central Shop**; heavy repair facility, and plant maintenance building. DDOT also maintains three other satellite terminals with light repair garages and storage bays.

DDOT's active fleet consists of 262 fixed-route coaches, which serves 48 bus routes in the City of Detroit. The department maintains approximately 6,000 bus stops and 174 bus shelters

DDOT provides Americans with Disabilities Act (ADA) complementary paratransit services for disabled customers through Detroit MetroLift. Detroit MetroLift utilizes multiple transportation providers who provide lift-equipped paratransit vehicles and sedans to provide service to more than 1,000 passenger trips per day.

Additionally, DDOT provides administrative services to the Detroit Transportation Corporation (DTC), operator of the Detroit People Mover.

MAJOR INITIATIVES FOR FY 2011-12

The primary goal for FY 2012-13 is to restore confidence in the services provided by DDOT by improving our reliability. Service changes slated to take effect by July 1, 2012 will be drastic, however the focal point is assuring the timeliness of our coaches, and controlling our total expenditures, so that we rejuvenate the faith of our riders and ultimately be in compliance with our proposed budget. Prior to March 1, 2012 DDOT required 1.1M operating hours to complete its routes. By eliminating service between the hours of 1 a.m. and 4 a.m., and making slight interval increases that lessen the frequency of our stops, the new schedule will only require 837,000 hours to operate. DDOT should realize a cost savings of approximately \$40M as result of the total costs associated with scheduling change alone.

Despite these drastic scheduling changes, and the lay-offs called during FY 2011-12, management has decided to keep all active drivers and mechanics on staff at the end FY 2011-12. Management understands that employees are our most prized resource, and they are very necessary in our efforts to make operations more efficient.

Since the total scheduled operating hours will be reduced, the coaches needed for our operation will also be reduced. Right-sizing DDOT is not solved by massive lay-offs, it also requires management to make cognitive decisions that aid in aligning the services we provide with total resources that is allocated to provide them.

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In February, 2012 the City appointed three (3) senior managers to oversee the transition of DDOT to new service levels, a right-sized fleet, and performance standards which are in-line with public transportation standards in comparable urban areas in the United States. These managers are under a contractual arrangement with Parsons Brinkerhoff, which has a long-standing consulting and services agreement with DDOT.

In addition to the three managers, DDOT is working with transit industry professionals on a consulting basis with expertise in vehicle maintenance, scheduling and other aspects of urban transportation to improve operating efficiency and ensure budget compliance. DDOT is also updating its automatic vehicle locating (AVL) system to improve schedule adherence, improving conditions at the Rosa Parks Transit Center, and launching a security program to improve safety conditions for drivers and customers at the Rosa Parks Transit Center and on-board buses.

The 2012-2013 Budget has been developed to reflect personnel, purchasing, and other revised operating and capital assumptions after service adjustments which occurred in mid-2011, March 2012 and April 2012. During the 1st Quarter of the 2012-2013 FY DDOT management will begin matching projected financial results with actual performance. Additional service, personnel or SOPs adjustments will be made to ensure Budget compliance throughout the FY.

Furthermore, the completion of the Shoemaker Terminal, which is a state-of-the-art facility, has equipped DDOT with the latest logistics technology, and maintenance

equipment that will allow for better management and repair of our fleet.

