



momentum

2008 Annual Report

M A C A T A W A A R E A E X P R E S S T R A N S P O R T A T I O N A U T H O R I T Y



FROM THE TOP

It has been amazing to watch MAX's growth over the past year as we marked our first year of operating our expanded seven fixed routes. For many months, we experienced double-digit ridership growth month-over-month, and we anticipate providing more than 400,000 trips in 2009.

For the first time in our history, fixed route ridership comprised 60% with the balance using demand response service. Further, a survey of fixed route passengers in September 2008 indicated that nearly one-third of users were first-time riders, which is very encouraging. Clearly, we are headed in the right direction and gaining momentum for providing all riders – not just captive passengers dependent on public transit – with a viable transportation option.

Now that passengers have experienced expanded services, many are requesting further improvements, such as shorter headways and evening service. We are pleased to begin offering "Night Owl" evening demand response service beginning October 1, funded in part by an FTA New Freedom Grant. Additional service improvements will require creative strategies for more efficient use of our existing fleet, staff and budget.

Spiking and volatile fuel and oil prices are taking a larger share of our budget, representing nearly 11 percent of next year's earmarked expenditures. Many buses in our fleet are also reaching the end of their useful life and will need replacing in the next two years. This comes at a time when state funding has declined to 36% and we're seeing a reduction in millage revenue due to declining property values from a depressed local economy.

Nonetheless, we are moving forward with a number of initiatives to keep us on the forefront of our industry. The Authority Board is partnering with other area government and educational agencies to explore the use of cleaner burning alternative fuels and vehicles as part of our commitment to reducing our carbon footprint. And we're actively involved in a transit linkages study that aims to provide transportation to outlying areas that have no public transportation.

The Board clarified its vision for the future by adopting revised mission and vision statements, the outcome of a series of visioning sessions to better plan the future of our transit system and satisfy residents' needs. These will guide us in our future strategic planning.

We also note that the Authority in FY2008 only adopted a 15-month fiscal year to align our budgeting cycle with federal and state governments. This allows for greater ease in reconciling grant funding. For comparative purposes only, ridership for 2008 is compared with the previous 15 months to gauge growth.

As a final note, we bid farewell to long-time Authority Board Chairman Nancy Burkitt and Member Doug Bazuin who resigned after nearly six years of service. Their tireless dedication to public transit has served area residents well, and their insight and passion will be greatly missed. We also thank the many organizations and agencies that enthusiastically support MAX and its efforts, and our growing number of loyal passengers for their continued patronage.

Nancy Burkitt
Chairperson

Polly Diehl
Chairperson-elect

Linda LeFebvre
MAX Coordinator

Our Mission

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

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REARVIEW MIRROR

Our Vision

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

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July 2007 – Administrative and MV Transportation staff prepare for the September 2007 fixed route expansion. A series of public training workshops are held in the community to educate area residents about the new routes and how to use the bus service.

August 2007 – The administrative offices for MAX are moved to the Padnos Transportation Center at 8th St. and Lincoln Ave., which will serve as the transfer hub for the fixed routes. Staff will be available during business hours to assist customers with purchasing bus passes, transfers, route questions, and trip planning.

September 2007 – Seven new fixed routes with hourly service are implemented. MAX celebrates the expansion with a public reception at the Padnos Center.

October 2007 – MAX enters into a contractual agreement to lease billboard advertising space on its buses. The venture will help generate additional review for the transit system to help offset rising fuel and insurance costs and reductions in federal and state funding.

February 2008 – Further improvements are made to the recently-expanded fixed route system. Several routes are extended to provide service to more residential and business areas and additional bus stops are added to bring more people within ¼ mile of a bus stop.

March 2008 – A newly-designed website with user-friendly features and tools is introduced. The new website allows visitors to purchase passes online, plan their bus trips using Google Transit Maps, and request a mascot appearance at public events. MAX is one of only a handful of small transit systems in the U.S. to use Google software for trip planning.

April 2008 – MAX announces that the transit system has reached new milestones. Ridership for March 2008 reached an all-time monthly high of 26,950 and for the first time in its history fixed route ridership surpassed 60% with less than 40% using demand response service.

Disability Network/Lakeshore releases findings from its study of regional unmet transportation needs and identifies a priority need to create linkages between Kent, Ottawa and Muskegon transit systems.

May 2008 – The Authority Board adopts a new mission and vision statement to better reflect its goals, values and future direction.

A new Park-N-Ride program was implemented for Tulip Time 2008 to reduce traffic and parking congestion in downtown Holland. Motorists can now leave their cars at seven designated lots located near MAX bus stops and ride the bus into downtown.

June 2008 – MAX participates in the first Green Commute Week, organized by the Macatawa Area Coordinating Council, by promoting the use of bike racks mounted on buses. The weeklong event is designed to raise public awareness of the use of non-motorized transportation and to reduce the use of single-occupant travel by using public transit or carpooling.

July 2008 – MAX gets a "product placement" cameo in the upcoming independent film, Tug, written and directed by Abram Makowka. Producers Tic Tock Studios of Holland requested the use of a MAX bus for one scene in the movie where the main character must ride the bus to his ex-wife's home after his friend totals his car.

August 2008 – MAX receives two federal New Freedom Grants to fund evening demand response service beginning in October 2008, and to improve accessibility to select bus stops with ramps, walkways and shelters.

