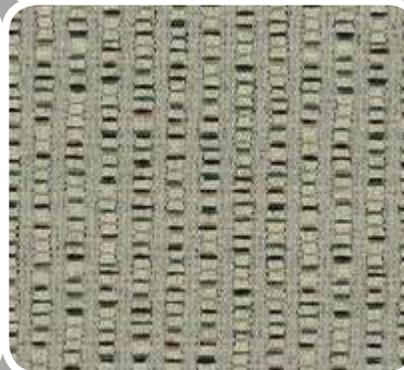




2013 Annual Report





Mission Statement

To create a sustainable transportation system to be used by all residents of the Macatawa area with linkages to other transit systems.

Vision Statement

Enhanced mobility and community access that offer efficient and attractive transportation options for the citizens of the Macatawa area.



Authority Board Members



Polly Diehl, Secretary/Treasurer, City of Holland
Joe Baumann, Vice Chairman, Holland Charter Township
Steve Bulthuis, Member, Macatawa Area Coordinating Council
Glenn Kass, Ex-officio member, City of Zeeland
Victor Orozco, Member, City of Holland
Dave Fackler, Member, Holland Charter Township
Russ TeSlaa, Chairperson, Holland Charter Township
Mike Trethewey, Member, City of Holland
Michael Sandoval, Youth Representative

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Local Advisory Council

Leigh Bartels, Chairperson, City of Holland
Ron Martin, Vice Chairperson, City of Holland
Brent Johnson, Member, Holland Charter Township
Elizabeth Schultz, Member, Holland Charter Township
Gert Vos, Member, City of Zeeland
Charles Veldhoff, MAX LAC Coordinator

From the Top

After many years of anticipation, 2013 marked an exciting milestone in MAX's history with the opening of our new \$4.7 million Greenway Drive operations facility. The new 33,500 sq. ft. operations center and bus storage facility positions us to meet the long-term transportation needs of the greater Holland area. The new facility is centrally located in our service area, and provides ample acreage and building space for future growth.

Elected officials and area residents helped us celebrate our Grand Opening with a dedication ceremony and open house on Oct. 4, 2013. Funded with federal and state capital grants, our "Pure Michigan" facility was designed and built by Michigan-based companies, fueling our local economy and providing good local jobs for residents. It also incorporates many environmentally friendly features that will reduce our long-term energy and maintenance costs.



Russ TeSlaa
Chairman

Having a new, functional facility with adequate space for staff and our fleet protects our capital investments, and really boosts staff productivity and morale. These will have a direct, positive impact on the quality of service delivered to our customers.

I commend our board of directors, executive director, transit planner, and all of the MAX staff for their valuable foresight in planning this facility, and the smooth, seamless move into the new building.



Linda LeFebre
Executive Director

We also continued to modernize our fleet this year with the addition of six mid-sized cutaway vehicles with easily accessible boarding ramps to replace aging buses that have reached the end of their useful life. The average age of vehicles in our fleet is now 4.17 years.

This year we provided a total of 470,781 trips, which represents a modest 4.3 percent increase over the previous year. Some of this

growth came from 5,600 rides that were provided on our new Twilight Route, which began operating in the fall of 2012. By operating two buses in the evening, we are able to operate this new fixed route as well as provide 35 percent more demand response rides in the evening when the need for transportation is high.

Even with increased ridership, we were able to achieve an overall on-time performance of 96.5 percent, and our customer satisfaction levels remain very high with 98 percent saying they would recommend our service. These are outstanding performance scores, and we're grateful to our entire team of drivers, dispatchers, and support staff for their commitment to delivering highly reliable and courteous service to our patrons.

Lastly, the Authority this summer became the ticketing agent for Indian Trails intercity bus service. Serving in this role allows us to help more people with their transportation needs at our intermodal hub, and generates additional revenue through sales commissions.

All of these achievements in the past year keep us moving toward our goal of creating a sustainable transportation system that is used by all residents of our community. We're especially appreciative of our passengers for relying on us for their transportation needs. You've got our commitment that we'll continue to look for creative ways to continually improve and enhance your riding experience.

Russ TeSlaa, Chairman
Linda LeFebre, Executive Director

Rearview Mirror

October 2012

Night Owls Invited to Inaugural Twilight Route Run

MAX provided a total of 183 rides on the new Twilight evening route during its first week of operation from Oct. 1 – 6, 2012. The new evening route began operating on Oct. 1 with a special inaugural ride during the 7 p.m. hour. A total of 83 rides were given the first evening. Ridership on the Twilight Route continued to grow with 5,648 rides during FY 2013.