PLANNING FOR THE FUTURE FY2012-13, FY 2013-14 and BEYOND

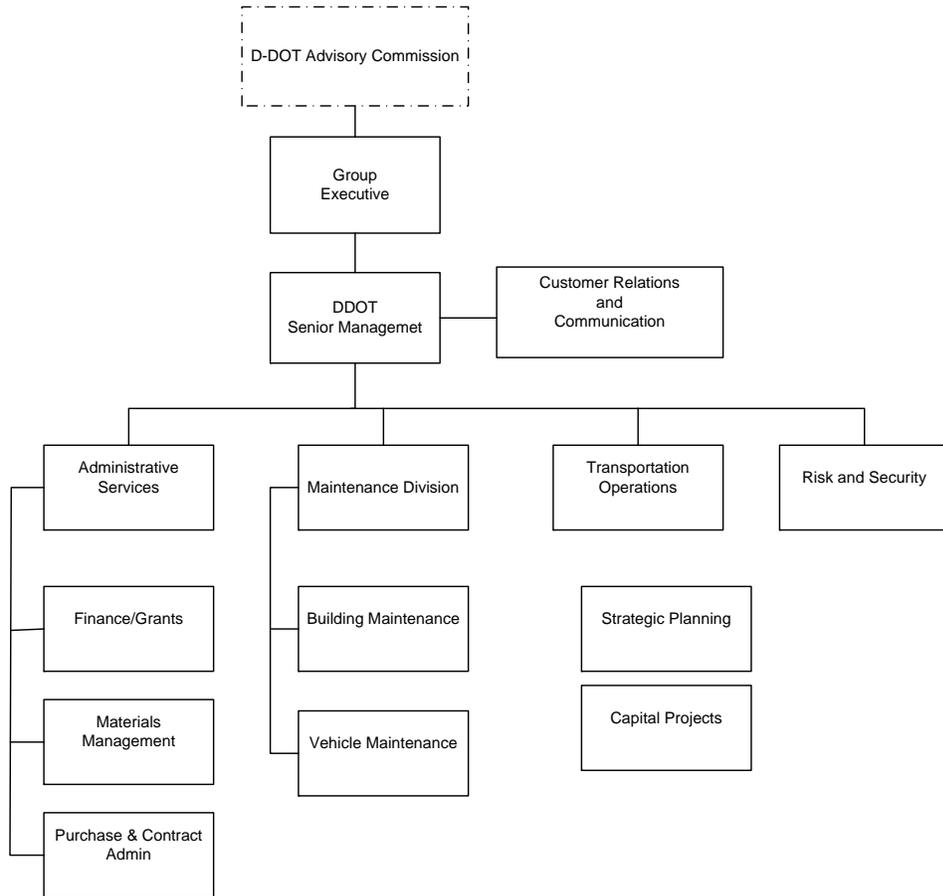
The country's current economic climate has created a financial strong hold on various government services, as result major changes had to occur to right-size this organization. Reductions in personnel, service, and fleet were all necessary to ensure the survival of DDOT.

The federal government's environmental consciousness efforts has made provisions for DDOT to better manage it carbon foot by supplying forty (40) 2012 Gillig Coaches. Moving forward, management plans to cultivate a new workforce that will bring fresh ideas, and equip everyone that is affiliated with DDOT of the understanding that: "no mater what your title is, we are all in the transportation business.

Future projects could include:

- Conducting a study to redesign our current routes to better serve ridership, and add efficiency to operations.
- Providing customers with an app that can be used with smart-phones that will give riders arrival times (currently used in Chicago).
- Continuously improving operations that will aid in reducing expense levels, and add efficiencies.

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PERFORMANCE GOALS, MEASURES AND TARGETS

ADMINISTRATION MEASURES AND TARGETS

Type Of Performance Measure: List Of Measures	2010-11 Actual	2011-12 Projection	2012-13 Target
Inputs: # Accidents resulting in damaging Number of Firms Certified as a DBE	100	105	100
Outputs: Claims Amount of Cases paid (\$)	\$12M	\$12M	\$5.6M
Outcomes: Results or Impacts of Program Activities Number of Wheelchair Bound Passengers Served	13,320	12,500	28,500
Efficiency: Program Costs Related To Units of Activity Service Efficiency: Operating Expense Per Revenue Mile	\$13.46	\$12.99	\$12.00
Cost Effectiveness: Operating Expense Per Passenger Trip	\$4.99	\$5.07	\$4.50
Ratio of WC, LTD, S&A/Total Employees	13.94%	13.74%	12.50%
Fare box Recovery Percent of Budgeted Revenue	18.91%	19.65%	15%
Other Non-Governmental Sources of Revenue	\$2,806,894	\$2,006,894	\$1,600,000