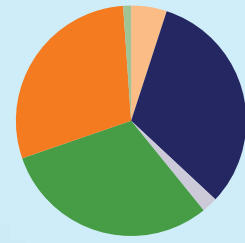
September 2008 – MAX celebrates its one year anniversary of an expanded seven-route system with robust ridership growth over the previous year. A fixed route passenger survey indicates that nearly one-third are first time users who began riding since the routes were expanded.



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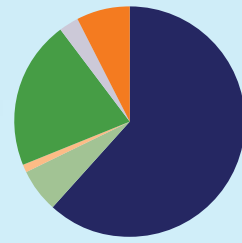
MAX FY2008 FINANCIALS

REVENUE



FY 2008	
Passenger Fares	\$ 282,625
Tax Levy	\$ 1,756,434
Local Operating Assistance	\$ 122,106
State Assistance	
Operating & Planning	\$ 1,450,799
Capital Grants	\$ 225,715
Federal Assistance	
Operating & Planning	\$ 950,000
Capital Grants	\$ 652,310
Interest & Other Revenues	\$ 57,028
Gain (Loss) on Disposal of Fixed Assets	\$ -
TOTAL	\$ 5,497,017

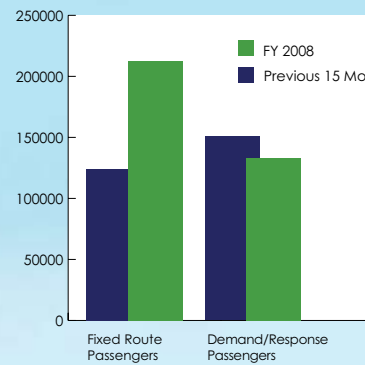
EXPENSES



FY 2008	
Purchased Services	\$ 2,712,413
Wages / Salaries / Employee Cost	\$ 273,187
Utilities	\$ 53,071
Maintenance & Operations	\$ 917,067
Casualty & Liability Insurance	\$ 111,247
Other Operating Expenses	\$ 328,418
TOTAL	\$ 4,395,403

RIDERSHIP FIGURES

SERVICE	Fiscal Year 2008 7/1/07-9/30/08	Previous 15-Month 4/1/06-6/30/07	%Change
Fixed Route Passengers	212364	124035	71.21%
Demand/Response Passengers	133199	150719	-11.62%
Total Ridership	345563	274754	25.77%
Fixed Route Vehicle Miles	396060	358204	10.57%
Fixed Route Passengers/Mile	0.54	0.35	54.85%
Demand/Response Vehicle Miles	628609	668220	-5.93%
Demand/Response Passengers/Mile	0.21	0.23	-6.06%
Fixed Route Vehicle Hours	35160.41	28070.21	25.26%
Fixed Route Passengers/Hour	6.04	4.42	36.69%
Demand/Response Vehicle Hours	46195.63	45997.53	0.43%
Demand/Response /Passengers/Hour	2.88	3.28	-12.00%



ROLLING FORWARD

Further Enhancements to the Fixed Routes

Now that we have a successful first year of running our seven fixed routes with substantial ridership growth, residents are anxious to see further improvements, such as more frequent headways and evening service.

The MAX Authority Board in 2009 will continue to seek creative approaches to increase headways on our busiest routes with the fleet, staffing and funding we have to make the routes even more attractive and convenient for residents to use. The expanded routes are a solid foundation on which we can build on for the future.

West Michigan Transit Linkages Study

The MAX Transportation Authority is participating in a West Michigan Transit Linkages Study initiated by the Ottawa County Planning Department and funded with an MDOT grant. The study is assessing the needs and feasibility of creating interurban links between transit systems within the greater Ottawa County area. There are many outlying communities whose residents are not served by transit systems. The study will examine the possibility of creating links between the transit systems to serve these areas.

Commitment to "Clean Cities" Initiative

In 2008, the MAX Authority Board signed a non-binding letter endorsing

the U.S. Department of Energy's "Clean Cities" initiative. This program involves cities of metropolitan areas creating voluntary, locally based, government/industry partnerships that result in practices that reduce the use of petroleum consumption in the transportation sector.

A grant from the West Michigan Strategic Alliance is funding work by The Sustainable Research Group to identify stake-holders, organize a steering committee and advisory council, and prepare the application and program plan for the Clean Cities designation.

To this end, MAX leadership is actively participating in the development of a West Michigan Clean Cities Coalition, which will explore initiatives to reduce fuel usage over the next five years. As part of this effort, representatives from MAX, the City of Holland, Holland Board of Public Works, and Holland Public Schools, is studying the use of alternative fuels and vehicles, car-pooling, and educational activities to promote public transit.

'Night Owl' Service Begins October 1, 2008

In response to passenger requests for evening service, MAX will begin offering demand response service from 7 p.m. until midnight Mondays through Saturdays. Fiscal constraints currently prevent MAX from offering evening fixed route service.

The new evening service is being funded with a \$55,000 New Freedom Grant from the Federal Transportation Administration and matching funds from MAX. Funding will cover the cost of one driver operating one bus each evening to provide 10-20 rides per night, depending on trip origins and destinations.

Our Key Values

- Integrity
- Competence
- Trust
- Knowledge
- Community
- Accountability





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