

Metro's actions to increase productivity and efficiency

Metro service is funded primarily by sales tax, and the economic downturn that started in 2008 caused a significant reduction in Metro's revenue from this source. As part of an effort to make up for the lost revenue and preserve bus service, Metro has taken actions to increase productivity and efficiency:

- Between 2009 and 2012, Metro implemented recommendations of a King County performance audit that saved \$204 million from 2009 through 2013 and are expected to realize \$93 million in ongoing annual savings. These actions were part of a broader strategy to cut costs and increase revenue that gained or saved a total of \$798 million to preserve Metro service over the past five years.
- Since 2011, when the County adopted service guidelines for Metro that emphasize productivity, Metro has followed the guidelines to restructure large parts of the transit system.
- Metro is implementing business process improvement programs and Lean events.
- Guided by King County's Energy Plan and Strategic Climate Action Plan and Metro's Sustainability Plan, Metro has lowered energy and water consumption and has reduced waste disposal by reusing and recycling more, cutting or avoiding costs.

What is Lean?

Lean is a way of thinking and a set of tools for maximizing customer value while minimizing waste. King County is using Lean with the intent of continuously finding better ways to work and deliver better results for the public.

Examples of Metro's continuous improvement actions:

- Conducted a Vehicle Maintenance Base Automation Pilot Program at two base locations, resulting in the reduction of one position at each base (saving \$100,000 annually at each) and improving worker productivity (e.g. a 49% improvement in work order completion time at one location and a 28% improvement at the other). Savings are expected to grow as employees become accustomed to new work processes and as the program is expanded to all other Metro bases in 2014.
- Began using online employment applications that enable Metro to process twice as many applicants with the same number of employees.
- Consolidated electronic personnel records with the aim of increasing security, improving access, allowing queries and disaster recovery, and using less office space.

Did you know?

Metro has about 4,500 employees.

Examples of Lean process improvement efforts:

- Created new workers compensation claims procedures and an online system that enables managers to track and share information about injured workers. This 2012 Lean event was part of an ongoing effort that Metro started in 2005 that is intended to control workers comp costs.
- Made Family Medical Leave administration improvements—for example eliminating paper attendance cards and instead using the HASTUS transit management software. Results include less staff time needed for some procedures and fewer errors in personnel records. This project is profiled on the County's website at www.kingcounty.gov/employees/Lean/GembaGram/FMLatTransit.aspx



Metro Operations and Human Resources staff members untangling Family Medical Leave administration challenges at a May 2012 Lean "kaizen" event.

- Improved ORCA Business Passport contract renewal processes for more than 800 businesses that sell ORCA passes. For example, the project resulted in a 20% reduction in renewal cycle time.
- Recently started a Lean project for Metro's Vehicle Maintenance section that has the goal of reducing bus parts inventory and inventory costs.

Examples of productivity/efficiency actions taken between 2009-2012 with ongoing benefits:

- Changed the way buses are scheduled so fewer buses deliver the same amount of service. Ongoing annual savings: \$13 million.
- Eliminated 125 "backup" operator positions from the 2008 level and increased the use of part-time drivers or full-time drivers working overtime to fill absences. Ongoing annual savings: \$1.45 million.
- Expanded Metro's Community Access Transportation (CAT) program as part of an effort to contain the costs of paratransit service—federally mandated door-to-door service for people with disabilities that is costly for Metro to operate. CAT provides vans and support to partner community organizations that offer rides as an alternative to Metro's Access service. CAT trips are less expensive and fill service gaps as well. Metro has doubled the number of CAT trips since 2008, and plans to continue expanding this program. Savings in 2013: \$5 million.
- Extended the inspection interval for buses. Ongoing annual savings: \$450,000.
- Using the service guidelines adopted in 2011, cut 75,000 hours of the least productive bus service and reallocated those service hours, along with hours gained from more efficient scheduling, to more productive service. These actions have resulted in higher ridership and fare revenue. Ongoing annual savings: \$8 million.



Examples of sustainability actions:

- Reduced energy use at Metro facilities by 13% between 2009 and 2012. Facility energy conservation efforts helped Metro avoid approximately \$170,000 in energy costs in 2012, equivalent to a 7% savings.
- Metro has received or will receive a total of \$1.8 million in utility incentives for energy conservation projects initiated in 2007 through 2013. Estimated annual electricity and natural gas savings are 4.9 million kWh and 275 Therms. Examples of projects:
 - In 2013, replaced ventilation fans at North Base that are projected to save approximately 2 million kWh per year, equivalent to \$116,000 in annual savings.
 - In 2013, upgraded lighting at Downtown Seattle Transit Tunnel stations for an estimated annual savings of 477,000 kWh and \$30,000 in energy costs. Metro is continuing the lighting efficiency program in the tunnel and at transit facilities and park-and-rides.
- Reduced energy use between 2009 and 2012 by transit service vehicles by 4% per mile. In 2012, transit service vehicles traveled over 59 million miles.
- Reduced solid waste by 394 tons in 2012 compared to 2003, avoiding approximately \$66,000 in waste disposal costs.
- Reduced water consumption by 14,264 CCF in 2012 compared to 2009, avoiding approximately \$276,000 in water costs.

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