PLANT MAINTENANCE AND CONSTRUCTION

Type Of Performance Measure: List of Measures	2010-11 Actual	2011-12 Projection	2012-13 Target
Outputs: Units of Activity Directed Towards Goals Number of service calls per month)	625	625	450
Plant Maintenance Overtime	\$966,162	\$966,162	\$850,000

VEHICLE MAINTENANCE MEASURES AND TARGETS

Type Of Performance Measure: List of Measures	2010-11 Actual	2011-12 Projection	2012-13 Target
Outputs: Units of Activity Directed Towards Goals Vehicle Maintenance Overtime (Wages)	\$1,325,162	\$1,325,162	\$3,420,000
Outcomes: Results or Impacts of Program Activities Number of Miles Between Road Calls	4,200	4,600	5,000
Efficiency: Program Costs Related To Units of Activity Maintenance Cost Per Passenger	\$1.47	\$1.48	\$1.76

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TRANSPORTATION MEASURES AND TARGETS

Type Of Performance Measure: List of Measures	2010-11 Actual	2011-12 Projection	2012-13 Target
Outputs: Units of Activity Directed Towards Goals			
Number of Miles Operated	17,315,815	17,662,131	11,877,000
Number of Passengers Carried	37,469,741	38,219,136	32,000,000
Actual Vehicle Revenue Miles	13,723,641	14,066,732	11,300,00
Miles per Gallon (M.P.G.)	3.5	3.6	3.75
Efficiency: Program Costs Related To Units Of Activity			
TEO (Driver) Overtime	\$4,950,000	\$4,629,617	\$2,293,600
Operations Division Cost Per Passenger Trip	\$2.36	\$2.19	\$2.05
Passengers Per Revenue Mile	2.73	2.72	2.83

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EXPENDITURES

	2010-11		2011-12		2012-13		
	Actual		Redbook		Mayor's	Variance	Variance
	Expense				Budget Rec		Percent
Salary & Wages	\$ 76,063,701	\$	47,592,333	\$	34,653,985	\$ (12,938,348)	-27%
Employee Benefits	59,936,104		40,568,342		31,251,800	(9,316,542)	-23%
Prof/Contractual	20,462,704		10,516,147		26,600,382	16,084,235	153%
Operating Supplies	24,728,264		12,711,885		15,860,991	3,149,106	25%
Operating Services	40,801,119		22,058,014		29,066,607	7,008,593	32%
Capital Equipment	2,449,572		0		0	0	0%
Capital Outlays	13,373,285		0		0	0	0%
Fixed Charges	11,757,515		0		0	0	0%
Other Expenses	10,007,268		15,936,638		5,554,933	(10,381,705)	-65%
TOTAL	\$ 259,579,532	\$	149,383,359	\$	142,988,698	\$ (6,394,661)	-4%
POSITIONS			1,216		916	(300)	-25%

REVENUES

	2010-11		2011-12		2012-13		
	Actual		Redbook		Mayor's	Variance	Variance
	Revenue				Budget Rec		Percent
Rev from Use of Asset	\$ 2,104,760	\$	705,000	\$	640,000	\$ (65,000)	-9%
Grants/Shared Taxes	47,736,088		20,000,000		20,000,000	0	0%
Sales & Charges	80,236,143		82,000,000		66,539,668	(15,460,332)	-19%
Contrib/Transfers	82,038,414		46,328,359		55,459,030	9,130,671	20%
Miscellaneous	506,589		350,000		350,000	0	0%
TOTAL	\$ 212,621,994	\$	149,383,359	\$	142,988,698	\$ (6,394,661)	-4%