MAX Begins Free Travel Training Classes

MAX began offering free one-hour Travel Training classes to residents interested in learning how to use the fixed bus route system. The goal of the class is to remove the “fear of the unknown” which often is a barrier to people giving the MAX a try. The class familiarizes students with the fixed routes, teaches them how to plan trips, and reviews general procedures so that passengers are comfortable and confident riding the MAX.



Lakewood Construction Awarded Contract

The MAX Authority Board awarded Lakewood Construction, Inc. of Holland, Mich., a \$3.88 million contract for the construction of its new operations facility to be located on Greenway Drive. Lakewood Construction was one of five construction companies to submit sealed proposals in a competitive bidding process.

Community Action House Food Drive at MAX

MAX's Padnos Center again served as a drop-off location for an annual food drive coordinated by the Community Action House.

Twilights Reward Card Promotion

To encourage passengers to try the new Twilight Route, MAX offered a free mini LED flashlight to passengers with 10 punches on a Twilight Rewards Card. The LED flashlight also serves as a safety measure for passengers waiting at bus stops in the early morning or evening when it's dark.



High Marks from Passenger Survey

One hundred percent of surveyed Reserve-A-MAX passengers and 97 percent of fixed route riders said they would recommend using MAX, and more than half thought service had improved over the last year. One interesting finding in MAX's annual passenger survey was a 4.1 percent increase of passengers with annual incomes over \$31,000, which may indicate more “riders of choice” are using the MAX.

December 2013

Greenway Construction Begins

Mild, dry weather aided in the beginning of construction of the new MAX operations facility. Foundations were laid and water, sanitary and storm systems were completed.



February 2013

History of MAX Transit Presented

MAX staff developed and presented a 90-minute lesson on the history of public transit in Holland to members of the Hope (College) Academy of Senior Professionals. The course covered the evolution of public transit in the U.S. and Holland, and included details on the Interurban railway and the City of Holland's Dial-A-Ride, which was the first in Michigan.

New Arbocs for MAX

MAX took ownership of six new Arboc buses, purchased to replace aging Blue Bird buses. These new buses will be used mainly for the Reserve-A-MAX service.

MAX Achieves New On-time Milestone

MAX's fixed routes reached a new milestone by achieving a 96.5 percent average on-time percentage, including a record seven days with on-time rates at 98 percent or better. For the first 3 months of FY 2013, MAX's average was 96.1 percent which continues to improve.

March 2013

New Text Messaging Service

MAX introduced a new text messaging service to better reach the community with important transit information. Route changes and bus stop closures are among the messages sent to those who subscribe to the service.

April 2013

MAX Wins Video Competition

MAX won both Part 1 and Part 2 of Transportation for Michigan's (Trans4M) "Lights, Camera, Transportation!" video contest, receiving a total of \$2,000 to be used for a community transportation project. In the competition, videos of public transit users' comments and suggestions for transportation in Michigan and the community were posted on YouTube. The transit system with the most videos or the video with the most "likes" won the prizes. MAX had the most videos submitted and one of its videos received the most votes.

TV Spots Earn Three Bronze Telly Awards

MAX won three bronze Telly Awards for its animated "Out of the Box Christmas" and "Twilight Route" TV commercials. The Telly Award honors outstanding local, regional, and cable TV commercials and programs, video and film production and online film and video.





June 2013

Road Construction Begins, Making for Challenging Transit

June saw the beginning of a road construction season that severely affected several of MAX's fixed routes and slowed down reserved-ride service. Particularly affected was Route 5 which had most of its southern bus stops closed. A huge sigh of relief was heard at the end of August when construction came to an end.

HeartChase Comes to Holland

MAX partnered with the American Heart Association to sponsor a HeartChase Challenge that raises funding and awareness to fight heart disease and stroke. MAX's Padnos Center was "game central" for the event, which helped to introduce event participants and their supporters to MAX's facility and bus system.

July 2013

MAX Becomes Indian Trails Agent

To expand transportation options for the community, MAX became the ticketing agent for Indian Trails in Holland. The inter-city bus service provides transportation to cities within Michigan with connections to Greyhound for national and international service. Serving as agent will bring in revenue and will give Indian Trails passengers more travel options.



August 2013

New Student Advisor for MAX Authority Board

Michael Sandoval was appointed the new student advisor to the Authority Board for 2013-14. A junior at West Ottawa High School, Sandoval brings a youthful perspective to the Board.

September 2013

Frost Awarded Market Research Contract

MAX awarded a new three-year contract to Hope College's Frost Research Center to conduct annual passenger surveys and a community study. Frost was selected because of its thorough methodology, experience, knowledge of transit systems, and responsiveness to the bid.

Operations Staff Moves to Greenway Facility

MAX operations staff moved from its old facility at 24th Street in Holland to its newly completed Greenway Drive facility. MAX's fleet and operations staff, including dispatch, will be located at the facility.

Gama Soto Wins Golden Wheel Award

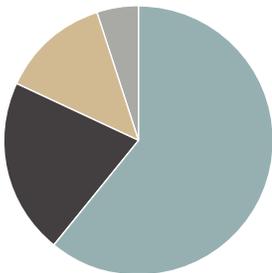
Customer service representative Gama Soto was selected by fellow staff as the winner of MAX's 2013 Golden Wheel Award. His fellow employees noted that Gama is "an inspiration by always moving ahead positively, and taking care of each customer with kindness and respect."



MAX Metrics

Ridership Figures for Fiscal Year 2013

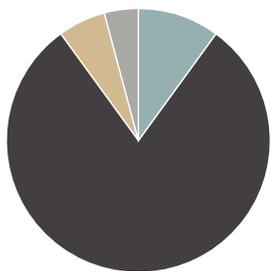
Service	Fiscal Year 2013	Fiscal Year 2012	% Change*
Fixed Route Passengers	365,038	351,377	3.9%
Twilight Route	5,648	---	---
Demand Response Passengers	96,924	97,772	-0.9%
Night Owl Passengers	3,171	2,343	35.3%
Total Ridership	470,781	451,492	4.3%
Fixed Route Vehicle Miles	416,722	417,810	-0.3%
Fixed Route Passengers/Mile	0.88	0.84	4.8%
Twilight Route Vehicle Miles	13,238	---	---
Twilight Route Passengers/Mile	0.43	---	---
Demand Response Vehicle Miles	381,740	382,220	-0.1%
Demand Response Passengers/Mile	0.25	0.26	-0.4%
Night Owl Vehicle Miles	26,033	20,204	28.9%
Night Owl Passengers/Mile	0.12	0.12	0%
Fixed Route Vehicle Hours	34,081	33,710	1.1%
Fixed Route Passengers/Hour	10.71	10.42	2.8%
Twilight Route Vehicle Hours	1,010	---	---
Twilight Route Passengers/Hour	5.6	---	---
Demand Response Vehicle Hours	37,248	35,993	3.5%
Demand Response Passengers/Hour	2.60	2.72	-4.4%
Night Owl Vehicle Hours	2,429	1,910	27.2%
Night Owl Passengers/Hour	1.31	1.23	6.5%



Fixed Route Passenger Breakdown

Rider Type	2013*	2012
Regular	227,064 (61%)	191,023 (54%)
Disabled	77,853 (21%)	72,349 (21%)
Youth	46,951 (13%)	51,529 (15%)
Senior	18,818 (5%)	36,476 (10%)

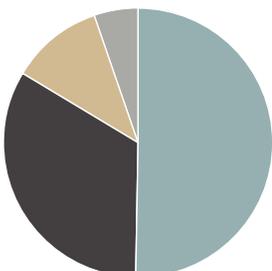
* Includes MAX's new Twilight Route 9 passengers



Reserve-A-MAX Passenger Breakdown

Rider Type	2013**	2012
Regular	10,437 (10%)	10,218 (10%)
Disabled	79,830 (80%)	79,174 (80%)
Youth	5,959 (6%)	6,115 (6%)
Senior	3,869 (4%)	4,608 (4%)

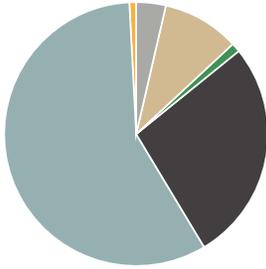
** Includes MAX's Night Owl passengers



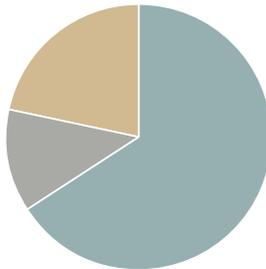
Overall Passenger Breakdown

Rider Type	2013	2012
Regular	237,501 (50%)	201,241 (44%)
Disabled	157,683 (34%)	151,523 (34%)
Youth	52,910 (11%)	57,644 (13%)
Senior	22,687 (5%)	41,084 (9%)

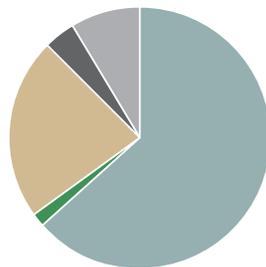
Financials for Fiscal Year 2013



Revenue	2013	2012*	%Change
Passenger Fares	\$ 333,304 (3.7%)	\$ 310,431	7.4%
Tax Levy	851,115 (9.5%)	835,511	1.9%
Local Operating Assistance	84,818 (1.0%)	76,160	11.4%
State Assistance			
Operating & Planning	1,469,203 (16.5%)	1,248,403	17.7%
Capital Grants	970,011 (10.9%)	125,683	671.8%
Federal Assistance			
Operating & Planning	1,258,502 (14.1%)	1,190,291	5.7%
Capital Grants	3,880,037 (43.5%)	585,394	562.8%
Interest & Other Reserves	72,498 (0.8%)	56,851	27.5%
Total	\$8,919,488	\$4,428,724	101.4%



Operating Expenses	2013	2012*	%Change
Operations	\$2,443,805	\$2,406,870	1.5%
Maintenance	472,401	421,047	12.2%
General Administration	793,437	757,623	4.7%
Total	\$3,709,643	\$3,585,540	3.5%



Breakdown of Expenses	2013	2012*	%Change
Wages/Salaries/Employee Costs	\$2,359,071	2,291,612	2.9%
Utilities	58,903	62,754	-6.1%
Maintenance & Operations	829,813	795,102	4.4%
Casualty & Liability Insurance	150,117	141,775	5.9%
Other Operating Expenses	311,739	294,297	5.9%
Total	\$3,709,643	\$3,585,540	3.5%

*FY2012 figures exclude final year-end adjustments to tax receivables and uncollectables



Looking Back at Transit in Holland

The opening of MAX's new operations facility marks the latest milestone in Holland's transit history.

July 4, 1898 – Holland's first Interurban electric streetcar system was introduced, connecting Grand Rapids, Forest Grove, Jamestown, Hudsonville, Jenison, Zeeland, Vriesland, Holland and Saugatuck

1920s – Interurban flourished with heavy use by Holland and West Michigan residents

Nov. 19, 1926 – Holland's Interurban electric streetcar train ceases operation ending an era

1935 – Holland Bus Company, a privately-operated city bus system, begins service

1940s-50s – City bus service enjoys record ridership after WWII

1965 – City bus line garage burns down. Private auto ownership on the rise and transit use declines

1970s – Private bus companies go bankrupt and cease operations as ridership and profits plummet and gas prices rise

1971 – Amtrak formed for nationwide intercity travel

1974 – Interstate 196 freeway opens between Holland and Grand Rapids, enhancing the transportation corridor in West Michigan

1974 – City of Holland sees need for local transportation and begins state's first "DART" Dial-A-Ride service with 4 buses

1991 – City of Holland renovates the old Amtrak depot and dedicates it as the Padnos Transportation Center

2000 – Holland City hires private contractor to oversee transit services, and introduces three fixed routes – the Red, Blue, and Green lines – with 30 minute headways

2002 – City hires experienced public transportation consultant for contractor oversight

2006 – City of Holland and Holland Charter Township create the MAX Transportation Authority, formed under Public Act 196

2007 – Major expansion from 3 to 7 fixed bus routes with hourly headways

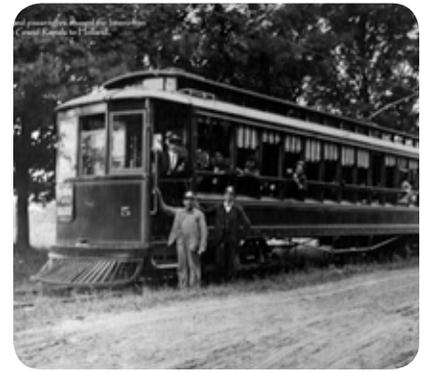
2008 – Introduction of Route 8 to Zeeland and "Night Owl" evening demand response service

2010 – MAX releases contractor and assumes direct oversight of transit system and its employees

2012 – MAX celebrates major milestone of providing its 3,000,000th ride since the year 2000

2012 – Introduction of a new evening fixed route – Twilight Route-9 – that operates from 7-10 p.m.

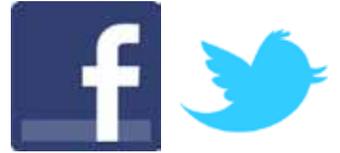
2013 – MAX operations vacate the City of Holland's 24th Street building and move into the new Greenway facility





Keeping in Touch

MAX keeps the community updated with a quarterly e-newsletter called **The Transfer**, text messaging, and via Facebook and Twitter. You may sign up for **The Transfer** on MAX's website, catchamax.org. Search for "MAX Transit" on Facebook and Twitter to connect via those media. To sign up for text messages, send the message "maxtransit" to phone number "313131".



MACATAWA AREA EXPRESS
171 Lincoln Avenue, Suite 20
Holland, MI 49423

Facts at a Glance

- Total Ridership: 470,781
- Average On-time Performance: 97%
- Vehicles in Fleet: 28
- Total Vehicle Miles: 584,387.5
- Average Fleet Vehicle Age: 4.17 years
- Total Fuel in Gallons: 91,565
- Total Employees: 73